



*Office of the Minister
Deputy Government House Leader
MLA, Calgary-North West*

AR38355

MAR 17 2021

Mr. Jean-Denis Charlebois, Secretary of the Commission
Canada Energy Regulator
Suite 210, 517 Tenth Avenue SW
Calgary, Alberta T2R 0A8

Dear Mr. Charlebois:

I am writing in support of Trans Mountain's request for confidential treatment for its annual Certificate of Insurance.

The Commission has made clear it will consider Trans Mountain's request only in respect of the existing Trans Mountain Pipeline system, and not in respect of the expansion project as detailed in the Commission's letter. Alberta submits the Commission should find that the information proposed to be held in confidence is commercial in nature, and that the public interest associated with that specific information is significantly outweighed by the continued operation of the existing system, and is only amplified in light of construction on the expansion project.

In the case of the expansion project in particular — which has been deemed in Canada's national interest — it is of the utmost importance the project be completed on schedule and without undue additional costs. As an indication of the critical nature of the Trans Mountain Pipeline system, despite reduced global demand resulting from COVID-19 and lower oil prices, the pipeline has continued to be full, with demand exceeding the current capacity. The pipeline undoubtedly plays a critical role in Canada's economic recovery and its continued, unimpeded operation is paramount.

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In its filing dated February 22, 2021, Trans Mountain indicated that disclosure of the identities of insurers could reasonably result in a material loss to the company and prejudice the competitive position of its insurers. There are numerous examples of insurance companies facing negative pressure for insuring the Trans Mountain Expansion Project, which Alberta believes are part of a coordinated strategy to see the company abandon an approved project — and ultimately landlock Alberta's oil and gas.

It is Alberta's position that parties should not be afforded an opportunity to harass financial institutions seeking to participate in this critically important project. As evidenced in past annual filings, disclosing the project's insurers only exacerbates ongoing targeted attacks, which could negatively impact Trans Mountain's access to insurers, and potentially jeopardize the successful completion of the project.

Failure to complete the Trans Mountain Expansion Project would be devastating to the oil and gas sector, which helps some of the country's most important industries — including health care, manufacturing, and transportation — and the revenue it generates supports the public services Canadians rely upon.

As Trans Mountain's request indicates, the Commission and its predecessor have granted confidential treatment in unique circumstances, often involving situations of commercial harm, which Trans Mountain's request provides. Alberta, therefore, encourages the Commission to grant Trans Mountain's request to file in confidence information in its certificate of insurance disclosing the names of its insurers in all future filings to the CER. We likewise encourage the Commission to issue its decision on this matter as soon as reasonably practicable.

Sincerely,

A handwritten signature in black ink, appearing to read "Sonya Savage". The signature is fluid and cursive, with the first name "Sonya" and the last name "Savage" clearly distinguishable.

Sonya Savage
Minister