

For the three months ended March 31, 2007

Enbridge Income Fund Announces Quarterly Results

On April 30, 2007, Enbridge Income Fund (the “Fund”) announced earnings of \$3.5 million, or \$0.10 per unit, for the quarter ended March 31, 2007 compared with \$5.3 million, or \$0.15 per unit, in the prior year. The results reflected increased costs in the Corporate segment, primarily higher current taxes, as well as higher interest expense, incentive fees and ECT preferred unit distributions, which were partially offset by a solid contribution from the Green Power segment. Performance from Alliance Canada and the Saskatchewan System was consistent with the prior year comparable period.

Jim Schultz, President of Enbridge Management Services Inc., the Administrator of the Fund, commented, “During the first quarter, the Fund continued to provide consistent distributions to unitholders, which were in line with expectations. We will continue to focus on maximizing cash flow; first by ensuring existing operations are optimized and second by continuing to pursue near-term organic growth opportunities including the Westspur expansion in the Saskatchewan System, the BCX expansion in Alliance Canada, and the construction of three new waste heat recovery facilities in NRGreen.”

During the three months ended March 31, 2007, the Fund declared monthly cash distributions of \$0.08 per ordinary unit. Cash distributions of the same amount per unit were also declared on the subordinated units and the ECT preferred units. The Fund pays cash distributions on a monthly basis to unitholders of record on the last business day of each month. Distributions are payable on or about the 15th day of the month following the declaration.

Based on current operations, the Fund estimates that approximately 80% of cash to be distributed in 2007 will be included in the income of unitholders for tax purposes. The remaining 20% of cash distributed to unitholders represents non-taxable return of capital.

On June 21, 2004, the Fund announced the commencement of a Distribution Reinvestment and Unit Purchase Plan (the "Plan"). Participants may elect, without brokerage fees, to automatically reinvest monthly distributions in additional units of the Fund, and may make optional cash payments of up to \$1,000 per month (subject to a minimum of \$100 per month) to purchase additional units of the Fund. Details of the Plan are available on the Fund's website. Investors should contact their respective investment dealer to enroll.

Enbridge Income Fund Management's Discussion & Analysis For the three months ended March 31, 2007

This management's discussion and analysis (MD&A), dated April 30, 2007, should be read in conjunction with the unaudited interim consolidated financial statements of Enbridge Income Fund (the Fund) as at and for the three months ended March 31, 2007, and the audited financial statements and MD&A contained in the Fund's Annual Report for the year ended December 31, 2006. Unless otherwise noted, all financial information is in Canadian dollars and financial information pertaining to Alliance Canada and Green Power reflects the Fund's proportionate share. Additional information related to the Fund, including the Fund's Annual Information Form, is filed on SEDAR at www.sedar.com.

CONSOLIDATED EARNINGS		
<i>(millions of dollars)</i>	Three months ended March 31,	
	2007	2006
Alliance Canada	14.0	13.7
Saskatchewan System	2.9	3.1
Green Power	0.8	-
Corporate	(14.2)	(11.5)
Earnings	3.5	5.3

Earnings, for the three months ended March 31, 2007, decreased by \$1.8 million over the same period in 2006. The results reflected increased costs in the Corporate segment, primarily higher current taxes, as well as higher interest expense, incentive fees and ECT preferred unit distributions, which were partially offset by a solid contribution from the Green Power segment. Performance from Alliance Canada and the Saskatchewan System was consistent with the prior year comparable period.

FORWARD-LOOKING STATEMENTS

Certain information provided in this Management's Discussion and Analysis constitutes forward-looking statements. The words "anticipate", "expect", "project", "estimate", "forecast" and similar

expressions are intended to identify such forward-looking statements. Although the Fund believes that these statements are based on information and assumptions which are current, reasonable and complete, these statements are necessarily subject to a variety of risks and uncertainties pertaining to operating performance, regulatory parameters, economic conditions and commodity prices. You can find a discussion of those risks and uncertainties in our Canadian securities filings. While the Fund makes these forward-looking statements in good faith, should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary significantly from those expected. Except to the extent required by applicable securities law and regulations, the Fund assumes no obligation to publicly update or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.

