



Canada Energy Regulator Régie de l'énergie du Canada

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File OF-Fac-Gas-W102-2019-01 01
12 May 2020

Ms. Karin Schmidt
Regulatory Advisor
Regulatory Law & Affairs
Enbridge
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Calgary, AB T2P 3L8
Email: karin.schmidt@enbridge.com

Dear Ms. Schmidt:

**Confirmation of the sale of certain assets of the Westcoast Gathering System and Processing Facilities (Transfer Facilities) from Westcoast Energy Inc., carrying on business as Spectra Energy Transmission (Westcoast) to NorthRiver Midstream Operations LP (NorthRiver)
Application for Variance of MO-038-2019 pursuant to subsection 69(1) of the Canadian Energy Regulator Act (CER Act)**

On 26 August 2019, the National Energy Board (NEB) issued MO-038-2019 pursuant to paragraph 74(1)(a) of the *National Energy Board Act* (NEB Act) which approved the sale transaction of the Transfer Facilities from Westcoast to NorthRiver. As indicated by the NEB, following completion of the sale and satisfaction of the conditions in MO-038-2019, the Transfer Facilities will leave federal jurisdiction and become subject to provincial regulation.

On 28 August 2019, the *Canadian Energy Regulator Act* (CER Act) came into force and the NEB was replaced by the Canada Energy Regulator (CER).

Notification of Conditions of MO-038-2019

The conditions of MO-038-2019 required Westcoast to notify the CER when the sale transaction was completed, that necessary permits/authorizations required to operate the Transfer Facilities have been issued by the appropriate provincial regulators, including the British Columbia Oil and Gas Commission (BCOGC), and that copies of all relevant operation and maintenance records for the Transfer Facilities have been provided to NorthRiver and to the appropriate provincial regulators, including the BCOGC.

Westcoast filed its notification letters on 13 September 2019 and 31 December 2019.

The Commission advises that, as of 31 December 2019, the jurisdiction of the Transfer Facilities changed from federal to provincial and the Transfer Facilities were no longer under subject to CER regulation.

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Instruments

A large number of instruments have been issued over time authorizing Westcoast's Gathering System and Processing Facilities, including the Transfer Facilities. Attached to this letter is a table listing all the instruments (as well as any amending instruments made to them over time) affected by this transaction, separated into five sections based on the actions required to effect the transaction:

- Certificates to be Varied (by Amending Order)
- Certificates to be Revoked
- Orders to be Amended
- Orders to be Rescinded
- Orders that require no action

The Commission has issued the Amending, Revocation, and Rescinding Orders (collectively, the Orders) pursuant to subsections 69(1) and 190(1), and section 196 of the CER Act, to reflect the change in ownership of the Transfer Facilities and their removal from CER jurisdiction.

The Amending Orders vary the Orders and Certificates that authorized both Transfer Facilities and facilities that Westcoast retains ownership of (the Retained Assets) and that remain under CER jurisdiction. They remove the Transfer Facilities from the instrument and specify the Retained Assets in the Schedule A's to the Amending Orders.

Note that, in the NEB letter of 26 August 2019, the NEB indicated that the variance of Certificates required Governor-in-Council (GIC) approval (pursuant to subsection 21(2) of the NEB Act). Subsequent to that letter, the CER Act came into force and the legislative requirements changed. Pursuant to subsection 190(1) of the CER Act, the Commission may vary or transfer a Certificate. Therefore, GIC approval is no longer required for the variance of the Certificates.

The Revocation and Rescinding Orders remove the Transfer facilities from CER regulation.

The Commission has decided not to vary, revoke or rescind certain regulatory instruments listed in Appendix A – Orders That Require No Action. Approvals for Leave to Open and Plans, Profiles and Books of Reference are specific events in time. As such, the Commission is of the view that there is no rationale for the Commission to subsequently alter the record of an event that has happened in the past. Nor is it necessary to amend a regulatory instrument for which there is no ongoing activity or condition to be regulated, versus those that remain in effect until the abandonment of the facilities in question.

In addition to the instruments listed in Appendix A, which were issued by the NEB, there are a number of Orders that were issued by the Board of Transport Commissioners of Canada prior to the NEB Act being enacted in 1959. Although the facilities referred to in those Orders have been under federal regulation, the CER has no explicit authority to amend or rescind those Orders. Most of them require no action, as they were approvals for specific events in time, and they refer to no ongoing activity to be regulated. For those which refer to Transfer Facilities only, they are no longer of any force or effect, as the Transfer Facilities have left federal jurisdiction. The Orders which refer to the Retained Assets remain in force to the extent that they pertain to those Assets. Note that the Orders issued by the Board of Transport Commissioners of Canada are not listed in Appendix A.

