ENBRIDGE INC
Form 6-K
February 17, 2017

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of

the Securities Exchange Act of 1934

Dated February 17, 2017

Commission file number 001-15254

ENBRIDGE INC.

(Exact name of Registrant as specified in its charter)

200, 425 1st Street S.W.

Calgary, Alberta, Canada T2P 3L8

(Address of principal executive offices and postal code)

Indicate by check mark whether the Registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F		Form 40-F	**P**

Indicate by check mark if the Registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes		No	**P**

Indicate by check mark if the Registrant is submitting the Form 6-K in paper as permitted by regulation S-T Rule 101(b)(7):

Yes		No	**P**

Indicate by check mark whether the Registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No **P**

If Yes is marked, indicate below the file number assigned to the Registrant in connection with Rule 12g3-2(b):

N/A

THIS REPORT ON FORM 6-K SHALL BE DEEMED TO BE INCORPORATED BY REFERENCE IN THE REGISTRATION STATEMENTS ON FORM S-8 (FILE NO. 333-145236, 333-127265, 333-13456, 333-97305 AND 333-6436), FORM F-3 (FILE NO. 333-185591), FORM F-4 (FILE NO. 333-213764) AND FORM F-10 (FILE NO. 333-213234) OF ENBRIDGE INC. AND TO BE PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS FURNISHED, TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED.

The following documents are being submitted herewith:

- Press Release dated February 17, 2017

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ENBRIDGE INC.
(Registrant)

Date: February 17, 2017	By: /s/ Tyler W. Robinson
	Tyler W. Robinson
	Vice President & Corporate Secretary

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NEWS RELEASE

Enbridge Inc. Reports Fourth Quarter 2016 Results

Q4 HIGHLIGHTS

(all financial figures are unaudited and in Canadian dollars unless otherwise noted)

- Earnings were $365 million or $0.39 per common share for the fourth quarter and $1,776 million or $1.95 per common share for the full year, both including the impact of a number of unusual, non-recurring or non-operating factors

- Adjusted earnings were $522 million or $0.56 per common share for the fourth quarter and $2,078 million or $2.28 per common share for the full year

- Adjusted earnings before interest and income taxes (EBIT) were $1,198 million for the fourth quarter and $4,662 million for the full year

- Available cash flow from operations (ACFFO) was $879 million or $0.95 per common share and $3,713 million or $4.08 per common share for the fourth quarter and full year period, respectively

- Enbridge and Spectra Energy Corp (Spectra Energy) shareholders voted overwhelmingly in favor of the merger of the two companies, which will create North America s premier energy infrastructure company. The transaction remains subject to finalization of certain regulatory approvals

- Senior management appointments announced to take effect upon closing of the merger

- Enbridge continued to successfully execute its growth capital program, bringing $2 billion of projects into service during 2016

- In November 2016, the Canadian Federal Government approved the Canadian portion of the Line 3 Replacement Program

- New Creek Wind and Athabasca Pipeline Twin projects were placed into service in December and January, respectively

- In December 2016, the New Brunswick provincial government passed legislation to renew Enbridge Gas New Brunswick Inc. s (EGNB) franchise agreement for a 25-year renewable term and approved a regulatory recovery mechanism for $145 million of deferred costs previously written down by EGNB following a regulatory decision in 2012

- In January 2017, Enbridge announced the privatization of Midcoast Energy Partners, L.P. (MEP), and further joint funding actions with Enbridge Energy Partners, L.P. (EEP)

- During the fourth quarter of 2016, the Company raised over $3.7 billion of new long-term capital and continued to progress its $2 billion asset monetization plan by closing the sale of its South Prairie Region Assets for $1.08 billion and entering into agreements to sell approximately $0.6 billion of additional miscellaneous non-core assets and investments

- On January 5, 2017, Enbridge announced the declaration of a quarterly common share dividend of $0.583 per common share, payable on March 1, 2017, a 10% increase over the prior quarterly rate

- On February 15, 2017, Enbridge announced it completed the acquisition of an interest in the Bakken Pipeline System

- In February 2017, Enbridge acquired an effective 50% interest in the 497-megawatts (MW) Hohe See Offshore Wind Project in Germany; the Company s total investment through completion of construction in 2019 will be approximately $1.7 billion; the equity funding requirement for the investment was satisfied through financing actions undertaken by the Company in the fourth quarter

Forward-Looking Information and Non-GAAP Measures

This news release contains forward-looking information and references to non-GAAP measures. Significant related assumptions and risk factors are described under Forward-Looking Information, and significant risk factors are described under Non-GAAP Measures, in this news release.

