



**TRANSMOUNTAIN**

**TRANS MOUNTAIN CORPORATION**

**CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS**  
*(unaudited)*

**For the three month period ended March 31, 2021**

**TRANS MOUNTAIN CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENT OF INCOME**  
(In thousands of Canadian dollars)  
(Unaudited)

	<b>Three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>Revenues</b> <i>(Note 2)</i>	<b>107,499</b>	<b>102,513</b>
<b>Expenses</b>		
Pipeline operating costs	31,693	26,700
Depreciation and amortization	25,317	24,368
Salaries and benefits	20,639	19,364
Taxes, other than income taxes	9,040	8,335
Administration	2,062	1,600
	<b>88,751</b>	<b>80,367</b>
<b>Operating income</b>	<b>18,748</b>	<b>22,146</b>
Equity allowance for funds used during construction	71,210	33,952
Interest expense, net of capitalized debt financing costs	(22,305)	(19,990)
Other, net	218	(1,337)
Foreign exchange gain (loss)	80	(1,437)
<b>Income before income taxes</b>	<b>67,951</b>	<b>33,334</b>
Income tax expense <i>(Note 3)</i>	(16,623)	(8,107)
<b>Net income</b>	<b>51,328</b>	<b>25,227</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

**TRANS MOUNTAIN CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
(In thousands of Canadian dollars)  
(Unaudited)

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
<b>Net income</b>	51,328	25,227
<b>Other comprehensive income (loss), net of tax</b>		
Currency translation adjustment	(3,888)	28,348
Pension and post-employment benefits	155	81
	<b>(3,733)</b>	<b>28,429</b>
<b>Comprehensive income</b>	<b>47,595</b>	<b>53,656</b>

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**TRANS MOUNTAIN CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
(In thousands of Canadian dollars)  
(Unaudited)

As of	March 31, 2021	December 31, 2020
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	224,245	104,454
Accounts receivable	60,704	83,821
Other current assets	48,739	33,445
	<b>333,688</b>	<b>221,720</b>
Property, plant and equipment	9,955,922	8,976,864
Right-of-use asset	80,698	76,066
Regulatory assets	73,741	62,429
Goodwill (Note 4)	888,098	888,098
Restricted investments	85,958	93,986
Restricted cash	76,759	75,737
Deferred amounts and other assets	200,435	235,238
<b>Total Assets</b>	<b>11,695,299</b>	<b>10,630,138</b>
<b>Liabilities and Equity</b>		
Current Liabilities		
Accounts payable and accrued liabilities	571,746	540,466
Interest payable	64,358	-
Regulatory liabilities	120,264	139,050
Other current liabilities	31,853	27,767
	<b>788,221</b>	<b>707,283</b>
Loans from parent (Note 6)	5,336,100	4,827,350
Deferred income taxes	648,441	631,875
Regulatory liabilities	86,786	95,126
Pension and post-employment benefits	100,001	99,816
Lease liabilities	60,940	57,144
Other deferred credits	10,739	11,318
<b>Total Liabilities</b>	<b>7,031,228</b>	<b>6,429,912</b>
Equity	4,664,071	4,200,226
<b>Total Liabilities and Equity</b>	<b>11,695,299</b>	<b>10,630,138</b>

Litigation, commitments and contingencies (Note 9)

The accompanying notes are an integral part of these condensed consolidated financial statements.

