

December 1, 2025

Filed ElectronicallyCanada Energy Regulator
Suite 210, 517 Tenth Avenue SW
Calgary, Alberta T2R 0A8**Attention: Ramona Sladic, Secretary of the Commission**

Dear Ramona Sladic:

Re: South Bow GP (Canada) Ltd. (South Bow), as general partner on behalf of South Bow (Canada) Limited Partnership**South Bow GP (Canada) Ltd. CER Tariff No. 78 (2026 Abandonment Surcharge)**

Pursuant to Section 229(1)(a) of the Canadian Energy Regulator Act, South Bow files the enclosed tariff, CER Tariff No. 78, to be effective January 1, 2026.

South Bow is filing CER Tariff No. 78 to update the Abandonment Surcharge for the Keystone System. The Annual Contribution Amount (ACA) was calculated pursuant to the Commission's May 24, 2025 Decisions and Direction regarding select companies' set-aside and collection mechanism filings¹, and the Commission's March 27, 2024 approval of TransCanada Keystone Pipeline's Abandonment Cost Estimate.^{2, 3} The ACA was last updated on November 20, 2024; these changes are detailed in South Bow's response to CER Information Request No. 1.⁴ Details of the calculation of the Abandonment Surcharge are available in Attachment 3 to CER Tariff No. 78.

South Bow will provide notice of this filing to shippers and interested parties, and post CER Tariff No. 78 on its external website.⁵

Should the Commission require additional information regarding this filing, please contact the undersigned by phone at (587) 318-6356 or by email at ellen.phillips@southbow.com.

Sincerely,

South Bow GP (Canada) Ltd.

*Original Signed by*Ellen Phillips
Regulatory Analyst

¹ Filing ID: [C29751-1](#).

² Filing ID: [C29034-1](#).

³ TransCanada Keystone Pipeline GP Ltd. (TCKP) underwent a corporate name change on June 12, 2024. On June 14, 2024, South Bow filed a Notification of Name Change, notifying the CER that TCKP had changed its corporate name to South Bow GP (Canada) Ltd. (Filing ID: [C30027-1](#)).

⁴ Filing ID: [C32379-1](#).

⁵ [Keystone Pipeline System](#).

Attachment 1
CER Tariff No. 78
Abandonment Surcharge

Blackline Pages

South Bow GP (Canada) Ltd.

Petroleum Toll Schedule

Containing Tolls
Applying to the Transportation of
Petroleum

From Hardisty, Alberta

To the International Boundary at or near Haskett, Manitoba

Governed, except as otherwise provided, by the Rules and Regulations and CER Tariff number in effect, and any amendments and supplements thereto and reissues thereof. Capitalized terms used herein and not otherwise defined have the meanings set out in such Rules and Regulations.

Issued: December 1, 2025 ~~November 29, 2024~~

Issued by:

~~Roselyn Tierra-Chou~~ Skylar Wilson
South Bow GP (Canada) Ltd.,
as general partner on behalf of
South Bow (Canada) Limited Partnership
Suite 900, 707 5 Street SW
Calgary, Alberta T2P 1V8
Canada

Effective: January 1, 2025 ~~2026~~

Compiled by:

Ellen Phillips
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as general partner on behalf of South Bow
(Canada) Limited Partnership
Suite 900, 707 5 Street SW
Calgary, Alberta T2P 1V8
Canada
(587) 318-6356
ellen.phillips@southbow.com

Abandonment Surcharge

(Charge in Canadian Dollars per Cubic Metre)

For all Destinations	For all Crude Types
Abandonment Surcharge	0.368 <u>0.378</u>

Abandonment Surcharge is applicable to all Shippers in accordance with the determination of the Abandonment Surcharge as set forth in the Rules and Regulations.

Attachment 2
CER Tariff No. 78
Abandonment Surcharge

Clean Copy

South Bow GP (Canada) Ltd.

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Issued: December 1, 2025

Issued by:

Skylar Wilson
South Bow GP (Canada) Ltd.,
as general partner on behalf of
South Bow (Canada) Limited Partnership
Suite 900, 707 5 Street SW
Calgary, Alberta T2P 1V8
Canada

Effective: January 1, 2026

Compiled by:

Ellen Phillips
South Bow GP (Canada) Ltd.,
as general partner on behalf of South Bow
(Canada) Limited Partnership
Suite 900, 707 5 Street SW
Calgary, Alberta T2P 1V8
Canada
(587) 318-6356
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Abandonment Surcharge

(Charge in Canadian Dollars per Cubic Metre)

For all Destinations	For all Crude Types
Abandonment Surcharge	0.378

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Attachment 3
CER Tariff No. 78

Abandonment Surcharge Calculation

Abandonment Surcharge calculations reflect the last approved Abandonment Cost Estimate. The adjusted Final South Bow ACA is comprised of the South Bow ACA of approximately \$13.2 Million and tax true-ups totaling approximately \$35.5 thousand to be retained by South Bow.

The South Bow 2026 Abandonment Surcharge is calculated by dividing the Final South Bow ACA by the Total Forecasted 2026 Volume. The calculations are shown in detail below.

CALCULATION OF ABANDONMENT SURCHARGE

Effective January 1, 2026

Annual Contribution Amount (\$)	\$13,224,143
Total Forecasted 2026 Volume (m ³)	35,108,369
Abandonment Surcharge	$\frac{\text{Annual Contribution Amount} + \text{Tax True-Ups}^1}{\text{Total Forecasted 2026 Volume}}$ $(\$13,224,143 + \$35,530) / 35,108,369 \text{ m}^3$ $= 0.378/\text{m}^3$

¹ Tax True-ups are amounts to be retained and/or contributed by South Bow related to (a) the tax differential arising from accrued surcharges receivable but not received in 2025, and (b) adjustment for the tax rate differential between South Bow and the Trust on income earned in the Trust.