

**Enbridge Income Fund  
Management's Discussion & Analysis  
For the three months ended March 31, 2008**

This management's discussion and analysis (MD&A), dated May 5, 2008, 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, 2008, and the audited financial statements and MD&A contained in the Fund's Annual Report for the year ended December 31, 2007. 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](http://www.sedar.com).

**CONSOLIDATED EARNINGS**

<i>(millions of dollars)</i>	Three months ended	
	2008	March 31, 2007
Alliance Canada	20.7	14.0
Saskatchewan System	3.8	2.9
Green Power	-	0.8
Corporate	(16.9)	(14.2)
<b>Earnings</b>	<b>7.6</b>	<b>3.5</b>

Earnings, for the three months ended March 31, 2008, increased by \$4.1 million compared with the three months ended March 31, 2007. Strong performances from Alliance Canada and the Saskatchewan System were partially offset by increased current taxes within the Corporate segment and unrealized derivative losses in Green Power. Alliance Canada earnings reflected the Fund's 50% share of the \$11.7 million payment received in the quarter by Alliance Canada in the Calpine Energy Services Canada Partnership (CESCA) bankruptcy settlement. Alliance Canada distributed the Fund's 50% interest in the settlement and interest earned on the settlement in April 2008.

**FORWARD LOOKING INFORMATION**

*In the interest of providing the Fund's unitholders and potential investors with information about the Fund and its subsidiaries, including management's assessment of the Fund's and its subsidiaries' future plans and operations, certain information provided in this Management's Discussion and Analysis (MD&A) constitutes forward-looking statements or information (collectively, "forward-looking statements"). Forward-looking statements are typically identified by words such as "anticipate", "expect", "project", "estimate", "forecast", "plan", "intend", "target", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Although the Fund believes that these forward-looking statements are reasonable based on the information available on the date such statements are made, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements.*

*The Fund's forward-looking statements are subject to risks and uncertainties pertaining to operating performance, regulatory parameters, weather, economic conditions and commodity prices, including but not limited to those risks and uncertainties discussed in this MD&A and in the Fund's other filings with Canadian securities regulators. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent and the Fund's future course of action depends on management's assessment of all information available at the relevant time. Except to the extent required by law, the Fund assumes no obligation to publicly update or revise any forward-looking statements made in this MD&A or otherwise, whether as a result of new information, future events or otherwise. All subsequent forward-looking statements, whether written or oral,*

attributable to the Fund or persons acting on the Fund's behalf, are expressly qualified in their entirety by these cautionary statements.

### NON-GAAP MEASURES

This MD&A contains references to cash available for distribution. Cash available for distribution represents 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. Please refer to the Cash Available for Distribution reconciliation on page 6. Cash available for distribution is not a measure that has standardized meaning prescribed by Canadian Generally Accepted Accounting Principles (GAAP) and is not considered a GAAP measure. Therefore, this measure may not be comparable with similar measures presented by other issuers.

### FUND DESCRIPTION AND 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 Manager or Administrator), 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.

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### ALLIANCE CANADA

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<i>(millions of dollars)</i>	Three months ended	
	March 31,	
	2008	2007
Earnings	20.7	14.0

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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 (TSAs) 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, 2008 increased by \$6.7 million over the comparable prior year period primarily due to the CESCO bankruptcy settlement received in the quarter in respect of CESCO's repudiated capacity commitment. The final settlement and interest increased earnings by \$6.1 million.

In 2008, the treatment of major maintenance capital expenditures was revised such that these costs are expensed instead of capitalized, increasing both operating and maintenance expense and toll revenue. Given the rapid consumption rate associated with these expenditures and that major maintenance capital expenditures relate primarily to the replacement of worn or obsolete equipment nearing the completion of

its useful life, Alliance Canada determined that it is more appropriate to expense these items. Earnings for the three months ended March 31, 2008 were positively impacted by a higher allowance for income taxes reflected in toll revenue related to this change.

These positive factors were partially offset by the reduction in the equity return caused by the depreciating investment base. Earnings reflect a return on equity applied to investment base accounts. 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.

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## **SASKATCHEWAN SYSTEM**

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<i>(millions of dollars)</i>	Three months ended	
	March 31,	
	<b>2008</b>	2007
<b>Earnings</b>	<b>3.8</b>	2.9

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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 296 km of trunk line and 1,900 km of gathering pipeline with capacities ranging from 37,000 bpd to 190,000 bpd.

Earnings for the three months ended March 31, 2008 were higher when compared with the three months ended March 31, 2007 primarily due to increased throughputs and allowance oil sales on the Virden System.