Approved on behalf of the Board of Directors

“signed”  
\_\_\_\_\_  
**William Downe**  
Director

“signed”  
\_\_\_\_\_  
**Brian Ferguson**  
Director

**TRANS MOUNTAIN CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
(In thousands of Canadian dollars)  
(Unaudited)

	<b>Three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>Operating activities</b>		
Net income	51,328	25,227
Items not affecting cash		
Depreciation and amortization	25,317	24,368
Equity allowance for funds used during construction	(71,210)	(33,952)
Deferred income tax expense (Note 3)	16,623	7,604
Changes in non-cash working capital items (Note 7)	44,277	69,526
<b>Total Cash and cash equivalents and Restricted cash provided by operating activities</b>	<b>66,335</b>	<b>92,773</b>
<b>Investing activities</b>		
Capital expenditures	(865,735)	(560,583)
Internal use software expenditures	(776)	(2,317)
Purchase of restricted investments	(3,136)	(2,757)
<b>Total Cash and cash equivalents and Restricted cash used in investing activities</b>	<b>(869,647)</b>	<b>(565,657)</b>
<b>Financing activities</b>		
Issuances of loans from parent (Note 6)	508,750	110,000
Capital contributions (Note 6)	416,250	90,000
<b>Total Cash and cash equivalents and Restricted cash provided by financing activities</b>	<b>925,000</b>	<b>200,000</b>
Effects of exchange rate changes on Cash and cash equivalents and Restricted cash	(875)	4,320
Net increase (decrease) in Cash and cash equivalents and Restricted cash	120,813	(268,564)
Cash and cash equivalents and Restricted cash, beginning	180,191	486,914
<b>Cash and cash equivalents and Restricted cash, end</b>	<b>301,004</b>	<b>218,350</b>
Cash and cash equivalents, beginning	104,454	423,899
Restricted cash, beginning	75,737	63,015
<b>Cash and cash equivalents and Restricted cash, beginning</b>	<b>180,191</b>	<b>486,914</b>
Cash and cash equivalents, end	224,245	155,429
Restricted cash, end	76,759	62,921
<b>Cash and cash equivalents and Restricted cash, end</b>	<b>301,004</b>	<b>218,350</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

**TRANS MOUNTAIN CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENT OF EQUITY**  
(In thousands of Canadian dollars)  
(Unaudited)

	Share capital	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total Equity
Balance at December 31, 2020	2,064,150	1,885,500	281,195	(30,619)	<b>4,200,226</b>
Capital contributions	-	416,250	-	-	<b>416,250</b>
Net income	-	-	51,328	-	<b>51,328</b>
Other comprehensive loss, net of tax	-	-	-	(3,733)	<b>(3,733)</b>
<b>Balance at March 31, 2021</b>	<b>2,064,150</b>	<b>2,301,750</b>	<b>332,523</b>	<b>(34,352)</b>	<b>4,664,071</b>
Balance at December 31, 2019	2,064,150	600,750	140,393	(14,664)	<b>2,790,629</b>
Capital contributions	-	90,000	-	-	<b>90,000</b>
Net income	-	-	25,227	-	<b>25,227</b>
Other comprehensive income, net of tax	-	-	-	28,429	<b>28,429</b>
<b>Balance at March 31, 2020</b>	<b>2,064,150</b>	<b>690,750</b>	<b>165,620</b>	<b>13,765</b>	<b>2,934,285</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

# TRANS MOUNTAIN CORPORATION

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. General

Trans Mountain Corporation (“the Corporation” or “TMC”) is a Federal Crown corporation, incorporated under the *Canada Business Corporations Act* on May 28, 2018. TMC is a wholly owned subsidiary of Canada TMP Finance Ltd. (“TMP Finance”), which is a wholly owned subsidiary of Canada Development Investment Corporation (“CDEV”). CDEV is wholly owned by Her Majesty in Right of Canada and is an agent Crown corporation. TMC is subject to the provisions of Part X of the *Financial Administration Act* and the provisions of the *Income Tax Act*.

TMC conducts operations through four entities: Trans Mountain Pipeline Limited Partnership (“TMP LP”) and its wholly owned subsidiary Trans Mountain Pipeline (Puget Sound) LLC (“Puget”), Trans Mountain Pipeline ULC (“TMP ULC”), and Trans Mountain Canada Inc. (“TMCI”). Together these entities own and operate the Trans Mountain pipeline (“TMPL”) and the Puget Sound pipeline (“Puget Pipeline”). TMPL has operated since 1953, and transports crude oil and refined petroleum from Edmonton, Alberta to Burnaby, British Columbia. TMP LP holds certain rights, designs and construction contracts related to the expansion of the TMPL known as the Trans Mountain Expansion Project (“TMEP”). Puget owns the Puget Pipeline, which interconnects with TMPL at the international border near Sumas, British Columbia, and transports crude oil to refineries in Washington State. TMP ULC is the General Partner of TMP LP, and TMCI employs the workforce that manages and operates the pipelines and related assets. These condensed consolidated financial statements include operating results of TMC and the wholly owned Trans Mountain Entities, including the Trans Mountain Pipeline Reclamation Trust which is consolidated with the Corporation.

