



ENBRIDGE INCOME FUND

NEWS RELEASE

Enbridge Income Fund Announces First Quarter Results

Highlights

- First quarter earnings totaled \$3.6 million or \$0.10 per unit
- First quarter cash available for distribution increased to \$24.0 million
- Regulatory approval received for Saskatchewan Ministry of Energy & Resources regulated components of the Phase II Saskatchewan System Capacity Expansion
- Proposed Restructuring approved by the ECT Board of Trustees; subject to unitholder approval

Calgary, Alberta, May 3, 2010 - Enbridge Income Fund (the Fund) announced today earnings of \$3.6 million, or \$0.10 per unit, for the three months ended March 31, 2010. Earnings for the three-month period ending March 31, 2009 were \$3.3 million or \$0.10 per unit. Cash available for distribution for the months ended March 31, 2010 was \$24.0 million, an increase of \$1.5 million from the corresponding three-month period of 2009. For the three-month period ended March 31, 2010, cash available for distribution has increased from the prior period primarily due to higher distributions received from the Green Power segment which has experienced improved operational performance in the first quarter of 2010 compared with the corresponding prior period.

“The Fund’s consistent, solid performance in the first quarter of 2010 is a reflection of the Fund’s value proposition which emphasizes the generation of reliable cash flow from long-lived, strategically located energy infrastructure and low-risk organic growth,” said Jim Schultz, President of Enbridge Management Services Inc., the Administrator of the Fund.

“In the Fund’s crude oil and liquids transportation business, the Saskatchewan System’s proximity to the significant opportunities of the Bakken Formation continue to drive organic growth. In the first quarter, the Fund made further progress on Phase II of the Saskatchewan System Capacity Expansion, which includes three separate projects to address capacity constraints at a variety of locations. Subject to receipt of National Energy Board (NEB) regulatory approvals, construction is expected to begin in the second quarter of 2010 on the remaining components of the project. All three projects are currently targeted to be complete in the fourth quarter of 2010,” said Mr. Schultz.

“The Fund’s natural gas transportation business also saw progress in its organic growth strategy during the first quarter of 2010 with Alliance Canada receiving regulatory approval for two new receipt point interconnections in northeast British Columbia,” noted Mr. Schultz. “As shale gas production out of northeastern British Columbia ramps up, we anticipate continued growth in demand for services like these which offer customers more choice and flexibility at attractive tolls.”

Mr. Schultz noted that today’s annual unitholder meeting will be a significant one for the Fund.

"Later today, unitholders will be asked to approve a plan of arrangement for the restructuring of the Fund. In March, the Board approved the proposed restructuring and recommended that unitholders vote in favour. We look forward to discussion and consideration of the proposal at today's meeting," said Mr. Schultz.

During the three months ended March 31, 2010, the Fund declared monthly cash distributions of \$0.096 per unit, and distributions in the same amount per unit were declared on the Enbridge Commercial Trust (ECT) preferred units. Cash distributions paid to trust unitholders for the three months ended March 31, 2010 were \$10.0 million (2009 - \$9.7 million). Based on current operations, the Fund estimates that approximately 80% of cash to be distributed in 2010 will be included in the income of unitholders for income tax purposes. The remaining 20% of cash to be distributed to unitholders represents a non-taxable return of capital.

First Quarter 2010 Operating Review

The unaudited interim consolidated financial statements and Management's Discussion and Analysis (MD&A), which contain additional notes and disclosures, are available on the Enbridge Income Fund website.

- Current year first quarter earnings of \$14.5 million at Alliance Canada are consistent with earnings for the prior year comparable period. The stable earnings are a product of offsetting factors as a lower return on equity resulting from Alliance Canada's depreciating investment base is offset by an increase in the allowance for deemed income taxes. The increase in the allowance for deemed income taxes primarily relates to lower capital cost allowance deductions.
- Saskatchewan System first quarter earnings of \$4.9 million have increased by \$0.7 million from the first quarter of 2009. This increase primarily reflects the positive impact of higher crude oil prices on the sale and revaluation of allowance oil inventory on the Weyburn System.
- Green Power earnings for the first quarter of 2010 totaled \$0.9 million, which represents a 12% increase from the corresponding period of 2009, excluding the effect of an unrealized non-cash derivative gain of \$1.0 million recorded in the first quarter of 2009. This increase reflects higher electricity production on all four of the NRGreen waste heat facilities, partially offset by a lower wind resource in the first quarter of the current year which negatively impacted earnings for the wind power projects.
- Corporate costs incurred in the three months ended March 31, 2010 were \$16.7 million compared with costs of \$17.2 million in the same period of the prior year. Corporate costs include distributions paid to the preferred unitholders of ECT, a subsidiary of the Fund, as well as corporate financing costs, incentive fees, current and future income taxes and management and administrative costs.

ABOUT ENBRIDGE INCOME FUND

Enbridge Income Fund is an unincorporated, open-ended trust created to provide a stable and sustainable flow of distributable cash to unitholders. The Fund is a premier income fund in Canada with a low-risk profile focused on energy infrastructure assets. Its assets include a 50% interest in the Canadian segment of the Alliance Pipeline, a 100% interest in the various pipelines comprising the Saskatchewan System, and a 50% interest in each of NRGreen Limited Partnership and the SunBridge wind project as well as a 33% interest in each of the Magrath and Chin Chute wind projects. Information about Enbridge Income Fund, including the interim consolidated financial statements and MD&A, is available on the Fund's web site at www.enbridgeincomefund.com.

