

2018-19

# **Performance Summary**

Office national de l'énergie

National Energy Board







# Message from the Chair and Chief Executive Officer

The National Energy Board (NEB) is Canada's federal energy regulator. We regulate pipelines, energy development and trade on behalf of Canadians in a way that protects the public and the environment while supporting efficient markets. People count on us to keep them safe, to protect their communities and lands, to prevent market inefficiencies, and to reflect their interests in our decisions and recommendations.

Over the past year, several significant events influenced the course of the NEB's work. Bill C-69: An Act to enact the Impact Assessment Act and the Canadian Energy Regulator Act was introduced in early 2018. Among other measures, the Bill proposes legislative changes to create a new impact assessment system and a new Canadian Energy Regulator. Calling upon decades of experience regulating energy projects in the Canadian public interest, as well as a history of successfully implementing legislative changes, the NEB is prepared to implement the CER Act upon coming into force.

In August 2018, a <u>Federal Court of Appeal decision</u> overturned the Order in Council approving the Trans Mountain Expansion Project. The Government of Canada referred aspects of the Board's recommendation report back to the NEB for reconsideration by February 2019. The NEB listened to a range of diverse views, carefully considered all of the evidence submitted, and delivered a comprehensive, evidence-based, fair and meaningful review of Project-related marine shipping, within the timeline required.

Throughout the year, continued and significant volatility in the oil markets saw a dramatic increase in the price discount on Canadian oil and production curtailments in Western Canada. In November 2018, the Minster of Natural Resources Canada asked the NEB for a report on potential short- and long-term options to alleviate pipeline capacity constraints. NEB employees consulted extensively with a broad cross-section of industry, government agencies and other experts, and publically released a comprehensive report in March 2019.

The important work that the NEB undertakes every day to fulfil our mandate continued as planned: oversight of pipeline construction and environmental protection, damage prevention and emergency response; adjudication of applications before the Board; expanded offerings of energy information, and data transformation; and the focused, collaborative development of an Indigenous Monitoring Program all progressed through the significant work completed in these areas.

An unwavering focus on creating systemic improvements in the way the NEB approaches its work - striving to be a more modern and excellent regulator - has also kept our focus on the path forward. We increased our ability to leverage the work across all NEB programs and create integrated approaches to the big issues we see, including:

- The importance of listening to and understanding Indigenous Knowledge as a fundamental aspect of safety and environmental protection;
- Using the rich data collected over the past 60 years of regulation to improve the future of regulation and use that data to invite Canadians to explore that future with us:
- Data experimentation to illuminate root causes of incidents, to create visibility on emerging issues, and to strengthen our regulatory framework; and,
- Ensuring more engagement, transparency and communication in adjudication processes before they even begin.

The work of modernizing the NEB has progressed and will continue to do so. However, our job as Canada's energy regulator will fundamentally remain the same. We will continue to regulate pipelines, power lines, energy development and trade on behalf of Canadians in a way that protects the public and the environment, while supporting efficient markets. I am proud to work alongside the Board Members and employees who remain dedicated in their commitment to regulatory excellence.

Sincerely,

**C. Peter Watson**, P. Eng., FCAE CHAIR AND CHIEF EXECUTIVE OFFICER **NATIONAL ENERGY BOARD** 





#### **CONTEXT**

Preventing harm is at the heart of what a regulator does. People count on us to keep them safe, to protect the environment, to prevent market inefficiencies and to listen to what they have to say so that we can make informed decisions and recommendations in the Canadian public interest.

We do this using a whole-system approach based on evidence, input and data, and a commitment to effective and efficient infrastructure delivery. We share information and operate transparently in order to build public confidence in the regulatory process.

#### **MISSION**

We regulate pipelines, energy development and trade on behalf of Canadians in a way that protects the public and the environment while supporting efficient markets.

#### **VISION**

We work in a way that demonstrates our commitment to the Values and Ethics Code for the Public Sector, regulatory excellence, exemplary leadership, continuous improvement, and an emphasis on the prevention of harm to better serve the public interest. This means we:

- Act beyond reproach in a transparent, fair, unbiased and evidence based manner
- Demonstrate our technical expertise and system-wide oversight and influence
- Engage with and build meaningful relationships with stakeholders and Indigenous Peoples
- Measure, report on and take action to improve our performance in an open and accessible way

#### **EXPECTED RESULTS**

- Energy adjudication processes are fair, timely, transparent, and accessible
- We prevent harm to people and the environment throughout the lifecycle of energy-related activities
- Canadians have access to relevant energy and pipeline information for knowledge, research or decision-making
- Feedback provided by stakeholders and Indigenous Peoples informs our decisions and our work
- The right governance, resources, management systems, programs and services are in place to deliver on our program results

#### Focus Areas 2018-19

Through the application of our management system, the NEB identifies areas in which we strategically focus program activities to improve how we achieve our mandate.

