

Spectra Energy Corp.
 Form 424B2
 April 08, 2008
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Filed pursuant to Rule 424(b)(2)
 Registration No. 333-141982

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities Offered	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee ⁽¹⁾
Debt Securities (Senior Notes) of Spectra Energy Capital, LLC Guarantees of Debt Securities by Spectra Energy Corp(2)	\$ 500,000,000	\$ 0

- (1) Pursuant to Rule 457(p) under the Securities Act of 1933, the registration fee is being offset with \$19,650 of \$75,006 previously paid with respect to the unsold portion of the \$988,250,000 aggregate initial offering price of securities that were previously registered under registration statement No. 333-114645, which was filed on April 20, 2004, and terminated on the date of the registration statement related to this prospectus supplement. In accordance with Rule 457(p), such unutilized filing fee may be applied to the filing fee payable pursuant to the registration statement related to this prospectus supplement.
- (2) No separate consideration will be received for the Spectra Energy Corp guarantees. Pursuant to Rule 457(n), no separate fee is payable in respect of the Spectra Energy Corp guarantees.

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PROSPECTUS SUPPLEMENT

(To Prospectus dated March 26, 2008)

Spectra Energy Capital, LLC

\$ 500,000,000

6.20% Senior Notes due 2018

Fully and Unconditionally Guaranteed by

Spectra Energy Corp

The notes will bear interest at the rate of 6.20% per year and will mature on April 15, 2018. We will pay interest on the notes on April 15 and October 15 of each year, beginning October 15, 2008. We may redeem some or all of the notes at any time for an amount equal to 100% of the principal amount redeemed plus a make-whole premium. The redemption price is described in this prospectus supplement beginning on page S-17.

The notes are unsecured and rank equally with all other senior indebtedness of Spectra Energy Capital, LLC from time to time outstanding. The notes will be fully and unconditionally guaranteed by our parent, Spectra Energy Corp, on a senior unsecured basis.

Investing in the notes involves certain risks. See Risk Factors beginning on page S-13 of this prospectus supplement and the section captioned Risk Factors in Spectra Energy Corp's Annual Report on Form 10-K for the year ended December 31, 2007, which has been filed with the Securities and Exchange Commission and incorporated by reference into this prospectus supplement.

The notes will not be listed on any securities exchange or quoted on any dealer quotation system. Currently, there is no public market for the notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Note	Total
Public Offering Price(1)	99.822%	\$ 499,110,000
Underwriting Discount(2)	0.650%	\$ 3,250,000
Proceeds to Spectra Energy Capital, LLC (before expenses)(1)	99.172%	\$ 495,860,000

(1) Plus accrued interest, if any, from April 10, 2008, if settlement occurs after that date.

(2) See Underwriting on page S-24.

We expect the notes to be ready for delivery in book-entry form through the facilities of The Depository Trust Company for the accounts of its participants, including Clearstream Banking, société anonyme, Luxembourg and Euroclear Bank N.V./S.A., on or about April 10, 2008.

Joint Book-Running Managers

Banc of America Securities LLC

Deutsche Bank Securities

RBS Greenwich Capital

Co-Managers

Barclays Capital

KeyBanc Capital Markets

Lazard Capital Markets

UBS Investment Bank

The date of this prospectus supplement is April 7, 2008.

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This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and the notes. The second part is the accompanying prospectus, which describes certain terms of the indenture under which the notes and the guarantees will be issued and which gives more general information, some of which may not apply to this offering.

If the information varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in or incorporated by reference in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus or any free writing prospectus prepared by or on behalf of us. We have not authorized anyone to provide you with additional or different information. We are not making an offer to sell these notes or the guarantees in any jurisdiction where the offer is not permitted. You should assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate only as of the date on the front of this document and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since these dates.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus supplement and the accompanying prospectus contain or incorporate by reference statements that do not directly or exclusively relate to historical facts. Such statements are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. You can typically identify forward-looking statements by the use of forward-looking words, such as anticipate, believe, intend, estimate, expect, continue, should, could, may, plan, project, predict, will, potential, forecast, and other similar expressions. Those statements are based on our and Spectra Energy Corp's intentions, plans, expectations, assumptions and beliefs about future events. Our and Spectra Energy Corp's ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Forward-looking statements involve risks and uncertainties that may cause actual results to be materially different from the results predicted. Factors that could cause actual results to differ materially from those indicated in any forward-looking statement include, but are not limited to those factors set forth in the section entitled Risk Factors and the section captioned Risk Factors in Spectra Energy Corp's Annual Report on Form 10-K for the year ended December 31, 2007, which has been filed with the SEC and incorporated by reference into this prospectus supplement, as well as the following:

state, federal and foreign legislative and regulatory initiatives that affect cost and investment recovery, have an effect on rate structure, and affect the speed at and degree to which competition enters the natural gas industries;

outcomes of litigation and regulatory investigations, proceedings or inquiries;

weather and other natural phenomena, including the economic, operational and other effects of hurricanes and storms;

the timing and extent of changes in commodity prices, interest rates and foreign currency exchange rates;

general economic conditions, including any potential effects arising from terrorist attacks and any consequential or other hostilities;

changes in environmental, safety and other laws and regulations;

results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings and general economic conditions;

increases in the cost of goods and services required to complete capital projects;

declines in the market prices of equity securities and resulting funding requirements for defined benefit pension plans;

growth in opportunities, including the timing and success of efforts to develop domestic and international pipeline, storage, gathering, processing and other infrastructure projects and the effects of competition;

the performance of natural gas transmission and storage, distribution, and gathering and processing facilities;

the extent of success in connecting natural gas supplies to gathering, processing and transmission systems and in connecting to expanding gas markets;

the effects of accounting pronouncements issued periodically by accounting standard-setting bodies;

conditions of the capital markets during the periods covered by the forward-looking statements; and

the ability to successfully complete merger, acquisition or divestiture plans; regulatory or other limitations imposed as a result of a merger, acquisition or divestiture; and the success of the business following a merger, acquisition or divestiture.

In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than Spectra Energy Capital, LLC and Spectra Energy Corp have described. Spectra Energy Capital, LLC and Spectra Energy Corp undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary is to help you understand our business, the notes and the guarantees. It does not contain all of the information that may be important to you. You should read carefully the entire prospectus supplement, the accompanying prospectus, the documents incorporated by reference and the other documents to which we refer you for a more complete understanding of this offering and our business. You should also read Risk Factors beginning on page S-13 of this prospectus supplement and the section captioned Risk Factors in Spectra Energy Corp's Annual Report on Form 10-K for the year ended December 31, 2007, which has been filed with the Securities and Exchange Commission, or SEC, and incorporated by reference into this prospectus supplement, for more information about important risks that you should consider before making a decision to purchase any notes in this offering.

Spectra Energy Corp conducts substantially all of its business through Spectra Energy Capital, LLC, or Spectra Energy Capital, and the subsidiaries and unconsolidated affiliates of Spectra Energy Capital. Accordingly, in the sections of this prospectus supplement that describe the business of Spectra Energy Corp and Spectra Energy Capital, unless the context otherwise indicates, references to Spectra Energy Capital, us, we, our, and like terms refer to Spectra Energy Capital together with its subsidiaries and unconsolidated affiliates. All financial results presented in this prospectus supplement are those of Spectra Energy Corp.

The notes are solely obligations of Spectra Energy Capital and, to the extent described in this prospectus supplement, are fully and unconditionally guaranteed by Spectra Energy Corp. Accordingly, in the other sections of this prospectus supplement, including The Offering and Description of the Notes, unless the context otherwise indicates, references to Spectra Energy Capital, us, we, our, and like terms refer only to Spectra Energy Capital, LLC and do not include any of its subsidiaries or unconsolidated affiliates or Spectra Energy Corp. Likewise, in such sections, unless the context otherwise indicates, including with respect to financial and operating information that is presented on a consolidated basis, Spectra Energy Corp refers only to Spectra Energy Corp and not its subsidiaries or unconsolidated affiliates.

Spectra Energy Corp and Spectra Energy Capital, LLC

Spectra Energy Corp conducts substantially all of its business through its wholly owned subsidiary, Spectra Energy Capital, and the subsidiaries and unconsolidated affiliates of Spectra Energy Capital. All of the operating assets, liabilities and operations of Spectra Energy Corp are held by Spectra Energy Capital, except for certain benefit plan assets and liabilities.