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, 2008, revenues were \$13.8 million compared with \$11.7 million for the three months ended March 31, 2007. The increase in revenues reflected increased throughputs on Virden as well as an increase in cost of service recoveries on Westspur. Revenue for the Saskatchewan Gathering and Westspur Systems primarily reflect the cost of service recovery, whereby an increase in costs results in increased revenue.

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## **GREEN POWER**

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<i>(millions of dollars)</i>	Three months ended	
	March 31,	
	<b>2008</b>	2007
<b>Earnings</b>	-	0.8

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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.

Green Power earnings for the three months ended March 31, 2008 were lower than the comparable prior year period due to decreased revenues generated from NRGreen's Kerrobert facility as well as unrealized non-cash financial derivative losses. The Kerrobert facility was shut down for 26 days during the quarter in order to repair a mechanical seal. This facility is covered by warranty under which NRGreen is pursuing the recovery of repair costs. NRGreen is also pursuing recovery of lost revenue from its insurers.

The Green Power segment has entered into derivative instruments to mitigate cash-flow fluctuations associated with revenue generated on its wind power projects. A portion of the contracted production has not been designated as a hedge for accounting purposes. As a result, changes in the fair value of this portion are reflected in earnings each period. Accordingly, unrealized non-cash derivative losses of \$0.7 million were recorded for the three months ended March 31, 2008.

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## **CORPORATE**

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<i>(millions of dollars)</i>	Three months ended	
	March 31,	
	<b>2008</b>	2007
<b>Costs</b>	<b>(16.9)</b>	<b>(14.2)</b>

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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 \$16.9 million for the three months ended March 31, 2008 compared with \$14.2 million for the three months ended March 31, 2007. The \$2.7 million increase was driven by higher current taxes primarily due to the timing of the Calpine claim settlement and increased earnings in other taxable corporate entities.

## **LIQUIDITY AND CAPITAL RESOURCES**

At March 31, 2008, the Fund had \$69.5 million available on its credit facility. This facility, combined with cash generated by operating activities, and 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 the budgeted capital expenditures described in the Fund's 2007 Annual Report.

The Fund's cash balance at March 31, 2008 of \$35.9 million includes \$24.6 million held in trust by Alliance Canada, pursuant to finance agreements within Alliance Canada.

In July 2007, Alliance Canada acquired a \$12.4 million investment in asset-backed commercial paper, issued by a structured investment trust (the Trust). The investment is held in trust with Alliance Canada's Security Trustee as part of Alliance Canada's current debt service requirement. As a result of deteriorating liquidity in the asset-backed commercial paper market in mid 2007, the Trust was unable to redeem this investment upon its maturity on August 31, 2007. In March 2008, the Pan-Canadian Investors Committee (the Committee) announced its application to the Ontario Supreme Court of Justice requesting the Court call a meeting of ABCP note-holders to vote on the Committee's proposed restructuring plan. On April 25, 2008 the vote was held and the restructuring plan was approved. A

court hearing to sanction the restructuring plan is scheduled for May 2, 2008. The restructuring plan proposes conversion of the commercial paper into medium-term notes.

The Fund does not anticipate that the treatment of Alliance Canada's investment in asset-backed commercial paper will have a significant impact on its operations or ability to meet upcoming debt obligations.

### **Operating Activities**

Cash provided by operating activities was \$44.5 million for the three months ended March 31, 2008, an increase of \$13.4 million from the prior year period. Cash provided by operating activities was positively impacted by the CESCA claim settlement which resulted in an increase in working capital within Alliance Canada.

### **Investing Activities**

Cash used for investing activities for the three months ended March 31, 2008 of \$12.8 million was comparable with the prior year period and was directed primarily to the Westspur expansion project in Saskatchewan which is expected to be in service in the second quarter of 2008.

### **Financing Activities**

Financing activities for the three months ended March 31, 2008 included monthly distributions to ordinary and subordinated unitholders and changes in outstanding indebtedness under credit facilities.

In March 2008, NRGreen secured new credit facilities consisting of a construction credit facility of \$52.5 million and an operating credit facility of \$5.0 million. The construction facility will convert to a two year revolving credit facility upon the earlier of December 31, 2008 and completion of construction of the Loreburn, Estlin and Alameda (LEA) waste heat facilities. Under this agreement, NRGreen has pledged as collateral its property and assigned its material agreements including its power purchase agreements with SaskPower to its lender. After completion of the LEA facilities and as part of any request for the extension of the term of the operating facility, NRGreen may convert all or part of the construction facility into the operating facility. The operating facility is an extendible revolving facility that matures on August 31, 2011.