FUND DESCRIPTION & OBJECTIVE

The Fund is an unincorporated open-ended trust established by a trust indenture under the laws of the Province of Alberta. The Fund is administered by Enbridge Management Services Inc. (EMSI or the Manager), a wholly owned subsidiary of Enbridge Inc. (Enbridge). The Fund owns the Saskatchewan System, a 50% interest in Alliance Pipeline Limited Partnership (Alliance Canada), as well as a 50% interest in NRGreen Power Limited Partnership (NRGreen) and interests in three wind power projects in Western Canada (collectively, known as Green Power.)

The Fund's objective is to provide a stable and sustainable flow of distributable cash through investment in energy infrastructure and to increase, where prudent, cash distributions per unit.

FINANCIAL RESULTS

Alliance Canada is the Canadian portion of the 3000 km Alliance System. The Alliance System is designed to transport 1,325 million cubic feet per day (mmcf/d) of natural gas from Northeastern British Columbia and Northwestern Alberta to the Chicago, Illinois area.

Alliance Canada has transportation service agreements with its shippers for 100% of its available firm transportation capacity. Alliance Canada's transportation service agreements are designed to provide toll revenues sufficient to recover prudently incurred costs of service, including operating and maintenance, depreciation, an allowance for income and provincial capital taxes, costs of indebtedness and an allowed return on equity of 11.26% after tax, based on a deemed 70/30 debt/equity ratio. The initial term of these agreements expires in 2015, except for 1.5% of contracted transportation capacity, which is currently contracted until March 2010.

Alliance Canada earnings for the three months ended March 31, 2007 increased by \$0.3 million over the three months ended March 31, 2006. The increase was primarily the result of the elimination of the large corporation tax and the reduction in the capital tax rate. These changes were partially offset by the reduction in the equity return caused by the depreciating investment base and a reduction in the recovery of notional taxes in tolls due to tax rate changes.

Earnings reflect a return on equity applied to investment base accounts, as well as an allowance for income and provincial capital taxes on regulated activities. The rate used to calculate the

equity return is not expected to change; however, related annual earnings will decline over time as the investment base is depreciated.

Revenue for the three months ended March 31, 2007 was \$51.3 million compared with \$50.6 million for the three months ended March 31, 2006. The increase resulted from higher cost of service recoveries, which were partially offset by a lower equity return as a consequence of a depreciating investment base. The increase in cost of service recoveries was driven by higher operating expenses from increased personnel costs, current year property taxes and compressor maintenance expenditures.

The Saskatchewan System includes four crude oil and liquids pipeline systems: the Saskatchewan Gathering, Westspur, Weyburn, and Virden pipeline systems. Together, these systems include approximately 328 km of trunk line and 1,900 km of gathering pipeline with capacities ranging from 37,000 bpd to 190,000 bpd.

Saskatchewan System earnings for the three months ended March 31, 2007 were comparable with earnings for the three months ended March 31, 2006 and reflected the timing of allowance oil sales.

The Saskatchewan Gathering System and the Westspur System tolling agreements are designed to provide toll revenues sufficient to recover operating costs, depreciation, deemed interest expense, deemed income tax, a return on rate base and to provide an administrative expense allowance. The rate used to calculate the equity return is not expected to change. However, the rate base upon which the equity return is calculated will change over time due to depreciation as well as maintenance and enhancement capital additions. Tolls on the Weyburn and Virden systems are based on historical precedence and/or agreements with customers and are updated to reflect changes in market conditions when warranted. As a result, earnings from Weyburn and Virden reflect tolls less costs incurred.

For the three months ended March 31, 2007, revenues were \$11.7 million compared with \$11.3 million for the three months ended March 31, 2006. The slight increase in revenues reflected an increase in cost of service recoveries.

Green Power includes the Fund's 33% to 50% interests in three wind power projects in Saskatchewan and Southern Alberta. Collectively, these wind power projects can generate a total of 71 megawatts (MW) of electricity. Green Power also includes the Fund's 50% interest in NRGreen, which develops and operates waste heat recovery facilities along the Alliance Pipeline. These facilities convert waste heat to electricity, which is then sold under long-term power purchase agreements. The first facility, at Kerrobert, Saskatchewan, began operations at the end of 2006.

Earnings for the period met expectations and were generated primarily from the Wind Power assets. Earnings also included a positive contribution from NRGreen. The NRGreen Kerrobert facility commenced operations on December 29, 2006 and was fully operational for the last six weeks of the quarter ending March 31, 2007. Collectively, Green Power assets generated approximately 85,500 MW hours of electricity during the period.

