

Canada Energy Régie de l'énergie du Canada

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File 3427016 12 January 2024

Sander Duncanson Counsel for Trans Mountain Osler, Hoskin, & Harcourt LLP 225 - 6th Avenue SW Calgary, AB T2P 1N2 Email sduncanson@osler.com

Dear Sander Duncanson:

Trans Mountain Pipeline ULC **Trans Mountain Expansion Project Certificate of Public Convenience and Necessity OC-065 Application for Variance and Condition Relief under the Certificate Mountain 3 Horizontal Directional Drill** Decision of the Commission of the Canada Energy Regulator

Before: K. Penney, Presiding Commissioner; T. Grimoldby, Commissioner; S. Sajnovics, Commissioner

1. BACKGROUND

On 14 December 2023, Trans Mountain ULC (Trans Mountain) filed an application with the Commission of the Canada Energy Regulator (CER) under section 190 of the Canadian Energy Regulator Act. The application seeks to vary Schedule A of Certificate of Public Convenience and Necessity OC-065 (Certificate) with respect to the diameter, wall thickness and coating for the pipe for the Mountain 3 horizontal directional drill (HDD) crossing for the Trans Mountain Expansion Project, and associated facilities (Variance). The Mountain 3 HDD crossing is approximately 2 300 metres (m) long (between kilometre posts 1064.4 and 1066.7) and is located within the Black Pines to Burnaby Tank Terminal segment of the Trans Mountain Expansion Project.

Trans Mountain also applied, pursuant to Condition 1 of the Certificate, for relief from the requirement to adhere to the Quality Management Plan (QMP) filed under Condition 9 of the Certificate with respect to the materials to be used for the Mountain 3 HDD crossing, if the Variance is approved and the Commission determines such materials do not comply with the QMP (C27678).

The Commission also considered Trans Mountain's responses to two rounds of Commission Information Requests filed on 3 January (C27873) and 11 January 2024 (C27965), including Trans Mountain's comments on potential conditions, which the Commission floated in Information Request No. 2.



On 22 December 2023, the Commission received letters of support for the application from Canadian Natural Resources Limited (C27822) and MEG Energy Corp. (C27830). Letters of support were also received on 3 January 2024 from Alberta Department of Energy and Minerals (C27881) and Cenovus Energy Inc. (C72882).

On 8 January 2024, the Commission dismissed motions filed by Tim Takaro and David Huntley in Ruling No. 1 (C29728). On the same day, the Commission determined that it would hold an oral hearing on 12 January 2024, to allow for cross-examination of, and final argument from, Trans Mountain (C27929).

2. COMMISSION DECISION

Having thoroughly and carefully considered all written and oral submissions received, the Commission has decided to approve the Variance, subject to the conditions imposed relating to materials and in-line inspections. Amending Order AO-012-OC-065 is attached, reflecting the Commission's approval and the conditions imposed.

The Commission further grants Trans Mountain's request for relief from the requirement to adhere to the QMP filed under Condition 9 of the Certificate, as it applies to the Mountain 3 HDD. Trans Mountain may begin constructing the Variance, subject to any other necessary regulatory requirements being met. The Commission will issue its reasons for this decision in due course.

3. DIRECTION

The Commission directs Trans Mountain to serve a copy of this letter and Amending Order AO-012-OC-065 on all interested parties to the application, including shippers and Indigenous communities.

Yours sincerely,

Signed by

Ramona Sladic Secretary of the Commission

Attachment

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