

Spectra Energy Corp
Spectra Energy Partners, LP
Non-GAAP Reconciliation for SEC Regulation G

Ongoing EBITDA

The materials include discussions of segments' ongoing earnings from continuing operations before interest, income taxes, and depreciation and amortization (EBITDA). Ongoing EBITDA is a non-GAAP financial measure as it represents reported segment and Other EBITDA adjusted for special items. The most directly comparable GAAP measure for segment and Other EBITDA is reported segment and Other EBITDA. Management is unable to forecast any special items for future periods.

Distributable Cash Flow (DCF)

The materials include discussions of Distributable Cash Flow, which is a non-GAAP financial measure. The most directly comparable GAAP measure for Distributable Cash Flow is net income.

Distributable Cash Flow Coverage

The materials include discussions of Distributable Cash Flow coverage, which is a non-GAAP financial measure as it represents DCF, a non-GAAP financial measure, divided by dividends/distributions declared on common stock/partnership units. The most directly comparable GAAP measure for Distributable Cash Flow coverage is net income – controlling interests divided by dividends/distributions paid on common stock/partnership units.

Spectra Energy Corp			
Distributable Cash Flow	2015e	2016e	2017e
(In millions)			
Total Reported Net Income	1,050	1,220	1,375
Add:			
Interest expense	685	700	780
Income tax expense (benefit)	295	340	380
Depreciation and amortization	810	865	930
Foreign Currency Gain & Loss	0	0	0
Less:			
Discontinued Ops	0	0	0
Third Party Interest Income	0	0	0
EBITDA	2,840	3,125	3,465
Add:			
Net Cash from Equity Investments	70	(20)	(75)
Other	55	70	50
Less:			
Interest Expense	(685)	(700)	(780)
Equity AFUDC	(125)	(130)	(105)
Cash paid for income taxes	(5)	(240)	(290)
Distributions to Non-controlling interests	(200)	(255)	(305)
Gain (Loss) on sale of other assets	0	0	0
Adjusted Maintenance capital expenditures	(745)	(730)	(740)
Total Consolidated Distributable Cash Flow	1,205	1,120	1,220
SE Dividends declared	1,020	1,120	1,220
Coverage	1.2x	1.0x	1.0x

(e) per February 5, 2015 presentation

Spectra Energy Partners, LP			
Distributable Cash Flow	2015e	2016e	2017e
(In millions)			
Total Reported Net Income	1,170	1,305	1,485
Add:			
Interest expense	245	270	315
Income tax expense (benefit)	15	15	20
Depreciation and amortization	295	315	340
Foreign Currency Gain & Loss	0	0	0
Less:			
Discontinued Ops	0	0	0
Third Party Interest Income	0	0	0
EBITDA	1,725	1,905	2,160
Add:			
Net Cash from Equity Investments	40	(20)	(55)
Other	10	10	10
Less:			
Interest Expense	(245)	(270)	(315)
Equity AFUDC	(90)	(90)	(55)
Cash paid for income taxes	(10)	(10)	(10)
Distributions to Non-controlling interests	(30)	(30)	(30)
Gain (Loss) on sale of other assets	0	0	0
Adjusted Maintenance capital expenditures	(290)	(300)	(295)
Total Consolidated Distributable Cash Flow	1,110	1,195	1,410
SEP Distributions declared	1,005	1,185	1,360
Coverage	1.1x	1.0x	1.0x

(e) per February 5, 2015 presentation