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October 6, 2017

VIA ELECTRONIC FILING

Ms. Sheri Young
Secretary of the Board
National Energy Board
517-10th Avenue SW
Calgary AB T2R 0A8

Attention: Ms. Sheri Young, Secretary of the Board

Dear Ms. Young:

Re: National Energy Board (the "NEB" or the "Board") RHW-001-2017 File OF-Tolls-Group1-M124-2016-01 01

Maritimes & Northeast Pipeline Management Ltd. ("M&NP")

**Application for Approval of MNLRS-IOL Service (Load Retention Service or LRS) and Toll (LRS Toll) (Application)
Final Argument Submission**

Further to the Board's Procedural Order No.4 dated September 22, 2017, I am writing to you on behalf of our client Irving Oil Limited ("IOL"). IOL has had the benefit of reviewing the final argument submissions made on behalf of Maritimes and Northeast Pipeline Management Ltd. As IOL fully endorses M&NP's submissions and supports the approval of MNLRS-IOL Service for the reasons cited our final argument submissions will be brief and limited to the content of this letter.

IOL's Response to Board Information Request 1.2 provides strong evidence in support of the view that the EBPC Alternative is a credible competitive alternative. The economic evaluation conducted by IOL of these alternatives revealed the MNLRS-IOL Service to have a slightly higher toll cost but offset by other intangible benefits including customer service experience and satisfaction and administrative ease. A competitive negotiation process amongst sophisticated parties was used in IOL's selection and support for the MNLRS-IOL Service.

IOL's existing long-term firm service transportation contracts with M&NP have either expired or will expire within the month. As noted above, the tolling costs of the EBPC Alternative are slightly more favorable than the MNLRS-IOL Service to IOL. This is strong support for M&NP's view that if the MNLRS-IOL Service is not approved, it is reasonable for the Board to expect IOL to pursue the next best alternative, which is the EBPC Offer as opposed to pursuing MN365 transmission service.

The justness and reasonableness of the MNLRS-IOL Service is appropriately captured by the three primary criteria that M&NP uses to assess such services and toll. In these circumstances, a credible competitive threat existed. Absent the offering of a load retention service, IOL would have no rational reason not to select the next best economic alternative to meet its long term transmission service needs and it is therefore reasonable to expect that but for approval of the MNLRS-IOL Service; a loss of load will result to the M&NP System. M&NP has appropriately demonstrated that the LRS service provides for a system contribution. The M&NP system and its shippers as a whole, will be better off with approval of the MNLRS-IOL Service and Toll as compared to the alternative of IOL's transmission requirements leaving this system altogether. Finally, the MNLRS-IOL Service toll is no lower than necessary to retain the load, as noted in IOL's Response to Board Information Request 1.2.

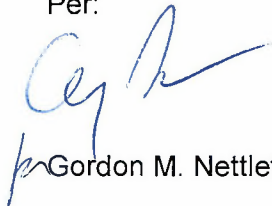
IOL supports M&NP's submissions that M&NP's MNLRS-IOL Service has been demonstrated to meet the requirements of Part IV of the Act.

Based on the foregoing, IOL submits that the applied-for MNLRS-IOL Service is in the public interest and Board approval should be granted.

Yours truly,

McCarthy Tétrault LLP

Per:



Gordon M. Nettleton

GMN/mpf

cc: List of Participants to RHW-001-2017