



CANADIAN-MONTANA PIPE LINE Corporation

(A subsidiary of NorthWestern Corporation)

11 E. Park
Butte, MT 59701

March 8, 2019

Ms. Sheri Young
Secretary of the Board
National Energy Board
Suite 210, 517 Tenth Avenue SW
Calgary, Alberta
T2R 0A8

RE: Draft Pipeline Financial Requirements Guidelines

Ms. Young,

Please find below Canadian Montana Pipeline's comments on the draft pipeline financial requirements guidelines.

1. Under the Draft Pipeline Financial Requirements Guidelines, the NEB proposes to apply the regulations regarding absolute liability limits effective July 11, 2019 to non-major oil pipelines. Canadian-Montana Pipe Line Corporation, a subsidiary of NorthWestern Corporation, is a non-major oil pipeline who would be affected by these regulations. NorthWestern opposes the proposal to apply absolute liability limits to non-major oil pipelines. This new requirement places an additional, unnecessary financial burden on smaller pipelines. Under the proposed guidelines, NorthWestern is required to provide Financial Resources for an absolute liability limit of \$50,000,000 with only a portion of its insurance policy limits recognized, while operating a pipeline that is 6.44 kilometers (4 miles) long. The insurance policy asset should be sufficient and accepted in its entirety to meet the proposed financial obligation.

If you have any questions or comments, please contact me at the number below.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael R. Cashell". The signature is fluid and cursive, with the first name "Michael" being the most prominent.

Michael R. Cashell

Vice President - Transmission

○ 406-497-4575