

- Capturing and sequestering naturally occurring carbon dioxide contained within our customers' natural gas, enabling them to sell gas that could not be sold unprocessed

We expect these types of services to grow in the future as governments look to energy-efficient products and services to address climate change.

ESTABLISH WIN-WIN RELATIONSHIPS

Our stakeholders are those who are, or could be, affected by our operations. The millions of dollars we spend in our operations each year contribute significantly to the economic prosperity of our stakeholders, help secure our role as a valuable business partner and smooth our entry into new markets. Developing mutually beneficial relationships is a key focus that is ingrained in our culture. In fact, building win-win relationships is one of our Charter values, and we intend to enhance our reputation as the business partner and employer of choice.

Spectra Energy and the Tennessee Valley Authority

The Tennessee Valley Authority (TVA) entered into a long-term lease for a power plant in Choctaw, Mississippi, that is connected to our Texas Eastern Transmission mainline. When TVA requested supply options, we worked quickly to assemble a transportation and balancing package that enabled TVA to access liquid gas supply sources in Louisiana, as well as their existing storage service at our Egan gas storage facility, thus providing balancing flexibility for their power plant and reducing their exposure to higher-priced intraday gas purchases.

The customer wins. TVA was able to execute a long-term lease on a power plant to assist them in meeting the growing requirements for power in their service area while reducing costs.

We win. We signed a valuable customer to a long-term contract. The new deal builds on our success with TVA at our Egan storage facility and increases TVA's position across our assets.

WORKING WITH REGULATORS

State, provincial and federal regulatory agencies oversee fundamental aspects of our business, including: facility site selection and construction, tariffs, access to markets and customers and procedures for maintaining supply to customers. Understanding the expectations of regulators and building positive, constructive relationships with them are both crucial.

Operating Pressure Waiver

By working with regulators to demonstrate how we safely operate our pipelines, the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration granted us a waiver to operate our Maritimes & Northeast Pipeline expansion project at increased pressures and safety requirements. The increased safety requirements are becoming the standard, and we were able to increase the throughput on our existing asset instead of laying additional pipe.

The benefits are impressive. We increased our pipeline capacity, solved our customers' supply problems, decreased our expansion expenses and minimized our impact on landowners and the environment.