These Focus Areas extend beyond the outcomes of any one program. Rather, they require integrated and focused attention and leadership across the organization, to drive a systemic shift in the way the NEB works.

In 2018-19, the NEB identified the following four Focus Areas.

#### Major Project Construction: Enhance and Integrate Oversight Processes

The NEB implemented processes to improve the effectiveness and coordination of its regulatory oversight, and enable the NEB to work with stakeholders to address potential issues early and effectively as major pipeline construction activity ramps up.

### Enhance Engagement: Strategic and Integrated Planning and Performance

The NEB focused on learnings and information captured through engagement activities, and incorporated those learnings into its adjudication, safety and environmental oversight and energy information processes.

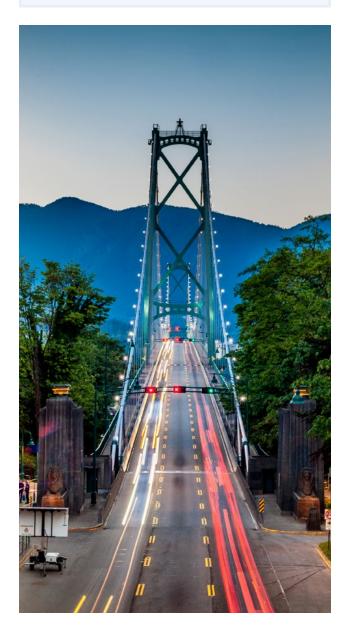
#### **Transform Data and Information Management**

In 2018-19, the NEB progressed further towards datadriven, digital program and service delivery by developing a data strategy aligned to the NEB's program outcomes. The NEB set a foundation for a consistent and integrated approach in how the NEB creates, uses and shares data and information.

#### Invest in People & Our Management System

The NEB dedicated significant time and effort to the implementation and strengthening of our management system in support of the organization's focus on regulatory and management excellence.

NEB Focus Areas are improvement initiatives that require integrated and focused attention and leadership across all NEB programs and business units, to ensure we are achieving our results.





Energy plays a fundamental role in our lives. From the food we eat and the homes we live in to the functioning of Canada's industries: everything requires energy in one form or another. Canada's landscape is rich with diverse and abundant energy sources which are used to fuel the economy. In 2017, the energy sector made up 9.2%, or \$175 Billion, of Canada's Gross Domestic Product (GDP). The energy sector directly employed 1.5%, (or 276,000 jobs) of the national workforce and total employment, including indirect jobs, is estimated at 4.9% (or 900,000 jobs).



made up 9.2% of Canada's Gross Domestic Product or \$175 Billion

In comparison, the manufacturing sector made up 10%, or \$198 Billion.

Canada is currently ranked the sixth-largest crude oil producer and the fifth-largest natural gas producer in the world. Our country is also a large net exporter of energy; exporting production that is surplus to the current and future needs of Canadians. Energy products made up 17% of Canada's total exports and were valued at \$71.4 billion in 2017.



Canadian crude oil production in 2018: 4.6 million barrels per day



Canadian natural gas production in 2018: >16 billion cubic feet per day.

The NEB also regulates 1,462 km of international power lines.

Most Canadian power lines fall within provincial jurisdiction because roughly 90% of the electricity produced in Canada is consumed domestically. However, international demand for Canadian power – which is mostly generated from renewable sources – is expected to increase in coming years.

Canada has considerable non-hydro renewable resources including wind, biomass, solar, tidal, wave, and geothermal. Canada is the second-largest hydroelectricity producer in the world and is ranked seventh with respect to installed wind power capacity. Policy incentives and declining costs continues to drive significant growth in the use of renewable generating technologies.

In 2018, roughly

80%

of the electricity generated in Canada was non-emitting.

The breakdown of generation source is as follows:



Hydro/Wave/Tidal = 61%



Uranium = 14%



Coal & Coke = 9.1%



Natural Gas = 8.3%



Wind = 5.5%



Biomass/Geothermal = 1%



Solar = 0.7%



Oil = 0.4%

73 000 km of pipeline.



Enough to circle the Earth circumference twice

The NEB regulates over 73,000 pipelines – a little under 10% of the total length of pipelines in Canada. If a pipeline system crosses provincial or international boundaries, it is regulated by the NEB. If a pipeline system is contained within a province, it is generally under the jurisdiction of a provincial regulator (e.g. pipelines located solely in British Columbia are regulated by the BC Oil and Gas Commission; those in Quebec are regulated by a number of provincial entities, including the Régie de l'energie du Québec).

