

Spectra Energy Partners, LP

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[http://www.spectraenergypartners.com/content/documents/Spectra\\_Energy\\_Partners\\_Documents/SEP\\_2013\\_10-K.pdf](http://www.spectraenergypartners.com/content/documents/Spectra_Energy_Partners_Documents/SEP_2013_10-K.pdf)

*Natural gas transmission and storage, NGL transmission, and crude oil transportation and storage activities involve numerous risks that may result in accidents or otherwise affect our operations.*

There are a variety of hazards and operating risks inherent in natural gas gathering and processing, transmission and storage activities, and crude oil transportation and storage, such as leaks, explosions, mechanical problems, activities of third parties and damage to pipelines, facilities and equipment caused by hurricanes, tornadoes, floods, fires and other natural disasters, that could cause substantial financial losses. **In addition, these risks could result in significant injury, loss of life, significant damage to property, environmental pollution and impairment of operations, any of which could result in substantial losses.** For pipeline and storage assets located near populated areas, including residential areas, commercial business centers, industrial sites and other public gathering areas, the level of damage resulting from these risks could be greater. **We do not maintain insurance coverage against all of these risks and losses, and any insurance coverage we might maintain may not fully cover the damages caused by those risks and losses.** Therefore, should any of these risks materialize, it could have a material effect on our business, earnings, financial condition and cash flows.

**We do not maintain insurance coverage against all of these risks and losses, and any insurance coverage we might maintain may not fully cover the damages caused by those risks and losses.** We may elect to self insure a portion of our asset portfolio. Moreover, we do not maintain offshore business interruption insurance. Therefore, should any of these risks materialize, it could have an adverse effect on our business, earnings, financial condition, results of operations or cash flows, including our ability to make distributions.