

ENBRIDGE INC
Form 6-K
March 29, 2011

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

Report of Foreign Issuer

**Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934**

Dated March 29, 2011

Commission file number 001-15254

ENBRIDGE INC.

(Exact name of Registrant as specified in its charter)

Canada
(State or other jurisdiction
of incorporation or organization)

None
(I.R.S. Employer Identification No.)

3000, 425 1st Street S.W.

Calgary, Alberta, Canada T2P 3L8

(Address of principal executive offices and postal code)

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(403) 231-3900

(Registrants telephone number, including area code)

Indicate by check mark whether the Registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the Registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes No

Indicate by check mark if the Registrant is submitting the Form 6-K in paper as permitted by regulation S-T Rule 101(b)(7):

Yes No

Indicate by check mark whether the Registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the Registrant in connection with Rule 12g3-2(b):

N/A

THIS REPORT ON FORM 6-K SHALL BE DEEMED TO BE INCORPORATED BY REFERENCE IN THE REGISTRATION STATEMENTS ON FORM S-8 (FILE NO. 333-145236, 333-127265, 333-13456, 333-97305 AND 333-6436), FORM F-3 (FILE NO. 33-77022) AND FORM F-10 (FILE NO. 333-152607 AND 33-170200) OF ENBRIDGE INC. AND TO BE PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS FURNISHED, TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED.

The following document is being submitted herewith:

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- Annual Report for the year ended December 31, 2010.
-

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ENBRIDGE INC.
(Registrant)

Date: March 29, 2011

By: /s/ Alison T. Love
Alison T. Love
Vice President, Corporate Secretary & Chief
Compliance Officer

LETTER TO SHAREHOLDERS

2010 was a year of significant
accomplishment and continued
growth, tempered by incidents
that will have a lasting impact
on our Company.

Enbridge had another very strong financial year in 2010, delivering outstanding organic growth across all of its business units and simultaneously securing new projects and assets that will extend the Company's enviable rate of growth well into the future.

As great as these accomplishments were, 2010 was also humbling for Enbridge as we experienced two significant crude oil pipeline leaks in the United States. Applying the lessons learned from those leaks is the top priority for the Company.

STRONG GROWTH

Enbridge again achieved industry-leading earnings per share growth in 2010. Adjusted earnings per share rose 13% to \$2.66 per common share, which builds on a 25% increase in 2009.

Our 2010 growth was driven by two factors: the strong financial performance of all our businesses and the commencement of operations of \$6.5 billion in new projects.

Over the past three years we have brought over \$12 billion in projects into service and we currently have another \$6 billion of commercially secured projects coming into service by 2014, as well as \$30 billion of new opportunities under development across all of our businesses. In 2010 alone, we secured \$4 billion in new growth projects and assets, and in the first two months of 2011 we announced an additional \$0.4 billion in investments.

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We are well positioned to meet our long-term growth objectives. We anticipate Enbridge's adjusted earnings per share will grow at an average annual rate of 10% through the middle of this decade and, with the Company's cash flow anticipated to grow at an even more rapid pace, we expect to continue delivering exceptional dividend growth to our investors. The Board has increased the 2011 dividend by 15%. Enbridge has increased its dividend an average of 11% per year over the past 10 years, and in more than 55 years as a publicly traded company we have never reduced the dividend. Few North American companies can match this record of accomplishment.

Our growth opportunities are aligned with our very reliable, low-risk business model that results in highly predictable earnings. We are involved in strategically important geographies, including the Canadian oil sands, the Bakken Formation, the Midwest Texas and Louisiana shale gas plays and offshore natural gas and oil. Our interests in wind, solar and alternative green energy power generation

are focused on the growing renewable energy demand in North America.

LIQUIDS PIPELINES

In 2010, we put into service on budget and ahead of schedule the \$3.5 billion Alberta Clipper Project, which represents the largest mainline expansion in Enbridge's history, and the unique \$2.3 billion Southern Lights pipeline from Chicago to Edmonton that is the first to deliver diluent to western Canada.

In the Athabasca region we have secured six new projects that are valued at \$2.6 billion and are expected to go into service between 2011 and 2014. These include the expansion of the Company's Athabasca Pipelines, expansion of our Waupisoo Pipeline, three new pipelines Woodland, Wood Buffalo, and Norealis and expansion of Enbridge's Edmonton terminal facilities. Enbridge's Regional

FINANCIAL HIGHLIGHTS

Year ended December 31, <i>(millions of Canadian dollars, except per share amounts)</i>	2010	2009	2008
Earnings per Common Share	2.60	4.27	3.67
	2.66		
	1.70		
	648		
	12.9%		
	66.7%		

OPERATING HIGHLIGHTS

	2,168
	291
	144
	276
	1,600
	1,456
	1,962
	393
	1,981

1 Enbridge System includes Canadian mainline deliveries in Western Canada and to the Lakehead System at the United States border, as well as Line 8 and Line 9 in Eastern Canada.