Canada's energy sector is evolving. Increasing energy efficiency, the changing nature of the economy and other factors are contributing to the country's decreasing energy intensity (energy use per units of GDP). Falling costs and climate policies are facilitating the deployment of renewable energy such as wind and solar into the grid.

Energy markets keep fluctuating in response to prices, market developments, growing oil and natural gas production and capacity to transport commodities. Energy systems are complex, involving a variety of factors interacting in sometimes unexpected ways.

In the future, Canada is projected to keep expanding its energy production capacity, both from renewable and fossil fuel sources. The energy sector as a whole will keep evolving and be shaped by demand, supply, technology and policies.

#### **Energy Sector by Province and Territory**

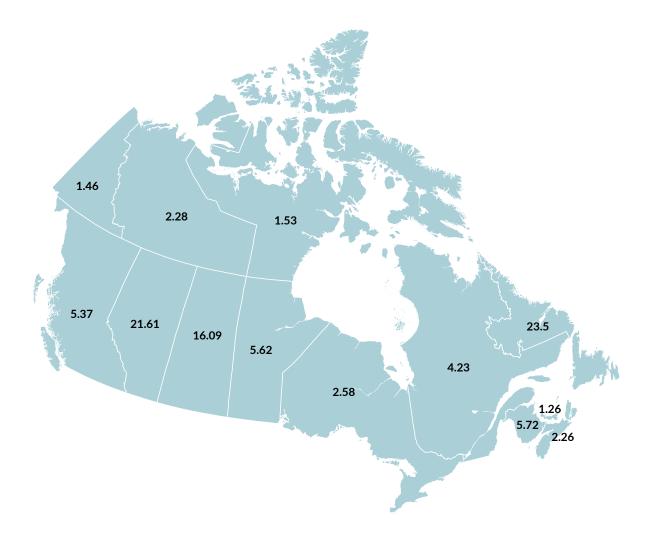
The energy sector's relative share of Canada's GDP varies greatly among the provinces and territories.

In Alberta, Newfoundland and Labrador, and Saskatchewan, the energy sector contributed, respectively, 21.61%, 23.5% and 16.09% of provincial GDP. This is significantly more than in the rest of Canada. In these provinces, the oil and gas sector makes up a major part of economic activity.

The moderately high share of GDP in British Columbia, Manitoba, and Quebec are explained by their hydroelectric assets, which allows them to generate substantial revenues from electricity exports to the U.S and neighboring provinces. British Columbia is also a major natural gas producer and exporter. New Brunswick's relatively strong energy sector comes from a mix of electricity surpluses and crude oil refining.

Alberta also has the largest share of direct energy sector employment of all provinces. In 2017, it directly accounted for 6% of the province's employment. Saskatchewan's and Newfoundland and Labrador's energy sectors came in second and third position, with 1.55% and 0.85% of total provincial employment.

#### Relative Share of Energy Sector on Provincial GDP



Source: Statistics Canada, <u>Table 36-10-0400-01</u>



The NEB makes decisions or recommendations to the Governor in Council (GIC) on applications, which include environmental assessments, using processes that are fair, transparent, timely and accessible. These applications pertain to pipelines and associated facilities, international power lines, tolls and tariffs, energy exports and imports, and oil and gas exploration and drilling in certain northern and offshore areas of Canada.

The NEB regulates Canada's federal energy infrastructure over its complete lifecycle. During the design and applications assessment phase of projects, we review and impose conditions. Companies must satisfy the NEB that they are fulfilling the conditions set in application review, and that they are taking every available action to anticipate, prevent, and mitigate any potential harms associated with their activities. When a project has reached the end of its useful life, we review abandonment applications to ensure that it is abandoned in a safe and environmentally responsible manner.

#### **Our Commitment:**

Energy adjudication processes are fair, timely, transparent and accessible.

#### Adjudication Activity in 2018-19:



745

Applications Received



748

Decisions or Recommendations Issued



41

Oral Indigenous Knowledge Evidence Sessions Held



214

Participants in Oral Indigenous Knowledge Evidence Sessions



More than \$8.5 M

in Participant Funding Awarded

#### **Performance Results - Energy Adjudication**

Percentage of adjudication decisions overturned on judicial appeal related to procedural fairness.

TARGET RESULT 2017-18 RESULT 2018-19
0% 0% 0\*%

Percentage of adjudication decisions and recommendations that are made within legislated time limits and service standards.

TARGET RESULTS 2017-18 RESULTS 2018-19

100% 100% 100%

Percentage of surveyed participants who indicate that adjudication processes are transparent.