TMC’s mandate is to operate the existing TMPL and Puget Pipeline and to complete the TMEP in a timely and commercially viable manner.

#### ***Basis of Presentation***

The accompanying condensed consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”), as contained in the Financial Accounting Standards Board Accounting Standards Codification. TMC believes that U.S. GAAP provides better comparability with industry peers and better reflects the economic effects of the actions of regulatory bodies on its operations. In preparing these condensed consolidated financial statements in accordance with U.S. GAAP, all intercompany items have been eliminated on consolidation.

In management’s opinion, all adjustments considered necessary for a fair statement of the financial position and operating results have been included in the accompanying condensed consolidated financial statements. The Corporation’s interim results may not be indicative of annual results. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2020. These condensed consolidated financial statements follow the same significant accounting policies as those included in the consolidated financial statements for the year ended December 31, 2020.

Amounts are stated in Canadian dollars, which is the functional currency of all of the Corporation’s operations, except for Puget which uses the U.S. dollar as its functional currency.

TMC operates in one operating segment, as the chief operating decision maker reviews operating results at this level to assess financial performance and make resource allocation decisions.

These condensed consolidated financial statements were authorized by the board of directors on May 12, 2021. Subsequent events have been evaluated from March 31, 2021 to the date the condensed consolidated financial statements were available for issue on May 12, 2021 and other than the amendments to the Credit Agreement and the Funding Agreement described in Note 6, there are no subsequent events which would require adjustment to the condensed consolidated financial statements and related disclosures.

**TRANS MOUNTAIN CORPORATION**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**2. Revenues**

***Disaggregation of Revenues***

The following table presents revenues disaggregated by revenue source and type of revenue for each revenue source:

	<b>Three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
<i>(In thousands of Canadian dollars)</i>		
<b>Transportation</b>		
Fee-based services	75,001	98,909
Regulatory adjustment <sup>(a)</sup>	15,965	(12,574)
	90,966	86,335
<b>Leases</b>	15,857	15,747
<b>Other</b>	676	431
	<b>107,499</b>	<b>102,513</b>

(a) For TMPL, regulatory adjustments are made for differences between transportation revenue recognized pursuant to its toll settlement with shippers, as approved by the CER, and actual toll receipts.

***Contract Balances***

Contract assets and contract liabilities are the result of timing differences between revenue recognition, billings and cash collections. Contract assets are recognized in those instances where billing occurs subsequent to revenue recognition and the right to invoice the customer is conditioned on something other than the passage of time. For the three month periods ended March 31, 2021 and 2020, there were no contract assets recognized. Contract liabilities are substantially related to capital improvements paid for in advance by certain customers, generally in the Corporation's non rate regulated businesses, which are subsequently recognized as revenue on a straight-line basis over the initial term of the related customer contracts.

The following table presents the activity in contract liabilities:

	<b>Three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
<i>(In thousands of Canadian dollars)</i>		
<b>Opening balance</b>	4,415	4,628
<b>Additions</b>	418	392
<b>Transfer to Revenues</b>	(158)	(151)
<b>Ending balance</b>	4,675	4,869

The contract liabilities balance as of March 31, 2021 and December 31, 2020 is presented as:

	<b>March 31, 2021</b>	<b>December 31, 2020</b>
<i>(In thousands of Canadian dollars)</i>		
<b>Other current liabilities</b>	526	213
<b>Other deferred credits</b>	4,149	4,202
	4,675	4,415



**TRANS MOUNTAIN CORPORATION**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**2. Revenues (continued)**

**Revenue Allocated to Remaining Performance Obligations**

The following table presents the estimated revenue allocated to remaining performance obligations for contracted revenue that has not yet been recognized, representing the “contractually committed” revenue as of March 31, 2021 that will be invoiced or transferred from contract liabilities and recognized in future periods.

