



October 25, 2017

Technical Director
Financial Accounting Standards Board
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Dear Technical Director:

TransCanada Corporation (TransCanada) is pleased to submit its comments in response to the Invitation to Comment on the Exposure Draft on *Leases (Topic 842) – Land Easement Practical Expedient for Transition to Topic 842* as issued by the Financial Accounting Standards Board (FASB).

TransCanada is a leader in the responsible development and reliable operation of North American energy infrastructure including natural gas and liquids pipelines, power generation and gas storage facilities. TransCanada operates a network of natural gas pipelines that extends more than 91,500 kilometers (56,900 miles), tapping into virtually all major gas supply basins in North America. TransCanada is one of the continent's largest providers of gas storage and related services with 653 billion cubic feet of storage capacity. A large independent power producer, TransCanada owns or has interests in approximately 6,200 megawatts of power generation in Canada and the United States. TransCanada is also the developer and operator of one of North America's leading liquids pipeline systems that extends over 4,300 kilometers (2,700 miles) connecting growing continental oil supplies to key markets and refineries.

TransCanada supports the FASB's land easement practical expedient as part of its initiative to reduce the cost and complexity of complying with the transition requirements in Topic 842. Our specific views are outlined below in our responses to questions contained in the Exposure Draft:

Question 1:

Would the land easement practical expedient in this proposed Update reduce the cost and complexity to implement Topic 842? If not, please explain why.

Yes. TransCanada believes that the land easement practical expedient will reduce the cost and complexity to implement Topic 842. TransCanada maintains a large number of land easements and this expedient would allow TransCanada to retain the current accounting treatment for existing or expired land easements. As a result, TransCanada would not be required to evaluate a large number of its land easement contracts under Topic 842, thereby, significantly reducing the implementation effort for Topic 842.

Question 2:

Would the proposed amendments require transition provisions or an effective date that is different from those for Topic 842? If yes, please explain what transition requirements and/or effective date you would recommend and why.

No. TransCanada believes that the transition requirements and the effective date of the proposed amendments in the exposure draft should not be different than those in Topic 842.

TransCanada hopes these comments will be useful to the Board in their deliberations. If you have any questions or would like to discuss any of these matters, please do not hesitate to contact us.

Yours very truly,



G. Glenn Menuz, C.A.
TransCanada Corporation
Vice-President and Controller