Corporate costs include distributions on the preferred units of the Enbridge Commercial Trust

(ECT), a subsidiary of the Fund, as well as interest expense, incentive fees and management and administrative costs.

Corporate costs were \$14.2 million for the three months ended March 31, 2007 compared with \$11.5 million for the three months ended March 31, 2006. The \$2.7 million increase was driven primarily by higher current taxes than for the same period in the prior year due to a recovery of current tax that was recognized in the first quarter of 2006 and higher accrued current tax expense in the first quarter of 2007 due to timing. In addition, interest expense increased as a result of the increased borrowings used to finance the acquisition of the Wind Power projects in October 2006 and both incentive fees and ECT preferred unit distributions increased due to a 4.5% increase in per unit distributions in the fourth quarter of 2006.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2007, the Fund had \$31.0 million available on its credit facility. This facility, combined with cash generated by operating activities supplemented by additional borrowings as necessary, is expected to be sufficient to meet the forecast liquidity and capital resource requirements of the Fund. Forecasted liquidity requirements include monthly cash distributions to unitholders, including ordinary and subordinated unitholders of the Fund, as well as preferred unitholders of ECT. Anticipated capital resource requirements include budgeted maintenance and enhancement capital expenditures described in the Fund's 2006 Annual Report.

The Fund's cash balance at March 31, 2007 of \$33.4 million includes \$20.9 million held in trust by Alliance Canada, pursuant to finance agreements within Alliance Canada.

Operating Activities

Cash provided by operating activities was \$31.1 million for the three months ended March 31, 2007, a decrease of \$1.5 million from the prior year period. Although cash from operations was impacted by the decrease in earnings compared with the prior year, it was partly offset by increases in working capital due to the timing of payments.

Investing Activities

Cash used for investing activities for the three months ended March 31, 2007 of \$11.3 million was \$9.0 million higher than the prior year period primarily due to the construction of the three new waste heat recovery facilities at Alameda, Estlin, and Loreburn, Saskatchewan by NRGreen. The NRGreen capital expenditures are being funded through the use of the credit facility.

Financing Activities

Financing activities for the three months ended March 31, 2007 related to monthly distributions to ordinary and subordinated unitholders, and changes in outstanding indebtedness under credit facilities.

On February 2, 2007, the Fund amended the maturity date of its existing three-year credit facility from February 10, 2009 to February 10, 2010.

There has not been a significant change in the Fund's financial position from December 31, 2006.

CHANGES IN ACCOUNTING POLICIES

Effective January 1, 2007, the Fund adopted new accounting standards for: Financial Instruments - Recognition and Measurement, Financial Instruments - Disclosure and Presentation, Comprehensive Income, and Hedges. These policies were adopted prospectively and accordingly, prior periods were not restated.

The new standards require that the Fund now recognize certain financial instruments, including cash flow hedges, on the balance sheet at fair value. The standards also require the classification of financial assets and liabilities according to expected use. Loans and receivables, and instruments held to maturity, remain recorded at amortized cost. The Fund has not changed the classification or valuation of other financial instruments.

To the extent cash flow hedges are effective, the unrealized changes in fair value are recorded in Accumulated Other Comprehensive Income, a component of unitholders' equity, until the gains or losses are realized and recognized in earnings. Unrealized changes in fair value hedges are recorded in earnings with changes in the fair value of the underlying asset or liability. Any ineffectiveness is charged to current earnings. Generally, effectiveness is an assessment of how well a hedge mitigates the underlying risk.

For derivatives that do not qualify for hedge accounting, the unrealized changes in fair value are charged to current earnings. The Fund does not use derivatives for speculative purposes.

The Fund uses hedges to mitigate fluctuations in cash flows from the sale of power generated by certain wind power assets. The new accounting standards require changes in the fair value of the hedges be reflected in AOCI. However, the new standards do not affect earnings or distributable cash flow generated by the Fund. As a result of the new standards for cash flow hedges, at January 1, 2007, the Fund recognized a liability of \$6.1 million representing the fair value of its power purchase swap agreements.

Capital Disclosures and Financial Instruments – Disclosure and Presentation

Effective January 1, 2008, the Fund will adopt new accounting standards for Capital Disclosures and Financial Instruments – Disclosure and Presentation. The Fund will disclose its objectives, policies and procedures for managing capital, additional information with respect to capital compliance requirements, and enhanced disclosure of risks associated with financial instruments and how those risks are managed.

