

Janna Breitman
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January 6, 2021

Canada Energy Regulator
210-517 10th Ave SW
Calgary, Alberta, T2R 0A8

Re: Crescent Point Energy Corp. Annual Set-Aside Mechanisms Reporting CER File No. OF-AF-AbComp01

As part of the MH-001-2013 Reasons for Decision, the Canada Energy Regulator (CER) requires Crescent Point Energy Corp. (CPEC) to submit an update on set-aside mechanisms and letter of credit for abandonment costs. Please find attached CPEC's letter of credit along with the set-aside mechanisms for the following three licenced CER lines:

Coutts (NG) → Order No. XG-R040-10-2003
Red Springs (NG) → Order No. XG-12-90
Red Springs (NG) → Order No. XG-N150-6-2000

If you have any questions or require more information, please do not hesitate to contact the undersigned.

Yours truly,



Janna Breitman
Senior Regulatory Advisor
Crescent Point Energy Corp.
Direct: (587) 955-3511
Cell: (403) 836-8742



Appendix XVI – As amended December 2019

Reporting Form – Companies using Set-aside mechanisms other than
Trusts, and Exempt Companies

A – Update on Abandonment Funding for Pipeline with Alternative Set-Aside Mechanism		
Regulatory Instrument Holder (entity which holds certificate)	Crescent Point Energy Corp.	
Filed by (company name) if different from regulatory instrument holder		
Pipeline System Name (fill in separate form for each)	Coutts (NG) Order No. XG-R040-10-2003	
Order Numbers or Certificate the pipeline(s) operate under	XG-R040-10-2003	
Exempt pursuant to MH-001-2013?	No	
Confirm exemption is still valid and briefly explain why exemption was granted	N/A	
B – Abandonment Cost Estimate (for all Companies)		
Provide amount of estimate and what year dollars	\$million 0.346878 for all 3 lines Year 2018	
Date last estimate was approved	2018	
Estimate the year of future abandonment. If this has changed since previous Appendix XVI filing, briefly explain why	30	
C – Method of Assuring Funding (except for those companies exempted)		
Financial instrument used	Letter of Credit	
For	\$million 0.346878	
Name of Bank (letter of credit) or Surety (surety bond)	Bank of Nova Scotia	
Are the fee payments for letter of credit or surety bond up-to date?	Yes	If 'no', explain in an attached document
Provide any information that is likely to impact the renewal of the letter of credit or surety bond	None	
Any other relevant information	None	
D – Update on Status of Pipeline (for all Companies)		
Are there any changes in cost estimates, or other components that could prompt material changes to fund abandonment	No	If 'yes', explain in an attached document
Is the pipeline still in operation (i.e., not deactivated or decommissioned)?	No	If 'no', explain in an attached document and provide Order number if applicable
Does the pipeline have third party shippers? ¹	No	
Has a change in ownership of all or part of the pipeline taken place over the past year?	No	If 'yes', provide details in an attached document
Are there plans for the ownership of all or part of the pipeline to change within the next year?	No	If 'yes', provide details in an attached document
E – Contact(s) for Financial Regulatory Matters		
Name(s)	Janna Breitman	Nathan Wong
Email(s)	regulatory@crescentpointenergy.com	nwong@crescentpointenergy.com
Telephone(s)	587-955-3511	403-767-6464
F – Confirmation of Form Content by Officer of the Company Holding Regulatory Instrument		
Name of Officer of the Company	Mark Eade	
Date	January 5, 2021	

¹ i.e., Do you have contracts, agreements, or other arrangements with any party(ies) that includes the transport of product on the NEB-regulated pipeline?