NRGreen has subsequently drawn on the credit facility and distributed \$20.0 million as a return of equity to the Fund. The Fund used this payment to pay down debt outstanding under its own credit facility, which had been incurred to Fund capital expansion at NRGreen. The NRGreen credit facility is non-recourse debt to the Fund.

On February 10, 2008, the Fund amended the maturity date of its existing three-year credit facility from February 10, 2010 to February 10, 2011.

## **CASH AVAILABLE FOR DISTRIBUTION**

In May 2008, the Board of Trustees announced a change to the Fund's distribution policy. The Fund now targets to distribute approximately 95% of cash available for distribution each calendar year. The distribution will not typically be adjusted in circumstances where a change in cash available for distribution is not considered to be recurring. Formerly, the Fund has only implemented distribution increases when the increase could be sustained for at least five years into the future, including additional 1% annual increases, at an average payout ratio of 95%. This approach is no longer practical in light of the federal Government's tax on Specified Income Flowthrough Vehicles, which will reduce cash available for distribution if it is imposed, as expected, in 2011.

As set out in the following table, cash available for distribution consists of operating cash flow from the Fund's underlying businesses less deductions for maintenance capital expenditures, the Fund's administrative and operating expenses, corporate segment interest expense, applicable taxes and other reserves deemed prudent by the Manager.

<i>(millions of dollars)</i>	Three months ended	
	March 31,	
	2008	2007
<b>Cash Provided by Operating Activities</b>	<b>44.5</b>	31.1
Add/(Deduct):		
ECT preferred unit distributions <sup>2</sup>	<b>9.1</b>	9.1
Alliance Canada maintenance capital expenditures <sup>3</sup>	<b>(1.8)</b>	(1.4)
Alliance Canada debt repayments <sup>4</sup>	-	-
Alliance Canada cash retained	<b>(11.9)</b>	(11.3)
Alliance Canada Calpine claim settlement retained <sup>5</sup>	<b>(6.1)</b>	-
Green Power cash retained	-	(0.6)
Saskatchewan System maintenance capital expenditures <sup>3</sup>	<b>(0.4)</b>	-
Change in operating assets and liabilities in the period <sup>6</sup>	<b>(15.8)</b>	(8.8)
Cash Available for Distribution <sup>1</sup>	<b>17.6</b>	18.1
Cash Available for Distribution is comprised of the following:		
Alliance Canada distributions	<b>16.8</b>	16.0
Alliance Canada capital tax	-	(0.1)
Saskatchewan System operating income before depreciation, amortization and accretion	<b>7.4</b>	6.4
Saskatchewan System maintenance capital expenditures	<b>(0.4)</b>	-
Green Power distributions	<b>0.9</b>	0.9
Corporate management and administrative expense	<b>(1.2)</b>	(1.4)
Corporate other income	<b>0.1</b>	-
Corporate interest expense	<b>(3.1)</b>	(3.1)
Corporate current taxes	<b>(2.9)</b>	(0.6)
Cash Available for Distribution <sup>1</sup>	<b>17.6</b>	18.1
ECT Preferred Unit Distributions Declared	<b>9.1</b>	9.1
Ordinary and Subordinated Units Distributions Declared	<b>8.3</b>	8.3
Cash Distributions Declared	<b>17.4</b>	17.4

<sup>1</sup> See Non-GAAP Measures on page 2.

<sup>2</sup> The cash available for distribution above is compared to the total distributions, including ECT preferred unit distributions. Since ECT preferred units are treated as debt under GAAP with distributions deducted from earnings, the ECT preferred unit distributions have been added back to the cash provided from operating activities.

<sup>3</sup> Maintenance capital expenditures reduce cash available for distribution since these expenditures are funded through cash from operations.

<sup>4</sup> Debt repayments in Alliance Canada are deducted from cash from operations in deriving cash available for distribution because they are funded from cash from Alliance Canada's operations.

<sup>5</sup> In January 2008, Alliance Canada received \$11.7 million from the Calpine bankruptcy claim for repudiated capacity. In April 2008, the Fund received its 50% portion of this settlement and interest.

<sup>6</sup> Change in operating assets and liabilities in the period reflect changes in non-cash working capital related to operating activities. The change has been added back to cash available for distribution since fluctuations in working capital are expected each period and are not indicative of changes in cash available to be distributed.

Cash available for distribution represents cash available to fund distributions on ordinary units, subordinated units and ECT preferred units, as well as for debt repayments and reserves.