OUTLOOK

Operations

The Fund will continue to focus on managing its existing assets and seek to increase distributable cash flow through investment in stable energy infrastructure, subject to available capital.

Alliance Canada will continue to focus on its core business, operating performance, and the competitiveness of its tolls. This includes the B.C. expansion project, which proposes to increase receipt capacity for existing shippers with natural gas receipts originating in Northeastern British Columbia and the construction of the Taylor Compression Station which would increase receipt capacity on the Taylor-Aitken Creek lateral system.

Alliance Canada has received binding subscriptions, at an acceptable price, for 150 mmcf/d. As a result, an application with a total cost of \$30.0 million was filed with the National Energy Board (NEB) for this initiative. The NEB's decision is expected to be issued in the third quarter of 2007 and Alliance Canada has scheduled completion of the project for the second quarter of 2009.

On March 21, 2007, NOVA Chemicals Corporation ("NOVA") and Aux Sable Canada Ltd. (ASC), an Alliance Canada related party by virtue of a common ownership group, signed a letter of intent to develop an ethane extraction plant in Fort Saskatchewan, Alberta that would process natural gas from the Alliance System. As a result of this announcement, Alliance Canada is engaged with NOVA and ASC to negotiate a facilities connection agreement for the interconnection of Alliance Canada and the proposed Fort Saskatchewan Extraction Plant (FSEP).

The Saskatchewan System will continue to focus its efforts on managing system assets and infrastructure, and further developing its operational procedures and processes to maximize available transportation capacity and the competitiveness of its tolls. The proposed Weyburn capacity expansion was completed and in service in early 2007. It is anticipated that the Westspur expansion will be in-service at the end of 2007. The NEB approval process is currently underway and the Fund is considering increasing the budget for this expansion as a result of an increase in scope, higher material and labour costs, and environmental review requirements associated with the NEB application.

Green Power will focus on operational effectiveness, expansion of NRGreen through the construction of three 5.1 MW waste heat recovery facilities at Alliance Canada's Alameda, Estlin and Loreburn compressor stations and the pursuit of incentives under the Federal Government's ecoEnergy program.

Recent Tax Developments

On March 19, 2007, Bill C-52, an Act to implement certain tax measures proposed or referenced in the 2007 budget was tabled in Parliament. Included in this bill was the "Tax Fairness Plan" draft legislation released on December 21, 2006 creating a new tax regime for publicly traded income trusts including the Fund. Considerable uncertainty still exists regarding the final form of the legislation and when it may be enacted. The draft legislation does not fully address all aspects of the tax regime introduced in the Tax Fairness Plan (including the "normal growth" guidelines) and amendments to the Bill can be made during the parliamentary process.

If enacted in their present form, the proposed tax changes would, all other things being equal, likely result in a reduction of cash available for distribution by the Fund commencing in 2011. With respect to the proposed limitations on equity unit issuances, the Manager believes that the Fund should be able to fund its currently identified growth plans. However, with the current uncertainty in the capital markets resulting from the proposed tax changes, there can be no assurance that sufficient capital will be available to fund further acquisitions or expansion

projects. The Manager, with input from external legal and financial advisors, is closely monitoring legislative developments and carefully assessing the impact of the proposed legislation on the business and financial outlook of the Fund and its broader effect on the income trust sector as a whole, all with a view to adopting a strategy that will maximize value to unitholders going forward once the legislative framework is finalized. The Manager, through the Canadian Energy Infrastructure Group, has also been active in lobbying the Government for changes to the proposed legislation, to mitigate its adverse effects and better reflect the broader context of the North American capital market.

