

Current Price:
\$32.42

Price Target:
\$41.14

Upside:
27%

Buy: Enbridge (NYSE: ENB)

Sector Head: Jacy Schneider

Lead Analyst: Allen Cao

Junior Analyst: Samuel Brugger

Agenda



Industry Overview

Company Overview

Investment Thesis

Catalysts

Valuation

Risks and Mitigations

Industry Overview

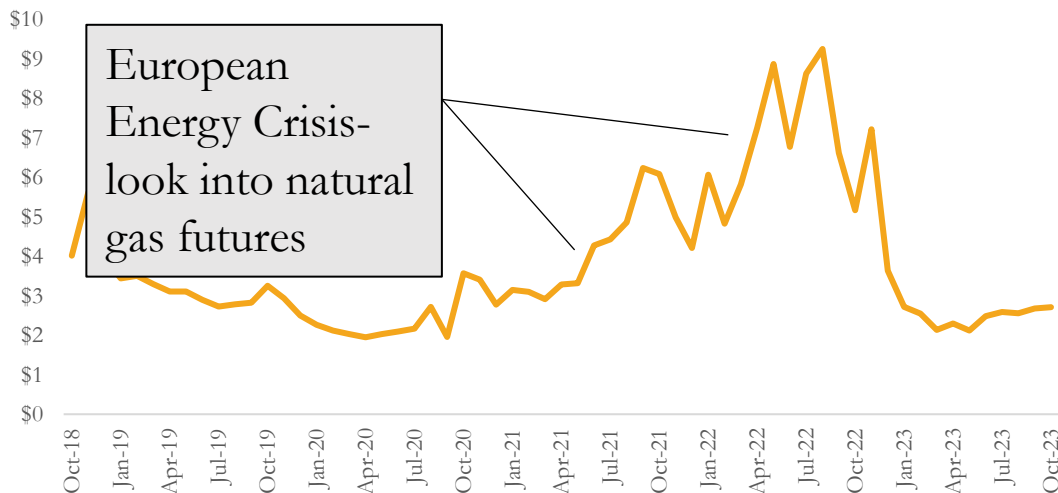
Industry Trends

Energy has gradually been transitioning from oil to natural gas and cleaner alternatives

Oil prices have increased significantly following OPEC+ and Russia reducing their production

To meet energy demands, the United States has been increasing its productions

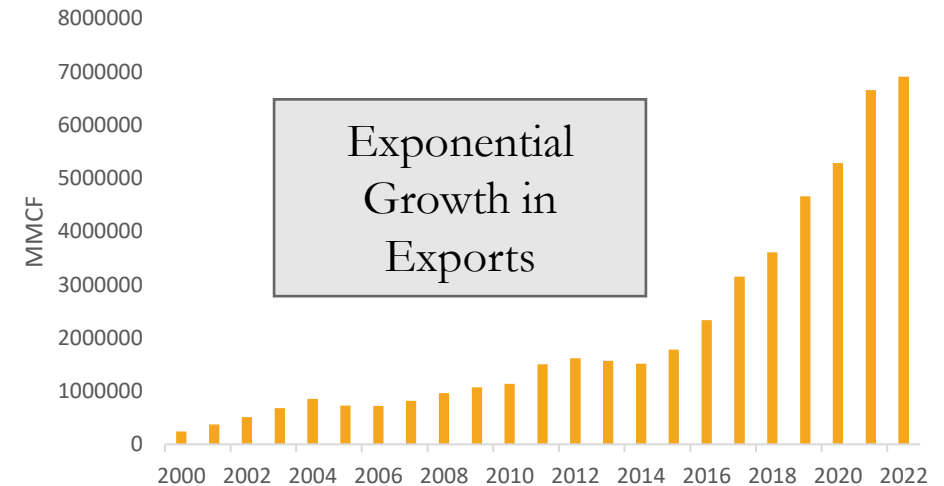
Natural Gas Prices



Midstream Company Trends

- Increased demand for midstream pipelines, storage facilities and processing plants due to increase in U.S productions
- U.S companies experienced an increase in the exporting of natural gas due to increased LNG demands becoming the top natural gas exporter
- Oil price fluctuations would have a smaller impact on midstream companies due to regulated distributions

U.S Natural Gas Exports



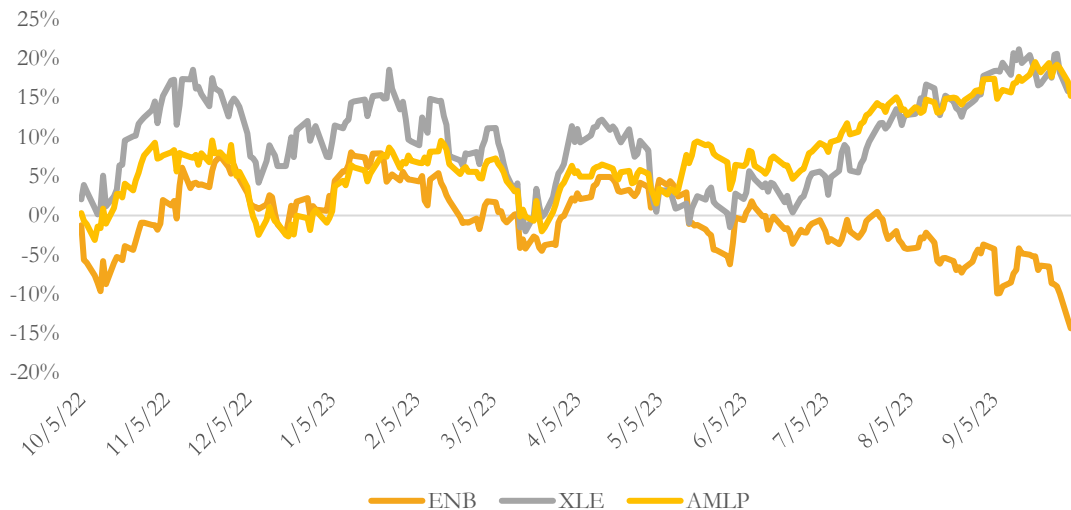
Company Overview



Company Description

- Canadian multinational pipeline and energy company headquartered in Calgary, Alberta, Canada
- Owns and operates Canada's largest natural gas distribution network, providing distribution services in Ontario and Quebec
- Transports crude oil, natural gas, natural gas liquids (NGL), and generates renewable energy
- Longest pipeline system in North America and the largest oil export pipeline network globally

