



October 25, 2017

Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Sent via email: director@fasb.org

Re: Proposed Accounting Standards Update - Land Easement Practical Expedient for Transition to Topic 842- File Reference No. 2017-290

Encana Corporation ("Encana") appreciates the opportunity to provide comments on the Financial Accounting Advisory Board's Exposure Draft for Leases Topic 842, Land Easement Practical Expedient for Transition to Topic 842. Overall, we support the FASB proposed practical expedient and transition requirements.

Encana is a leading North American energy producer, listed on the Toronto Stock Exchange and the New York Stock Exchange. Encana reports under generally accepted accounting principles in the United States.

Encana's responses to the questions outlined in the Exposure Draft are attached in the Appendix to this letter.

If you have any questions or would like to contact us for outreach, please do not hesitate to contact myself at 403-645-4649 or by email at steve.dyck@encana.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stephen Dyck", written over a light blue circular stamp or watermark.

Stephen Dyck
Vice-President, Finance & Comptroller

Appendix – Responses to Proposed Accounting Standards Update - Land Easement Practical Expedient for Transition to Topic 842

Question 1: Would the land easement practical expedient in the Proposed Update reduce the cost and complexity to implement Topic 842?

Encana supports the FASB's proposed land easement practical expedient under Topic 842. Encana concurs that there is diversity in practice on the accounting of the land easements and that the accounting result of evaluating all existing land easements under Topic 842 likely will not be significantly different. However, as the oil and gas industry is land easement intensive, Encana believes that the proposed practical expedient will decrease the cost and complexity to implement Topic 842.

Question 2: Would the proposed amendments require transition provisions or an effective date that is different from those for Topic 842?

Encana does not believe the proposed amendments would require transition provisions or an effective date that is different from the effective date of Topic 842.