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May 17, 2021

Mr. Mike Dalton
Vice President, Finance and Chief Financial Officer
Alberta Energy Regulator
Suite 1000, 250 – 5 Street SW
Calgary, Alberta T2P 0R4

Dear Mr. Dalton:

RE: Alberta Energy Regulator (AER) Review of Industry Levy Methodology

The Canadian Energy Pipeline Association (CEPA) would like to take this opportunity to express appreciation for the Alberta Energy Regulator's (AER) ongoing engagement regarding the AER Review of industry levy methodology. We would like to thank the AER for responding to CEPA's concerns regarding implementation timelines through deferral of the levy to 2022.

While CEPA understands that an updated levy model must be implemented as soon as possible, our members continue to be concerned about the uncertainty surrounding the adjustment factor. Additional clarity outlining the adjustment factor, how it is being calculated and more specifics on the regulatory effort survey will allow operators to better plan for budgeting cycles.

Additionally, CEPA and its member would like to express our support for the issuing of mock invoices in 2021. This will enable pipeline operators to better plan for the levy. These invoices are also an appropriate vehicle to provide further details around how that adjustment factor is calculated and what is included in its calculation.

Once again, CEPA appreciates the AER's willingness to accommodate our concerns and the work undertaken thus far. We look forward to more opportunities to collaborate on this important work. If there are any questions, please do not hesitate to contact the undersigned.

Sincerely,

Jim Campbell
VP, Business Environment