Stock Performance

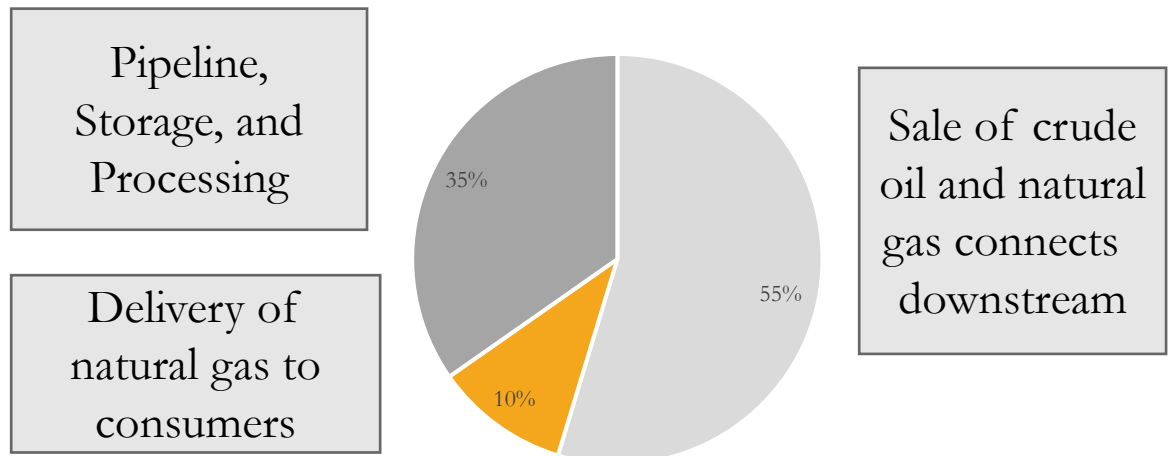


Key Information

Current Share Price: \$31.57	EPS (TTM): 1.38
52wk Range: \$31.19 - 42.12	Beta: 0.86
2022FY Revenue: \$39,448.66	WACC: 7.34%
Market Cap: \$67.61B	P/E (TTM): 22.88

Revenue Breakdown

Commodity sales Gas distribution revenue Transportation and other services



Investment Thesis

Financial Position

Enbridge's low risk operations allows them to consistently increase their earnings and stabilize their cash flow

Business Model

Their cash flow would then fuel their growth and expansion towards diversifying their portfolio

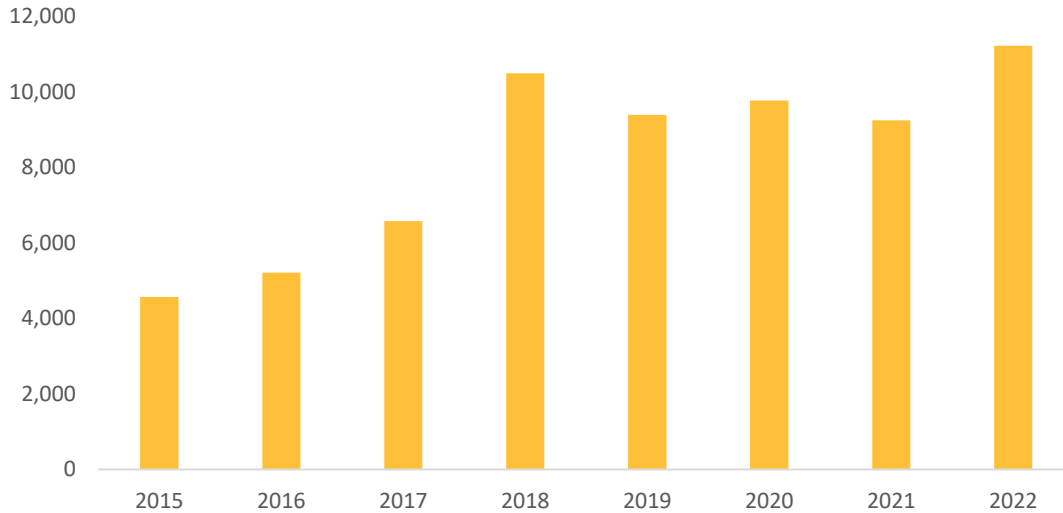
Energy Transition

Given their business segments and infrastructure, Enbridge will be a main player within energy transition

During times of high demands for oil, natural gas, and renewables, Enbridge is well positioned to deliver large volumes of commodities to consumers and exporting facilities