TARGET RESULTS 2017-18 RESULTS 2018-19
75% 88% 73%

Percentage of surveyed participant funding recipients who agree that participant funding enabled their participation in an adjudication process.

TARGET RESULTS 2017-18 RESULTS 2018-19

90% 94% 100%

#### **Improving Accessibility and Transparency**

The NEB is constantly looking for feedback from the public and Indigenous communities on its adjudicative processes. Clarity and transparency of process supports meaningful participation through developing a shared understanding of the review process, and reducing barriers to participation. We use a variety of tools to collect data, including post-hearing surveys, but we recognize that more innovative tools are needed to collect better data to further inform process improvements.

Over 2018-19 we invested in looking at new mechanisms and tools to collect external feedback on our processes and more transparently share information. For example, participant feedback indicates that accessing and finding documents in REGDOCS, the NEB's online document repository, can be challenging. In response the NEB has partnered with the non-profit group <u>Code for Canada</u> to pilot REGDOCs improvement initiative, aimed at making the information in the repository more accessible to users.

# Streamlining Participant Funding Program Applications

The NEB continually refines its PFP processes to provide eligible hearing participants with improved service. Starting with the NOVA Gas Transmission Ltd. – Northwest Mainline Loop (Boundary Lake North Section) in March 2018, the NEB piloted a streamlined PFP application process to reduce burden on applicants and provide funding assurance more quickly. The percentage of applicants who are satisfied with the service provided by the NEB in its PFP remains above target at 89%. This year, funding decisions were provided within eight days of a complete funding application or application deadline, greatly surpassing the 30-day service standard



<sup>\*</sup> AS DISCUSSED IN THE NEXT SECTION, THE FEDERAL COURT OF APPEAL SET ASIDE THE GIC APPROVAL OF THE TRANS MOUNTAIN EXPANSION PROJECT. THE FEDERAL COURT OF APPEAL'S DECISION WAS NOT MADE ON PROCEDURAL FAIRNESS GROUNDS.

# Alternative Dispute Resolution (ADR): Local Issues, Local Solutions

Hearing processes are not the only way in which the NEB fulfills its mandate to help balance the interests of all Canadians in the stewardship of pipelines and energy development. By the time a company submits an application to the Board, many concerns have already been addressed, but some stakeholders may still have concerns that have not been resolved. In these situations, ADR can be used to help balance different interests or reduce the number of issues that may require adjudication by the Board.

The ADR process can lead to positive outcomes because it provides participants with a way to collaborate on finding solutions, and can be applied specifically to local issues. Landowners, in particular, find ADR beneficial in that it provides them with an informal forum where their unique contexts and concerns can be heard. Through ADR, pipeline companies are better able to establish relationships with landowners, communities and stakeholders and avoid potential future conflicts around issues like pipeline maintenance. Non-project specific engagement activities may also allow for opportunities to gather feedback from individuals and communities about their experiences with hearing processes, which will inform how the NEB shapes processes in the future.



#### **Major Applications**

#### **Trans Mountain Expansion Project Reconsideration**

In May 2016, after an approximately <u>two-year regulatory</u> <u>review</u>, the NEB issued its recommendation that the Governor in Council (GIC) approve the Trans Mountain Expansion Project (TMEP).

In November 2016, the GIC approved the Project and related regulatory instruments authorizing the construction and operation of the Project, subject to 157 conditions. Project-related marine shipping was considered as part of that review and report, under the NEB Act – not under the Canadian Environmental Assessment Act (CEAA) 2012.

In August 2018, the <u>Federal Court of Appeal in Tsleil-Waututh Nation v. Canada</u> (Attorney General) set aside the GIC approval of the TMEP. The GIC subsequently directed the Board to conduct a <u>Reconsideration of the TMEP Report</u> within 155 days, taking into account the environmental effects of Project-related marine shipping in view of the requirements of the CEAA 2012, and the adverse effects on species at risk in view of any requirements of section 79 of the Species At Risk Act.

Prior to issuing a Hearing Order, the Board sought public comments on the scope of the environmental assessment and List of Issues, and the design of the hearing process. A total of \$4,981,760 in participant funding was offered to 69 recipients, 82% of which was offered to Indigenous intervenors. The hearing process involved 118 intervenors (52 of which were Indigenous intervenors), and eight federal government department intervenors. Any member of the public was able to file a letter of comment, and many took the opportunity to do so. The process was concluded in the GIC's prescribed deadline of 155 days.

During the Reconsideration, the Board took a broader look at the environmental effects of Project-related marine shipping, and at the fact that marine shipping extends beyond the NEBs regulatory authorities. With that in mind, the Board made broader recommendations to the GIC including action the GIC could take to off-set the effects of the TMEP. The Board also noted that the Indigenous Advisory and Monitoring Committee (IAMC) for the Project is well placed to help facilitate effective and ongoing Indigenous participation in Project-related Salish Sea monitoring and follow-up measures.

