TC Energy
450 - 1 Street S.W. Calgary, AB
Canada, T2P 5H1

February 11, 2022

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission, New Brunswick
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Service NL
Northwest Territories Office of the Superintendent of Securities
Office of the Yukon Superintendent of Securities
Superintendent of Securities, Nunavut

c/o
The Secretary
Ontario Securities Commission
20 Queen Street West
22nd Floor, Box 55
Toronto Ontario
M5H 3S8

Mr. Philippe Lebel
Corporate Secretary and Executive Director, Legal Affairs
Autorité des marchés financiers
Placee de la Cité, tour Cominar
2640, boulevard Laurier, bureau 400
Québec (Québec) G1V 5C1

DELIVERED VIA EMAIL: comment@osc.gov.on.ca and consultation-en-cours@lautorite.qc.ca

Dear Sirs/Mesdames:

RE: Climate-related Disclosure Update and CSA Notice and Request for Comment Proposed National Instrument 51-107 Disclosure of Climate-related Matters

TC Energy Corporation (TC Energy) appreciates the opportunity to provide comments on the CSA's proposed National Instrument 51-107 *Disclosure of Climate-related Matters* published on October 18, 2021 (the "**Proposed Instrument**").

TC Energy is a leader in the development and reliable operation of North American energy infrastructure including natural gas and liquids pipelines, power generation and natural gas storage facilities. TC Energy and three of its subsidiary entities are reporting issuers in each province and territory of Canada.

TC Energy supports the objectives of the Proposed Instrument. However, we raise two specific timing concerns with respect to:

- the length of the Proposed Instrument transition period for GHG metrics, targets and emissions; and
- the GHG emissions disclosure to be disclosed during Q1 as part of the annual disclosure.

As an overarching comment, we believe that any climate-related disclosures should be prepared through a lens of materiality specific to each issuer, due to the long-term and uncertain nature of certain climate-related information, particularly while frameworks and standards evolve.

We offer responses to certain of the questions raised by the CSA below.

Experience with TCFD Recommendations

Question #1
TC Energy recognizes the June 2017 TCFD disclosure recommendations ("**TCFD Recommendations**") as a useful framework for assessing and reporting on climate-related risks and opportunities. TCFD's framework has been leveraged by cross-sector companies, investors and market participants due to the applicational flexibility it offers across businesses and jurisdictions and its consensus view of decision-useful disclosure informed by industry and technical expertise.

The TCFD Recommendations allow quantitative and qualitative information to be presented together, providing enough context to assess broad climate risks and opportunities faced by companies.

Disclosure of GHG Emissions and Scenario Analysis

Questions #3/4
While scenario analysis is useful internal analysis, we support the exclusion of scenario analysis as required disclosure in the Proposed Instrument.

TC Energy conducts scenario analysis internally, at appropriate intervals, to better understand our asset portfolio's resilience over a range of potential energy supply and demand outcomes through our strategic planning process. Different organizational contexts or assumptions around future energy trends or fundamentals underlying scenario analysis may impede comparability across companies or industries and may introduce misunderstanding among investors.

Question #5
We support the Proposed Instrument as drafted with respect to Scope 1, 2 and 3, permitting issuers to either disclose GHG emissions or explain why they have not done so (generally known as "comply-or-explain").

The requirement to include GHG emissions in the issuer's annual information form (AIF) or annual management discussion and analysis (MD&A) presents a timing challenge, as GHG emissions data is generally not prepared on the same timeline as financial reporting for most issuers. This timing challenge is primarily driven by the various existing federal and provincial GHG emissions reporting regimes, but the timing challenges applies across the various jurisdictions in which we operate (Canada, United States and Mexico).

To address this timing challenge, we suggest that issuers be permitted to file GHG metrics and targets disclosure on SEDAR, with simultaneous publication on an issuer's website, when available. It is difficult to propose timing recommendations regarding filing of GHG metrics and targets due to the varied GHG emissions reporting regimes across the jurisdictions in which we operate, including differences in timing and methodology.

Question #6
We are supportive of issuers being provided flexibility in determining which GHG emissions reporting standard is most appropriate for their company.

Question #7
We do not support a requirement for GHG emissions data to be subject to assurance.

While additional assurance or attestation may be a complement for issuers that desire to undertake the process, we believe existing corporate processes for assuring information reliability are sufficient for the Proposed Instrument.

We would further note that a significant portion of Canadian GHG emissions are already subject to reasonable level assurance under existing federal and provincial GHG emissions reporting regimes, and additional assurance requirements may result in duplication.

Question #11/12
We do not expect significant costs with respect to the additional disclosure on governance, strategy and risk management. With respect to GHG metrics, targets and emissions, we anticipate certain costs, but have a larger concern with the timing challenges as outlined in our response to Question #5 above.

Phased-in implementation

Question #17
With respect to disclosure of climate-related governance, strategy and risk management, we consider the proposed transition timeline to be adequate.

With respect to disclosure of climate-related metrics and targets, we would request two full years following the effective date of the Proposed Instrument. For example, if the Proposed Instrument is effective on December 31, 2022, the first disclosure for climate-related metrics, targets and GHG emissions would be for the 2024 Q2 filing, due in mid-2025.

Closing

Please do not hesitate to contact me if I can elaborate on these comments or if TC Energy can otherwise provide assistance.

Sincerely,

DocuSigned by:
5C36BBABAD39408...
Christine R. Johnston
Vice-President, Law and Corporate Secretary

DocuSigned by:
Hejdi Carlsen
93993DD1EF874CF...
Hejdi Carlsen
Vice-President, Communications and Sustainability