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November 30, 2023

Filed Electronically

Canada Energy Regulator Suite 210, 517 Tenth Avenue SW Calgary, Alberta T2R 0A8

Attention: Ramona Sladic, Secretary of the Commission

Dear Ramona Sladic:

Re: TransCanada Keystone Pipeline GP Ltd., as general partner on behalf of TransCanada Keystone Pipeline Limited Partnership (Keystone) Filing of Keystone Pipeline System CER Tariff No. 64 (2024 Abandonment Surcharge)

Pursuant to Section 229(1)(a) of the Canadian Energy Regulator Act, Keystone files the enclosed which sets out the Abandonment Surcharge for the Keystone Pipeline System, to be effective January 1, 2024.

Background

On December 20, 2019, Phillips 66 Canada Ltd. filed a complaint regarding Keystone's NEB Tariff No. 44 (Complaint). As a result of the Complaint, the Commission of the Canada Energy Regulator (Commission or CER) issued Order TGI-007-2019 (Interim Variable Toll Order) on December 27, 2019, setting Keystone's NEB Tariff No. 34 as the interim tolls in Canada. Pursuant to the Interim Variable Toll Order, Keystone has charged the Abandonment Surcharge included in Tariff No. 34 (Interim Surcharge) for the past four years.

On November 21, 2023, Keystone filed a letter with the Commission seeking relief to remove the Abandonment Surcharge from Order TGI-007-2019 to allow Keystone to charge its Abandonment Surcharge separate from the tolls approved in Order TGI-007-2019.³ Keystone is aware that until the resolution of the Complaint proceeding, or relief is granted by the Commission to charge a revised Abandonment Surcharge, Keystone must continue to charge the Interim Surcharge.

As the Commission is aware, it is currently reviewing the Abandonment Cost Estimates (ACEs) and Set-Aside and Collection Mechanisms (SAM-COMs) for each CER-regulated company. The

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¹ Complaint regarding CER Tariff No. 44 (RH-005-2020).

² Filing ID: <u>C03899-3.</u>

³ Filing ID: <u>C27363</u>.

Commission is expected to issue final ACEs, and rule on final SAM-COMs by May 2024. ⁴ Keystone proposes to continue charging the Interim Surcharge, as reflected in the enclosed Abandonment Surcharge, until the Commission issues a decision on Keystone's resulting Annual Contribution Amount and SAM-COM filings in Q2 2024. Keystone will then calculate an updated Surcharge based on the Commission's decision, and Keystone proposes to charge the updated Surcharge from that point forward.

As noted in Keystone's letter filed on November 21, this filing is submitted concurrent with Keystone's 2024 Estimated Variable Toll Schedule tariff filing.⁵

Enclosures

CER Tariff No. 64, attached herein, is filed in accordance with Decision MH-001-2013⁶, as noted above, reflects the same level of surcharge as the Interim Surcharge. Details of the calculation of the Interim Abandonment Surcharge are available in Keystone's CER Tariff No. 34.⁷

Keystone provides notice of this filing to Keystone Pipeline System shippers and interested parties. In addition, for ease of reference, Keystone will post on its website⁸ a list of its Committed and Uncommitted Tolls Rates that include the current interim tolls in effect and the Abandonment Surcharge, in accordance with Order TGI-007-2019, effective January 1, 2024.

Should the Commission require additional information regarding this filing, please contact me by phone at (403) 920-2174 or by email at roselyn chou@tcenergy.com.

Yours truly,

TransCanada Keystone Pipeline GP Ltd.

Original signed by

Roselyn Chou Rates, Tolls & Tariffs Liquids Pipelines

Attachment

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⁴ CER Procedural Direction No. 11 – Five-Year Review of Abandonment Cost Estimates and Set-Aside and Collection Mechanisms (Filing ID: <u>C25858-1</u>).

⁵ Filing ID: C27471-1.

⁶ CER Reasons for Decision, Set-aside and Collection Mechanism MH-001-2013 in Pipeline Abandonment Financial Issues, May 29, 2014, page 56 (Filing ID: <u>A60676-1</u>).

⁷ Filing ID: A95991-1.

⁸ Keystone External Website: <u>TC Energy — Keystone Pipeline System — Customer Information</u>

Keystone Pipeline System

Petroleum Toll Schedule

Containing Tolls
Applying to the Transportation of
Petroleum

From Hardisty, Alberta

To the International Boundary at or near Haskett, Manitoba

Governed, except as otherwise provided, by the Keystone Pipeline System Rules and Regulations and NEB or CER Tariff number in effect, and any amendments and supplements thereto and reissues thereof. Capitalized terms used herein and not otherwise defined have the meanings set out in such Rules and Regulations.

Issued: November 30, 2023

Issued by:

Leo Amorim
TransCanada Keystone Pipeline GP Ltd.,
as general partner on behalf of
TransCanada Keystone Pipeline Limited
Partnership
450 – 1st Street SW
Calgary, Alberta T2P 5H1
Canada

Effective: January 1, 2024

Compiled by:

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CER Tariff No. 64

Interim Abandonment Surcharge

(Charge in Canadian Dollars per Cubic Metre)

For all Destinations	For all Crude Types
Abandonment Surcharge	0.395

Abandonment Surcharge is applicable to all Shippers in accordance with the determination of the Abandonment Surcharge as set forth in the Rules and Regulations.