# Abandonment of the NEB-regulated portions of the Sable Offshore Energy Project and the Deep Panuke Offshore Project

The NEB currently regulates two sub-sea pipelines off the coast of Nova Scotia. In March 2018, ExxonMobil applied to abandon the NEB-regulated portions of the Sable Offshore Energy Project, including the Goldboro Gas Plant and the approximately 200-kilometre-long gathering pipeline.

Encana applied to abandon the NEB-regulated Deep Panuke Pipeline and associated onshore facilities, in June 2018. The Deep Panuke Pipeline runs approximately 175 km from an offshore production platform to an interconnection with the Maritimes & Northeast Pipeline facilities in Goldboro, NS.

Both projects reached a stage of naturally declining production in 2018.

The NEB considered both applications concurrently. During the hearings, the NEB gathered input from Indigenous Peoples, federal and provincial departments, industry, and local municipalities.

The NEB approved both applications for abandonment in early May 2019. Though they have stopped operating, the NEB's jurisdiction over the pipelines will continue, providing on-going oversight to protect public safety and the environment.

#### **Pipeline Abandonment Funding**

At the end of the useful life of a pipeline, companies must apply to the Board for approval to abandon the facility. The Board must conduct a public hearing and consider the views of directly affected parties in determining if and how a pipeline should be abandoned. The Board maintains jurisdiction over an abandoned pipeline and a company retains responsibility of a pipeline if it is abandoned in place.

NEB-regulated companies need to file abandonment cost estimates with the NEB, which is the amount of funding that needs to be available to abandon a pipeline at the end of its useful life. This estimate also includes a provision for post-abandonment activities intended to cover unforeseen events that may occur after the abandonment is completed. Funds are set aside in secure financial vehicles that can only be accessed for abandonment purposes.

The underlying principle is that pipeline companies, and not landowners or governments, are liable for the costs and financing of safe and environmentally responsible pipeline abandonment.

In 2016, the Board commenced a five-year review of companies' abandonment cost estimates. The Board concluded its review of the largest pipeline companies' abandonment cost estimates and released a Letter of Decision in 2018. The Board is currently reviewing the abandonment cost estimates of the rest of NEB-regulated pipeline companies.



#### Manitoba - Minnesota Transmission Project

Manitoba Hydro applied to the NEB in 2016 for an authorization to build and operate a 500 kV international power line. The line would run 213 kilometres from the Winnipeg area to the US border in southeastern Manitoba. Nearly half of the proposed route is located within existing transmission line corridors.

As part of the hearing, the Board heard Oral Traditional Evidence from Indigenous participants and considered evidence from the applicant, 17 intervenors and two letters of comment. To support participation in the hearing, the Board's PFP approved 16 applications for funding totaling \$1,197,967.

In November 2018, the NEB recommended that Governor in Council approve the Manitoba-Minnesota Transmission Project, subject to 28 project-specific conditions. These conditions relate to consultation with Indigenous Peoples, the environment, engineering standards, safety, and emergency response.



#### Working with Indigenous Intervenors to Co-develop a Consultation Approach

NOVA Gas Transmission Limited (NGTL), a wholly owned subsidiary of Trans Canada, filed an application for the <u>2021 NGTL System Expansion Project</u> in February 2018.

The project crosses the traditional territory of dozens of Indigenous Peoples. After reviewing the comments received on the proposed hearing process, the Board decided to co-develop a consultation approach, in partnership with Indigenous intervenors.

In December 2018, the NEB announced that it would hold a conference to discuss how Indigenous intervenors could meaningfully participate in this hearing. Participants were asked to provide written comments on specific questions and topics.



The conference was held in January 2019. More than a dozen Indigenous communities were represented and they were joined by staff from three companies, the NEB and Natural Resources Canada.

The conference was divided into three general discussions: the Board's consultation approach; the sharing of Oral Indigenous Knowledge evidence; and discussion about oral cross-examination, final argument, and other topics related to the hearing process.

One of the comments the Board heard was that the NEB's hearing room can be intimidating and that holding parts of the hearing in Indigenous communities would make the process more engaging and meaningful for Indigenous participants.

After considering these comments, the Board decided to hold the Calgary session of Oral Indigenous Knowledge at the Grey Eagle Resort and Casino, on the Tsuut'ina Nation lands. The Board also heard Oral Indigenous Knowledge in Grande Prairie at the end of April 2019.

