

**EnCana Corporation**

EnCana on 8th  
1800 855 2nd Street SW  
PO Box 2850  
Calgary AB Canada T2P 2S6

tel: (403) 645-2000

www.encana.com

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British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission – Securities Division  
Manitoba Securities Commission  
Ontario Securities Commission  
Office of the Administrator, New Brunswick  
Registrar of Securities, Prince Edward Island  
Nova Scotia Securities Commission  
Securities Commission of Newfoundland and Labrador  
Registrar of Securities, Northwest Territories  
Registrar of Securities, Yukon Territory  
Registrar of Securities, Nunavut

## SENT TO:

John Stevenson, Secretary  
Ontario Securities Commission  
20 Queen Street West  
Suite 1900, Box 55  
Toronto, Ontario M5H 3S8  
e-mail: [jstevenson@osc.gov.on.ca](mailto:jstevenson@osc.gov.on.ca)

Denise Brosseau, Secretary  
Commission des valeurs mobilières du Québec  
Tour de la Bourse  
800, square Victoria  
C.O. 246, 22e étage  
Montréal, Québec  
H4Z 1G3  
Fax: (514) 864-6381  
e-mail: [consultation-en-cours@cvmq.com](mailto:consultation-en-cours@cvmq.com)

Dear Sirs/Mesdames:

Re: PROPOSED MULTILATERAL INSTRUMENTS 52-108, 52-109, and 52-110

We are pleased to provide comments on proposed Multilateral Instrument 52-108 Auditor Oversight, proposed Multilateral Instrument 52-109 Certification of Disclosure in Companies' Annual and Interim Filings and proposed Multilateral Instrument 52-110 Audit Committees.

EnCana is one of the world's leading independent oil and natural gas production companies with an enterprise value of approximately C\$30 billion. EnCana explores for, produces and markets natural gas, crude oil and natural gas liquids in Canada, the United States, the U.K. North Sea and Ecuador. EnCana is listed on the TSX and on the NYSE.

As a company that believes in fully transparent disclosure and good corporate governance practices, we commend the Canadian Securities Administrators (CSA) on their progress towards improving corporate governance in Canada.

## **Proposed Multilateral Instrument 52-108 Auditor Oversight**

As an issuer, our concern with this proposed Instrument is that the auditor oversight process be managed in a cost effective manner, as we anticipate that the incremental costs that will be assessed to the audit firms will be passed on to issuers.

## **Proposed Multilateral Instrument 52-109 Certification of Disclosure in Companies' Annual and Interim Filings**

In general we agree with the Instrument as proposed and we note that the proposed requirements will harmonize requirements in Canada with those of the US. As EnCana is listed on the New York Stock Exchange, we are directly subject to certain requirements of Sarbanes-Oxley. We support the proposed exemption from Canadian certification for companies that are subject to and comply with section 302 of Sarbanes-Oxley.

### ***Transition Period***

Although we agree with the spirit of principles of certification requirements and proposed timing, we would ask that the Commissions' consider adopting a timeline that is consistent with the timelines under the SEC's rules with respect to Sarbanes-Oxley Act which would require certification with respect to internal control over financial reporting for fiscal years ending after April 15, 2005 for foreign private issuers.

### ***Other Comments***

We noted that the Instrument does not address the issue of auditor attestation of management's assessment of internal control. We believe that this is a critical component of the US requirements under Sarbanes-Oxley that should be adopted in Canada. Although, there is a significant cost associated with this certification requirement, we believe that the cost justifies the benefit. However, we also believe that given the cost of fulfilling such a certification requirement, that such a requirement should only be imposed on large issuers.

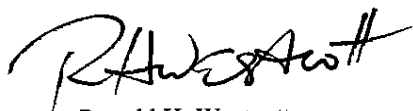
## **Proposed Multilateral Instrument 52-110 Audit Committees**

In general we agree with the Instrument as proposed and we note that the proposed requirements will harmonize requirements in Canada with those of the US. We believe that these requirements form part of a foundation for good corporate governance.

We appreciate the opportunity to express our views on these proposed rules.

Yours truly,

ENCANA CORPORATION



Ronald H. Westcott  
Comptroller  
Senior Vice-President, Corporate Finance