Financial Position

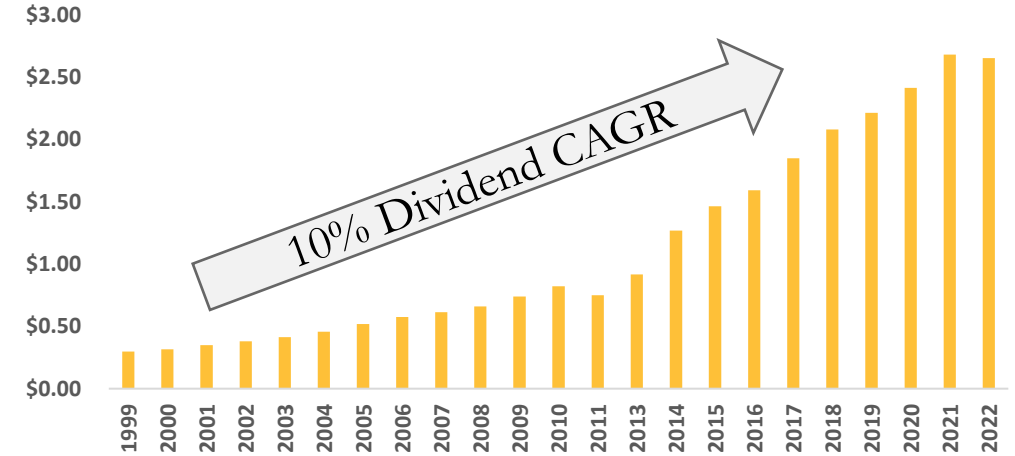
Operating Cash Flow Growth



Strong Balance Sheet

- Enbridge's midstream operations provide predictable cash flow.
- Enbridge has acquired **Spectra Energy** in 2017, in addition to an acquisition of **Tri Global Energy** in 2022 and will continue to acquire utility companies from **Dominion Energy** in 2023
- Their free cash flow yield is **9.34%**

Dividend Yields Growth



Low Risk Business Model

Established Long Term, Regulated, and Take or Pay Contracts	Transportation of Oil and Natural Gas is an Essential Service	Diversified Business Model within Energy and Utilities
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Natural Gas Acquisitions

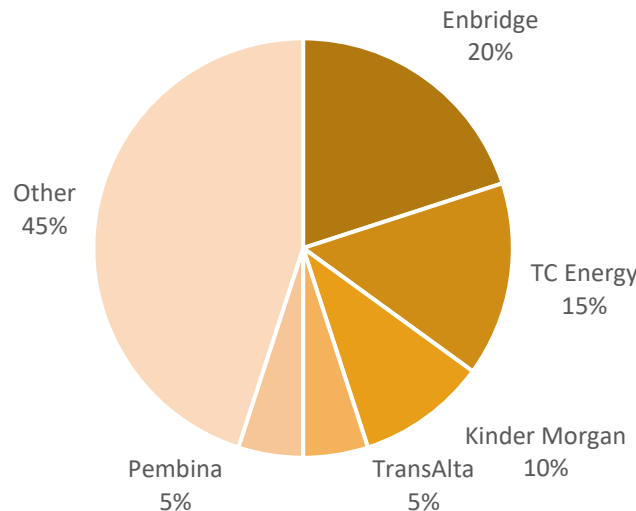
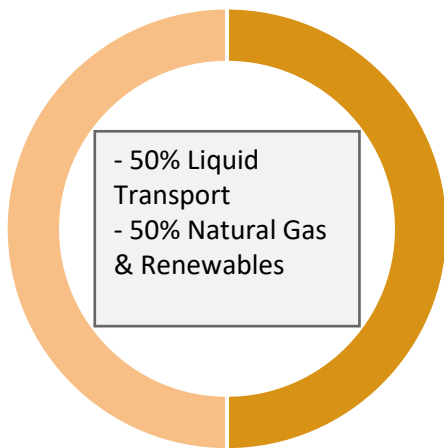
Dominion Utility Companies Acquisitions

- Comprised of US\$9.4 billion of cash consideration and US\$4.6 billion of assumed debt
- East Ohio Gas Company – Transport natural gas from West Virginia to cities in Ohio ~ roughly 1.2 million customers
- Questar Gas Company – Provides natural gas services to Utah, Wyoming, and Idaho ~ roughly 900,000 customers
- Public Service Company of North Carolina – Focuses on the purchase, sale, and transportation of natural gas to 28 counties in North Carolina ~ roughly 550,000 customers

Natural Gas Pipeline Infrastructure



Natural Gas & Renewables segments increased from 43% to 50%



- Diversification of Enbridge's low risk portfolio from oil to natural gas
- Upon closing it would make Enbridge the largest natural gas utility franchise in North America
- Creates North America's largest natural gas utility platform by volume delivering ~9.3 bcf/d to ~7 million customers across multiple regulatory jurisdictions

Global Position Towards Energy Transition

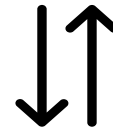
Canadian LNG Development Project

- Canada is creating their first LNG exporting facility
- Enbridge's pipelines transport approximately 60% of all crude oil produced in the WCSB and **owns largest natural gas pipeline system in the WCSB**, transporting approximately 30% of all natural gas produced in the region.
- Enbridge owns a 30% stake in Woodfibre LNG located in British Columbia to deliver 2.1 mpta of LNG
- Enbridge is well positioned to expand into Canadian LNG

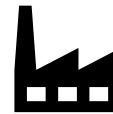
Gulf Coast LNG Involvement

- Enbridge is responsible for 15% of LNG export capacity with assets such as the **Texas Eastern Transmission, Valley Crossing, Brazoria Interconnector Gas** and the **Tres Palacios Gas Storage facility**.
- Continuous expansion would be made in this space as Enbridge finishes up projects such as the **Gator Express Meter Project**, the **Venice Extension Project**, and the **Rio Bravo Project** doubling their reach to about 30%.

LNG Demand in Asian Countries



Philippines depletion of natural gas field



Vietnam plans to build 13 power plants by 2030



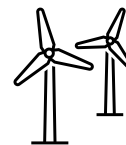
China and India plans to incorporate 15% more Natural Gas to their Energy Mix by 2030