The Final Report of the conference highlighted a number of changes to the 2021 NGTL hearing process, including extending certain deadlines, adding a second round of written questioning and changing the process for cross-examination.



The NEB sets and enforces regulatory expectations for National Energy Board-regulated companies over the full lifecycle—construction, operation and abandonment— of energy-related activities.

The NEB's expectations of regulated companies are set out in the acts and regulations relevant to the Boards mandate, as well as through Board directions and orders. Companies must fulfil any commitments they make in their submissions to the NEB, throughout all phases of regulatory oversight.

The NEB holds its regulated companies accountable against these expectations using a rigorous compliance verification and enforcement program, and through enforcement actions. We require regulated companies to anticipate, manage, and mitigate any potential threats to safety and the environment that may occur through the full lifecycle of their facilities.

#### **Our Commitment:**

Harm to people and the environment, through the lifecycle of energy-related infrastructure, is prevented.

#### Safety and Environment Oversight Activity in 2018-19:



374

Compliance Verification Activities Including:



145

Inspections



20

Emergency Exercises



Management System Audits



2

Financial System Audits

# Performance Results – Safety and Environment Oversight

Number of incidents related to National Energy Board-regulated infrastructure that harm people or the environment.

TARGET RESULTS 2017-18\* RESULTS 2018-19

0 19 25

Percentage change of specific incident types on National Energy Board-regulated infrastructure.\*\*

TARGET RESULTS 2017-18 RESULTS 2018-19

-10% +13% +2%

Percentage change of near-misses on National Energy Board-regulated infrastructure.\*\*\*

TARGET RESULTS 2017-18 RESULTS 2018-19

-5% +15% -9%



#### THREE-TIERED APPROACH

The NEB takes a three-tiered approach to preventing incidents that harm people and the environment:

- Activity-based: risk informed compliance verification activities
- **Systemic**: management system improvement to control risks and hazards
- **Cultural**: influencing Safety Culture and the human factors that are foundational to reducing incidents

The NEB always aims to achieve zero incidents that harm people or the environment on the 73,000 km that we regulate. The NEB takes every incident very seriously.

And, when activities pose greater harm to people or the environment, we focus attention and increased regulatory oversight through inspections, investigations and audits. Where non-compliances are observed through compliance verification activities (CVAs), the NEB uses enforcement actions to achieve company compliance as quickly and as effectively as possible. This reduces hazards and protects the safety of workers, the public, the environment and property.

The NEB has seen an increase in the number of incidents that harm people and the environment with the total numbers rising from 19 in 2017-18 to 25 in 2018-19. The biggest proportion of the 25 incidents that harm were a total of 12 serious injuries, mainly to construction workers. Similarly, the biggest increase year-over-year was also in serious construction worker injuries, which went from 7 to 12.

The NEB reviews every serious incident and identifies root causes. The learnings inform our inspections and our oversight programs. As a result of reviews of these serious injuries the NEB has increased our oversight of constructions projects and in particular third party contractors.

The NEB tracks and takes action on all incidents and uses incident data as a part of our risk model to plan compliance activities. Incidents are reported publically on our website at www.neb-one.gc.ca.

<sup>\*</sup> REVISED FROM ANNUAL REPORT 2017-18. AS A PART OF ROUTINE REPORTING AND ASSESSMENT PROCEDURES, QUARTERLY AND ANNUAL NUMBERS CAN VARY SLIGHTLY AS COMPANIES OR NEB STAFF ENTER DATA INTO THE SYSTEM.

<sup>\*\* %</sup> INCREASE OR DECREASE OF INCIDENTS THAT HARM PEOPLE OR THE ENVIRONMENT FOR THE 3 YEAR AVERAGE NUMBER OF INCIDENTS CALCULATED LAST YEAR COMPARED TO THE 3 YEAR AVERAGE NUMBER OF INCIDENTS CALCULATED THIS YEAR.

<sup>\*\*\* %</sup>I NCREASE OR DECREASE OF UNAUTHORIZED ACTIVITIES FROM THE PREVIOUS YEAR.

#### **Under Construction: Worker Safety**

The NEB has identified that the majority of serious injury incidents involve third-party contractors. To that end, the NEB conducted pre-construction audits, such as our audit in advance of the Keystone XL Pipeline construction, with a focus on contractor oversight. The NEB undertook compliance and enforcement activities related to serious injuries in addition to following up on every incident. This included inspectors visiting the field to observe firsthand how the companies conduct incident response. Over 2018-19, the NEB conducted 23 field inspections directly related to worker safety, including eight on Enbridge Line 3.

The NEB also has a Serious Injury and Fatality Team that is convened when any serious injury is reported to the NEB. This team consists of a number of safety experts who assess the incident to determine whether the NEB needs to take any immediate actions. We are also reaching out to other industries and regulators to share learnings and approaches that can help reduce serious injuries to workers.