Year	Estimated Revenue
<i>(In thousands of Canadian dollars)</i>	
Remaining 2021	19,845
2022	2,432
2023	213
2024	213
2025	213
Thereafter	3,351
Total	26,267

The contractually committed revenue primarily consists of customer contracts for service, which have minimum volume commitment payment obligations. The actual revenue recognized on these customer contracts can vary depending on the service provided. The contractually committed revenue for purposes of the tabular presentation above is generally limited to the minimum revenue committed to under these customer contracts. The contractually committed revenue amounts generally exclude remaining performance obligations for: (i) contracts with index-based pricing or variable volume attributes in which such variable consideration is allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct service that forms part of a series of distinct services; (ii) contracts with an original expected duration of one year or less; (iii) contracts for which revenue is recognized at the amount for which there is a right to invoice for services performed; and (iv) contracts for revenue dependent on the completion of TMEP.

**3. Income Taxes**

Income tax expense included in the condensed consolidated financial statements is as follows:

	Three months ended March 31,	
	2021	2020
<i>(In thousands of Canadian dollars)</i>		
Current tax expense	-	(503)
Deferred tax expense	(16,623)	(7,604)
Total income tax expense	(16,623)	(8,107)
Effective tax rate	24.5%	24.3%

The effective tax rate for the three month periods ended March 31, 2021 and 2020 were consistent with the statutory rate of 24.67%.

# TRANS MOUNTAIN CORPORATION

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 4. Goodwill

Goodwill relates to the TMC acquisition of the entities that operate the TMPL and Puget Pipeline on August 31, 2018. As of March 31, 2021, a qualitative assessment of impairment was conducted. Goodwill is evaluated for impairment to the extent events or conditions indicate a risk of possible impairment. There have been no material changes to TMC's existing operations or the TMEP construction which would indicate impairment. Accordingly, an impairment test at March 31, 2021 was not required.

### 5. Pension and Post-employment Benefits

The components of net benefit cost related to the pension and other post-employment benefit plans ("OPEB") plans are as follows:

	Three months ended March 31,			
	2021	2020	2021	2020
	Pension		OPEB	
<i>(In thousands of Canadian dollars)</i>				
Service cost <sup>(a)</sup>	3,120	2,589	143	128
Other components of net benefit cost <sup>(b)</sup>				
Interest cost	1,725	2,152	108	138
Expected return on plan assets	(2,257)	(2,308)	-	-
Settlement loss recognized	-	1,373	-	-
Amortization of past service cost	81	81	-	-
Amortization of net actuarial loss	117	-	8	-
<b>Total net benefit cost</b>	<b>2,786</b>	<b>3,887</b>	<b>259</b>	<b>266</b>

(a) Amounts included within "Salaries and benefits" in the condensed consolidated statement of income.

(b) Amounts included within "Other, net" in the condensed consolidated statement of income.

### 6. Transactions with Related Parties

The Corporation is related in terms of common ownership to all Canadian federal government departments, agencies and Crown corporations. The Corporation may enter into transactions with some of these entities in the normal course of business.

#### **Loans from Parent**

TMC has a credit agreement with TMP Finance dated August 29, 2018 as amended July 30, 2019 (the "Credit Agreement") which includes an "Acquisition Facility", a non-revolving term loan facility, and a "Construction Facility", a revolving construction credit facility, to be used primarily to finance the TMEP construction. The facilities have an interest rate of 5% on amounts drawn and a standby fee of 0.065% on the unadvanced portion. The facilities mature on the earlier of the maturity date, which is August 29, 2023 and August 28, 2023 for the Acquisition Facility and Construction Facility, respectively, and in the event of certain changes in ownership.

TMC also has a funding agreement with TMP Finance dated August 30, 2018 as amended July 30, 2019 and October 1, 2020 (the "Funding Agreement") under which cash proceeds of each funding request are comprised of 55% debt funding in accordance with the Credit Agreement and 45% equity funding.

