



June 3, 2011

David A. Stawick, Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581

**Re: Supplemental Comments of Encana Marketing (USA) Inc. on the Proposed Rule on Real-Time Public Reporting of Swap Transaction Data, RIN Number 3038-AD08**

Dear Secretary Stawick:

Encana Marketing (USA) Inc. (EMUS) hereby files these supplemental comments on the Notice of Proposed Rulemaking (NOPR) issued by the Commodity Futures Trading Commission (Commission) in this proceeding.<sup>1</sup> EMUS is an indirect wholly owned subsidiary of Encana Corporation (Encana). Its principal U.S. office is located in Denver, Colorado. EMUS' marketing activities include selling and purchasing natural gas, natural gas liquids, other related energy commodities and services in the U.S. wholesale energy markets. As part of EMUS' marketing activities, Encana, for itself and its subsidiaries, enters into hedging transactions or swaps to manage and mitigate commercial risks associated with EMUS' sales, purchases and movement of these energy commodities. It considers itself to be an end-user of swaps under the Dodd-Frank Wall Street Reform and Consumer Protection Act (Act).

### **Background**

On February 7, 2011, EMUS filed timely comments on the Commission's proposal to implement a new framework for the real-time public reporting of swap transaction and pricing data in this rulemaking. These supplemental comments are being submitted by EMUS pursuant to the Commission's decision to reopen and extend the comment period for the NOPR now that it has proposed most of the rulemakings required to implement the Act.<sup>2</sup>

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<sup>1</sup> *Real-Time Public Reporting of Swap Transaction Data*, 75 Fed. Reg. 76,140 (Dec. 7, 2010).

<sup>2</sup> *Reopening and Extension of Comment Periods for Rulemakings Implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act*, 76 Fed. Reg. 25,274 (May 4, 2011).

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## **Comments**

The Commission should not require end-users to report inter-affiliate swap transactions. In that regard, EMUS supports the comments regarding inter-affiliate swap transactions filed by the Edison Electric Institute, Electric Power Supply Association, American Gas Association, and Natural Gas Supply Association (Coalition) in this rulemaking on February 7, 2011. The Coalition there correctly asserts that inter-affiliate swap transactions are used to make transfers and shift risks within a corporate family, and that they should not be used as an input to published real-time reporting swap data because they do not serve to enhance price discovery.

## **Conclusion**

EMUS appreciates the opportunity to file supplemental comments on the NOPR, and encourages the Commission to take the comments and recommendations set forth above into consideration in this rulemaking.

Sincerely,

Handwritten signature of Keith M. Sappenfield, II in cursive script, with the initials "KS" written at the end.

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