

**CHARTER OF THE  
CORPORATE GOVERNANCE COMMITTEE  
OF THE  
BOARD OF DIRECTORS  
OF  
SPECTRA ENERGY CORP  
(October 2009)**

**I. General Focus**

The Corporate Governance Committee (the “Committee”) shall:

- Identify individuals qualified to become directors and recommend to the Board of Directors (the “Board”) the nominees for all directorships to be filled by the Board or by the shareholders;
- Develop and recommend to the Board a set of corporate governance guidelines applicable to the Corporation;
- Take a leadership role in shaping the corporate governance of the Corporation; and
- Oversee the evaluation of the Board and management.

**II. Structure and Operations**

The Committee shall be comprised of three or more members of the Board, each of whom is determined by the Board to be “independent” in accordance with the rules of the New York Stock Exchange, Inc.

The members of the Committee shall be appointed by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. The members of the Committee may be removed, with or without cause, by majority vote of the Board.

The full Board shall elect the Chair of the Committee. The Chair will preside over all regular sessions of the Committee and approve the agendas for Committee meetings.

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee; provided, however, that no subcommittee shall consist of fewer than two members; and provided further that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

### **III. Meetings**

The Committee shall meet at least two times annually or more frequently as circumstances dictate. The Chair of the Committee or a majority of the members of the Committee may call a special meeting of the Committee.

All nonmanagement directors that are not members of the Committee may attend meetings of the Committee but may not vote. Additionally, the Committee may invite to its meetings any director, management of the Corporation and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

A majority of the Committee members, but not less than two, will constitute a quorum. A majority of the Committee members present at any meeting at which a quorum is present may act on behalf of the Committee. The Committee may meet by telephone or videoconference and may take action by unanimous written consent with respect to matters that may be acted upon without a formal meeting.

The Committee shall appoint a person, who need not be a Committee member, to act as secretary, and minutes of the Committee's proceedings shall be kept in minute books provided for that purpose. The agenda of each Committee meeting will be prepared by the secretary and, whenever reasonably practicable, circulated to each Committee member prior to each meeting.

### **IV. Responsibilities and Duties**

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities outlined in Section I of this Charter. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

In discharging its oversight role, the Committee is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate and shall have the sole authority to retain outside counsel or other experts for this purpose, including the authority to approve the fees payable to such counsel or experts and any other terms of retention.

#### Board Selection, Composition and Evaluation

1. Establish criteria for the selection of new directors to serve on the Board.
2. Identify individuals believed to be qualified as candidates to serve on the Board and recommend to the Board the nominees for all directorships to be filled by the

Board or by the shareholders at an annual or special meeting. In identifying candidates for membership on the Board, the Committee shall take into account all factors it considers appropriate, which may include strength of character, mature judgment, career specialization, relevant technical skills, diversity and the extent to which the candidate would fill a present need on the Board.

3. Review and make recommendations to the full Board as to whether members of the Board should stand for re-election. Consider matters relating to the resignation or retirement of Board members.
4. Conduct all necessary and appropriate inquiries into the backgrounds and qualifications of possible candidates. The Committee shall have sole authority to retain and to terminate any search firm to be used to assist it in identifying candidates to serve as directors of the Corporation, including the sole authority to approve the fees payable to such search firm and any other terms of retention.
5. Consider questions of independence and possible conflicts of interest of members of the Board and executive officers.
6. Review and make recommendations regarding the composition and size of the Board in order to ensure the Board has the requisite expertise and its membership consists of persons with sufficiently diverse and independent backgrounds.
7. Oversee the Board's self-evaluation, at least annually, of the performance of the Board as a whole.

#### Committee Selection, Composition and Evaluation

8. Upon consultation with the Chair, recommend members of the Board to serve on the committees of the Board, giving consideration to the criteria for service on each committee as set forth in the charter for such committee, as well as to any other factors the Committee deems relevant, and where appropriate, make recommendations regarding the removal of any member of any committee.
9. Establish, monitor and recommend the purpose, structure and operations of the various committees of the Board, the qualifications and criteria for membership on each committee of the Board and, as circumstances dictate, make any recommendations regarding periodic rotation of directors among the committees and impose any term limitations of service on any Board committee.
10. Periodically review the charter and composition of each committee of the Board and make recommendations to the Board for the creation of additional committees or the elimination of Board committees.

#### Corporate Governance

11. At such times as the Committee deems appropriate, consider the adequacy of the Articles of Incorporation and By-Laws of the Corporation and recommend to the

Board, as conditions dictate, that it propose amendments to the Articles of Incorporation and By-Laws.

12. Develop and recommend to the full Board a set of corporate governance principles and keep abreast of developments with regard to corporate governance to enable the Committee to make recommendations to the Board in light of such developments as may be appropriate.
13. Consider policies relating to meetings of the Board.

Continuity / Succession Planning Process/Management Evaluation

14. Oversee and approve the management continuity planning process.
15. Report to the full Board any concerns or issues that might indicate that organizational strengths are not equal to the requirements of long-range goals.
16. Oversee the Board's evaluation of the Chief Executive Officer and management.

Reports

17. Report regularly to the full Board (i) following meetings of the Committee and (ii) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities. Provide such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make such report.
18. Maintain minutes or other records of meetings and activities of the Committee.

**V. Annual Performance Evaluation**

The Committee shall perform a review and evaluation, at least annually, of the performance of the Committee and its members, including a review of the compliance of the Committee with this Charter and shall deliver to the Board a report which may be oral, setting forth the results of its evaluation. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee considers necessary or valuable. The Committee shall conduct such evaluations and reviews in such manner as it deems appropriate.