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Our matter #: 1061.013

January 15, 2020

Canada Energy Regulator Suite 210, 517 Tenth Avenue SW Calgary AB T2R 0A8

Attention: Ms. Louise George, Secretary of the Commission

Dear Ms. George,

Re:

Industrial Gas Users Association ("IGUA") Letter of Comment to Canada Energy Regulator ("CER") regarding TransCanada PipeLines Limited ("TCPL") Application for Approval of the Mainline 2021-2026 Settlement ("Mainline Settlement Application" or "TCPL's Application")

- 1. We act as counsel for IGUA in the above-noted matter.
- 2. IGUA represents large industrial users of natural gas in the forestry, pulp and paper, metals, mining, chemicals and manufacturing sectors in Ontario and Quebec. Most compete internationally for markets and often within their own corporate structures for investment dollars. Consequently, reliable access to affordable landed cost of gas is of the utmost importance to their competitiveness and ability to attract investment. IGUA members ship significant volumes of gas on the TCPL mainline (the "Mainline").
- 3. On December 20, 2019, TCPL filed an application with the CER for approval of TCPL's Application for the January 1, 2021 to December 31, 2026 period regarding tolling and service matters on TCPL's mainline.¹ TCPL requested comments on or before noon, Calgary time, on Wednesday, January 15, 2020 regarding the Application for approval of the Mainline Settlement.
- 4. IGUA supports TCPL's Application for approval of the Mainline Settlement.
- 5. As a member of TCPL's Tolls Task Force ("TTF"), IGUA took an active part in the post 2020 settlement discussions that took place during late 2018 and throughout 2019. The Mainline Settlement Application reflects a delicate balance of interests reached after intense and detailed negotiations among Mainline shippers and between shippers and TCPL. The Mainline Settlement Application offers predictable and competitive tolls and facilitates market access for Western Canadian Sedimentary Basin gas. The Mainline

Ex. C03833-1 2019-12-20 Application from TCPL to CER re 2021-2026 Mainline Tolls Settlement Application - A7C1U1.



Settlement Application reflects a reasonable sharing of risks and rewards between TCPL, producers, marketers and markets.

- 6. IGUA attests to the veracity of the TTF process that led to TCPL's filing of the Mainline Settlement Application. IGUA had the opportunity to freely express its concerns and to work towards a solution. IGUA acknowledges TCPL's diligence and flexibility in securing unanimous support from TTF stakeholders. IGUA views the process that resulted in TCPL's filing of the Mainline Settlement Application as a process than can be referred to as a collaborative settlement.
- 7. IGUA supports TCPL's Mainline Settlement Application with no reserve and requests that the CER to approve TCPL's Mainline Settlement Application as filed.

Yours truly,

Rosa Twyman

Regulatory Law Chambers

CC:

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