2 Volumes are for the Athabasca mainline and the Waupisoo Pipeline and exclude laterals on the Enbridge Regional Oil Sands System.

3 Number of active customers is the number of natural gas consuming Enbridge Gas Distribution customers at the end of the period.

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Oil Sands System, which currently connects five producing oil sands projects, will connect eight producing projects by 2014. We continue to hear encouraging announcements of growth and investment in the oil sands, and Enbridge is very well positioned to provide a wide range of flexible and cost effective transportation solutions to existing and new shippers.

Also in 2010, Enbridge Income Fund and Enbridge Energy Partners, L.P. completed expansions of their Saskatchewan and North Dakota systems, respectively. Additionally, they announced a new \$560 million Bakken Expansion Program that will increase capacity out of the region by another 145,000 barrels per day starting in early 2013.

In May 2010, we reached a major milestone when we filed our regulatory application with the National Energy Board for the \$5.5 billion Enbridge Northern Gateway Pipeline Project, a proposed twin pipeline system running between Edmonton, Alberta to a new marine terminal in Kitimat, British Columbia to export crude oil and import condensate. We have strong commercial support for Northern Gateway, with a consortium of Canadian producers and Southeast Asian refiners acting as our funding partners as we move through the regulatory process. We are also offering Aboriginal communities along the pipeline route

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up to 10% of the equity in the project. The project will bring long-term economic and social benefits to not only northern British Columbia and Alberta, but also all of Canada.

GAS PIPELINES, PROCESSING AND ENERGY SERVICES

All three of our geographically distinct gas pipeline businesses – gathering and processing, offshore pipelines and long-haul transmission – hold strong competitive positions.

In 2010, Enbridge Energy Partners grew its natural gas infrastructure in the Lower 48, acquiring US\$700 million in assets in the prolific Granite Wash area located in the Texas Panhandle region and southwest Oklahoma.

The sanctioning by Chevron in October of its Jack St. Malo project in the Gulf of Mexico has enabled us to advance our US\$400 million Walker Ridge Gas Gathering System. We are also in the engineering phase for the US\$250 million Big Foot Oil Pipeline. Both of these ultra deepwater projects are commercially secured and are structured to strengthen returns and to align closely with Enbridge's reliable business model.

In early 2011, we announced a \$150 million expansion of the condensate processing capacity of our Venice, Louisiana facility to accommodate additional offshore natural gas production.

We expect the expansion, which will double capacity to approximately 12,000 barrels of condensate per day, will be in service in late 2013.

The Alliance Pipeline is strategically positioned to continue to realize strong returns by virtue of its proximity to liquids-rich shale gas plays in northeast British Columbia and the Bakken Formation.

GAS DISTRIBUTION

Enbridge Gas Distribution (EGD), one of the fastest growing utilities in North America, is continuing to boost its return on investment under Incentive Regulation in Ontario. EGD is adding over 30,000 new customers a year.

In February 2011, Enbridge announced it will invest \$145 million to acquire an additional 6.8% interest in Noverco, bringing its total interest to 38.9%. Noverco owns 71% of Gaz Metro Limited Partnership, which owns gas distribution and gas pipelines assets in Quebec and gas and electric power distribution and transmission assets in Vermont.

GREEN ENERGY

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In 2010, we commissioned the 80-MW Sarnia Solar facility, one of the largest photovoltaic solar facilities in the world, announced the 99-MW Greenwich Wind Energy Project in Ontario and entered the U.S. green energy market by securing the 250-MW Cedar Point Wind Energy Project in Colorado.

Executive Management Team *(left to right)*

David T. Robottom *Executive Vice President & Chief Legal Officer*

Janet Holder *President, Enbridge Gas Distribution*

J. Richard Bird *Executive Vice President, Chief Financial Officer & Corporate Development*

Al Monaco *President, Gas Pipelines, Green Energy & International*

Stephen J. Wuori *President, Liquids Pipelines*

Patrick D. Daniel *President & Chief Executive Officer*

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We concluded 2010 with the substantial completion of the Talbot Wind Energy project in Ontario, and in February 2011 announced the acquisition of the Amherstburg and Tilbury solar projects.

