

VIA ELECTRONIC SUBMISSION

April 22, 2022

Canada Energy Regulator
Suite 210, 517-10th Avenue SW
Calgary, AB T2R 0A8

Attention: Ms. Ramona Sladic, Secretary of the Commission

Dear Ms. Sladic:

**Re: Trans Mountain Pipeline ULC (Trans Mountain)
Financial Resources Plan – 2021 Annual Compliance Report
Compliance to Order AO-001-FRO-002-2017
CER File: OF-Gen-06 FRR**

On March 20, 2019, the National Energy Board, predecessor to the Canada Energy Regulator (CER), issued Order AO-001-FRO-002-2017 (the “Amended Order”) ([A98410](#)) to Trans Mountain. The Amended Order approved and provided direction to Trans Mountain with respect to its Financial Resources Plan. Condition 6 of the Amended Order requires Trans Mountain to file its annual compliance report in the format requested in the CER’s *Pipeline Financial Requirements Guidelines*.

On February 22, 2021, pursuant to section 60 of the *Canadian Energy Regulator Act* (CER Act), Trans Mountain sought an order to permit it to file, in confidence, the names of its insurers in its certificate of insurance for all future filings of its certificate of insurance under Condition 6 of the Amended Order ([C11610](#)).

On April 29, 2021, the Commission of the CER (Commission) granted relief as requested ([C12675](#)). Trans Mountain encloses its annual compliance report for 2021 (Attachment 1) and a redacted version of its certificate of insurance (Attachment 2). Trans Mountain is delivering an unredacted certificate of insurance to the Secretary of the Commission via hand delivery.

Should you have any questions, please contact the undersigned at (587) 956-4837 or dan_berry@transmountain.com.

Sincerely,



Dan Berry
Manager Regulatory Rates
Trans Mountain Canada Inc.

Enclosures

Attachment 1

Table 1: Financial Resources Plan for the year ended December 31, 2021

| | | | | |
|---|---|-------------------------------------|------------------|---|
| Authorization Holder name: | Trans Mountain Pipeline ULC as general partner of Trans Mountain Pipeline L.P. | | | |
| Capacity/Risk Value: | 300,000 barrels per day | | | |
| Absolute Liability Limit: | \$1 billion | | | |
| \$000's CAD (as at most recent year-end Audited Financial Statements) | Trans Mountain Corporation | Trans Mountain Pipeline L.P. | Total | Timing of Access (business days) |
| Cash | - | \$84,626 | \$84,626 | 1 day |
| Line of Credit (undrawn portion) | - | \$500,000 | \$500,000 | 1-5 days |
| Commercial Paper (undrawn portion of program) | - | - | - | |
| Other Short-Term Resources (explain) | - | - | - | |
| Total short-term, accessible within five (5) business days | | \$584,626 | \$584,626 | |
| Insurance ^[1] | - | \$500,781 | \$500,781 | Claim dependent |
| Surety Bonds | - | - | - | |
| Parent/Affiliate Guarantees (from Parent Co. to Authorization Holder) | - | - | - | |
| Other Financial Resources (explain) | - | - | - | |
| Total Other | - | \$500,781 | \$500,781 | |

Note [1]: General/Excess Liability Insurance US\$395,000
Dec 31, 2021, Bank of Canada Noon Rate 1.2678¹
General/Excess Liability Insurance CA\$500,781

¹ Bank of Canada, Daily Noon Exchange Rates: Daily exchange rate lookup, December 31, 2021, U.S. dollar: www.bankofcanada.ca/rates/exchange/daily-exchange-rates-lookup/. Should the exchange rate temporarily decrease below 1.2658CAD to 1.0000USD, the resulting insurance amount will be lower than the CAD500 million minimum level approved in the Amended Order. In this case, Trans Mountain will temporarily backstop this shortfall with cash on hand. Should this shortfall be sustained, Trans Mountain will assess alternatives to backstop the difference.

Attachment to Trans Mountain Pipeline
Financial Resources Plan
2021 Annual Compliance Report

Attachment 2

Redacted Certificate of Insurance

No.:

Dated: **March 21, 2022**

This document supersedes any certificate previously issued under this number

This is to certify that the Policy(ies) of insurance listed below ("Policy" or "Policies") have been issued to the Named Insured identified below for the policy period(s) indicated. This certificate is issued as a matter of information only and confers no rights upon the Certificate Holder named below other than those provided by the Policy(ies).

