

June 29, 2020

VIA EMAIL

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
Securities Commission of Newfoundland and Labrador
Registrar of Securities, Northwest Territories
Registrar of Securities, Yukon Territory
Superintendent of Securities, Nunavut

c/o

The Secretary
Ontario Securities Commission
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19th Floor, Box 55
Toronto ON M5H 3S8
Fax: 416-593-2318
Email: comment@osc.gov.on.ca

M^e Philippe Lebel
Corporate Secretary and Executive Director, Legal Affairs
Autorité des marchés financiers
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RE: Second Notice and Request for Comment – Proposed National Instrument 52-112 Non-GAAP and Other Financial Measure Disclosure, Proposed Companion Policy 52-112 Non-GAAP and Other Financial Measures Disclosure and Related Proposed Consequential Amendments or Changes

Ladies and Gentlemen:

This letter is submitted in response to the Second Notice and Request for Comment dated February 13, 2020 (the "**Notice for Comment**") by the Canadian Securities Administrators (the "**CSA**") on the revised version of proposed National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure* (the "**Proposed Instrument**"), the revised version of proposed Companion Policy 52-112 *Non-GAAP and Other Financial Measures Disclosure* (the "**Proposed Companion Policy**" and together with the Proposed Instrument, the "**Proposed Materials**") and the related proposed consequential amendments or changes to various other instruments and companion policies of the CSA.

We thank you for the opportunity to comment on the Proposed Materials. We are of the view that the Proposed Materials address many of the comments the CSA received on the original versions of the Proposed Materials that were first published on September 6, 2018.

We support the CSA's decision to include Sections 5(1) and 5(2) in the Proposed Instrument, which will allow issuers to cross-reference certain disclosure prescribed by the Proposed Instrument by incorporating such information in a document by reference to the issuer's management's discussion and analysis ("**MD&A**") in certain circumstances and provided that certain statements are included in such document. However, we do not agree with the inclusion of subsection 5(3)(b) of the Proposed Instrument, which excludes press releases from the application of Section 5(1). We believe an issuer should be able to incorporate by reference the information set forth in Section 5(1) into its press releases. Therefore, we encourage the CSA to delete subsection 5(3)(b) of the Proposed Instrument in its entirety.

We note that press releases are the only documents (other than MD&A) that are excluded from incorporating the disclosure set forth in Section 5(1) of the Proposed Instrument by reference. In addition, the CSA does not provide any rationale in either the Notice for Comment or the Proposed Materials for such exclusion.

We believe that an issuer should be able to incorporate by reference such information into its press releases for the following reasons:

- it is consistent with the current common practice for many reporting issuers, including many senior issuers, which disclose non-GAAP financial measures in news releases, clearly identify them as such and cross-reference to other substantive disclosures (including the quantitative reconciliations) in their MD&A;
- excluding press releases from the application of Section 5(1) of the Proposed Instrument may cause some issuers to leave out important non-GAAP financial information from its press releases that would otherwise be helpful to investors in order to avoid long and cumbersome regulatory disclaimers in their press releases;
- requiring issuers to include the full disclosure prescribed by the Proposed Instrument without the ability to cross reference the information specified in Section 5(1) of the Proposed Instrument to issuers' MD&A will cause lengthy and cumbersome disclaimers and disclosure in the issuers' press releases (and also repeats information found elsewhere in issuers' disclosure (specifically, MD&A)), which will result in unnecessary reviewing and issuing costs to issuers, with no discernible increase in investor protection;
- providing the statement required by Section 5(2) of the Proposed Instrument that specifies the location of the required disclosure in the issuer's MD&A and states that the MD&A can be found on System for Electronic Document Analysis and Retrieval (SEDAR) allows investors to easily locate the disclosure that is incorporated by reference into the press release; and
- excluding the ability of an issuer to incorporate such information by reference in its press releases is at odds with the general approach to securities regulation which generally permits incorporation by reference.

We appreciate the opportunity to provide comments on the Proposed Materials. We trust that our comments will be helpful to the CSA and that the CSA will consider the views in this letter when finalizing the Proposed Materials.

Yours very truly,

PEMBINA PIPELINE CORPORATION

(signed) "*J. Scott Burrows*"
By: J. Scott Burrows
Title: Senior Vice President and Chief Financial Officer
Date: June 29, 2020

(signed) "*Cameron Goldade*"
By: Cameron Goldade
Title: Vice President, Capital Markets
Date: June 29, 2020

(signed) "*Tracy Hecker*"
By: Tracy Hecker
Title: Vice President and Controller
Date: June 29, 2020