Enbridge has secured over \$1.5 billion in green energy projects over the past 18 months and we expect that rate of growth to continue. Our investments generate predictable and reliable returns supported by long-term power-purchase agreements with creditworthy counterparties, combined with fixed price contracts for engineering, procurement and construction. They also support our Neutral Footprint initiative to help ensure that the construction of Enbridge's new projects have no net environmental impact.

RESPONDING TO INCIDENTS

On July 26, 2010 a leak of an estimated 20,000 barrels of crude oil occurred on our Line 6B pipeline near Marshall, Michigan. That leak was the most serious environmental incident in our long history. And on September 9, 2010, an estimated 9,000 barrels of crude oil (of which approximately 1,400 barrels were removed from the pipeline as part of the repair) were released from our Line 6A in an industrial section of Romeoville, Illinois.

These incidents tested our ability to respond to the individuals and communities affected by the leaks, to the regulators and numerous agencies involved in the response effort, and to our customers whose deliveries were disrupted by the prolonged shutdown of the affected pipelines.

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No accident or spill will ever be acceptable to us and we are more determined than ever to meet our goal of zero incidents. We take pride in Enbridge's employees and the commitment they have demonstrated to responding to these incidents and applying what we have learned to ensure that incidents like these never happen again. The safety and integrity of our operations remains our highest priority. Enbridge's job is to deliver the energy that North Americans need safely, reliably and efficiently. That is our primary social responsibility.

MANAGEMENT AND BOARD CHANGES

We wish to express our sincerest thanks to Steve Letwin, who retired from Enbridge as Executive Vice President, Gas Transportation & International, in October 2010. Steve was a significant contributor over his 11 years as a member of Enbridge's leadership team. Enbridge announced a new structure for its executive management team to capitalize on their strengths and reflect the continued growth and evolution of the Company.

In November 2010, the Board of Directors announced the appointment of Maureen Kempston-Darkes, retired Group Vice President and President, Latin America, Africa and Middle East, General Motors Corporation, and the first woman to lead General Motors of Canada. As a successful and accomplished Canadian businesswoman with experience in the automotive, transportation and energy industries, she brings a valued perspective to Enbridge's Board.

IN CONCLUSION

Our positive financial results in 2010 reflect the collective efforts of our 6,400 employees across the organization to achieve our vision of being the leading energy delivery company in North America. We thank all of them for their outstanding work and continuing commitment to our corporate values.

Enbridge has an exceptionally strong asset base, a proven ability to develop new businesses, and a track record of on-time, on-budget execution. The Company offers investors visible and sustained earnings growth, a substantial and growing dividend and a very reliable business model.

The unique combination of these attributes will continue to deliver superior results for our shareholders' solid returns that you can count on.

David A. Arledge

Chair of the Board of Directors

Patrick D. Daniel

President and Chief Executive Officer

March 2, 2011

CORPORATE GOVERNANCE

Board of Directors (left to right)

David A. Leslie *Corporate Director, Toronto, Ontario*

Charles W. Fisher *Corporate Director, Calgary, Alberta*

Patrick D. Daniel *President & Chief Executive Officer, Enbridge Inc.,
Calgary,
Alberta*

Charles E. Shultz *Chair & Chief Executive Officer, Dauntless Energy
Inc., Calgary,
Alberta*

Catherine L. Williams *Corporate Director, Calgary, Alberta*

George K. Petty *Corporate Director, San Luis Obispo, California*

David A. Arledge *Chair of the Board, Enbridge Inc., Naples, Florida*

J. Lorne Braithwaite *Corporate Director, Thornhill, Ontario*

V. Maureen Kempston-Darkes *Corporate Director, Weston, Florida*

Dan C. Tutcher *Corporate Director, Houston, Texas*

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J. Herb England *Chairman & Chief Executive Officer, Stahman-England* **James J. Blanchard** *Senior Partner, DLA Piper U.S., LLP, Beverly Hills, Michigan*
Irrigation Inc., Naples, Florida

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At Enbridge, corporate governance means that a comprehensive system of stewardship and accountability is in place and functioning among Directors, management and employees of the Company.

Enbridge is committed to the principles of good governance, and the Company employs a variety of policies, programs and practices to manage corporate governance and ensure compliance.

The Board of Directors is responsible for the overall stewardship of Enbridge and, in discharging that responsibility, reviews, approves and provides guidance with respect to the strategic plan of the Company and monitors implementation.