Notwithstanding any requirement, term, or condition of any contract or any other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the Policy(ies) is subject to all the terms, conditions, and exclusions of such Policy(ies). This certificate does not amend, extend, or alter the coverage afforded by the Policy(ies). Limits shown are intended to address contractual obligations of the Named Insured.

Limits may have been reduced since Policy effective date(s) as a result of a claim or claims.

| | |
|---|---|
| Certificate Holder: Canada Energy Regulator Suite 210, 517 - 10th Avenue SW Calgary, AB T2R 0A8 | Named Insured and Address: Trans Mountain Canada Inc. Suite 2700 300 - 5th Avenue S.W. Calgary, AB T2P 5J2 |
|---|---|

This certificate is issued regarding:

Trans Mountain Corporation Financial Resource Requirement Plan pursuant to Canada Energy Regulator Order FRO-002-2017

| Type(s) of Insurance | Insurer(s) | Policy Number(s) | Effective/ Expiry Dates | Sums Insured Or Limits of Liability | |
|---|------------|------------------|------------------------------|---|----------------|
| | | | | | |
| EXCESS LIABILITY • Excess of USD \$2MM SIR - Commercial General Liability | | | Aug 31, 2021 to Aug 31, 2022 | Each Occurrence | USD 3,000,000 |
| | | | | Products & Completed Operations Aggregate | USD 3,000,000 |
| | | | | Aggregate | USD 3,000,000 |
| UMBRELLA • Excess of Excess Liability (Policy: 43-XIF-150352-02) | | | Aug 31, 2021 to Aug 31, 2022 | Each Occurrence | USD 5,000,000 |
| | | | | Products & Completed Operations Aggregate | USD 5,000,000 |
| | | | | Aggregate | USD 5,000,000 |
| 1ST EXCESS LIABILITY • Excess of the above policies. | | | Aug 31, 2021 to Aug 31, 2022 | Each Occurrence | USD 25,000,000 |
| | | | | Products & Completed Operations Aggregate | USD 25,000,000 |
| | | | | Aggregate | USD 25,000,000 |
| 2ND EXCESS LIABILITY • Excess of the above policies. | | | Aug 31, 2021 to Aug 31, 2022 | Per Occurrence | USD 40,000,000 |
| | | | | Aggregate | USD 40,000,000 |
| 3RD EXCESS LIABILITY • Excess of the above policies. | | | Aug 31, 2021 to Aug 31, 2022 | Each Occurrence | USD 10,000,000 |
| | | | | Products & Completed Operations Aggregate | USD 10,000,000 |
| 4TH EXCESS LIABILITY • Excess of the above policies. | | | Aug 31, 2021 to Aug 31, 2022 | Each Occurrence | USD 50,000,000 |
| | | | | Products & Completed Operations Aggregate | USD 50,000,000 |
| | | | | Aggregate | USD 50,000,000 |
| 5TH EXCESS LIABILITY • Excess of the above policies. | | | Aug 31, 2021 to Aug 31, 2022 | Each Occurrence | USD 25,000,000 |
| | | | | Aggregate | USD 25,000,000 |
| 6TH EXCESS LIABILITY • Excess of the above policies. | | | Aug 31, 2021 to Aug 31, 2022 | Each Occurrence | USD 90,000,000 |
| | | | | Aggregate | USD 90,000,000 |
| 7TH EXCESS LIABILITY • Excess of the above policies. | | | Aug 31, 2021 to Aug 31, 2022 | Each Occurrence | USD 75,000,000 |
| | | | | Aggregate | USD 75,000,000 |
| 8TH EXCESS LIABILITY • Excess of the above policies. | | | Aug 31, 2021 to Aug 31, 2022 | Each Occurrence | USD 50,000,000 |
| | | | | Aggregate | USD 50,000,000 |
| 9TH EXCESS LIABILITY | | | Aug 31, 2021 to Aug 31, 2022 | Each Occurrence | USD 22,000,000 |
| | | | | Aggregate | USD 22,000,000 |

No.:

Dated: **March 21, 2022**

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Notice of cancellation:

The insurer(s) affording coverage under the policies described herein will not notify the certificate holder named herein of the cancellation of such coverage.

Marsh Canada Limited

222 - 3rd Avenue SW
Livingston Place, Suite 1100
Calgary, AB T2P 0B4
Telephone:
Fax: -
Calgarycertrequest@marsh.com

Marsh Canada Limited

Original signed by

By: _____