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Filed by (company name) if different from regulatory instrument holder		
Pipeline System Name (fill in separate form for each)	Red Springs (NG) Order No. XG-12-90	
Order Numbers or Certificate the pipeline(s) operate under	XG-12-90	
Exempt pursuant to MH-001-2013?	No	
Confirm exemption is still valid and briefly explain why exemption was granted	N/A	
B – Abandonment Cost Estimate (for all Companies)		
Provide amount of estimate and what year dollars	\$million 0.346878 for all 3 lines Year 2018	
Date last estimate was approved	2018	
Estimate the year of future abandonment. If this has changed since previous Appendix XVI filing, briefly explain why	2021/2022. Due to continued production decline, no new development, and low wholesale gas prices, the operating areas are largely uneconomical and it is anticipated that Crescent Point Energy may abandon these pipelines in the next year.	
C – Method of Assuring Funding (except for those companies exempted)		
Financial instrument used	Letter of Credit	
For	\$million 0.346878	
Name of Bank (letter of credit) or Surety (surety bond)	Bank of Nova Scotia	
Are the fee payments for letter of credit or surety bond up-to date?	Yes	If 'no', explain in an attached document
Provide any information that is likely to impact the renewal of the letter of credit or surety bond	None	
Any other relevant information	None	
D – Update on Status of Pipeline (for all Companies)		
Are there any changes in cost estimates, or other components that could prompt material changes to fund abandonment	No	If 'yes', explain in an attached document
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Does the pipeline have third party shippers? ¹	No	
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Filed by (company name) if different from regulatory instrument holder		
Pipeline System Name (fill in separate form for each)	Red Springs (NG) Order No. XG-N150-6-2000	
Order Numbers or Certificate the pipeline(s) operate under	XG-N150-6-2000	
Exempt pursuant to MH-001-2013?	No	
Confirm exemption is still valid and briefly explain why exemption was granted	N/A	
B – Abandonment Cost Estimate (for all Companies)		
Provide amount of estimate and what year dollars	\$million 0.346878 for all 3 lines Year 2018	
Date last estimate was approved	2018	
Estimate the year of future abandonment. If this has changed since previous Appendix XVI filing, briefly explain why	2021/2022. Due to continued production decline, no new development, and low wholesale gas prices, the operating areas are largely uneconomical and it is anticipated that Crescent Point Energy may abandon these pipelines in the next year.	
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January 6, 2021

**Re: Crescent Point Energy Corp. Annual Set-Aside Mechanisms Reporting
NEB File No. OF-AF-AbComp 01 – Additional Comments**

The pipeline Coutts (NG) Order No. XG-R040-10-2003 is no longer operating as Crescent Point Energy Corp. (CPEC) applied in September 2016 for the line to be deactivated. In October 2016 the Canadian Energy Regulator issued MO-045-2016 approving of the deactivation. In March 2017 CPEC notified the Canadian Energy Regulatory that the deactivation of line XG-R040-10-2003 under MO-045-2016 had been completed in compliance with all applicable conditions of the order.

The pipeline Red Springs (NG) Order No. XG-12-90 and Red Springs (NG) Order No. XG-N150-6-2000 have both had their expected abandonment year changed to 2021/2022. Due to continued production decline, combined with no new development and historically low wholesale gas prices, the operating areas are largely uneconomical and it is anticipated that Crescent Point Energy may abandon these pipelines in the next year.

On the Appendix XVI forms for the pipelines Red Springs (NG) Order No. XG-12-90 and Red Springs (NG) Order No. XG-N150-6-2000, Crescent Point Energy has entered 'No' to the question '*Is the line still in operation*' in *Section D – Update on Status of Pipeline*. The field has been temporarily suspended while Crescent Point Energy evaluates whether the field is economically viable. Although these lines have not been fully deactivated or decommissioned, the lines have been pigged and purged to ensure they are left in a safe condition with no risk to public or environment while they are not being actively used.



Canada Energy
Regulator

Régie de l'énergie
du Canada

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517 Tenth Avenue SW
Calgary, Alberta
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517, Dixième Avenue S.-O.
bureau 210
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The Canada Energy Regulator has removed the Letter of Credit information for privacy reasons.

La Régie de l'énergie du Canada a retiré les informations sur la lettre de crédit pour des raisons de confidentialité.