Variance of MO-038-2019

On 6 January 2020, Westcoast filed an Application with the CER requesting a variance to MO-038-2019 to include two short pipelines (911 meter 2" vent line; 911 meter 2" fuel gas line) as assets to be transferred by Westcoast and removed from CER jurisdiction. Westcoast indicates that the two pipelines were included in the sale but not identified in the sale transaction application.

The Commission is of the view that these pipelines do not materially change the sale transaction of the Transfer Facilities. The Commission has not amended MO-038-2019, as requested. In place, the Commission has reflected the sale of the two additional pipelines in the attached Orders.

Conclusion

The Commission directs Westcoast to serve a copy of this letter and the attached Regulatory Instruments on the third parties notified by Westcoast as described in the Application and further filings, potentially impacted Indigenous groups, any other interested parties to the Application, including the appropriate provincial regulators.

Yours sincerely,

Original signed by

L. George
Secretary of the Commission

Attachment: Appendix A – List of Orders and Certificates that are to be varied, revoked, amended, rescinded, or require no action for the Westcoast Gathering System and Processing Facilities Asset Sale

cc: Mr. Ken Paulson, Executive Vice President, COO, BC Oil and Gas Commission,
ken.paulson@bcogc.ca

Appendix A: List of Orders and Certificates that are to be varied, revoked, amended, rescinded, or require no action for the Westcoast Gathering System and Processing Facility Asset Sale

Certificates to be Varied			
GC-23 (AO-1-GC-23; AO-2-GC-23)	GC-42 (AO-1-GC-42; AO-2-GC-42; AO-3-GC-42; AO-4-GC-42; AO-5-GC-42; AO-6-GC-42; AO-7-GC-42; AO-8-GC-42; AO-9-GC-42; AO-10-GC-42)	GC-46	GC-60 (AO-1-GC-60)
Certificates to be Revoked			
GC-4	GC-31 (AO-1-GC-31)	GC-36 (AO-1-GC-36)	GC-51
GC-54	GC-59	GC-61 (AO-1-GC-61; AO-2-GC-61)	GC-79
GC-81	GC-82	GC-112	
Orders to be Amended			
XGM-11-83 (AO-1-XGM-11-83; AO-2-XGM-11-83)	XGM-8-85 (AO-1-XGM-8-85; AO-2-XGM-8-85; AO-3-XGM-8-85; AO-4-XGM-8-85; AO-5-XGM-8-85; AO-6-XGM-8-85; AO-7-XGM-8-85; AO-8-XGM-8-85)	XGM-19-85	XGM-13-85 (AO-1-XGM-13-85; AO-2-XGM-13-85)
XGM-21-85	XGM-2-86 (AO-1-XGM-2-86; AO-2-XGM-2-86; AO-3-XGM-2-86; AO-4-XGM-2-86; AO-5-XGM-2-86; AO-6-XGM-2-86; AO-7-XGM-2-86)	XG-4-86	XGM-12-86
XGM-17-86	XGM-16-87	XGM-18-87	XGM-21-87 (AO-1-XGM-21-87; AO-2-XGM-21-87; AO-3-XGM-21-87; AO-4-XGM-21-87; AO-5-XGM-21-87; AO-6-XGM-21-87; AO-7-XGM-21-87)
XGM-5-88 (AO-1-XGM-5-88)	XGM-1-89 (AO-1-XGM-1-89;	XGM-7-89 (AO-1-XGM-7-89)	XGM-10-88 (AO-001-XGM-10-88;