FORWARD LOOKING INFORMATION

In the interest of providing the Fund's unitholders and potential investors with information about the Fund, its subsidiaries and joint ventures, including management's assessment of the Fund, its subsidiaries' and joint ventures' future plans and operations, certain information provided in this News Release constitutes forward-looking statements or information (collectively, "forward-looking statements"). This information may not be appropriate for other purposes. 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. In particular, forward-looking statements include but are not limited to:

- expected scope and in-service dates for projects under construction;
- expected capital expenditures;
- expected future earnings and cash flows;
- expected future actions of regulators;
- expected future corporate restructuring;
- expected future distributions to unitholders and taxability thereof; and
- expected cash available for distribution.

Although the Fund believes that these forward-looking statements are reasonable based on the information available on the date such statements are made and processes used to prepare the information, 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. Material assumptions include assumptions about: the expected supply and demand for crude oil, natural gas and natural gas liquids; prices of crude oil, natural gas and natural gas liquids; expected exchange rates; inflation; interest rates; the availability and price of labour and pipeline construction materials; operational reliability; customer project approvals; maintenance of support and regulatory approval for the Fund's projects; anticipated in-service dates and weather. Assumptions regarding the expected supply and demand of crude oil, natural gas and natural gas liquids, and the prices of these commodities, are material to and underlie all forward-looking statements. These factors are relevant to all forward-looking statements as they may impact current and future levels of demand for the Fund's services. Similarly, exchange rates, inflation and interest rates impact the economies and business environments in which the Fund operates, may impact levels of demand for the Fund's services and cost of inputs, and are therefore inherent in all forward-looking statements. Due to the interdependencies and correlation of these macroeconomic factors, the impact of any one assumption on a forward-looking statement cannot be determined with certainty, particularly with respect to expected earnings and associated per unit amounts, or estimated future distributions. The most relevant assumptions associated with forward-looking statements on projects under construction, including estimated in-service dates, and expected capital expenditures include: the availability and price of labour and pipeline construction materials; the effects of inflation on labour and material costs; the effects of interest rates on borrowing costs; and the impact of weather and customer and regulatory approvals on construction schedules.

The Fund's forward-looking statements are subject to risks and uncertainties pertaining to operating performance, regulatory parameters, project approval and support, weather, economic and competitive conditions, exchange rates, interest rates and commodity prices, including but not limited to those risks and uncertainties discussed in this News Release 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 News Release 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 News Release contains references to cash available for distribution. Cash available for distribution represents cash available to fund distributions on trust 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 predictable flow of distributable cash to unitholders. 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. The Cash Available for Distribution reconciliation is as follows:

	Three months ended	
	March 31,	
	2010	2009
Cash Provided by Operating Activities	23.6	36.5
Add/(Deduct):		
ECT preferred unit distributions	11.0	11.0
Alliance Canada maintenance capital expenditures	(0.6)	(0.5)
Alliance Canada other cash retained	(10.7)	(11.1)
Green Power cash retained	(0.3)	(0.5)
Saskatchewan System maintenance capital expenditures	(1.0)	(0.4)
Change in operating assets and liabilities in the period	2.0	(12.5)
Cash Available for Distribution	24.0	22.5

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SELECTED OPERATING AND FINANCIAL HIGHLIGHTS¹

	Three months ended	
	March 31,	
<i>(millions of Canadian dollars, except where otherwise noted)</i>	2010	2009
Average Daily Throughput Volume		
Alliance Canada ² (millions of cubic feet per day)	1,680.0	1,690.0
Saskatchewan System ³ (thousands of barrels per day)		
Westspur System	193.2	199.7
Saskatchewan Gathering System	132.7	137.6
Weyburn System	35.0	35.1
Virden System	19.2	19.3
Green Power ² (thousands of megawatt hours produced)	95.8	96.2
Earnings		
Alliance Canada	14.5	14.5
Saskatchewan System	4.9	4.2
Green Power	0.9	1.8
Corporate	(16.7)	(17.2)
Total Earnings	3.6	3.3
Earnings Per Unit (dollars per unit)	0.10	0.10
Cash Provided by Operating Activities	23.6	36.5
Cash Distributions Declared	20.9	20.9
Cash Available for Distribution is comprised of the following:		
Alliance Canada	18.0	17.9
Saskatchewan System	9.0	8.7
Green Power	1.7	0.9
Corporate	(4.7)	(5.0)
Cash Available for Distribution ⁴	24.0	22.5
Cash Distributions Declared Per Unit (dollars per unit)		
Trust Units	0.2880	0.2880
ECT Preferred Units	0.2880	0.2880
ECT Preferred Units (number of units)	38,023,750	38,023,750
Trust Units (number of units)	34,625,000	34,625,000

¹ Financial Highlights have been extracted from financial statements prepared in accordance with GAAP.

² Reflects 100% of the respective entities production volumes, not the Fund's proportionate share.

³ Totals are not presented as the same volumes can be transported through a combination of the pipelines comprising the Saskatchewan System.

⁴ See Non-GAAP Measures.