

ENBRIDGE ENERGY PARTNERS, L.P.
CONSOLIDATED STATEMENTS OF INCOME

	For the year ended December 31,		
	2009	2008	2007
	(unaudited; in millions, except per unit amounts)		
Operating revenue.....	\$ 5,731.8	\$ 9,898.7	\$ 7,172.1
Operating expenses			
Cost of natural gas.....	4,180.8	8,454.5	6,176.0
Operating and administrative.....	548.6	513.0	408.8
Power.....	128.1	140.7	117.0
Depreciation and amortization.....	257.7	209.9	151.9
	<u>5,115.2</u>	<u>9,318.1</u>	<u>6,853.7</u>
Operating income.....	616.6	580.6	318.4
Interest expense.....	228.6	180.6	99.8
Other income.....	13.4	1.9	4.2
Income from continuing operations before income tax expense.....	401.4	401.9	222.8
Income tax expense.....	8.5	7.0	5.1
Income from continuing operations.....	392.9	394.9	217.7
Income (loss) from discontinued operations, net of tax.....	(64.9)	8.3	31.8
Net income.....	328.0	403.2	249.5
Less: Net income attributable to noncontrolling interest.....	11.4	-	-
Net income attributable to general and limited partner ownership interests in Enbridge Energy Partners, L.P.	<u>\$ 316.6</u>	<u>\$ 403.2</u>	<u>\$ 249.5</u>
Net income allocable to limited partner interests			
Income from continuing operations.....	\$ 324.4	\$ 345.4	\$ 181.5
Income (loss) from discontinued operations.....	(63.6)	8.1	31.2
Net income allocable to limited partner interests.....	<u>\$ 260.8</u>	<u>\$ 353.5</u>	<u>\$ 212.7</u>
Basic and diluted earnings per limited partner unit			
Income from continuing operations.....	\$ 2.78	\$ 3.55	\$ 2.10
Income (loss) from discontinued operations.....	(0.54)	0.09	0.36
Net income per limited partner unit (basic and diluted).....	<u>\$ 2.24</u>	<u>\$ 3.64</u>	<u>\$ 2.46</u>
Weighted average limited partner units outstanding.....	116.4	97.1	86.3
Cash distributions paid per limited partner unit outstanding.....	<u>\$ 3.960</u>	<u>\$ 3.880</u>	<u>\$ 3.725</u>

ENBRIDGE ENERGY PARTNERS, L.P.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended December 31,		
	2009	2008	2007
	(unaudited; in millions)		
Cash provided by operating activities			
Net income.....	\$ 328.0	\$ 403.2	\$ 249.5
Adjustments to reconcile net income to net cash provided			
by operating activities:			
Depreciation and amortization.....	269.3	223.4	165.6
Derivative fair value losses (gains).....	15.2	(68.8)	64.2
Inventory market price adjustments.....	3.6	11.6	4.5
Gain (loss) on sale of net assets.....	(1.6)	-	(32.6)
Impairment charge.....	66.1	-	-
Other.....	12.1	25.5	1.8
Changes in operating assets and liabilities, net of acquisitions:			
Receivables, trade and other.....	(45.7)	56.1	(11.1)
Due from General Partner and affiliates.....	22.5	(13.3)	3.3
Accrued receivables.....	66.5	91.5	(82.3)
Inventory.....	(22.9)	46.0	2.0
Current and long term other assets.....	(44.4)	10.2	(3.9)
Due to General Partner and affiliates.....	0.1	(3.6)	23.2
Accounts payable and other.....	(4.5)	(17.2)	(3.1)
Accrued purchases.....	47.5	(222.6)	73.5
Interest payable.....	11.3	13.1	9.5
Property and other taxes payable.....	6.0	10.3	0.2
Settlement of interest rate derivatives.....	(0.7)	(22.1)	(0.9)
Net cash provided by operating activities.....	<u>728.4</u>	<u>543.3</u>	<u>463.4</u>
Cash used in investing activities			
Additions to property, plant and equipment.....	(1,292.1)	(1,375.4)	(1,980.2)
Changes in construction payables.....	(32.3)	(40.0)	83.6
Asset acquisitions, net of cash acquired.....	-	(11.7)	-
Proceeds from sale of net assets.....	150.8	-	133.0
Other.....	-	(1.2)	(1.4)
Net cash used in investing activities.....	<u>(1,173.6)</u>	<u>(1,428.3)</u>	<u>(1,765.0)</u>
Cash provided by financing activities			
Net proceeds from unit issuances.....	1.0	731.6	628.8
Distributions to partners.....	(395.0)	(286.7)	(245.4)
Repayments of long-term debt.....	(420.7)	(56.0)	(31.0)
Repayment of affiliate notes payable.....	(130.0)	-	(136.2)
Net proceeds from issuances of long-term debt.....	-	1,286.7	592.8
Net borrowings (repayments) under Credit Facility.....	598.2	(233.2)	400.0
Net commercial paper repayments.....	-	(268.0)	(171.5)
Borrowings from General Partner and affiliates.....	269.7	-	130.0
Contribution from noncontrolling interest.....	329.7	-	-
Other.....	(4.0)	-	-
Net cash provided by financing activities.....	<u>248.9</u>	<u>1,174.4</u>	<u>1,167.5</u>
Net increase (decrease) in cash and cash equivalents.....	(196.3)	289.4	(134.1)
Cash and cash equivalents at beginning of year.....	339.9	50.5	184.6
Cash and cash equivalents at end of period.....	<u>\$ 143.6</u>	<u>\$ 339.9</u>	<u>\$ 50.5</u>