Windmill Farm Projects

Rampion
Offshore Wind
Project in
England

Hohe See and
Albatros Wind
Project in
Germany

Saint-Nazaire
Offshore wind
project in France

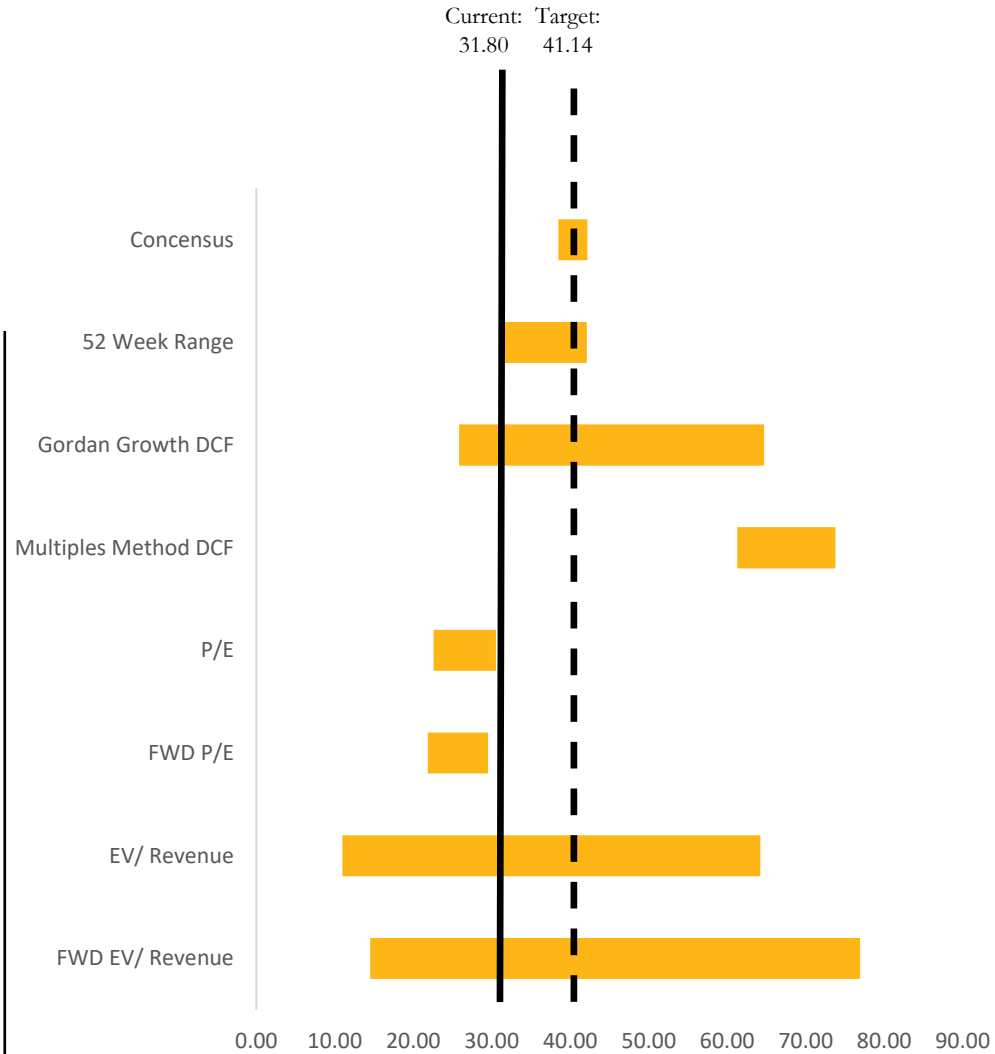


Enbridge Operates 23 Windmill farms and has the capacity to power 914,038 homes each year

Company Valuation



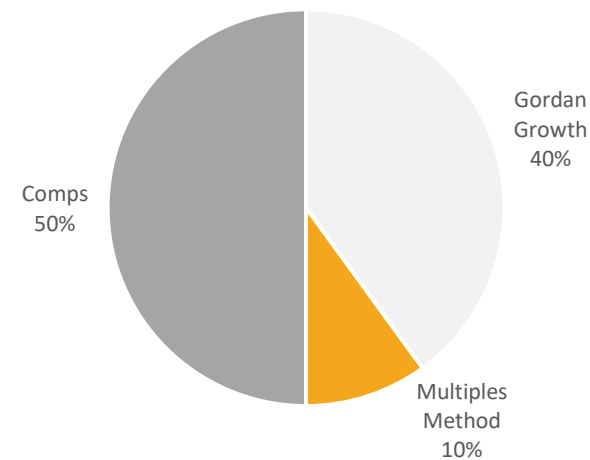
Football Field Analysis



Analyst Price Targets

JP Morgan	\$41.44 PT
Barclays	\$39.96 PT
Scotiabank	\$38.48 PT
RBC Capital	\$44.40 PT
TD Securities	\$42.92 PT

Weighting and Assumptions



WACC: 7.37%

23 EV/EBITDA: 13.64x

Terminal Growth: 2.50%

Risks and Mitigants

Risks

Interest rates continue to rise due to rising inflation, resulting in a lower demand for commodities

High interest may make it hard to allocate debt and pay back interest

Climate Change will lead to an increase of demand for renewables

Mitigants

Enbridge has fixed and regulated contracts that allow them transport commodities even despite low demand

Enbridge has business operations that provide stable cash flow such as their utilities and gas distribution segments

Enbridge has a vast and expanding energy infrastructure that will shift to generate more natural gas and renewables compared to oil and coal

Thank You

Questions?

Appendix

- Appendix A: Balance Sheet
- Appendix B: Income Statement
- Appendix C: Cash Flow Statement
- Appendix D: Revenue Build
- Appendix E: Networking Capital
- Appendix F: DCF
- Appendix G: WACC
- Appendix H: Comps
- Appendix I: Target Price Weights