We own and operate a large and diversified portfolio of complementary natural gas-related energy assets and are one of North America's leading natural gas infrastructure companies. For close to a century, we and our predecessor companies have developed critically important pipelines and related energy infrastructure connecting natural gas supply sources to premium markets. We operate in three key areas of the natural gas industry: transmission and storage, distribution, and gathering and processing. Based in Houston, Texas, we provide transportation and storage of natural gas to customers in various regions of the Eastern and Southeastern United States, the Maritime Provinces in Canada and the Pacific Northwest in the United States and Canada, and in the province of Ontario in Canada. We also provide natural gas sales and distribution service to retail customers in Ontario, and natural gas gathering and processing services to customers in Western Canada. We also have a 50% ownership in DCP Midstream, LLC, or DCP Midstream, one of the largest natural gas gatherers and processors in the United States. Our operations are subject to various federal, state, provincial and local laws and regulations.

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Our natural gas pipeline systems consist of approximately 18,000 miles of transmission pipelines. For 2007, our proportional throughput for our pipelines totaled 3,642 trillion British thermal units, or TBtu, compared to 3,260 TBtu in 2006. These amounts include throughput on wholly owned U.S. and Canadian pipelines and our proportional share of throughput on pipelines that are not wholly owned. Our storage facilities provide approximately 272 billion cubic feet of storage capacity in the United States and Canada.

In July 2007, we completed the initial public offering of Spectra Energy Partners, LP, or Spectra Partners, a newly formed, midstream energy master limited partnership which is part of our U.S. Transmission segment. We retained an 83% equity interest in Spectra Partners. Spectra Partners is a separate, publicly traded entity which trades on the New York Stock Exchange under the symbol SEP.

Our Businesses

Spectra Energy Corp manages its business in four reportable segments: U.S. Transmission, Distribution, Western Canada Transmission & Processing, and Field Services. The remainder of its business operations is presented as Other and consists of unallocated corporate costs, wholly owned captive insurance subsidiaries, employee benefit plan assets and liabilities and other miscellaneous activities. The following sections describe the operations of each of our businesses.

U.S. Transmission

Our U.S. Transmission business provides transportation and storage of natural gas for customers in various regions of the Eastern and Southeastern United States and the Maritime Provinces in Canada. Our U.S. pipeline systems consist of more than 13,500 miles of transmission pipelines with five primary transmission systems: Texas Eastern Transmission, L.P., or Texas Eastern; Algonquin Gas Transmission, LLC, or Algonquin; East Tennessee Natural Gas, LLC; Maritimes & Northeast Pipeline, LLC and Maritimes & Northeast Pipeline, L.P., or collectively, Maritimes & Northeast Pipeline; and Gulfstream Natural Gas System, LLC, or Gulfstream. These pipeline systems receive natural gas from major North American producing regions for delivery to markets. U.S. Transmission's proportional throughput for its pipelines totaled 2,202 TBtu in 2007 compared to 1,930 TBtu in 2006. This includes throughput on wholly owned pipelines and its proportional share of throughput on pipelines that are not wholly owned. A majority of contracted transportation volumes are under long-term firm service agreements. Interruptible transportation services are provided on a short-term or seasonal basis. In the course of providing transportation services, U.S. Transmission also processes natural gas on its Texas Eastern system. Demand on the pipeline systems is seasonal, with the highest throughput occurring during colder periods in the first and fourth calendar quarters.

Distribution

We provide distribution services in Canada through our subsidiary, Union Gas Limited, or Union Gas. Union Gas owns pipeline, storage and compression facilities used in the transportation, storage and distribution of natural gas. Union Gas' system consists of approximately 37,000 miles of distribution main and service pipelines. Union Gas' underground natural gas storage facilities have a working capacity of approximately 150 billion cubic feet, or Bcf, in 20 underground facilities located in depleted gas fields. Its transmission system consists of approximately 2,800 miles of high-pressure pipeline and six mainline compressor stations.

Western Canada Transmission & Processing

Our Western Canada Transmission & Processing business is comprised of the BC Pipeline and Field Services operations, the Midstream operations and the natural gas liquids, or NGL, Marketing operations.

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BC Pipeline and Field Services provide natural gas transportation and gas gathering and processing services. BC Pipeline is regulated by the National Energy Board, or NEB, under full cost of service regulation, and transports processed natural gas from facilities primarily in northeast British Columbia, or BC, to markets in the lower mainland of BC and the U.S. Pacific Northwest. The BC Pipeline has approximately 1,800 miles of transmission pipeline in British Columbia and Alberta, as well as 18 mainline compressor stations. Throughput for the BC Pipeline totaled 596 TBtu in 2007 compared to 594 TBtu in 2006.