ENBRIDGE ENERGY PARTNERS, L.P.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31,	
	2009	2008
	(unaudited; dollars in millions)	
ASSETS		
Current assets		
Cash and cash equivalents	\$ 143.6	\$ 339.9
Restricted cash	-	0.1
Receivables, trade and other, net of allowance for doubtful accounts of \$6.8 in 2009 and \$2.6 in 2008.....	148.5	103.0
Due from General Partner and affiliates	18.0	40.5
Accrued receivables.....	440.4	507.3
Inventory.....	71.9	53.0
Other current assets	47.5	80.7
	869.9	1,124.5
Property, plant and equipment, net.....	7,716.7	6,722.9
Goodwill	246.7	256.5
Intangibles, net.....	82.9	88.7
Other assets, net.....	72.1	108.3
	\$ 8,988.3	\$ 8,300.9
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities		
Due to General Partner and affiliates	\$ 46.2	\$ 42.2
Accounts payable and other.....	205.4	225.3
Accrued purchases.....	428.6	381.2
Interest payable.....	45.3	34.0
Property and other taxes payable.....	38.8	32.8
Loan from General Partner	269.7	-
Current maturities of long-term debt	31.0	420.7
	1,065.0	1,136.2
Long-term debt	3,791.2	3,223.4
Notes payable to affiliate	-	130.0
Other long-term liabilities	62.2	84.4
	4,918.4	4,574.0
Commitments and contingencies		
Partners' capital		
Class A common units (97,443,352 and 76,088,834 at December 31, 2009 and 2008, respectively).....	2,884.9	2,104.0
Class B common units (3,912,750 at December 31, 2009 and 2008).....	78.6	85.0
Class C units (Zero and 19,688,968 at December 31, 2009 and 2008, respectively).....	-	886.5
i-units (16,388,867 and 14,763,055 at December 31, 2009 and 2008, respectively).....	588.8	553.8
General Partner.....	251.1	84.7
Accumulated other comprehensive income (loss).....	(74.6)	12.9
Total Enbridge Energy Partners, L.P. partners' capital.....	3,728.8	3,726.9
Noncontrolling interest	341.1	-
Total partners' capital.....	4,069.9	3,726.9
	\$ 8,988.3	\$ 8,300.9

NET INCOME PER LIMITED PARTNER AND GENERAL PARTNER UNIT

We allocate our net income among our general partner and limited partners using the two-class method in accordance with applicable authoritative accounting guidance. Under the two-class method, we allocate our net income, including any incentive distribution rights, or IDRs, embedded in the general partner interest, to our general partner, Enbridge Energy Company, Inc. and our limited partners according to the distribution formula for available cash as set forth in our partnership agreement. We also allocate any earnings in excess of distributions to our general partner and limited partners utilizing the distribution formula for available cash specified in our partnership agreement. We allocate any distributions in excess of earnings for the period to our general partner and limited partners based on their sharing of losses of 2% and 98%, respectively, as set forth in our partnership agreement. The formula for distributing available cash as set forth in our partnership agreement is as follows:

<u>Distribution Targets</u>	<u>Portion of Quarterly Distribution Per Unit</u>	<u>Percentage Distributed to General Partner</u>	<u>Percentage Distributed to Limited partners</u>
Minimum Quarterly Distribution	Up to \$0.59	2%	98%
First Target Distribution	> \$0.59 to \$0.70	15%	85%
Second Target Distribution	> \$0.70 to \$0.99	25%	75%
Over Second Target Distribution	In excess of \$0.99	50%	50%

