



August 27, 2013

Re: Exposure Draft – Regulatory Deferral Accounts

Dear Sir/Madam:

NAV CANADA welcomes the opportunity to respond to the IASB's *Exposure Draft on Regulatory Deferral Accounts*.

NAV CANADA was incorporated in 1996 as a non-share capital corporation, pursuant to Part II of the Canada Corporations Act, to acquire, own, manage, operate, maintain and develop the Canadian air navigation system, as set out in legislation enacted by the Parliament of Canada, namely the *ANS Act*. The Company became the world's first fully privatized corporation to own and operate a country's air navigation system. The Company's acquisition of the country's ANS as well as its operations are financed through debt. The Company obtains its revenues in the form of charges levied on aircraft operators for the provision or availability of air navigation services.

NAV CANADA is a current user of rate regulated accounting in Canada and has been granted, from the Ontario Securities Commission (our principal securities regulator), exemptive relief and deferral of the mandatory changeover date to IFRS in anticipation of an IFRS standard relating to rate regulation to facilitate our transition to IFRS. As such, NAV CANADA is extremely supportive of the Exposure Draft on Regulatory Deferral Accounts and the IASB's project on rate regulated accounting.

Please do not hesitate to contact me directly if you have any questions.

Yours sincerely,

Nancy Fletcher, CPA, CA
Corporate Controller
NAV CANADA
fletchn@navcanada.ca

77 Metcalfe Street, Ottawa, Ontario, Canada K1P 5L6
Telephone: (613) 563-4944 fletchn@navcanada.ca

77, rue Metcalfe, Ottawa (Ontario) Canada K1P 5L6
Téléphone : (613) 563-4944 fletchn@navcanada.ca