The Board approves all significant decisions that affect the Company and reviews its results. The Board also oversees identification of the Company's principal risks on an annual basis, monitors risk management programs, reviews succession planning and seeks assurance that internal control systems and management information systems are in place and operating effectively.

FINANCIAL RESULTS

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ENBRIDGE INC. 2010 ANNUAL REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) dated February 18, 2011 should be read in conjunction with the audited consolidated financial statements and notes thereto of Enbridge Inc. (Enbridge or the Company) for the year ended December 31, 2010, which are prepared in accordance with Canadian generally accepted accounting principles (GAAP). All financial measures presented in this MD&A are expressed in Canadian dollars, unless otherwise indicated. Additional information related to the Company, including its Annual Information Form, is available on SEDAR at www.sedar.com.

Overview

Enbridge is a North American leader in delivering energy. As a transporter of energy, Enbridge operates, in Canada and the United States, the world's longest crude oil and liquids transportation system. The Company also has a significant involvement in the natural gas transmission and midstream businesses. As a distributor of energy, Enbridge owns and operates Canada's largest natural gas distribution company and provides distribution services in Ontario, Quebec, New Brunswick and New York State. As a clean energy generator, Enbridge is expanding its interests in renewable and green energy technologies, including wind, solar, and geothermal energy, and hybrid fuel cells. Enbridge employs approximately 6,400 people, primarily in Canada and the United States.

The Company's activities are carried out through five business segments: Liquids Pipelines, Gas Distribution, Gas Pipelines, Processing and Energy Services, Sponsored Investments and Corporate, as discussed below.

LIQUIDS PIPELINES

Liquids Pipelines consists of common carrier and contract crude oil, natural gas liquids (NGLs) and refined products pipelines and terminals in Canada and the United States, including the Enbridge System, the Enbridge Regional Oil Sands System, Southern Lights Pipeline and other feeder pipelines.

GAS DISTRIBUTION

Gas Distribution consists of the Company's natural gas utility operations, the core of which is Enbridge Gas Distribution Inc. (EGD) which serves residential, commercial and industrial customers, primarily in central and eastern Ontario as well as northern New York State. This business segment also includes natural gas distribution activities in Quebec and New Brunswick.

GAS PIPELINES, PROCESSING AND ENERGY SERVICES

Gas Pipelines, Processing and Energy Services consists of investments in natural gas pipelines, processing and green energy projects, the Company's commodity marketing businesses, and international activities.

Investments in natural gas pipelines include the Company's interests in the United States portion of Alliance Pipeline (Alliance Pipeline US), Vector Pipeline and transmission and gathering pipelines in the Gulf of Mexico. Investments in processing includes the Company's interest in Aux Sable, a natural gas fractionation and extraction business. The commodity marketing businesses manage the Company's volume commitments on Alliance and Vector Pipelines, as well as perform commodity storage, transport and supply management services, as principal and agent.

SPONSORED INVESTMENTS

Sponsored Investments includes the Company's 25.5% ownership interest in Enbridge Energy Partners, L.P. (EEP), Enbridge's 66.7% investment in the United States segment of the Alberta Clipper Project through EEP and Enbridge Energy, L.P. (EELP) and an overall 72% economic interest in Enbridge Income Fund (EIF), held both directly and indirectly through Enbridge Income Fund Holdings Inc. (EIFH). Enbridge manages the day-to-day operations of, and develops and assesses opportunities for each of these investments, including both organic growth and acquisition opportunities.

EEP transports crude oil and other liquid hydrocarbons through common carrier and feeder pipelines and transports, gathers, processes and markets natural gas and NGLs. The primary operations of EIF include a crude oil and liquids pipeline and gathering system, a 50% interest in the Canadian portion of Alliance Pipeline (Alliance Pipeline Canada) and partial interests in several green energy investments.

CORPORATE

Corporate consists of the Company's investment in Noverco Inc. (Noverco), new business development activities, general corporate investments and financing costs not allocated to the business segments.

Performance Overview

	Three Months Ended December 31,		Year Ended December 31,		
	2010	2009	2010	2009	2008
<i>(millions of Canadian dollars, except per share amounts)</i>					
Earnings Applicable to Common Shareholders					
	117		512		
	60		155		
	32		121		
	56		137		
	61		38		
	326		963		
	0.87		2.60		
	0.86		2.57		
Adjusted Earnings ¹					
	117		512		
	54		167		
	31		123		
	48		209		
	(12)		(27)		
	238		984		
	0.64		2.66		
Cash Flow Data					
	375		1,851		
	(746)		(2,674)		
	152		749		

Dividends

163
0.425

648