NEB regulatory actions are management systemfocused and are informed by results of incident root cause, trending and analysis of pipeline performance information, leading indicators, research, technology and industry best practices.

# Audit Information Advisories: Increased Communication, Increased Transparency

The NEB has heard from companies that they do not always understand how to interpret some regulatory requirements. In addition, because NEB audits are typically not done on the same company each year, it's not obvious to the broader regulated industry what the NEB is finding year-over-year. The NEB is committed to making changes to communicate more effectively with companies and the public.

The NEB has issued information advisories over the past three years that outline key gaps and findings from our management system audits. The goal of these advisories is to:

- leverage lessons learned;
- provide clarity regarding the NEB's expectations, to guide consistent interpretation of regulations going forward; and,
- bring attention to some commonly noted management system gaps.

Sharing NEB's audit information broadly allows companies to get a better understanding of findings and, as a result, understand NEB regulations and expectations better.

This will in turn decrease the potential for harms to occur. The NEB intends to revisit the audit findings we communicate to companies and measure whether they are repeated, not just among the audited organizations, but among all companies.

#### Enbridge Pipelines Inc. - Line 3 Replacement Program - OH-002-2015



#### What's new?

May 31, 2019

NEB's monthly summary of condition compliance filings for May [Filing A99718]

April 29, 2019

NEB's monthly summary of condition compliance filings for April [Filing A99108]

March 23, 2019

NEB's monthly summary of condition compliance filings for March [Filing A98519]

#### Construction updates

April 15, 2019

NEB approves eight Leave to Open applications

April 1, 2019

Enbridge files Construction Condition 19 Progress Report (Order) [Filing A98571]

April 1, 2019

Enbridge files Construction Condition 27 Progress Report (Certificate) [Filing A98570]

January 8, 2019

The NEB posts updates and condition compliance filings associated with major construction projects on its web page.

# Safety Culture: Listening, Leveraging and Learning from Each Other

The NEB hosted a Safety Culture Workshop in February 2019 at the NEB office in Calgary, Alberta. This initiative brought together 14 representatives from eight NEB regulated companies and a number of NEB technical staff and executives to have an open dialogue on safety culture advancement efforts, challenges and best practices. The workshop facilitated meaningful conversation among the participants and encouraged sharing of experiences and learning from one another in a small group environment.

Safety culture means "the attitudes, values, norms and beliefs, which a particular group of people shares with respect to risk and safety".

The workshop objectives were to promote learning and sharing across NEB regulated companies and between the NEB and regulated companies to improve our collective performance. Participants noted that evaluating and monitoring contractor and sub-contractor safety culture is a challenge associated with broader industry safety culture advancement. Other industries and jurisdictions have identified similar issues and developed related strategies and recommendations, including:

- Focusing on long-term relationships with suppliers in order to enhance collaboration and knowledge sharing (e.g., facilitating two-way learning and feedback loops);
- Pre-qualification of contractors based upon indicators that capture the organization's ability to prevent, predict and manage risk (e.g., status of implementing improvement plans, results of audit programs, management involvement and the quality of how near misses, incidents and risk assessment processes are managed and related issues resolved); and
- Performing extensive planning and analysis during the contracting process (e.g., early engagement of contractors in the planning process) in order to understand how contractual conditions may affect risk-sharing between operator and contractor.

Workshop attendees discussed the relevance of these findings to the oil and gas sector and offered insights about alternative approaches that are currently being employed and lessons learned.

## Damage Prevention: Reducing Potential for Harm

Unauthorized activities (UAs) or "Near misses" are a leading indicator of areas and activities where harm could occur, and tracking them provides the NEB with additional insight on areas of greater risk so that we can take targeted action.

Over 2018-19, the number of UAs reported dropped by just over 16%, from 276 to 231. Assessing each reported UA, and in particular ground disturbances, provides the NEB with valuable information on how to further support safe digging practices.

Education and awareness remain the best defense against unauthorized activities, and the NEB's Damage Prevention team drove improvements in reporting results through focused engagement with stakeholders and industry, including:

- Undertaking focused engagement with two large organizations that reported repeat ground disturbance UAs. This led them to make significant changes to their planning and ground disturbance processes, and neither has had a UA since:
- Developing damage prevention guidance for municipalities with the Lower Mainland Municipalities, through collaboration with the NEB's Vancouver Regional Office, and with the Canadian Energy Pipeline Association (CEPA) Damage Prevention Work Group;
- Providing subject matter expertise and support on two Canadian Standards Association (CSA) technical committees, including CSA Z663 Land Use Planning in the Vicinity of Pipelines Standard, published in December 2018, and CSA Z247 (2015) Damage Prevention Standard; and,
- Implementing a Damage to Pipe report, which closed a reporting gap on certain types of damages caused by company contractors, damages resulting from authorized activities, and damages that previously had not met the reporting threshold. This has enabled better visibility into where and how UAs are occurring.