Appendix A: Balance Sheet



Enbridge INC					
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION - USD (\$)					
	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022
\$ in Millions					
Current assets					
Cash and cash equivalents	383.32	479.52	334.48	211.64	637.14
Restricted cash	88.06	20.72	28.12	25.16	34.04
Accounts receivable and other (Note 9)	4822.58	5017.94	3890.92	5077.88	6564.54
Accounts receivable from affiliates	58.46	51.06	48.84	79.18	84.36
Inventory (Note 10)	990.86	961.26	1136.64	1235.8	1668.7
Total Current Assets	6,343	6,531	5,439	6,630	8,989
Property, plant and equipment, net (Note 11)	69959.6	69355.02	69982.54	74049.58	77300.4
Long-term investments (Note 13)	12363.18	12230.72	10225.32	9859.76	11792.64
Restricted long-term investments (Note 14)	239.02	321.16	409.22	466.2	438.82
Deferred amounts and other assets	6332.92	5500.42	6250.04	6373.62	7061.08
Intangible assets, net (Note 15)	1755.28	1608.02	1539.2	2965.92	2973.32
Goodwill (Note 16)	25499.66	24533.22	24189.12	24253.5	24005.6
Deferred income taxes (Note 25)	1016.76	740	569.8	361.12	349.28
Total assets	123,510	120,819	118,604	124,959	132,910
Current liabilities					
Short-term borrowings (Note 18)	757.76	664.52	829.54	1,121.10	1,477.04
Accounts payable and other (Note 17)	7,298.62	7,446.62	6,828.72	7,227.58	8,430.08
Accounts payable to affiliates	29.60	15.54	16.28	66.60	77.70
Interest payable	495.06	461.76	481.74	512.82	564.62
Current portion of long-term debt (Note 18)	2,411.66	3,258.96	2,188.18	4,561.36	4,473.30
Total Current Liabilities	10,992.70	11,847.40	10,344.46	13,489.46	15,022.74
Long-term debt (Note 18)	44,641.98	44,149.14	46,486.06	50,291.14	53,974.86
Other long-term liabilities	6,537.16	6,159.76	6,499.42	5,636.58	6,799.86
Deferred income taxes (Note 25)	6,995.96	7,301.58	7,645.68	8,649.86	10,197.94
Total Liabilities	69,168	69,458	70,976	78,067	85,995
Share capital					
Preference shares	5,732.78	5,732.78	5,732.78	5,732.78	5,045.32
Common shares (2,025 and 2,026 outstanding at December 31, 2022 and 2021, respectively)	47,860.98	47,912.04	47,928.32	47,951.26	47,922.40
Additional paid-in capital	-	138.38	204.98	270.10	203.50
Deficit	(4,098.12)	(4,672.36)	(7,396.30)	(8,131.86)	(11,459.64)
Accumulated other comprehensive income/(loss) (Note 23)	1,977.28	(201.28)	(1,036.74)	(811.04)	2,604.80
Reciprocal shareholding	(65.12)	(37.74)	(21.46)	-	-
Total Enbridge Inc. shareholders' equity	51,407.80	48,871.82	45,411.58	45,011.24	44,316.38
Noncontrolling interests (Note 20)	2,934.10	2,489.36	2,217.04	1,881.08	2,598.14
Equity	54,342	51,361	47,629	46,892	46,915
Total liabilities and equity	\$ 123,510	\$ 120,819	\$ 118,604	\$ 124,959	\$ 132,910

Appendix B: Income Statement



CONSOLIDATED STATEMENTS OF EARNINGS \$ in Millions, \$					
in Millions	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022
Operating revenues					
Total operating revenues (Note 4)	34319.72	37051.06	28924.38	34832.54	39448.66
% Growth (YoY)		8%	-22%	20%	13%
Operating expenses					
Operating and administrative	5026.08	5173.34	4994.26	4966.88	6082.06
Commodity costs	19845.32	21313.48	13978.60	19689.92	21417.08
Commodity costs and Gas distribution costs	1911.42	1629.48	1316.46	1549.56	2698.78
Depreciation and amortization	2402.04	2509.34	2746.88	2850.48	3194.58
Impairment of long-lived assets	816.96	313.02	0.00	0.00	400.34
Impairment of goodwill (Note 16)	754.06	0.00	0.00	0.00	1824.10
Cost of Services	21756.74	22942.96	15295.06	21239.48	24115.86
% of Sales	0.63	0.62	0.53	0.61	0.61
Total operating expenses	30755.88	30938.66	23036.20	29056.84	35616.94
Operating income	3,564	6,112	5,888	5,776	3,832
Income from equity investments (Note 13)	1116.66	1112.22	840.64	1266.14	1521.44
Impairment of equity investments (Note 13)	0	0	-1739.74	-82.14	0
Gain on joint venture merger transaction (Note 13)	0	0	0	0	796.24
Other income/(expense) (Note 28)	381.84	190.92	176.12	724.46	-435.86
Net foreign currency gain/(loss)	-386.28	352.98	0	0	0
Loss on dispositions	-34.04	-222	0	0	0
Interest expense (Note 18)	-2000.22	-1970.62	-2064.6	-1964.7	-2352.46
Earnings before income taxes	2641.8	5575.9	3100.6	5719.46	3361.08
Income tax expense (Note 25)	-175.38	-1263.92	-572.76	-1047.1	-1186.96
Earnings	\$ 2,466.42	\$ 4,311.98	\$ 2,527.84	\$ 4,672.36	\$ 2,174.12
(Earnings)/loss attributable to noncontrolling interests	(451)	(122)	(53)	(125)	65
Earnings attributable to controlling interests	2,882	5,705	3,363	6,189	3,003
Preference share dividends	(367)	(383)	(380)	(373)	(414)
Earnings attributable to common shareholders	\$ 2,515	\$ 5,322	\$ 2,983	\$ 5,816	\$ 2,589
Earnings per common share attributable to common shareholders (in CAD per share) \$ / shares	\$ 1.46	\$ 2.64	\$ 1.48	\$ 2.87	\$ 1.28
Shares outstanding		81%	-44%	94%	-55%
Diluted earnings per common share attributable to common shareholders (in CAD per share) \$ / shares	\$ 1.46	\$ 2.63	\$ 1.48	\$ 2.87	\$ 1.28

