



**Media Release
For immediate release**

Regulatory Approval Granted for Construction of Alliance Pipeline Natural Gas Lateral in North Dakota

Calgary, Alberta – October 1, 2012 – With a green light from the Federal Energy Regulatory Commission (FERC), Alliance Pipeline is moving ahead with construction preparations for its Tioga Lateral Pipeline project in North Dakota.

FERC issued its approval September 20, 2012 for Alliance's 79.3 mile, NPS 12 (12 inch diameter) lateral pipeline to connect new natural gas production from the Williston Basin to the Alliance mainline in North Dakota. The natural gas will then be shipped onward to the Chicago market hub. The planned in-service timing for the new pipeline is summer 2013.

"We are very pleased to obtain regulatory approval for this pipeline, which will help address North Dakota's need for natural gas transportation infrastructure. Moving more Williston Basin gas to market will also help reduce flaring and provide direct environmental and economic benefits to North Dakotans", said Mike McGonagill, Senior Vice President & Chief Operating Officer for Alliance Pipeline.

"This is a major milestone that enables Alliance to further align with market and customer needs, while capitalizing on our unique ability to ship liquids rich natural gas since the Alliance pipeline is directly connected to the large-scale NGL extraction and fractionation facility near Chicago owned by Aux Sable Liquid Products."

The pipeline has been certificated for 106,500 Mcf/day, and is underpinned by a contract with Hess Corporation for transport of 61,500 Mcf/day. The pipeline is expandable, based on shipper demand, and with the project now a go, Alliance will continue talks with interested parties.

Shipment of construction materials to approved locations along the pipeline route has begun and construction crews will soon be mobilized. For more information about the project visit: www.alliancepipeline.com.

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About the Alliance Pipeline system:

The Alliance Pipeline system consists of an approximately 2,311-mile integrated Canadian and U.S. high-pressure natural gas transmission pipeline system, delivering rich natural gas from the Western Canadian Sedimentary Basin and the Williston Basin to the Chicago market hub. The United States portion of the system consists of approximately 900 miles of mainline and related infrastructure. The



system has been in commercial service since December 2000 and delivers, on average, about 1.6 billion standard cubic feet (or 45.3 million standard cubic metres) of natural gas per day. More information about the company is available at www.alliancepipeline.com.

Alliance Pipeline Limited Partnership ("Alliance Canada") owns the Canadian portion of the Alliance Pipeline system. Alliance Canada is owned 50 percent each by affiliates of Enbridge Income Fund Holdings Inc. (TSX:ENF) and Veresen Inc. (TSX:VSN).

Alliance Pipeline L.P. ("Alliance U.S.A.") owns the U.S. portion of the Alliance Pipeline system. Alliance U.S.A. is owned 50 percent each by affiliates of Enbridge Inc. (TSX:ENB) (NYSE:ENB) and Veresen Inc. (TSX:VSN).