

Spectra Energy Partners, LP
Definitions of Non-GAAP Financial Measures and Supplemental Reconciliations

EBITDA

EBITDA, a non-GAAP financial measure, represents earnings from continuing operations before interest, income taxes, depreciation and amortization. The most directly comparable GAAP measure for EBITDA is net income.

Ongoing EBITDA

Ongoing EBITDA, a non-GAAP financial measure, represents EBITDA, excluding special items. The most directly comparable GAAP measure for ongoing EBITDA is net income.

Distributable Cash Flow (DCF)

DCF, a non-GAAP financial measure, represents the cash generation capabilities of the partnership to support distribution growth. We define it as EBITDA plus distributions from equity investments, less earnings from equity investment, equity AFUDC, interest expense, cash effect of income taxes, distributions to non-controlling interests, maintenance capital expenditure and certain other non-cash items affecting net income. The most directly comparable GAAP measure for DCF is net income.

Ongoing DCF

Ongoing DCF, a non-GAAP financial measure, represents DCF, excluding the cash effect of special items. The most directly comparable GAAP measure for ongoing DCF is net income.

DCF Coverage

DCF coverage, a non-GAAP financial measure, represents DCF, divided by distributions declared on partnership units. The most directly comparable GAAP measure for DCF coverage is Earnings-Per-Unit.

Spectra Energy Partners, LP
Reported to Ongoing Earnings Reconciliation
June 2017 Quarter-to-Date
(Unaudited)
(In millions)

SEGMENT EARNINGS BEFORE INTEREST, TAXES, AND DEPRECIATION AND AMORTIZATION	Reported Earnings	Less: Special Items	Ongoing Earnings
U.S. Transmission	\$ 480	\$ (17) A	\$ 497
Liquids	64	(1) B	65
Total Reportable Segment EBITDA	544	(18)	562
Other	(25)	(11) B	(14)
Total Reportable Segment and other EBITDA	\$ 519	\$ (29)	\$ 548
EARNINGS			
Total Reportable Segment EBITDA and Other EBITDA	\$ 519	\$ (29)	\$ 548
Depreciation and Amortization	(87)	—	(87)
Interest Expense	(60)	—	(60)
Income Tax Expense	(5)	—	(5)
Total Net Income	367	(29)	396
Total Net Income - Noncontrolling Interests	(39)	—	(39)
Total Net Income - Controlling Interests	\$ 328	\$ (29)	\$ 357

A - Primarily merger related severance costs and inspection and repair costs related to the Texas Eastern pipeline incident in Pennsylvania.

B - Primarily merger-related severance costs

Spectra Energy Partners, LP
Reported to Ongoing Earnings Reconciliation
June 2016 Quarter-to-Date
(Unaudited)
(In millions)

SEGMENT EARNINGS BEFORE INTEREST, TAXES, AND DEPRECIATION AND AMORTIZATION	Reported Earnings	Less: Special Items	Ongoing Earnings
U.S. Transmission	\$ 406	\$ (6) A	\$ 412
Liquids	58	—	58
Total Reportable Segment EBITDA	464	(6)	470
Other	(22)	—	(22)
Total Reportable Segment and other EBITDA	\$ 442	\$ (6)	\$ 448
EARNINGS			
Total Reportable Segment EBITDA and Other EBITDA	\$ 442	\$ (6)	\$ 448
Depreciation and Amortization	(77)	—	(77)
Interest Expense	(56)	—	(56)
Other Income and Expenses	1	—	1
Income Tax Expense	(5)	—	(5)
Total Net Income	305	(6)	311
Total Net Income - Noncontrolling Interests	(18)	—	(18)
Total Net Income - Controlling Interests	\$ 287	\$ (6)	\$ 293

A- Inspection and repair costs related to the Texas Eastern pipeline incident in Pennsylvania.

Spectra Energy Partners, LP
Reported to Ongoing Distributable Cash Flow Reconciliation
Unaudited
(In millions)

	Three Months Ended					
	June 30, 2017			June 30, 2016		
	Reported	Less: Special Items	Ongoing	Reported	Less: Special Items	Ongoing
Net Income	\$ 367	\$ (29)	\$ 396	\$ 305	\$ (6)	\$ 311
Add:						
Interest expense	60	-	60	56	-	56
Income tax expense	5	-	5	5	-	5
Depreciation and amortization	87	-	87	77	-	77
Foreign currency loss	-	-	-	1	-	1
Less:						
Third party interest income	-	-	-	2	-	2
EBITDA	519	(29)	548	442	(6)	448
Add:						
Earnings from equity investments	(40)	-	(40)	(30)	-	(30)
Distributions from equity investments	40	-	40	32	-	32
Other	(1)	-	(1)	1	-	1
Less:						
Interest expense	60	-	60	56	-	56
Equity AFUDC	48	-	48	29	-	29
Net cash paid for income taxes	3	-	3	4	-	4
Distributions to non-controlling interests	13	-	13	8	-	8
Maintenance capital expenditures	53	1	52	73	-	73
Total Distributable Cash Flow	\$ 341	\$ (30)	\$ 371	\$ 275	\$ (6)	\$ 281