	AO-2-XGM-1-89; AO-3-XGM-1-89)		AO-002-XGM-10-88; AO-003-XGM-10-88)
XGM-11-88 (AO-1-XGM-11-88)	XGM-16-89	XGM-26-90 (AO-1-XGM-26-90; AO-2-XGM-26-90; AO-3-XGM-26-90; AO-4-XGM-26-90; AO-5-XGM-26-90; AO-6-XGM-26-90; AO-7-XGM-26-90; AO-8-XGM-26-90)	XGM-3-86
XG-W5-25-94 (AO-1-XG-W5-25-94; AO-2-XG-W5-25-94; AO-3-XG-W5-25-94)	XG-W5-78-94 (AO-1-XG-W5-78-94)	XG-W5-3-96	XG-W5-12-96
XG-W005-29-2000 (AO-1-XG-W005-29-2000)	XG-W005-51-2000	XG-W005-24-2003	XG-W5-17-2000 (AO-1-XG-W5-17-2000)
XG-W102-008-2013	XG-W102-018-2016 (AO-001-XG-W102-018-2016)	XG-3-92	MO-01-2007
MO-003-2016			
Orders to be Rescinded			
XG-1-61 (AO-1-XG-1-61; AO-2-XG-1-61; AO-3-XG-1-61; AO-4-XG-1-61; AO-5-XG-1-61)	XG-8-62	XG-1-66	XG-5-66
XG-6-66	XG-11-68 (AO-1-XG-11-68)	XG-12-68	XG-13-70 (AO-1-XG-13-70; AO-2-XG-13-70)
XG-5-72	XG-9-72 (AO-1-XG-9-72)	XG-2-73 (AO-1-XG-2-73)	XG-3-73
XG-1-74	XG-4-74 (AO-1-XG-4-74)	XG-7-74 (AO-1-XG-7-74; AO-2-XG-7-74)	XG-8-74 AO-1-XG-8-74; AO-2-XG-8-74; AO-3-XG-8-74)
XG-9-74 (AO-1-XG-9-74)	XG-3-75 (AO-1-XG-3-75; AO-2-XG-3-75; AO-3-XG-3-75)	XG-4-75	XG-1-76 (AO-1-XG-1-76)
XG-6-76 (AO-1-XG-6-76; AO-2-XG-6-76)	XG-6-77 (AO-1-XG-6-77; AO-2-XG-6-77)	XG-9-79 (AO-1-XG-9-79)	XGM-14-79
XGM-6-80	XGM-7-80	XG-2-80 (AO-1-XG-2-80; AO-2-XG-2-80)	XG-2-85

XG-1-87	XG-4-87	XG-5-88	XG-16-88
XG-28-88 (AO-1-XG-28-88)	XG-1-90	XG-11-90 (AO-1-XG-11-90; AO-2-XG-11-90)	XG-47-92
XG-6-92	XG-W5-6-93	XG-5-91	XG-W5-3-94
XG-W5-13-94	XG-W5-29-94	XG-W5-49-94	XG-W5-56-94
XG-W5-52-94	XG-W5-57-94	XG-W5-54-94 (AO-1-XG-W5-54-94)	XG-W5-62-94
XG-W5-63-94	XG-W5-80-94	XG-W5-1-95	XG-W5-4-95
XG-W5-36-95	XG-W5-38-95	XG-W5-45-95	XG-W5-14-96
XG-W5-19-96 (AO-1-XG-W5-19-96)	XG-W5-32-96	XG-W5-36-97	XG-W5-62-98
XG-W5-17-99 (AO-1-XG-W5-17-99)	XG-W5-63-98	XG-W5-19-99 (AO-1-XG-W5-19-99)	XG-W5-70-99
XG-W5-40-95	XG-W005-25-2000	XG-W005-43-2000	XG-W005-52-2000
XG-W005-68-2000	XG-W005-06-2001	XG-W005-16-2002	XG-W005-19-2002
XG-W005-22-2002 (AO-1-XG-W005-22-2002)	XG-W005-30-2002	XG-W005-38-2002	XG-W005-62-2002 (AO-1-XG-W005-62-2002)
XG-W005-20-2003	XG-W005-44-2003	XG-W005-08-2004	XG-W005-11-2004
XG-W005-18-2004	XG-W005-26-2004	XG-W005-29-2004	XG-W005-43-2004
XG-W005-09-2005	XG-W005-10-2005	XG-W005-11-2005	XG-W005-12-2005 (AO-1-XG-W005-12-2005)
XG-W005-13-2005	XG-W005-14-2005	XG-W005-06-2006 (AO-01-XG-W005-06-2006)	XG-W102-03-2008
XG-W102-04-2009 (AO-1-XG-W102-04-2009)	XG-W102-05-2009	XG-W102-007-2010 (AO-001-XG-W102-007-2010)	XG-W102-10-2010
XG-W102-02-2011 (AO-001-XG-W102-02-2011; AO-002-XG-W102-02-2011)	XG-W102-005-2013	XG-W102-020-2013	XG-W102-023-2015
XG-W102-015-2017 (AO-001-XG-W102-015-2017)	XG-W102-011-2018 (AO-001-XG-W102-011-2018)	XG-W102-022-2018	XG-W102-031-2018
XG-1-78 (AO-1-XG-1-78)	XG-W5-4-94	XG-W5-43-93	XG-W5-50-94
XG-W5-6-95	XG-W102-024-2013	MO-52-74	MO-53-74
MO-54-75 (AO-1-MO-54-75; AO-2-MO-54-75; AO-3-MO-54-75; AO-4-MO-54-75)	MO-53-75 (AO-1-MO-53-75; AO-2-MO-53-75)	MO-55-75 (AO-1-MO-55-75; AO-2-MO-55-75)	MO-2-76 (AO-1-MO-2-76)
MO-38-76	MO-5-78	MO-2-78	MO-4-78
MO-16-96	XG-W005-01-2001	XG-W005-40-2002	XG-W102-020-2011

