

Spectra Energy Corp.
Form 8-K
October 16, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):

October 16, 2012 (October 16, 2012)

SPECTRA ENERGY CORP

(Exact name of registrant as specified in its charter)

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(State or other jurisdiction
of incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

5400 Westheimer Court, Houston, Texas
(Address of principal executive offices)

77056
(Zip Code)

Registrant's telephone number, including area code 713-627-5400

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

Spectra Energy Corp (also referred to as we and our) is filing this Current Report on Form 8-K to reflect the retrospective adoption of a new accounting pronouncement with respect to the financial information contained in our Annual Report on Form 10-K for the year ended December 31, 2011 (our 2011 Form 10-K).

We adopted Accounting Standards Update 2011-05, *Presentation of Comprehensive Income* (ASU 2011-05), effective January 1, 2012. ASU 2011-05 amended Accounting Standards Codification Topic 220, *Comprehensive Income*, and eliminated the option to report other comprehensive income and its components in the statement of changes in equity. This accounting pronouncement allows an entity an option to present the components of net income and other comprehensive income in one continuous statement or in two separate, but consecutive, statements. We elected to present the components of net income and other comprehensive income in two separate, but consecutive, statements.

The following presents the retrospective application of ASU 2011-05 for each of the years ended December 31, 2011, 2010 and 2009. This information should be read in conjunction with the consolidated financial statements included in our 2011 Form 10-K.

SPECTRA ENERGY CORP

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)

(In millions)

| | Years Ended December 31, | | |
|--|---------------------------------|-------------|-------------|
| | 2011 | 2010 | 2009 |
| Net Income | \$ 1,282 | \$ 1,129 | \$ 924 |
| Other comprehensive income (loss): | | | |
| Foreign currency translation adjustments | (181) | 344 | 807 |
| Unrealized mark-to-market net loss on hedges | (3) | (28) | (9) |
| Reclassification of cash flow hedges into earnings | 9 | 1 | 1 |
| Pension and benefits impact | (159) | (7) | (7) |
| Other | 14 | | |
| Total other comprehensive income (loss) | (320) | 310 | 792 |
| Total Comprehensive Income, net of tax | 962 | 1,439 | 1,716 |
| Less: Comprehensive Income Noncontrolling Interests | 100 | 96 | 86 |
| Comprehensive Income Controlling Interests | \$ 862 | \$ 1,343 | \$ 1,630 |

SPECTRA ENERGY CORP

CONDENSED CONSOLIDATING STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)

(In millions)

| | Spectra Energy Corp | Spectra Capital | Non-Guarantor Subsidiaries | Eliminations | Consolidated |
|---|---------------------------|--------------------|-------------------------------|--------------|--------------|
| Year Ended December 31, 2011 | | | | | |
| Net income | \$ 1,184 | \$ 1,183 | \$ 1,764 | \$ (2,849) | \$ 1,282 |
| Other comprehensive income (loss) | (21) | 2 | (301) | | (320) |
| Total comprehensive income, net of tax | 1,163 | 1,185 | 1,463 | (2,849) | 962 |
| Less: comprehensive income noncontrolling interests | | | 100 | | 100 |
| Comprehensive income controlling interests | \$ 1,163 | \$ 1,185 | \$ 1,363 | \$ (2,849) | \$ 862 |
| Year Ended December 31, 2010 | | | | | |
| Net income | \$ 1,049 | \$ 1,062 | \$ 1,572 | \$ (2,554) | \$ 1,129 |
| Other comprehensive income (loss) | 7 | (9) | 312 | | 310 |
| Total comprehensive income, net of tax | 1,056 | 1,053 | 1,884 | (2,554) | 1,439 |
| Less: comprehensive income noncontrolling interests | | | 96 | | 96 |
| Comprehensive income controlling interests | \$ 1,056 | \$ 1,053 | \$ 1,788 | \$ (2,554) | \$ 1,343 |
| Year Ended December 31, 2009 | | | | | |
| Net income | \$ 849 | \$ 857 | \$ 1,314 | \$ (2,096) | \$ 924 |
| Other comprehensive income (loss) | 45 | (9) | 756 | | 792 |
| Total comprehensive income, net of tax | 894 | 848 | 2,070 | (2,096) | 1,716 |
| Less: comprehensive income noncontrolling interests | | | 86 | | 86 |
| Comprehensive income controlling interests | \$ 894 | \$ 848 | \$ 1,984 | \$ (2,096) | \$ 1,630 |

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

| | |
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| *101.INS | XBRL Instance Document. |
| *101.SCH | XBRL Taxonomy Extension Schema. |
| *101.CAL | XBRL Taxonomy Extension Calculation Linkbase. |
| *101.DEF | XBRL Taxonomy Extension Definition Linkbase. |
| *101.LAB | XBRL Taxonomy Extension Label Linkbase. |
| *101.PRE | XBRL Taxonomy Extension Presentation Linkbase. |

* Filed herewith.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 16, 2012

SPECTRA ENERGY CORP

/s/ Allen C. Capps

Allen C. Capps
Vice President and Controller