CALGARY, ALBERTA February 17, 2017 - Enbridge Inc. (Enbridge or the Company) (TSX:ENB) (NYSE:ENB) today reported fourth quarter and full year 2016 adjusted EBIT of $1,198 million and $4,662 million, respectively. Fourth quarter ACFFO was $879 million, or $0.95 per common share, and full year ACFFO was $3,713 million, or $4.08 per common share. Full year adjusted EBIT and ACFFO per share increased by 12% and 10%, respectively, over the comparative full year period.

Our fourth quarter results contributed to solid 2016 full-year adjusted EBIT and cash flow growth, said Al Monaco, President and Chief Executive Officer. We are pleased with mainline system performance which recovered sharply from the impacts of the Northeastern Alberta wildfires in the second quarter. The system delivered an average 2.5 million barrels per day ex-Gretna during the fourth quarter and delivered a record 2.6 million barrels per day in December. Despite the impact of the wildfires and a larger and earlier than planned equity offering during the first quarter, we ve again delivered results right in line with the adjusted EBIT and ACFFO guidance we announced heading into the year. Mr. Monaco continued, We have been successful in achieving our planned cost savings, which also contributed to our strong results and will make us even more competitive going forward.

We also continued to advance our existing organic growth capital program and very meaningfully progressed our strategy to extend and diversify the Company s growth platforms with the announcement of our transformative combination with Spectra Energy. The combination with Spectra Energy will position Enbridge as the premier energy infrastructure company in North America, significantly enhancing our natural gas footprint and diversifying the Company s organic growth opportunities while maintaining its low risk shareholder value proposition.

Enbridge announced the combination with Spectra Energy (the Merger Transaction) in September 2016. The combination brings together some of the highest quality liquids and natural gas infrastructure assets in North America. The combined Company will include a $26 billion portfolio of commercially secured growth projects through 2019 and a $48 billion probability risk-weighted development project portfolio which, together with existing businesses, are expected to support highly visible dividend growth of 10% to 12% per annum through 2024, while maintaining a conservative dividend payout of 50% to 60% of ACFFO.

The Merger Transaction has received clearance from the Canadian Transportation Agency, the Committee on Foreign Investment in the United States and the United States Federal Trade Commission. In addition, the Ontario Energy Board (OEB) has communicated that it is satisfied that the transaction does not require OEB approval.

We ve made significant progress since the announcement in securing regulatory approvals and currently remain on target to close in the first quarter of 2017, said Mr. Monaco. In December, both companies shareholders overwhelmingly approved the Merger Transaction and the feedback received from shareholders has been very positive. We have also worked diligently with our regulators and have obtained nearly all of the required approvals. We are working jointly with Spectra Energy to plan for closing and the efficient integration of our companies and I am pleased with the progress we ve made together. Our joint integration planning teams have done a great job laying the foundation to operate as one company, with one vision for the future, upon closing.

On Closing, the following senior management appointments, reporting to Mr. Monaco, will take effect:

- Guy Jarvis, Executive Vice President and President, Liquids Pipelines

- Bill Yardley, Executive Vice President and President, Gas Transmission and Midstream
- John Whelen, Executive Vice President and Chief Financial Officer
- Vern Yu, Executive Vice President and Chief Development Officer
- Bob Rooney, Executive Vice President and Chief Legal Officer
- Cynthia Hansen, Executive Vice President, Utilities and Power Operations
- Karen Radford, Executive Vice President and Chief Transformation Officer
- Byron Neiles, Executive Vice President, Corporate Services

I am excited to announce the senior management appointments today. The executive team is comprised of very strong and proven leaders, who are well positioned to successfully execute our strategies and deliver shareholder value for the combined company, Mr. Monaco said.

In January 2017, Enbridge announced an increase in its quarterly common share dividend to $0.583 per share, marking the twenty-second consecutive year in which the Company has raised its dividend. Enbridge expects to further increase its quarterly common share dividend upon closing of the Merger Transaction by an amount sufficient to bring the aggregate increase in the quarterly dividend to approximately 15% above the prevailing quarterly rate in 2016.