Appendix C: Cash Flow Statement



CONSOLIDATED STATEMENTS OF CASH FLOWS \$ in Millions	12 Months Ended				
	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022
Cash flows from operating activities					
Earnings	\$ 2,466	\$ 4,312	\$ 2,528	\$ 4,672	\$ 2,174
Adjustments to reconcile earnings to net cash provided by					
Depreciation and amortization	2402.04	2509.34	2746.88	2850.48	3194.58
Deferred income tax expense (Note 25)	-109.52	855.44	330.78	807.34	708.18
Unrealized derivative fair value (gain)/loss, net (Note 24)	668.22	-1295.74	-559.44	-128.02	947.20
Income from equity investments (Note 13)	-1116.66	-1112.22	-840.64	-1266.14	-1521.44
Distributions from equity investments	1138.86	1334.96	1030.08	1206.20	1351.98
Impairment of long-lived assets	816.96	313.02	0.00	0.00	400.34
Impairment of equity investments (Note 13)	0.00	0.00	1739.74	82.14	0.00
Impairment of goodwill (Note 16)	754.06	0.00	0.00	0.00	1824.10
Gain on joint venture merger transaction (Note 13)	0.00	0.00	0.00	0.00	-796.24
(Gain)/loss on dispositions	5.92	187.96	-4.44	-236.06	8.88
Other	68.08	41.44	198.32	-54.02	27.38
Changes in operating assets and liabilities (Note 29)	677.10	-191.66	68.82	-1084.84	-8.88
Net cash provided by operating activities	7,771	6,955	7,238	6,849	8,310
Cash flow from investing activities					
Capital expenditures	-5036.44	-4078.88	-3999.70	-5785.32	-3438.78
Long-term investments and restricted long-term investments	-970.88	-857.66	-360.38	-473.60	-770.34
Distributions from equity investments in excess of cumulative earnings	944.98	308.58	521.70	394.42	564.62
Additions to intangible assets	-399.60	-148.00	-159.10	-203.50	-128.76
Acquisitions	0.00	0.00	-17.76	-2800.90	-612.72
Proceeds from joint venture merger transaction (Note 13)	3294.48	0.00	0.00	0.00	386.28
Proceeds from dispositions	-8.88	1561.40	196.10	934.62	0.00
Affiliate loans, net	-56.24	-232.36	-11.84	48.10	99.90
Net cash used in investing activities	(2,233)	(3,447)	(3,831)	(7,886)	(3,900)
Financing activities					
Net change in short-term borrowings	-310.80	-93.98	165.02	291.56	355.94
Net change in commercial paper and credit facility draws	-1669.44	610.50	1141.08	2190.40	-986.42
Debt and term note issues, net of issue costs	2617.38	4570.24	3870.20	5943.68	5584.78
Debt and term note repayments	-3289.30	-3454.32	-3302.62	-1675.36	-3106.52
Sale of noncontrolling interest in subsidiary (Note 8)	953.86	0.00	0.00	0.00	808.08
Contributions from noncontrolling interests	17.76	8.88	17.02	11.10	9.62
Distributions to noncontrolling interests	-634.18	-187.96	-222.00	-200.54	-191.66
Common shares issued	15.54	13.32	3.70	3.70	2.22
Common shares repurchased	0.00	0.00	0.00	0.00	-111.74
Sponsored Vehicle buy-in cash payment	-47.36	0.00	0.00	0.00	0.00
Preference share dividends	-269.36	-283.42	-281.20	-271.58	-250.12
Common share dividends	-2575.20	-4420.02	-4854.40	-5006.84	-5156.32
Redemption of preference shares	51.80	-222.00	0.00	0.00	-742.22
Redemption of preferred shares held by subsidiary	-155.40	0.00	0.00	-307.10	0.00
Other	-17.02	-52.54	-66.60	-64.38	-232.36
Net cash provided by/(used in) financing activities	-5552.22	-3511.30	-3529.80	914.64	-4016.72
Effect of translation of foreign denominated cash and cash equivalents and restricted cash	50.32	32.56	-14.80	-3.70	40.70
Net change in cash and cash equivalents and restricted cash	37	29	(138)	(126)	434
Cash and cash equivalents and restricted cash at beginning of year	434.38	471.38	500.24	362.60	236.80
Cash and cash equivalents and restricted cash at end of year	471	500	363	237	671
Supplementary cash flow information					
Cash paid for income taxes	204.98	422.54	387.76	361.86	366.30
Cash paid for interest, net of amount capitalized	1855.92	2026.12	1878.12	1795.98	2160.80
Property, plant and equipment and intangible assets non-cash accruals	626.78	540.20	592.74	614.94	693.38

Appendix D: Revenue Build



CONSOLIDATED STATEMENTS OF EARNINGS \$ in Millions, \$													
in Millions	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2026	Dec. 31, 2027	Dec. 31, 2028	Dec. 31, 2029	Dec. 31, 2030
Operating revenues													
<i>Commodity sales</i>	20468.4	21688.66	14251.66	19886.02	21571	\$ 23,728	\$ 26,101	\$ 27,667	\$ 29,050	\$ 30,503	\$ 32,028	\$ 33,629	\$ 35,311
<i>% Growth (YoY)</i>		6%	-34%	40%	8%	10%	10%	6%	5%	5%	5%	5%	5%
<i>Gas distribution revenue</i>	3226.4	3111.7	2710.62	2979.24	4183.22	\$ 4,602	\$ 5,292	\$ 6,879	\$ 7,485	\$ 8,083	\$ 8,730	\$ 9,429	\$ 10,183
<i>% Growth (YoY)</i>		-4%	-13%	10%	40%	10%	15%	30%	9%	8%	8%	8%	8%
<i>Transportation and other services</i>	10624.92	12250.7	11962.1	11967.28	13694.44	\$ 15,338	\$ 17,638	\$ 22,930	\$ 25,452	\$ 27,488	\$ 29,413	\$ 31,472	\$ 33,675
<i>% Growth (YoY)</i>		15%	-2%	0%	14%	12%	15%	30%	11%	8%	7%	7%	7%
Total operating revenues (Note 4)	34319.72	37051.06	28924.38	34832.54	39448.66	43667.4148	49031.12202	57476.24023	61987.26406	66074.7358	70170.74532	74529.43945	79168.19831
<i>% Growth (YoY)</i>		8%	-22%	20%	13%	11%	12%	17%	8%	7%	6%	6%	6%