For the three months ended March 31, 2008, distributions declared of \$17.4 million (2007 - \$17.4 million) represented 98.9% (2007 - 96.1%) of cash available for distribution. As at March 31, 2008, the Fund had distributed 92.4% of cash available since inception. The percentage increase in the cash available for

distribution to distributions declared reflects the timing of the CESCA settlement which increased current taxes in the quarter. This increase will reverse in the second quarter to reflect the Alliance Canada distribution to the Fund for the Fund's share of the settlement.

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 Alliance Canada and the Green Power segment. Cash retained by Alliance Canada and Green Power includes debt service reserves, capital expenditures and other cash needed to fund working capital or other requirements of these segments.

Based on current operations, the Fund estimates that approximately 90% of cash distributed in 2008 will be included in the income of unitholders for tax purposes. The remaining 10% of cash distributed represents the non-taxable return of capital.

The following table provides a comparison of cash distributions to cash provided by operating activities and to earnings.

<i>(millions of Canadian dollars)</i>	Three months ended	
	2008	March 31, 2007
Cash Provided by Operating Activities	44.5	31.1
Earnings	7.6	3.5
Ordinary and Subordinated Unit Cash Distributions Declared <sup>1</sup>	8.3	8.3
Excess of cash provided by operating activities over ordinary and subordinated cash distributions declared	36.2	22.8
Shortfall of earnings over ordinary and subordinated cash distributions	(0.7)	(4.8)

<sup>1</sup> ECT Preferred Unit Distributions have been excluded from this reconciliation since these distributions are reductions to earnings under GAAP.

For the three months ended March 31, 2008, cash flows provided by operating activities in the period exceeded cash distributions paid to ordinary and subordinated unitholders by \$36.2 million (2007 - \$22.8 million.) This excess represented cash reserved for working capital requirements and maintenance capital expenditures, as well as cash retained by joint ventures.

Earnings were \$0.7 million lower than cash distributions to ordinary and subordinated unitholders for the three months ended March 31, 2008. The smaller shortfall in earnings over distributions in the first quarter of 2008 was reflective of the time lag between when cash is generated and when cash is distributed. Earnings were greater as a result of the Alliance Canada settlement; however, these additional earnings will not be distributed until the second quarter. An excess of distributions over earnings is expected to continue in the future and partly represents a return of capital to unitholders (including ECT Preferred Unitholders.) Under GAAP, earnings reflect non-cash items such as amortization of deferred financing costs and depreciation as well as changes in future income taxes due to tax rate changes, all of which do not impact cash flow. Depreciation does not necessarily represent the cost of maintaining productive capacity; therefore, cash required for maintenance may be lower than depreciation expense.

## OUTLOOK

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

Alliance Canada manages its operating assets and infrastructure with the objective of maximizing shipping capacity, excelling in operating performance and increasing the competitiveness of its tolls. This includes the British Columbia Expansion Project (BCX) as well as the enhancement of its compressor units.

The BCX project will enhance Alliance Canada's capacity for natural gas receipts originating in northeastern British Columbia. The BCX project involves construction of a Taylor Junction compressor station that would enable increased receipt capacity on the Taylor-Aitken Creek lateral system. This project will not increase the mainline capacity but will enable existing shippers to increase gas nominations at receipt points in B.C. Construction of this project is underway and is expected to be completed and in-service in late 2008.

In 2007, Alliance Canada filed its 2008 tolls with the NEB which included a toll increase of 10.7% effective January 1, 2008. A toll objection was filed by a shipper. As a result, the NEB requested comment from interested parties and placed the proposed tolls on an interim refundable basis. On April 18, 2008 the NEB issued a decision to establish a written hearing process which will give consideration to certain of the shipper's objections. Other interested parties who wish to participate in this proceeding, must file with the NEB by May 2, 2008. Written information requests and comments by other parties and replies by Alliance Canada are scheduled up to June 17, 2008 with final written replies from the objecting shipper to be filed with the Board by June 24, 2008.

The Saskatchewan System continues to focus on meeting the increased crude oil production and growing demand for pipeline capacity in the areas served by its systems through expansion and development initiatives, specifically the Westspur expansion. In 2007, construction began on the Westspur expansion, which will increase capacity on the Westspur System between Midale and Steelman by approximately 20,000 bpd and between Alida and Cromer by approximately 77,000 bpd. The total cost of the expansion has increased to \$39.7 million as a result of scope changes, specifically the installation of additional receipt facilities at the Steelman Terminal to accommodate higher volumes at this terminal, as well as higher costs associated with winter construction. The increase in the estimated cost will have a minimal impact on earnings and cash available for distribution given that the additional costs will be recovered through the rates charged to shippers. This expansion is expected to be in service in the second quarter of 2008.