TMP LP also has a line of credit agreement with TMP Finance dated March 25, 2019 (the "Financial Capacity Line of Credit") which is designed to meet the Canada Energy Regulator ("CER") mandated financial capacity requirements. The Financial Capacity Line of Credit matures 5 years following the date of the advance or as otherwise extended in accordance with the agreement and has an interest rate of 5% on amounts drawn and a standby fee of 0.3% on the unadvanced portion.

**TRANS MOUNTAIN CORPORATION**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**6. Transactions with Related Parties (continued)**

**Loans from Parent (continued)**

As at March 31, 2021 the Maximum Funding Amount in respect of construction funding under the Funding Agreement is \$5.7 billion. The total available credit as of March 31, 2021 and outstanding amounts presented as long-term loans from parent as of March 31, 2021 and December 31, 2020 are shown in the table below. There are no required payments on the borrowings until maturity. There are no financial covenants.

	<b>Total available credit March 31, 2021</b>	<b>Outstanding amount March 31, 2021</b>	<b>Outstanding amount December 31, 2020</b>
<i>(In thousands of Canadian dollars)</i>			
Acquisition Facility	2,506,350	2,506,350	2,506,350
Construction Facility	3,135,000	2,829,750	2,321,000
Financial Capacity Line of Credit	500,000	-	-
	<b>6,141,350</b>	<b>5,336,100</b>	<b>4,827,350</b>

The total interest and commitment fees incurred on loans from parent for the three month periods ended March 31, 2021 and 2020 were \$64.8 million and \$41.3 million, respectively.

On April 1, 2021, subsequent to period end, amendments to the Credit Agreement and the Funding Agreement were executed. The amendments extend the maturity date of the Acquisition Facility and Construction Facility to August 29, 2025 or in the event of certain changes in ownership. Drawdowns are permitted under the Credit Agreement up to March 31, 2022 or as extended at the discretion of TMP Finance. The Maximum Funding Amount under the Funding Agreement and the Construction Facility available credit under the Credit Agreement are increased as shown in the below table.

<b>Period</b>	<b>Maximum Funding Amount</b>	<b>Construction Facility available credit</b>
<i>(In thousands of Canadian dollars)</i>		
April 1, 2021 – December 30, 2021	8,700,000	4,785,000
December 31, 2021 – March 31, 2022	9,200,000	5,060,000

**Equity Contributions**

Pursuant to the Funding Agreement and concurrent with the borrowings against the Construction Facility, TMP Finance contributed additional capital of \$416.3 million and \$90.0 million for the three month periods ended March 31, 2021 and 2020, respectively, which represents 45% of the total funds received.

# TRANS MOUNTAIN CORPORATION

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 7. Change of Operating Assets and Liabilities

The table below represents the changes in operating non-cash working capital.

	Three months ended March 31,	
	2021	2020
<i>(In thousands of Canadian dollars)</i>	<b>Decrease (Increase)</b>	
Accounts receivable	23,048	13,031
Deferred amounts and other assets	(14,652)	2,025
Regulatory assets	(11,312)	(4,691)
Accounts payable and accrued liabilities	(2,733)	16,960
Interest payable	64,358	40,717
Pension and post-employment benefits	188	(460)
Regulatory liabilities	(15,962)	2,070
Lease liabilities	1,545	193
Other liabilities and deferred credits	(203)	(319)
	44,277	69,526

### 8. Risk Management and Financial Instruments

#### **Credit Risk**

The Corporation is exposed to credit risk on cash and cash equivalents, restricted cash, and accounts receivable, which is the risk that a customer or other counterparty will fail to perform an obligation or settle a liability, resulting in a financial loss to the business. The majority of the Corporation's customers operate in the oil exploration and development, or energy marketing or transportation fuel industries. The COVID-19 pandemic along with energy demand and supply disruption has led to significant commodity price volatility and restricted capital market access in some cases for these industries; however, there has been no material negative impact to the Corporation as a result of these events. There may be exposure to long-term downturns in energy commodity prices and economic instability from these events or other credit events impacting these industries and customers' ability to pay for services.