Appendix E: Networking Capital



Net Working Capital	FY2018	FY2019	FY2020	FY2021	FY2022	2023E	2024E	2025E	2026E	2027E	2028E
Accounts receivable	\$ 5,352	\$ 5,569	\$ 4,302	\$ 5,394	\$ 7,320	\$ 6,947	\$ 7,800	\$ 9,144	\$ 9,861	\$ 10,512	\$ 11,163
Revenue	34319.72	37051.06	28924.38	34832.54	39448.66	43667.41	49031.12	57476.24	61987.26	66074.74	70170.75
<i>Days Outstanding</i>	56.92	54.86	54.29	56.52	67.73	58.07	58.07	58.07	58.07	58.07	58.07
Inventories	991	961	1,137	1,236	1,669	1,667	1,928	2,303	2,308	2,350	2,475
Cost of Revenue	21,757	22,943	15,295	21,239	24,116	28820.49377	33341.16	39831.03	39919.8	40635.96	42804.15
<i>%COGS*365</i>	16.62	15.29	27.12	21.24	25.26	21.11	21.11	21.11	21.11	21.11	21.11
TCA	6,343	6,531	5,439	6,630	8,989	8,613	9,728	11,447	12,170	12,861	13,638
Accounts Payable and other	7,328	7,462	6,845	7,294	8,508	10408.90779	12041.61	14385.51	14417.57	14676.22	15459.29
<i>Accounts Payable Turnover</i>	122.94	118.72	163.35	125.35	128.77	131.82	131.82	131.82	131.82	131.82	131.82
Short Term Borrowing	758	665	830	1,121	1,477	1438.595392	2917.352	1839.24	1686.054	1585.794	1571.825
<i>% of SGA</i>		13%	17%	23%	24%	22%	35%	20%	17%	15%	14%
Current Portion of Long Term Debt	2,412	3,259	2,188	4,561	4,473	5685.138497	6302.85	7529.702	7546.482	7681.867	8091.744
<i>% of Sales</i>	40.46	51.85	52.22	78.39	67.70	72.00	69.00	69.00	69.00	69.00	69.00
Interest Payable	495	462	482	513	565	710.6423121	803.8417	971.7421	970.7828	985.0179	1034.224
<i>% of sales</i>	8.31	7.35	11.50	8.81	8.55	9.00	8.80	8.90	8.88	8.85	8.82
TCL	10,993	11,847	10,344	13,489	15,023	18,243	22,066	24,726	24,621	24,929	26,157
NWC	(4,649)	(5,317)	(4,905)	(6,860)	(6,034)	(9,630)	(12,338)	(13,279)	(12,451)	(12,068)	(12,519)
Change in NWC		(667)	411	(1,954)	826	(3,596)	(2,708)	(942)	828	384	(451)

Appendix F: DCF

ENB DCF											
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Revenue	34319.72	37051.06	28924.38	34832.54	39448.66	43667.415	49031.12	57476.24	61987.26	66074.736	70170.745
<i>Revenue Growth</i>		8%	-22%	20%	13%	11%	12%	17%	8%	7%	6%
EBIT	3,564	6,112	5,888	5,776	3,832	3,362	245	115	4,401	8,590	9,473
<i>EBIT margin</i>		72%	-4%	-2%	-34%	-12%	-93%	-53%	3729%	95%	10%
NOPAT	3029.264	5195.54	5004.953	4909.345	3256.962	2858.0323	208.3823	97.70961	3740.931	7301.2583	8052.093
<i>Tax Rate</i>	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Plus: D&A	2,402	2,509	2,747	2,850	3,195	4,873	9,218	9,282	9,521	9,058	9,307
Less: CapEx	5,036	4,079	4,000	5,785	3,439	5,240	9,806	9,771	9,918	9,339	9,496
Less: Δ NWC		(667)	411	(1,954)	826	(3,596)	(2,708)	(942)	828	384	(451)
FCFF	395	4,293	3,341	3,929	2,187	6,087	2,328	551	2,516	6,637	8,313
Discount Factor						0.5	1.5	2.5	3.5	4.5	5.5
Present Value of Cash Flow						\$5,874.50	\$2,092.18	\$461.20	\$1,961.77	\$4,819.85	\$5,622.47

Gordon Growth Method	
Terminal CF	8,313
WACC	7.37%
Terminal Growth Rate	2.50%
Terminal Value	174,984
PV of Terminal Value	118,345
Enterprise Value	\$139,177.05
Less: Debt	58,448
Plus: Cash	637
Equity Value	81,366
Diluted Shares Outstanding	2025
Price Per Share	\$40.18
<i>% Upside</i>	<i>24.48%</i>

Multiples Method	
WACC	7.37%
EV/EBITDA	13.4
Terminal Value	251,646
PV of Terminal Value	170,193
Enterprise Value	191,025
Less: Debt	58,448
Plus: Cash	637
Equity Value	133,214
Diluted Shares Outstanding	2025
Price Per Share	\$65.78
<i>% Upside</i>	<i>103.79%</i>

WACC	Terminal Growth					
	\$40.18	2.00%	2.25%	2.50%	2.75%	3.00%
5.37%	74.93066	82.64467	91.7026	102.4891	115.5513	
6.37%	49.967069	54.28451	59.15976	64.70839	71.080258	
7.37%	34.476419	37.18707	40.17603	43.48846	47.17989	
8.37%	23.987329	25.82095	27.81076	29.97759	32.346184	
9.37%	16.455875	17.76295	19.16516	20.67328	22.299772	

WACC	EV/EBITDA					
	\$65.78	12.64	13.14	13.64	14.14	14.64
5.3700%	70.300352	73.77801	77.25567	80.73333	84.21099	
6.3700%	65.518054	68.81966	72.12126	75.42287	78.724472	
7%	61.016385	64.15237	67.28836	70.42434	73.560331	
8.3700%	56.776422	59.75652	62.73662	65.71672	68.696814	
9.3700%	52.780676	55.61396	58.44725	61.28053	64.113817	