In the Green Power segment, NRGreen's Loreburn and Estlin waste heat facilities are expected to be in service in the second quarter of 2008 in advance of their scheduled in-service dates, and the remaining facility is expected to be in service in the third quarter of 2008. The total estimated cost for completion of these projects to NRGreen is on target with the Fund's 50% share of the remaining cost of these projects expected to be \$7.0 million.

## SELECTED QUARTERLY FINANCIAL INFORMATION<sup>1</sup>

*(millions of dollars, except  
per unit amounts)*

	2008		2007			2006		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenue	<b>68.7</b>	73.0	65.0	67.8	65.0	68.2	60.8	63.5
Earnings	<b>7.6</b>	10.8	3.8	3.0	3.5	3.2	5.8	21.0
Earnings Per Unit (basic and diluted)	<b>0.22</b>	0.31	0.11	0.09	0.10	0.09	0.17	0.61
Cash Distributions Declared <sup>2</sup>	<b>17.4</b>	17.3	17.4	17.4	17.4	17.2	16.7	16.7

<sup>1</sup> Selected Quarterly Financial Information has been extracted from financial statements prepared in accordance with GAAP.

<sup>2</sup> Cash distributions declared on ordinary, subordinated and ECT preferred units.

Starting in the fourth quarter of 2006, revenue includes amounts for electricity generated in the Green Power segment, which varies with fluctuations in weather. Typically, revenue peaks in the winter months

during the first quarter and, to a lesser extent, in the fourth quarter of the year when wind volumes are higher.

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

- First quarter earnings in 2008 reflected a \$6.1 million increase in other income on Alliance Canada from the CESCO settlement.
- First quarter revenues in 2008 also reflected lower revenues in the Green Power segment as a result of unrealized non-cash derivative financial instrument losses and the mechanical failure at NRGreen's Kerrobert waste heat facility.
- Fourth quarter earnings in 2007 reflected future income tax recoveries of \$7.6 million due to the substantive enactment of reductions in future tax rates during the quarter.
- Second quarter earnings in 2007 reflected future income tax expense of \$1.9 million due to the substantive enactment of the Tax Fairness Plan.
- 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 an increase in distributions of 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 November 30, 2006.

#### **SUPPLEMENTARY INFORMATION**

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

Outstanding unit data information is provided as at May 5, 2008.

## SELECTED OPERATING AND FINANCIAL HIGHLIGHTS<sup>1</sup>

	Three months ended	
	March 31,	
<i>(millions of Canadian dollars except where otherwise noted)</i>	<b>2008</b>	2007
Average Daily Throughput Volume		
Alliance Canada (millions of cubic feet per day)	<b>1,685.0</b>	1,676.0
Saskatchewan System <sup>2</sup> (thousands of barrels per day)		
Westspur System	<b>154.6</b>	156.9
Saskatchewan Gathering System	<b>112.5</b>	109.2
Weyburn System	<b>35.0</b>	31.4
Virden System	<b>32.3</b>	22.7
Green Power (thousands of megawatt hours produced)	<b>78.9</b>	85.5
Revenue	<b>68.7</b>	65.0
Earnings	<b>7.6</b>	3.5
Per Unit (dollars per unit)	<b>0.22</b>	0.10
Cash Provided by Operating Activities	<b>44.5</b>	31.1
Cash Available for Distribution	<b>17.6</b>	18.1
Cash Distributions Declared	<b>17.4</b>	17.4
Cash Distributions Declared Per Unit (dollars per unit)		
Ordinary Units	<b>0.24</b>	0.24
Subordinated Units	<b>0.24</b>	0.24
Enbridge Commercial Trust (ECT) Preferred Units	<b>0.24</b>	0.24
Total Long-Term Liabilities	<b>1,514.6</b>	1,515.9
Total Assets	<b>1,872.6</b>	1,866.6
ECT Preferred Units (number of units)	<b>38,023,750</b>	38,023,750
Ordinary Units (number of units)	<b>20,125,000</b>	20,125,000
Subordinated Units (number of units)	<b>14,500,000</b>	14,500,000
<b>Total Number of Units</b>	<b>34,625,000</b>	34,625,000

<sup>1</sup>Financial Highlights have been extracted from financial statements prepared in accordance with GAAP.

<sup>2</sup>Totals are not presented as the same volumes can be transported through a combination of the pipelines comprising the Saskatchewan System.