The BC Field Services business, which is regulated by the NEB under a light-handed regulatory model, consists of raw gas gathering pipelines and gas processing facilities, primarily in northeast BC. These facilities provide services to natural gas producers to remove impurities from the raw gas stream including water, carbon dioxide, hydrogen sulfide and other substances. Where required, these facilities also remove various NGLs for subsequent sale. The BC Field Services business includes five gas processing plants located in British Columbia, 22 field compressor stations and approximately 1,600 miles of gathering pipelines.

The Midstream business provides similar gas gathering and processing services in BC and Alberta through our 46% interest in Spectra Energy Income Fund, or the Income Fund, a Canadian income trust. The Midstream business consists of 13 natural gas processing plants and approximately 1,000 miles of gathering pipelines.

The Empress NGL Marketing business, or Empress, provides NGL extraction, fractionation, transportation, storage and marketing services to western Canadian producers and NGL customers throughout Canada and the northern tier of the U.S. assets include, among other things, a majority ownership interest in an NGL extraction plant, an integrated NGL fractionation facility, an NGL transmission pipeline, seven terminals where propane, butane and condensate are loaded for shipping or transferred into product sales pipelines, two NGL storage facilities, and an NGL marketing and gas supply business. The Empress fractionation plant is located in Empress, Alberta.

Field Services

Field Services consists of our 50% investment in DCP Midstream, which is accounted for as an equity investment. DCP Midstream gathers and processes natural gas, and fractionates, markets and trades NGLs. ConocoPhillips owns the remaining 50% interest in DCP Midstream.

DCP Midstream operates in 25 states in the United States. DCP Midstream's gathering systems include connections to several interstate and intrastate natural gas and NGL pipeline systems and one natural gas storage facility. DCP Midstream gathers raw natural gas through gathering systems located in eight major natural gas producing regions: Permian Basin, Mid-Continent, Rocky Mountain, East Texas-North Louisiana, Barnett Shale, Gulf Coast, South Texas and Central Texas. DCP Midstream owns or operates approximately 58,000 miles of gathering and transmission pipe, with approximately 37,000 active receipt points.

Spin-off from Duke Energy

On January 2, 2007, Duke Energy Corporation, or Duke Energy, completed the spin-off of Spectra Energy Corp. Duke Energy contributed its natural gas businesses, primarily comprised of the Natural Gas Transmission and Field Services business segments of Duke Energy that were owned through Duke Energy's then wholly owned subsidiary, Spectra Energy Capital. Duke Energy contributed its ownership interests in Spectra Energy Capital to Spectra Energy Corp and all of the outstanding common stock of Spectra Energy Corp was distributed to Duke Energy's shareholders. Duke Energy's shareholders received one share of Spectra Energy Corp common stock for every two shares of Duke Energy common stock, resulting in the issuance of approximately 631 million shares of Spectra Energy Corp on January 2, 2007.

Prior to the distribution by Duke Energy, Spectra Energy Capital implemented an internal reorganization in which the operations and assets of Spectra Energy Capital that were not associated with the natural gas

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businesses were contributed by Spectra Energy Capital to Duke Energy or its subsidiaries. The contribution to Duke Energy included the International Energy business segment, Crescent Resources, a real estate business, or Crescent, the remaining portion of Spectra Energy Capital's business formerly known as Duke Energy North America, or DENA, and other miscellaneous operations.

Following this internal reorganization and the distribution by Duke Energy to Spectra Energy Corp, Spectra Energy Capital became a direct, wholly owned subsidiary of Spectra Energy Corp. All of the operating assets, liabilities and operations of Spectra Energy Corp are held by Spectra Energy Capital, except for employee benefit plan assets and liabilities that were contributed by Duke Energy directly to Spectra Energy Corp in the separation transaction. As a result of these spin-off steps, Spectra Energy Capital is treated as the predecessor entity of Spectra Energy Corp for financial statement reporting purposes.

Our Business Strategies

Our primary business objective is to provide value-added, reliable and safe services to customers, which we believe will create opportunities to deliver increased earnings and value to our stakeholders. We intend to accomplish this objective by executing the following overall business strategies:

deliver on 2008 financial commitments;

enhance and solidify our profile and position as a premier natural gas infrastructure company;

aggressively develop new opportunities and projects that add long-term shareholder value;

enhance core competencies of customer service, reliability, cost management and compliance;

build on the high-performance culture by focusing on safety, diversity, inclusion, leadership and employee development; and

focus on the future.