The exposure to credit risk is limited by requiring shippers who fail to maintain specified credit ratings or a suitable financial position to provide acceptable security, generally in the form of guarantees from credit worthy parties or letters of credit from well rated financial institutions. As at March 31, 2021 and December 31, 2020 there were no significant accounts receivable past due and no allowance for doubtful accounts recorded.

Cash and cash equivalents and restricted cash are held with major financial institutions that are rated A-, A3, or A Low or better, minimizing the risk of non-performance by counter parties.

#### **Foreign Currency Transactions and Translation**

The Corporation is exposed to foreign currency risk from foreign currency transaction gains or losses resulting from a change in exchange rates between the functional currency of an entity and the currency in which a transaction is denominated. Unrealized and realized gains and losses generated from these transactions are recorded in foreign exchange gain/(loss) in the accompanying condensed consolidated statement of income. Management does not believe that the exposure to foreign currency transactions is significant.

# TRANS MOUNTAIN CORPORATION

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 8. Risk Management and Financial Instruments *(continued)*

#### ***Liquidity Risk***

Liquidity risk is the risk that the Corporation will not be able to meet financial obligations, including commitments, as they become due. Liquidity risk is managed by ensuring access to sufficient funds to meet obligations. Cash requirements are forecasted to ensure funding is available to settle financial liabilities when they become due. The primary sources of liquidity and capital resources are funds generated from operations and loans from parent. See Note 6. Given the significant expenditures expected in connection with the TMEP, TMC will require the continued availability of future financing from TMP Finance in order to proceed with the project.

#### ***Interest Rate Risk***

The Corporation does not have significant exposure to interest rate risk as loans from its parent are at fixed interest rates and there were no floating interest rate instruments throughout the period or at the balance sheet date. As such, exposure to interest rate risk would arise on refinancing.

#### ***Significant Shippers***

For the three month period ended March 31, 2021, there were four customers that each individually represented between 11-14% of total revenue. For the three month period ended March 31, 2020, there were five customers that each individually represented between 11-21% of total revenue.

### 9. Litigation, Commitments and Contingencies

#### ***Legal Proceedings***

The Corporation is subject to various legal and regulatory actions and proceedings which arise in the normal course of business. While the final outcome of such actions and proceedings cannot be predicted with certainty, management believes that the resolution of such actions and proceedings will not have a material impact on the Corporation's financial position or results of operations. There were no accruals for outstanding legal proceedings as of March 31, 2021 and December 31, 2020.

#### ***TMEP Litigation***

There were two judicial review proceedings which commenced at the Supreme Court of B.C. by the Squamish Nation and the City of Vancouver. The petitions alleged a duty and failure to consult or accommodate First Nations, and generally, among other claims, that the Province did not conduct a proper provincial environmental assessment before issuing the provincial Environmental Assessment Certificate ("EAC"). The Squamish and Vancouver judicial review proceedings were heard in October and November 2017, respectively, and on May 24, 2018, the court dismissed both proceedings. Appeals to the B.C. Court of Appeal ("BCCA") were filed by Vancouver and Squamish and were heard together on May 6 to May 8, 2019. The BCCA released its decision on September 17, 2019. The BCCA dismissed the applications to quash the EAC but allowed both appeals for the limited extent of remitting the conditions to the respective provincial Ministers for reconsideration and consequent adjustment in light of the changes the National Energy Board ("NEB", now known as the CER) made to its original report in the reconsideration. The BCCA stated that provincial authority did not extend to "order[ing] assessments that the [NEB] expressly refused to order" and must be limited to conditions within the province's jurisdiction. The Court dismissed all other claims including those related to additional provincial assessment, public consultation, and Indigenous consultation and accommodation. In April 2020 the BC Environmental Assessment Office ("EAO") announced a process for the reconsideration of any consequential adjustments. The EAO is preparing a draft report for the Ministers and has released a draft for public comment. After the public comment period ends, the EAO will prepare a final report for submission to the Ministers for consideration.

#### ***Commitments***

As of March 31, 2021, irrevocable commitments related to property, plant, and equipment were \$139.5 million. These commitments were primarily related to the TMEP.