XG-W102-016-2016	XG-W102-014-2018 (AO-001-XG-W102-014-2018)	XG-W005-31-2004	XG-W5-18-99
XG-W005-38-2000	MO-1-69	MO-5-69	MO-W5-3-94
XG-W5-58-99	XG-W005-41-2000	XG-W102-02-2008	MO-068-2018
Orders That Require No Action			
GPSO-5-3-62	GPLO-5-4-62	GPSO-5-4-65	GPLO-5-3-65
GPSO-5-10-66	GPSO-5-8-66	GPSO-5-9-66 (AO-1-GPSO-5-9-66)	GPSO-5-8-68
GPLO-5-3-68	GPSO-5-4-68	MO-33-67	MO-2-69 (AO-1-MO-2-69)
GPLO-5-2-70	GPLO-5-13-69	GPSO-5-1-69	GPLO-5-2-71
GPSO-5-6-71 (AO-1-GPSO-5-6-71)	GPSO-W5-2-76	GPSO-5-11-70	GPSO-5-13-70
GPSO-5-12-70	GPLO-5-16-70	GPSO-5-5-72	GPLO-5-59-72
GPLO-5-6-73	GPSO-5-5-73	GPLO-W5-11-74	GPLO-W5-12-74
GPLO-W5-13-74	GPLO-W5-14-74	GPSO-W5-2-75	GPLO-W5-15-74
GPLO-W5-16-74	GPSO-W5-4-74	GPLO-W5-1-75	GPLO-W5-4-75
GPLO-W5-6-75	GPLO-W5-5-75	GPSO-W5-5-75 (AO-1-GPSO-W5-5-75)	GPLO-W5-7-76
GPLO-W5-9-76	GPLO-W5-8-76	GPLO-W5-2-76	GPLO-W5-4-76
GPLO-W5-5-76	GPLO-W5-19-76	GPSO-W5-1-78	GPLO-W5-85-78
GPSO-W5-2-78	GPLO-W5-88-78	GPLO-W5-87-78	GPLO-W5-89-78
GPLO-W5-90-78	GPLO-W5-86-78	GPLO-W5-84-78	GPLO-W5-114-78
GPLO-W5-91-78	GPSO-W5-12-82	GPSO-W5-1-83	GPSO-W5-13-83
GPLO-W5-1-80	GPLO-W5-2-80	GPLO-W5-3-80	GPSO-W5-7-81
GPLO-W5-48-80	GPLO-W5-49-80 (AO-1-GPLO-W5-49-80)	GPLO-W5-51-80 (AO-1-GPLO-W5-51-80)	GPLO-W5-50-80 (AO-1-GPLO-W5-50-80)
GPLO-W5-33-80	GPLO-W5-22-81	GPSO-W5-15-81	GPLO-W5-40-84
GPSO-W5-5-85	GPSO-W5-1-84	GPLO-W5-5-85	GPLO-W5-10-85
GPSO-W5-1-86	GPSO-W5-9-86	GPLO-W5-9-85	GPSO-W5-2-85
GPSO-W5-5-86	GPSO-W5-8-86	GPLO-W5-10-86	GPSO-W5-10-86
GPLO-W5-2-86	GPLO-W5-7-86	GPSO-W5-11-86	GPLO-W5-1-87
GPSO-W5-5-87	GPSO-W5-2-87	GPSO-W5-1-87	GPLO-W5-3-88
GPLO-W5-23-87	GPLO-W5-12-88 (AO-1-GPLO-W5-12-88)	GPLO-W5-13-88	GPLO-W5-14-88
GPLO-W5-17-88	GPLO-W5-20-88	GPLO-W5-30-89	GPLO-W5-39-89
GPSO-W5-8-89	GPSO-W5-20-89	GPLO-W5-4-89	GPSO-W5-1-88
GPLO-W5-4-91	GPLO-W5-1-90	GPSO-W5-2-88	GPLO-W5-26-91
GPLO-W5-20-91	GPLO-W5-2-91	GPLO-W5-10-91	GPLO-W5-19-92
GPLO-W5-10-92	GPLO-W5-24-91	GPLO-W5-56-92	GPLO-W5-16-92
GPLO-W5-3-93	GPLO-W5-3-96	GPLO-W5-2-99	GPLO-W5-68-99
GPSO-W005-16-2000	GPLO-W005-01-2001	GPSO-W005-03-2002	GPLO-W005-01-2004