Mr. Monaco added, The 10% dividend growth reflects the strength of our base business and the impact of $2 billion in growth capital projects brought into service during 2016, and an additional $6 billion in Enbridge growth capital projects expected to come into service in 2017. Delivering consistent and dependable dividend growth is core to our shareholder value proposition and is a direct reflection of our low-risk business model, which is designed to perform well in all market conditions. The combination with Spectra Energy will allow for a top up of our dividend in 2017, post closing, and importantly, is expected to drive ongoing dividend growth in the range of 10% to 12% per annum through 2024.

During 2016, the Company placed $2 billion of capital projects into service, including the Greater Toronto Area project, which provides increased capacity and reliability for utility customers in the Greater Toronto Area, the Line 6B expansion, and most recently, the New Creek Wind project that went into service in December. The Athabasca Pipeline Twin project, which entailed the twinning of the southern section of the Athabasca Pipeline with a 36-inch diameter pipeline from Kirby Lake, Alberta to the Hardisty crude oil hub, was placed into service in January 2017.

On February 15, 2017, EEP completed the acquisition of its previously disclosed transaction to acquire an effective 27.6% interest in the Bakken Pipeline System for a purchase price of US$1.5 billion. The Bakken Pipeline System consists of the Dakota Access Pipeline and the Energy Transfer Crude Oil Pipeline projects, both of which will be operated by Energy Transfer Partners, L.P., and connects the prolific Bakken formation in North Dakota to eastern PADD II and the United States Gulf Coast.

Over the course of 2016 we made good progress on our secured growth capital program, bringing six major projects into service, and expanding our footprint in a number of business lines. noted Mr. Monaco. In 2017, we expect to put another $6 billion of organic growth projects into service being our Regional Oil Sands Optimization project, the Norlite Pipeline System project, and the Bakken Pipeline System, which we expect will contribute to growing available cash flow from operations.

In November, the Canadian Federal Government approved the Canadian portion of the Line 3 Replacement Program. The approval marks an important milestone for this essential maintenance project that will ensure the safe and reliable delivery of Canada s energy resources to market. The anticipated in-service date for this project is 2019, pending Minnesota Public Utilities Commission (MNPUC) regulatory approvals.

On February 17, 2017, the Company announced it had acquired an effective 50% interest in the partnership that is constructing the 497-MW Hohe See Offshore Wind Project. Enbridge will partner with state-owned German utility EnBW in the construction and operation of this late-design project, with the target in-service date in 2019. The project is located in the North Sea, 98 kilometres (61 miles) off the coast of Germany and will be constructed under fixed-price engineering, procurement, construction and installation contracts, which have been secured with key suppliers. The project is backed by a government legislated 20-year revenue support mechanism. Enbridge s total investment in the project through to the project s completion and in-service date in 2019 is expected to be approximately $1.7 billion (1.07 billion), including planned spend of approximately $0.6 billion (0.44 billion) throughout 2017.

This project represents an attractive opportunity for Enbridge to deliver on our priority to extend growth beyond 2019 and highlights the ability to execute on the $48 billion in projects under development we introduced in conjunction with the Spectra Energy combination announcement. These projects will support the extension of our 10% to 12% annual dividend per share growth rate through 2024, said Mr. Monaco.

The Canadian Federal Government also directed the National Energy Board (NEB) to dismiss the Company s Northern Gateway Project (Northern Gateway) application and the certificates have been rescinded. In consultation with the potential shippers and Aboriginal equity partners, the Company has assessed this decision and concluded that the project cannot proceed as envisioned. Project activity is limited to winding down while evaluating potential value preservation options. Enbridge recorded an impairment of $373 million ($272 million after-tax) during the fourth quarter of 2016.

In December, the New Brunswick provincial government passed legislation to renew EGNB s franchise agreement for a 25-year renewable term and return full regulatory authority for natural gas distribution to the New Brunswick Energy and Utilities Board. The government also approved a regulatory recovery mechanism for $145 million of deferred costs starting no later than 2020. These accumulated costs had previously been written down following a decision of the New Brunswick Public Utilities Commission in 2012, but will now be recognized in income in future years.