We determined net income per limited partner unit as follows:

	<u>For the year ended December 31,</u>		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
	<u>(unaudited; in millions, except per unit amounts)</u>		
Net income.....	\$ 328.0	\$ 403.2	\$ 249.5
Less: Net income attributable to noncontrolling interest.....	<u>11.4</u>	<u>-</u>	<u>-</u>
Net income attributable to general and limited partner interests			
in Enbridge Energy Partners, L.P.	316.6	403.2	249.5
Less: Net income (loss) from discontinued operations.....	<u>(64.9)</u>	<u>8.3</u>	<u>31.8</u>
Net income from continuing operations attributable to general and limited partner interests in Enbridge Energy Partners, L.P.	381.5	394.9	217.7
Less distributions paid:			
Incentive distributions to our general partner	(50.4)	(42.4)	(32.5)
Distributed earnings allocated to our general partner (2%).....	<u>(9.5)</u>	<u>(8.1)</u>	<u>(6.8)</u>
Total distributed earnings to our general partner.....	(59.9)	(50.5)	(39.3)
Total distributed earnings to our limited partners (98%).....	<u>(462.6)</u>	<u>(396.5)</u>	<u>(332.6)</u>
Total distributed earnings.....	<u>(522.5)</u>	<u>(447.0)</u>	<u>(371.9)</u>
Overdistributed earnings.....	<u>\$ (141.0)</u>	<u>\$ (52.1)</u>	<u>\$ (154.2)</u>
Weighted average limited partner units outstanding	<u>116.4</u>	<u>97.1</u>	<u>86.3</u>
Basic and diluted earnings per unit:			
Distributed earnings per limited partner unit (1)	\$ 3.97	\$ 4.08	\$ 3.85
Overdistributed earnings per limited partner unit (2)	<u>(1.19)</u>	<u>(0.53)</u>	<u>(1.75)</u>
Net income from continuing operations attributable to our limited partner interests per limited partner unit	2.78	3.55	2.10
Net income (loss) from discontinued operations attributable to our limited partner interests per limited partner unit.....	<u>(0.54)</u>	<u>0.09</u>	<u>0.36</u>
Net income per limited partner unit (basic and diluted).....	<u>\$ 2.24</u>	<u>\$ 3.64</u>	<u>\$ 2.46</u>

⁽¹⁾ Represents the total distributed earnings to limited partners divided by the weighted average number of limited partner interests outstanding for the period.

⁽²⁾ Represents the limited partners' share (98%) of distributions in excess of earnings divided by the weighted average number of limited partner interests outstanding for the period and underdistributed earnings allocated to the limited partners based on the distribution waterfall that is outlined in our partnership agreement.

SEGMENT INFORMATION

Our business is divided into operating segments, defined as components of the enterprise, about which financial information is available and evaluated regularly by our Chief Operating Decision Maker in deciding how resources are allocated and performance is assessed.

Each of our reportable segments is a business unit that offers different services and products that is managed separately, since each business segment requires different operating strategies. We have segregated our business activities into three distinct operating segments: Liquids, Natural Gas, and Marketing.

The following tables present certain financial information about our business segments and corporate activities:

	As of and for the year ended December 31, 2009				Total
	Liquids	Natural Gas	Marketing	Corporate ⁽¹⁾	
	(unaudited; in millions)				
Total revenue.....	\$ 972.2	\$ 3,965.8	\$ 2,164.3	\$ -	\$ 7,102.3
Less: Intersegment revenue.....	0.4	1,344.9	25.2	-	1,370.5
Operating revenue.....	971.8	2,620.9	2,139.1	-	5,731.8
Cost of natural gas.....	-	2,091.5	2,089.3	-	4,180.8
Operating and administrative.....	248.4	288.6	6.4	5.2	548.6
Power.....	128.1	-	-	-	128.1
Depreciation and amortization.....	133.3	123.0	1.4	-	257.7
Operating income.....	462.0	117.8	42.0	(5.2)	616.6
Interest expense.....	-	-	-	228.6	228.6
Other income.....	-	-	-	13.4	13.4
Income from continuing operations before income tax expense.....	462.0	117.8	42.0	(220.4)	401.4
Income tax expense.....	-	-	-	8.5	8.5
Income from continuing operations.....	462.0	117.8	42.0	(228.9)	392.9
Loss from discontinued operations.....	-	(64.9)	-	-	(64.9)
Net income.....	462.0	52.9	42.0	(228.9)	328.0
Less: Net income attributable to the noncontrolling interest.....	-	-	-	11.4	11.4
Net income attributable to general and limited partner ownership interests in Enbridge Energy Partners, L.P.....	\$ 462.0	\$ 52.9	\$ 42.0	\$ (240.3)	\$ 316.6
Total assets.....	\$ 5,179.0	\$ 3,306.8	\$ 242.9	\$ 259.6	\$ 8,988.3
Capital expenditures (excluding acquisitions).....	\$ 1,149.1	\$ 125.0	\$ -	\$ 18.0	\$ 1,292.1

⁽¹⁾ Corporate consists of interest expense, interest income, and certain other costs such as franchise and income taxes, which are not allocated to the business segments.

