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October 5, 2017

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

**Attention: Ms. Sheri Young
Secretary of the Board**

Dear Ms. Young:

**Re: Energy East Pipeline Ltd. (Energy East) and TransCanada PipeLines Limited (TransCanada)
(collectively, the Applicants)
Energy East Project, Asset Transfer (Energy East) and Eastern Mainline Project (EMP) (collectively,
the Projects)
File OF-Fac-Oil-E266-2014-01 02
List of Issues and Factors and Scope of Factors for the Environmental Assessment pursuant to the
Canadian Environmental Assessment Act, 2012 (CEAA 2012) (List of Issues and EA Factors)**

On September 8, 2017, the National Energy Board (NEB / Board) granted the Applicants' request for thirty days to review the final List of Issues and Environmental Assessment Factors for the Projects (Decision) and the implications for the Projects.

The Applicants have carefully reviewed the Decision and its implications. The Applicants have also considered the proposal from the Premier of New Brunswick for the federal government to fund and undertake an upstream and downstream greenhouse gas emissions (GHGs) analysis and the letter from Environment and Climate Change Canada (ECCC) offering its expertise and support for an assessment of upstream and downstream GHGs for the Projects. Notwithstanding these efforts, there remains substantial uncertainty around the scope, timing and cost associated with the regulatory review of the Projects. There is also the question of jurisdiction that arises from the NEB's Decision.

After completing its careful review of these factors, the existing and likely future delays resulting from the regulatory process, the associated cost implications and the increasingly challenging issues and obstacles facing the Projects, the Applicants will not be proceeding further with the Projects (which would include not constructing the proposed marine terminal in New Brunswick). The applications for the Projects are hereby formally withdrawn from the NEB review process.

Yours truly,
Energy East Pipeline Ltd. and TransCanada PipeLines Limited

Original signed by

Kristine Delkus
Executive Vice-President
Stakeholder and Technical Services and General Counsel