We must be able to quickly change course when opportunities present themselves in order to be the effective and proactive partner that our customers expect and the industry leader that we aspire to be. Through the continued execution of these strategies, we expect to grow and strengthen the overall business, capture new growth opportunities and deliver value to our stakeholders.

Our Strengths

We believe that we are well positioned to execute our primary business objective and business strategies successfully because of the following competitive strengths:

our gathering and processing and gas transmission systems are among the largest in North America;

we are strategically positioned to expand our operations through capital investment;

we supply natural gas to the fastest growing markets in North America;

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we have a strategically-positioned pipeline asset base with diverse sources of gas supply;

cash flows in our natural gas transmission and distribution segments are relatively stable due to the regulated nature of these businesses;

we have financial flexibility to pursue growth opportunities;

we have a strong focus on customer and other stakeholder relationships; and

we have a strong and experienced management team and work force.

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Our Principal Executive Offices

Our corporate headquarters are located at 5400 Westheimer Court, Houston, Texas 77056. Spectra Energy Corp was incorporated in 2006 and is a Delaware corporation. Spectra Energy Capital, LLC is a Delaware limited liability company. Our telephone number is (713) 627-5400.

Recent Developments

On March 4, 2008, one of our subsidiaries entered into an agreement with the Income Fund, pursuant to which the subsidiary has agreed to acquire all of the outstanding units of the Income Fund at a purchase price of CDN \$11.25 per unit, payable in cash. We currently own approximately 46 percent of the Income Fund. There were approximately 24.4 million Income Fund units held by holders other than us and our affiliates on March 4, 2008, representing a value of CDN \$274 million in cash based on the CDN \$11.25 per unit purchase price. The transaction is expected to be funded with debt issued by the subsidiary. The closing of the transaction is subject to approval of at least a majority of the Income Fund's units held by persons other than us and our affiliates, and receipt of required regulatory approvals.

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Corporate Structure

Spectra Energy Corp Business Segments

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The Offering

Issuer	Spectra Energy Capital, LLC
Securities Offered	\$500,000,000 aggregate principal amount of 6.20% Senior Notes due 2018.
Guarantees	The notes will be fully and unconditionally guaranteed by Spectra Energy Corp on an unsecured and unsubordinated basis. See Description of the Notes Guarantees.
Interest Rate	The notes will bear interest at 6.20% per annum. All interest on the notes will accrue from April 10, 2008.
Interest Payment Date	Interest on the notes will be paid in cash semi-annually in arrears on April 15 and October 15 of each year, beginning October 15, 2008.
Maturity	April 15, 2018.
Use of Proceeds	We expect to receive aggregate net proceeds of approximately \$496 million from the sale of the notes to the underwriters, after deducting the underwriters' discount and other offering expenses payable by us. We expect to use the net proceeds of this offering to fund capital expenditures and for general corporate purposes, including the repayment of commercial paper as it matures.
Ranking	<p>The notes and the guarantees will be:</p> <ul style="list-style-type: none">Spectra Energy Capital's and, in the case of the guarantees, Spectra Energy Corp's direct, unsecured and unsubordinated obligations;equal in priority with all of the existing and future unsecured and unsubordinated debt of Spectra Energy Capital and Spectra Energy Corp, respectively;effectively subordinated in right of payment to any future secured debt of Spectra Energy Capital and Spectra Energy Corp, respectively, to the extent of such security;effectively subordinated in right of payment to all existing and future debt and other liabilities, including trade payables, of the subsidiaries of Spectra Energy Capital and Spectra Energy Corp, respectively; however, in the case of the guarantees, the notes of Spectra Energy Capital are equal in priority; and

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senior in right of payment to all future subordinated debt of Spectra Energy Capital and Spectra Energy Corp, respectively.

See Description of the Notes Ranking.

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Optional Redemption

We may redeem the notes in whole, at any time, or in part, from time to time, prior to maturity, at a redemption price that includes accrued and unpaid interest and a make-whole premium. For a more complete description of the redemption provisions of the notes, see Description of the Notes Optional Redemption.

Certain Covenants

We will issue the notes under an indenture with The Bank of New York Trust Company, N.A. (successor to JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank)), as trustee. The indenture contains certain covenants that, among other things, limit our ability and the ability of certain of our subsidiaries to create liens on our assets. See Description of the Notes in this prospectus supplement and Description of the Senior Notes in the accompanying prospectus.

