

September 14, 2018

National Energy Board
517 10th Avenue S.W.
Calgary, Alberta T2R 0A8

Attention: Ms. Sheri Young
Secretary of the National Energy Board

Dear Ms. Young:

**Re: Trans Mountain Pipeline ULC on behalf of Trans Mountain Pipeline L. P.,
Application pursuant to Part IV of the National Energy Board Act for Approval of
Tariff Amendments regarding Nomination Verification Procedures filed August 31,
2018 (“Trans Mountain Application”)**

**Comments of Devon Canada Corporation (“Devon”) pursuant to National Energy
Board Letter dated September 7, 2018**

These submissions are in response to the September 7, 2018 letter from the National Energy Board (“**Board**”) requesting comments from interested parties respecting the Trans Mountain Application. Devon is a producer of heavy oil in the Athabasca oil sands region of Alberta. While Devon is not an active shipper on the Trans Mountain pipeline, Devon is a shipper on the Trans Mountain pipeline expansion. The tariff, rules, regulations and practices applicable to the Trans Mountain pipeline impact Devon, and Devon is an “interested party” in these proceedings.

1. Position on Trans Mountain Application.

Devon submits that the Trans Mountain Application is indicative of an ongoing underlying issue respecting over-nomination by shippers exacerbating pipeline apportionment on the Trans Mountain pipeline and other trunklines.

This issue has been before the Board on a number of occasions and is summarized by the Board as follows in RWH-001-2013, Reasons for Decision, *Trans Mountain*, January, 2015 (“**Trans Mountain decision**”):

Several parties to the proceeding presented evidence that apportionment on the Pipeline was caused, at least in part, by the “over-nominations” of shippers. The parties generally agreed that a reasonable nomination verification process should reduce the likelihood of “over-nominations”. One of the Board’s objectives in making its determination on the Application was to reduce any incentives for a shipper to nominate volumes that it did not have the intent to ship and that were made for the purpose of “gaming” the nomination process. The Board considered it important that the Tariff’s

nomination verification process be reflective of each shipper's capability and intent to tender and remove its nominated volumes and petroleum types, to the extent practicable. (p. 21)

Devon supports efforts by pipelines to ensure that the nomination verification process is reflective of each shipper's capability and intent to tender to and remove its nominated volumes from the pipeline. Accordingly, Devon supports the tariff amendments as detailed in the Trans Mountain Application.

2. Notices.

All communication with respect to this matter, should be directed to:

Shonda Day,
Director Marketing, Devon Canada Corporation
2000, 400 3 Ave S.W., Calgary, AB T2P 4H2
Shonda.Day@dvn.com

and to:

Morey Sair,
Associate General Counsel, Devon Canada Corporation
2000, 400 3 Ave S.W., Calgary, AB T2P 4H2
Morey.Sair@dvn.com

and to:

Randall W. Block Q.C.
Borden Ladner Gervais LLP
1900, 520 – 3rd Ave. S. W., Calgary, AB T2P 0R3
RBlock@blg.com

Yours truly,


Shonda Day,
Director Marketing,
Devon Canada Corporation

Cc: Heather Mark, Director, Financial Planning and Regulatory, Trans Mountain