In January 2017, Enbridge announced that it had entered into a merger agreement through a wholly-owned subsidiary, whereby it will take private MEP by acquiring all of the outstanding publicly-held common units of MEP. Total consideration to be paid by Enbridge for these units will be approximately US$170 million and the transaction is expected to close in the second quarter of 2017. In addition, pursuant to an on-going strategic review of EEP, further joint funding actions with EEP were announced. Specifically, Enbridge and EEP entered into an agreement for the joint funding of the United States portion of the Line 3 Replacement Program (U.S. L3R Program), whereby Enbridge and EEP will fund 99% and 1%, respectively, of the project development and construction costs. Enbridge has reimbursed EEP approximately US$450 million for capital expenditures on the project to date and will fund 99% of the expenditures through construction. EEP will retain an option to acquire up to 40% of the U.S. L3R Program at book value, once the project is completed and in service. EEP also used a portion of the proceeds reimbursed by Enbridge under the U.S. L3R Program joint funding arrangement to acquire an additional 15% interest in the cash-generating Eastern Access projects pursuant to an existing joint funding agreement for approximately US$360 million. The strategic review of EEP is ongoing and it is currently expected that any resulting actions will be announced early in the second quarter of 2017. Any such contemplated actions are not expected to be material to Enbridge s previously published financial projections.

During the fourth quarter, Enbridge further strengthened its liquidity and financial flexibility raising $750 million in preference shares and US$750 million of hybrid securities, in addition to US$1.5 billion of term debt. The preference shares and hybrid securities offerings represent approximately $900 million in common equity equivalent funding, further bolstering the balance sheet and satisfying the Company s equity financing needs for the Bakken Pipeline System, Hohe See Offshore Wind Project and the actions taken to date in respect of its United States sponsored vehicles.

Concurrent with the announcement of the Merger Transaction, the Company announced plans to monetize $2 billion in assets to provide for additional financing flexibility over the next 12 months. In December, an affiliate of Enbridge Income Fund (the Fund) sold its South Prairie Region assets for $1.08 billion in cash. Also, during the fourth quarter, the Company entered into agreements to sell approximately $0.6 billion of additional miscellaneous non-core assets and investments, the full proceeds of which it expects will be realized before the end of the first quarter of 2017.

We continue to progress our funding plans and have raised a significant amount of cost-effective capital through several different avenues since the end of the last quarter, noted Mr. Monaco. We continue to evaluate sales of assets and are on track to achieve our $2 billion target. These actions have further bolstered our balance sheet and we are well-positioned heading into the merger.

FOURTH QUARTER AND YEAR END 2016 PERFORMANCE OVERVIEW

For more information on Enbridge s growth projects and operating results, please see the Management s Discussion and Analysis (MD&A) which is filed on SEDAR and EDGAR and also available on the Company s website at www.enbridge.com/InvestorRelations.aspx.

HIGHLIGHTS

	Three months ended December 31,		Year ended December 31,	
	2016	2015	**2016**	2015
(millions of Canadian dollars, except per share amounts)				
Earnings attributable to common shareholders				
Liquids Pipelines	**1,389**	675	**3,557**	1,806
Gas Distribution	**150**	111	**492**	455
Gas Pipelines and Processing	**24**	69	**171**	(229)
Green Power and Transmission	**30**	50	**154**	177
Energy Services	**(147)**	92	**(185)**	325
Eliminations and Other	**(219)**	(156)	**(148)**	(899)
Earnings before interest and income taxes	**1,227**	841	**4,041**	1,635
Interest expense	**(412)**	(371)	**(1,590)**	(1,624)
Income taxes recovery/(expense)	**32**	(94)	**(142)**	(170)
(Earnings)/loss attributable to noncontrolling interests and redeemable noncontrolling interests	**(406)**	76	**(240)**	410
Preference share dividends	**(76)**	(74)	**(293)**	(288)
Earnings/(loss) attributable to common shareholders	**365**	378	**1,776**	(37)
Earnings/(loss) per common share	**0.39**	0.44	**1.95**	(0.04)
Diluted earnings/(loss) per common share	**0.39**	0.44	**1.93**	(0.04)
Adjusted earnings				
Liquids Pipelines	**1,011**	949	**3,958**	3,384
Gas Distribution	**150**	128	**494**	446
Gas Pipelines and Processing	**95**	88	**366**	336
Green Power and Transmission	**43**	49	**165**	175
Energy Services	**(5)**	(22)	**28**	61
Eliminations and Other	**(96)**	(74)	**(349)**	(246)
Adjusted earnings before interest and income taxes1	**1,198**	1,118	**4,662**	4,156
Interest expense2	**(403)**	(372)	**(1,545)**	(1,273)
Income taxes2	**(136)**	(130)	**(520)**	(486)
Noncontrolling interests and redeemable noncontrolling interests2				