Risk Factors

Investing in the notes involves certain risks. You should carefully consider the risk factors discussed under the heading Risk Factors beginning on page S-13 of this prospectus supplement and the section captioned Risk Factors in Spectra Energy Corp.'s Annual Report on Form 10-K for the year ended December 31, 2007, which has been filed with the SEC and incorporated by reference into this prospectus supplement, and the other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus before deciding to invest in the notes.

Book-Entry Form/Denominations

The notes will be issuable in denominations of \$2,000 and any integral multiples of \$1,000 above that amount in book-entry form and will be represented by one or more global certificates deposited with, or on behalf of, The Depository Trust Company, or DTC, and registered in the name of DTC or its nominee. Beneficial interests in any of the notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee and any such interest may not be exchanged for certificated securities, except in limited circumstances. This means that you will not receive a certificate for your notes and your notes will not be registered in your name, except under certain limited circumstances described under the caption Description of the Notes Book-Entry Delivery and Settlement.

Lack of Public Market for the Notes

There is no existing trading market for the notes, and there can be no assurance regarding:

any future development or liquidity of a trading market for the notes;

your ability to sell your notes at all; or

the prices at which you may be able to sell your notes.

Future trading prices of the notes will depend on many factors, including:

prevailing interest rates;

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our operating results and financial condition; and

the markets for similar securities.

We do not intend to apply for the listing of the notes on any securities exchange or for quotation of the notes in any dealer quotation system.

Trustee

The Bank of New York Trust Company, N.A.

Governing Law

The notes and the indenture will be governed by, and construed in accordance with, the laws of the State of New York.

Further Issues

We may from time to time, without notice to or the consent of the holders of the notes, create and issue additional debt securities under the indenture having the same terms as, and ranking equally with, the notes in all respects (except for issue date, issue price and, if applicable, the first payment of interest thereon), as described more fully in Description of the Notes General. Such additional debt securities are required to be fungible with and will be deemed to be a part of the same series of debt securities as the notes offered hereby.

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The following tables set forth summary historical financial data as of December 31, 2007 and 2006 and for each of the three years ended December 31, 2007, 2006 and 2005. This data was derived from Spectra Energy Corp's audited consolidated financial statements included in Spectra Energy Corp's annual report on Form 10-K for the year ended December 31, 2007, which is incorporated by reference into this prospectus supplement. The financial data below should be read together with, and are qualified in their entirety by reference to, Spectra Energy Corp's historical consolidated financial statements and the accompanying notes and the Management's Discussion and Analysis of Financial Condition and Results of Operations contained in its annual report on Form 10-K for the year ended December 31, 2007.

	Years Ended December 31, (in millions)		
	2007	2006	2005
Operating Revenues	\$ 4,742	\$ 4,532	\$ 9,454
Operating Expenses			
Operating cost and expenses	2,788	2,845	7,512
Depreciation and amortization	525	489	611
Total operating expenses	3,313	3,334	8,123
Gains on Sales of Other Assets and Other, net	13	47	522
Operating Income	1,442	1,245	1,853
Other Income and Expenses			
Equity in earnings of unconsolidated affiliates	596	609	355
Other, net	53	127	1,313
Total other income and expenses	649	736	1,668
Interest Expense	633	605	675
Minority Interest Expense	71	45	511
Earnings From Continuing Operations Before Income Taxes	1,387	1,331	2,335
Income Tax Expense From Continuing Operations	443	395	926
Income From Continuing Operations	944	936	1,409
Income (Loss) From Discontinued Operations, net of tax	13	308	(731)
Income Before Cumulative Effect of Change in Accounting Principle	957	1,244	678
Cumulative Effect of Change in Accounting Principle, net of tax and minority interest			(4)
Net Income	\$ 957	\$ 1,244	\$ 674

	December 31, (in millions)	
	2007	2006
Total Assets	\$ 22,970	\$ 20,345
Total Debt	9,398	8,625
Minority Interests	806	565
Total Stockholders' / Member's Equity	6,857	5,639

	Years Ended December 31,		
	2007	2006	2005
	(in millions)		
Net Cash Provided by Operating Activities	\$ 1,467	\$ 694	1,069
Net Cash Provided by (Used In) Investing Activities	(1,544)	1,569	1,241
Net Cash Used in Financing Activities	(191)	(2,454)	(2,341)
Distributions from Unconsolidated Affiliates	656	859	856

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RISK FACTORS