GPLO-W005-07-2003	GPSO-W005-08-2003	GPSO-W005-09-2003	GPLO-W005-02-2004
GPLO-W005-01-2005	GPSO-W005-01-2005	GPLO-W005-04-2005 (AO-1-GPLO-W005-04-2005)	GPLO-W102-05-2007
GPSO-W102-03-2009	GPLO-W005-05-2005	GPSO-W102-04-2009	GPLO-W102-05-2009
GPLO-W102-07-2009	GPLO-W102-02-2010	GPSO-W102-01-2010	GPSO-W102-02-2010
GPSO-W102-001-2012	GPSO-W102-003-2012	GPSO-W102-006-2012	GPSO-W102-009-2012
GPSO-W102-012-2012	GPSO-W102-013-2012	GPSO-W102-016-2012	GPSO-W102-018-2012
GPSO-W102-019-2012	GPSO-W102-021-2012	GPSO-W102-027-2012	GPSO-W102-029-2012
GPSO-W102-030-2012	GPSO-W102-001-2013	GPSO-W102-002-2013	GPSO-W102-004-2013
GPSO-W102-005-2013	GPSO-W102-006-2013	GPLO-W102-10-2010	GPLO-W102-001-2012
GPLO-W102-009-2012	GPLO-W102-013-2012	GPSO-W102-032-2012	GPLO-W102-003-2012
GPSO-W102-008-2013	GPSO-W102-001-2014	GPSO-W102-002-2014	GPLO-W102-007-2014
GPLO-W102-001-2014	GPLO-W102-008-2016	GPLO-W102-006-2018	MO-17-87
MO-15-80	MO-31-87	MO-03-2004	MO-2-69 (AO-1-MO-2-69)
MO-38-77	MO-6-69	MO-25-74	MO-38-74 (AO-1-MO-38-74)
MO-14-2000	MO-17-93	MO-2-94 (AO-1-MO-2-94)	MO-18-95
GPL-W5-17-78	MO-18-2001	MO-W005-05-2006	GPL-W5-1-78
GPL-W5-1-83	GPL-W5-50-80	GPL-W5-52-80	GPL-W5-47-80
MO-7-98	MO-31-87	MO-9-2000	MO-23-93
MO-12-2002	MO-23-98	MO-09-2006	XG-W005-24-2001
MO-08-2007	MO-05-2008	MO-01-2010	MO-06-2007
MO-11-2010	MO-20-2010	MO-027-2011	MO-09-2010
MO-030-2012	MO-006-2013	MO-022-2014	MO-007-2012
XG-W005-011-2015	MO-053-2015	MO-060-2015	MO-110-2014
MO-14-99	XG-W005-11-2003	XG-W005-49-2003	MO-005-2019
XG-W005-33-2005	XG-W005-35-2005	MO-02-2010	XG-W005-04-2005
XG-W102-002-2015	MO-047-2017	MO-059-2017	XG-W005-10-2004
MO-073-2018	MO-39-74	MO-45-76	MO-057-2018 (AO-001-MO-057-2018)
MO-2-64	MO-10-89	MO-11-89	MO-47-78
MO-16-87	MO-02-2011	MO-05-2001	MO-4-2001
MO-01-2008	MO-46-98		