CASH AVAILABLE FOR DISTRIBUTION¹	Three months ended	
	March 31,	
<i>(millions of dollars)</i>	2007	2006
Cash Provided by Operating Activities	31.1	32.6
Add/(Deduct):		
ECT preferred unit distributions	9.1	8.7
Alliance Canada cash retained	(12.7)	(6.7)
Green Power cash retained	(0.6)	(4.0)
Saskatchewan System maintenance capital expenditures	-	(0.2)
Change in operating assets and liabilities in the period	(8.8)	(9.6)
Cash Available for Distribution	18.1	20.8
Cash Available for Distribution is comprised of the following:		
Alliance Canada distributions	16.0	18.1
Alliance Canada capital tax	(0.1)	(0.3)
Alliance Canada large corporations tax	-	(0.4)
Saskatchewan System operating income before depreciation, amortization and accretion	6.4	6.4
Saskatchewan System maintenance capital expenditures	-	(0.2)
Green Power distributions	1.1	-
Green Power cash used for settlement of cash flow hedges	(0.2)	-
Corporate management and administrative expense	(1.4)	(0.9)
Corporate other income	-	0.1
Corporate interest expense	(3.1)	(2.3)
Corporate current taxes	(0.6)	0.3
Cash Available for Distribution	18.1	20.8
Cash Distributions Declared	17.4	16.7
¹ Cash available for distribution is not a standardized measure under Canadian Generally Accepted Accounting Principles; therefore, it may not be comparable to similarly titled measures used by other issuers.		

The above calculations of cash available for distribution represent cash available to fund distributions on ordinary units, subordinated units and ECT preferred units, as well as for debt repayments and reserves. This measure is important to unitholders as the Fund's objective is to provide a stable and sustainable flow of distributable cash to unitholders.

Cash available for distribution decreased from the prior year primarily due to increased costs within Corporate.

For the three months ended March 31, 2007, cash distributions declared of \$17.4 million (2006 - \$16.7 million) represented 96.1% (2006 – 80.3%) of cash available for distribution. As at March 31, 2007, the Fund had distributed 91.6% of cash available since inception.

The cash retained by Alliance Canada and Green Power reflects the cash from operations of these segments that has not been distributed to the Fund. While the cash from operations was proportionately consolidated and was included in the results of the Fund, it is not available for distribution by the Fund until it has been received from the joint ventures. Cash available for distribution from Alliance Canada and Green Power was reduced to reflect debt service reserves, capital expenditures and other cash that was needed to fund working capital or other requirements of these segments. Distributions from Alliance Canada, which are subject to the approval of the Board of Directors of the General Partner of Alliance Canada, are made on a quarterly basis and paid in the month subsequent to a quarter end. In the Green Power segment, distributions from the Wind Power projects are made monthly, while distributions from NRGreen will be made on a quarterly basis and paid in the month subsequent to a quarter end.

The Saskatchewan System maintenance capital expenditures were determined based on the capital requirements necessary to maintain the service capability of the existing assets and include the replacement of system components and equipment that is worn, obsolete or completing its useful life.

Significant items that have impacted quarterly financial information are as follows:

- Second quarter earnings in 2006 reflected future income tax recoveries of \$16.7 million due to the substantive enactment of reductions in future tax rates during the quarter.
- The Board of Trustees approved increases in distributions of 1% and 4.5%, on the Fund's ordinary and subordinated units and the ECT preferred units, effective with the distributions payable to holders of record on January 31, 2006, and November 30, 2006, respectively.

SUPPLEMENTARY INFORMATION

Outstanding Unit Data	<u>Number of Units Outstanding</u>
Ordinary Units	20,125,000
Subordinated Units	14,500,000
ECT Preferred Units	38,023,750

Outstanding unit data information is provided as at April 30, 2007.

Interim Report to Shareholders



ENBRIDGE INCOME FUND NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. These consolidated financial statements do not include all disclosures required for annual financial statements and should, therefore, be read in conjunction with the consolidated financial statements and notes thereto included in Enbridge Income Fund's (the Fund) 2006 Annual Report. These interim financial statements follow the same accounting policies and methods of application as those included in the 2006 Annual Report, except as described below in Note 1.

Certain comparative amounts have been reclassified to conform with the current year's financial statement presentation.

1. CHANGES IN ACCOUNTING POLICIES

Financial Instruments, Hedging Relationships and Other Comprehensive Income
Effective January 1, 2007, the Fund adopted new accounting standards for: Financial Instruments - Recognition and Measurement, Financial Instruments - Disclosure and Presentation, Comprehensive Income, and Hedges. These policies were adopted prospectively and accordingly, the prior periods were not restated.

Financial Instruments

Measurement and Presentation - The new standards require all financial assets and liabilities to be recorded at fair value, except loans and receivables and certain instruments held to maturity. Loans and receivables and certain instruments that are held to maturity are measured at amortized cost. For instruments measured at fair value, unrealized changes in fair value are recognized in earnings, unless the instrument is an available for sale asset or is designated as an effective cash flow hedging instrument, in which case the unrealized changes are recorded in Other Comprehensive Income.