Appendix G: WACC

ENB	
WACC Calculations	
Beta	0.864743886
Risk-free Rate	4.59%
Expected Market Return	10%
Risk Premium	5%
Cost of Equity	9%
Credit Spread	2.00%
Pre-Tax Cost of Debt	6.84%
Tax Rate	15%
Cost of Debt	9%
Cost of Debt after Taxes	6%
Market Capitalization	0.07
Debt Outstanding	58,448
Total Capitalization	58448.23
Weight of Equity	0.00%
Weight of Debt	100.00%
WACC Calculations	7.37%
Current Price	32.28
Shares Outstanding	2025
Market Capitalization	\$ 65,367.00

Appendix H: Comps



Company Name	Ticker	Price	25 Outstanding (in mil)	Cap (in bil)	EBT (in million)	Enterprise Value (bil)	Minority Interest	EBIT (bil)	ITM	EBITDA	Revenue	P/E	EW EBITDA	EW EBIT	EPS	EV/Revenue	FWD P/E	FWD EW EBITDA	FWD EW EBIT	FWD EV/Revenue
Enbridge	ENB	31.8	2025	70.7	\$779	60.07	136	2,598	5	10	35	12.89	13.64	20.41	2.62	3.82	15.72	11.15	15.55	3.81
Okeok	OKE	65.95	447.67	37	106	12.82	50	2,598	4	4	19	12.83	12.21	14.52	4.95	2.54	12.7	9.41	12.4	2.47
Energy Transfer	ET	14.03	3140	44	330	48.96	107	2,598	8	12	81	11.72	8.9	13.72	1.21	1.31	9.56	7.91	11.82	1.43
Enterprise Products Part	EPD	27.37	2170	59	183	29.54	90	2,598	6	7	52	11.02	12.34	14.09	2.47	1.72	10.16	9.55	12.26	1.71
TC Energy Corp	TRP	33.45	1030	36	825	46.64	84	2,598	5	10	12	7.02	9.62	10.87	4.97	7.11	11.35	10.29	13.9	7.03
Kinder Morgan INC	KMI	16.76	2230	36	497	31	70	2,598	4	10	17	14.69	10.44	15.66	3.96	3.36	13.35	8.6	14	3.95
The Williams Company	WMB	33.69	1220	41	551	2,441	67	2,598	4	6	12	16.79	10.89	16.18	2.01	5.77	17.32	9.83	17.59	6.02
Min												7.02	8.9	10.87	1.21	1.31	9.56	7.91	11.82	1.43
Q1												11.37	10.03	13.905	2.125	2.13	10.755	9.005	12.33	2.09
Median												12.83	10.89	14.52	2.545	3.82	12.7	9.55	13.9	3.81
Q3												13.79	12.275	15.92	4.3675	4.865	14.535	10.06	14.775	4.985
Max												16.79	13.64	20.41	4.97	7.11	17.32	11.15	17.59	7.03
Mean												12.96	11.147	15.125	3.0435	3.847	13.094	9.535	14.083	3.869

Comps Output	EV	Debt	Cash	Minority	Equity	Shares	Price Per Share
Revenue							
FWD EV/Revenue	####						
Min	1.43	62444.4	60070.00	\$779	2,598	555	2025
Q1	2.09	91264.9	60070.00	\$779	2,598	29,375	2025
Med	3.81	166372.9	60070.00	\$779	2,598	104,483	2025
Q3	4.99	217682.1	60070.00	\$779	2,598	155,793	2025
Max	7.03	306961.9	60070.00	\$779	2,598	245,092	2025
EV/Revenue	####						
Min	1.31	51677.74	60070.00	\$779	2,598	-10,212	2025
Q1	2.13	84025.65	60070.00	\$779	2,598	22,136	2025
Med	3.82	150693.9	60070.00	\$779	2,598	88,804	2025
Q3	4.87	191917.7	60070.00	\$779	2,598	130,028	2025
Max	7.11	280480	60070.00	\$779	2,598	218,590	2025
FWD P/E		EPS	Per Share				
Min	9.56	2.03	19.41				
Q1	10.8	2.03	21.83				
Med	12.7	2.03	25.78				
Q3	14.5	2.03	29.51				
Max	17.9	2.03	36.38				
P/E		EPS	Per Share				
Min	9.56	2.1	20.076				
Q1	10.8	2.1	22.5855				
Med	12.7	2.1	26.67				
Q3	14.5	2.1	30.5235				
Max	17.9	2.1	37.632				

Consensus Price Target	
JP Morgan	41.44
Barclays	39.96
Scotiabank	38.48
Peters & Co.	37
Morningstar	38.48
RBC Capital	44.4
TD Securities	42.92

Valuation			
Value	Q1	Spread	Q3
FWD EV/Revenue	14.51	62.43	76.93
EV/Revenue	10.93	53.28	64.21
FWD P/E	21.83	7.67	29.51
P/E	22.59	7.94	30.52
Multiples Method	61.28	12.50	73.78
Gordan Growth L	25.82	38.89	64.71
52 Week Range	31.20	10.92	42.12
Consensus	38.48	3.70	42.18

Valuation			
Value	Price	Weight	Value
FWD EV/Revenue	51.60	25%	12.90
EV/Revenue	43.85	25%	10.96
FWD P/E	25.78	25%	6.45
P/E	26.67	25%	6.67
		100%	36.98

Valuation			
	Price	Weight	Value
Gordan Growth	\$40.18	40%	\$16.07
Multiples Method	\$65.78	10%	\$6.58
Comps	36.98	50%	\$18.49
Upside	27%	100%	\$41.14

Gordan Growth	40%
Multiples Method	10%
Comps	50%
Upside	100%

Appendix I: Target Price Weights



Valutaion				
	Price	Weight	Value	
Gordan Growth	\$40.18	40%	\$16.07	
Multiples Method	\$65.78	10%	\$6.58	
Comps	36.98	50%	\$18.49	
Upside	27%	100%	\$41.14	