	As of and for the year ended December 31, 2008				
	Liquids	Natural Gas	Marketing	Corporate⁽¹⁾	Total
	(unaudited; in millions)				
Total revenue.....	\$ 773.4	\$ 7,666.6	\$ 4,837.4	\$ -	\$ 13,277.4
Less: Intersegment revenue.....	0.3	3,150.9	227.5	-	3,378.7
Operating revenue.....	773.1	4,515.7	4,609.9	-	9,898.7
Cost of natural gas.....	-	3,864.0	4,590.5	-	8,454.5
Operating and administrative.....	189.4	306.4	10.1	7.1	513.0
Power.....	140.7	-	-	-	140.7
Depreciation and amortization.....	100.8	107.5	1.6	-	209.9
Operating income.....	342.2	237.8	7.7	(7.1)	580.6
Interest expense.....	-	-	-	180.6	180.6
Other income.....	-	-	-	1.9	1.9
Income from continuing operations before income tax expense.....	342.2	237.8	7.7	(185.8)	401.9
Income tax expense.....	-	-	-	7.0	7.0
Income from continuing operations.....	342.2	237.8	7.7	(192.8)	394.9
Income from discontinued operations.....	-	8.3	-	-	8.3
Net income.....	<u>\$ 342.2</u>	<u>\$ 246.1</u>	<u>\$ 7.7</u>	<u>\$ (192.8)</u>	<u>\$ 403.2</u>
Total assets.....	<u>\$ 3,976.7</u>	<u>\$ 3,580.2</u>	<u>\$ 319.1</u>	<u>\$ 424.9</u>	<u>\$ 8,300.9</u>
Capital expenditures (excluding acquisitions).....	<u>\$ 1,054.1</u>	<u>\$ 303.6</u>	<u>\$ -</u>	<u>\$ 17.7</u>	<u>\$ 1,375.4</u>

⁽¹⁾ Corporate consists of interest expense, interest income, and certain other costs such as franchise and income taxes, which are not allocated to the business segments.

	As of and for the year ended December 31, 2007				
	Liquids	Natural Gas	Marketing	Corporate⁽¹⁾	Total
	(unaudited; in millions)				
Total revenue.....	\$ 548.1	\$ 5,695.8	\$ 3,527.5	\$ -	\$ 9,771.4
Less: Intersegment revenue.....	-	2,363.3	236.0	-	2,599.3
Operating revenue.....	548.1	3,332.5	3,291.5	-	7,172.1
Cost of natural gas.....	-	2,919.1	3,256.9	-	6,176.0
Operating and administrative.....	156.1	241.2	8.0	3.5	408.8
Power.....	117.0	-	-	-	117.0
Depreciation and amortization.....	67.9	82.4	1.6	-	151.9
Operating income (loss).....	207.1	89.8	25.0	(3.5)	318.4
Interest expense.....	-	-	-	99.8	99.8
Other income.....	-	-	-	4.2	4.2
Income from continuing operations before income tax expense.....	207.1	89.8	25.0	(99.1)	222.8
Income tax expense.....	-	-	-	5.1	5.1
Income from continuing operations.....	207.1	89.8	25.0	(104.2)	217.7
Income from discontinued operations.....	-	31.8	-	-	31.8
Net income.....	<u>\$ 207.1</u>	<u>\$ 121.6</u>	<u>\$ 25.0</u>	<u>\$ (104.2)</u>	<u>\$ 249.5</u>
Total assets.....	<u>\$ 2,976.9</u>	<u>\$ 3,461.1</u>	<u>\$ 349.6</u>	<u>\$ 104.0</u>	<u>\$ 6,891.6</u>
Capital expenditures (excluding acquisitions).....	<u>\$ 1,218.8</u>	<u>\$ 747.9</u>	<u>\$ 1.6</u>	<u>\$ 11.9</u>	<u>\$ 1,980.2</u>

⁽¹⁾ Corporate consists of interest expense, interest income, and certain other costs such as franchise and income taxes, which are not allocated to the business segments.