With the exception of recognizing derivative instruments at fair value, the Fund has not changed the valuation of its financial instruments. The fair values of derivatives reflect an estimate of market value based on generally accepted valuation techniques.

Transaction Costs

On January 1, 2007, the Fund reclassified unamortized deferred financing fees of \$10.1 million from deferred amounts and other assets to long-term debt as a result of adopting the new standards. The reclassification of debt issue costs has no impact on earnings. Financing fees are amortized using the effective interest rate method over the life of the related debt.

Comprehensive Income

The new standards also require the Fund to present a Consolidated Statement of Comprehensive Income, which consists of earnings and the effective portion of changes in unrealized gains and losses related to cash flow hedges. The cumulative changes in Comprehensive Income are recorded in Accumulated Other Comprehensive Income or Loss (AOCI), a separate component of unitholders' equity.

Hedges

From time to time, the Fund utilizes cash flow hedges to manage changes in power prices and interest rates. For derivative instruments designated as a cash flow hedge, the effective portion of the change in fair value of the cash flow hedging instrument is recorded in other comprehensive income and reclassified to earnings when the underlying transaction is recognized in earnings. Any hedge ineffectiveness is recorded in current period earnings. Generally, effectiveness is an assessment of how well a hedge mitigates the underlying risk.

If a derivative instrument designated as a cash flow hedge ceases to be effective or is terminated, hedge accounting is discontinued and the gain or loss at that date is deferred and recognized concurrently with the related transaction. If the anticipated transaction is no longer probable, the gain or loss is recognized immediately in earnings. Subsequent gains and losses from the derivative instrument are recognized in earnings in the period they occur.

If a derivative instrument is not an effective hedge or is not documented as a hedging item, changes in the fair value are recorded in current period earnings. The Fund does not use derivative instruments for speculative purposes.

As a result of the new standards for cash flow hedges, at January 1, 2007, the Fund recognized a liability of \$6.1 million representing the fair value of its power purchase swap agreements. The current portion of the liability, \$1.0 million, is recorded in accounts payable and accrued liabilities. Because these agreements were designated as cash flow hedges, the offset of \$6.1 million has been recorded in AOCI. At March 31, 2007, the Fund has recorded a liability of \$9.6 million for the unrealized fair value of these cash flow hedges. The cash flow hedges expire over periods ranging from 9 years to 17 years. Realized net losses of \$0.2 million from the Fund's power purchase swap agreements were recorded in revenue in the quarter. The gains and losses on power purchase swap agreements are non-taxable since the agreements were made within non-taxable entities.

The Fund estimates that \$1.0 million of AOCI will be reclassified to earnings in the next 12 months.

The adoption did not impact the Fund's earnings or cash flows; however, it resulted in the following adjustments at January 1, 2007:

Capital Disclosures and Financial Instruments – Disclosure and Presentation

Effective January 1, 2008, the Fund will adopt new accounting standards for Capital Disclosures and Financial Instruments – Disclosure and Presentation. The Fund will disclose its objectives, policies, and procedures for managing capital, additional information with respect to capital compliance requirements, as well as provide enhanced disclosure of risks associated with financial instruments and how those risks are managed.

2. SEGMENTED INFORMATION

3. CONTRACTUAL OBLIGATIONS

NRGreen has entered into contracts related to the construction of waste heat electrical generation facilities. At March 31, 2007, NRGreen has capital expenditure commitments pursuant to these contracts of approximately \$17.0 million in 2007 and \$3.5 million in 2008, representing the Fund's 50% interest.

4. SUBSEQUENT EVENTS

Distribution by the Fund

On April 13, 2007, the Fund paid monthly cash distributions of \$0.08 per ordinary trust unit. A cash distribution of \$0.08 per unit was also paid on the same date on the subordinated trust units and the ECT preferred units.

On April 17, 2007, the Fund declared a monthly cash distribution of \$0.08 per ordinary trust unit to unitholders of record on April 30, 2007, which is payable on May 15, 2007. The Fund also declared a distribution of \$0.08 per unit on the same date on the subordinated trust units and the ECT preferred units.

Distribution from Alliance

On April 27, 2007, the Fund received distributions of \$16.9 million from Alliance Canada.

Distribution from NRGreen

On April 17, 2007, the Fund received distributions of \$0.3 million from NRGreen.