#### **Managing Emergencies**

Pipeline ruptures are rare. On average there have been 0.02 ruptures per 1,000 km of NEB regulated pipeline over the past five years. Of these, five out of a total of six ruptures reported to the NEB were natural gas or natural gas liquids. In all cases, the NEB's Emergency Management program stands ready to take quick action by deploying staff or standing up its Emergency Operations Centre (EOC).

In October 2018, a natural gas pipeline operated by Enbridge Pipelines ruptured just outside of Prince George, BC. No injuries were reported, and community members from the nearby Lheidli T'enneh First Nation were evacuated as a precaution.

The NEB has an established Memorandum of Understanding with the BC Oil and Gas Commission (BCOGC). This allowed BCOGC field staff to represent the NEB at the company's Incident Command Post (ICP) prior to the deployed NEB field staff arriving on site, enabling a faster, more efficient initial response. In the meantime, the NEB activated its EOC in Calgary. Field staff were deployed to the site to attend the company's ICP in Prince George and inspect the site once it was safe to access.

Engagement Specialists were also deployed to Prince George to liaise with the affected First Nations communities and other stakeholders. NEB inspectors issued an Inspection Officer Order (IOO) that required that the company meet specific measures before restarting the line or any adjacent lines.

During these types of events, the NEB shares jurisdiction with the Transportation Safety Board (TSB). The TSB has the jurisdiction to determine the root cause and contributing factors. The NEB is participating in this investigation and will take actions to ensure the ongoing protection of the public and the environment.

#### Guidelines for Pipeline Financial Requirements: Driving Company Accountability

The <u>Canadian Environmental Protection Act, 1999</u> sets out several guiding principles including "polluter pays", which protects the public from paying for clean-up of any potential pipeline spill. The NEB enforces the polluter pays principle, requiring all necessary measures to be taken to make the pipeline safe, clean up the spill and remediate the environment, regardless of whether a company is found to be at fault or not.

The <u>Pipeline Safety Act of 2016</u> amended the NEB Act by introducing a \$1 billion absolute liability level to pipeline companies with the capacity to transport greater than 250,000 barrels of oil per day, and requiring such companies to maintain the financial resources equal to their absolute liability level.

In June 2018, the <u>Pipeline Financial Requirements</u>
<u>Regulations</u> were passed. These regulations set out absolute liability limits for all other NEB regulated pipeline companies. The regulations came into force in 2019, and going forward all NEB-regulated pipeline companies must maintain financial resources equal to their respective absolute liability limits, or a greater amount if determined by the NEB.

To support this, the NEB developed guidance outlining what companies should demonstrate for meeting the financial resource requirements in the NEB Act and the regulations, as well as a schedule for companies to submit Financial Resource Plans. The draft guidance was provided for both regulated company and public comment in February and March 2019. The input received enabled the NEB to provide greater clarity in the guidance, which was subsequently released at the end of March 2019.





The NEB collects, monitors, analyzes and publishes information on energy markets and supply, sources of energy, and the safety and security of pipelines and international power lines.

The NEB plays a vital role in conveying objective and neutral information to Canadians and is at the forefront on energy markets monitoring and analysis. Staff work feeds into regulatory hearings on pipeline projects in Canada, provides analysis on important policy developments, models Canada's energy supply and demand projections, and provides Canadians with reports and dashboards to help make informed choices on energy matters.

#### **Our Commitment:**

Canadians have access to and use energy information for knowledge, research and decision making. Canadians have access to community-specific NEB-regulated infrastructure information.

Canadians have opportunities to collaborate and provide feedback on NEB information products.

#### **Energy Information Products and Reports in 2018-19:**



69

Energy information online products



105

Collaborative engagements with energy stakeholders



274

Information request responses



>1M

Energy Information web page views



50%

NEB Tweets are about Energy Information

#### **Performance Results - Energy Information**

Number of times NEB energy information is accessed.

**RESULTS 2017-18 TARGET RESULTS 2018-19** 

750,000 986,347 1,216,873

Percentage of surveyed web users who agree that Number of opportunities that Canadians have to collaborate and provide feedback on energy information products.

**RESULTS 2017-18 RESULTS 2017-18** TARGET **RESULTS 2018-19** TARGET **RESULTS 2018-19** 

75% 84% 90% 42 76 105

energy information is useful for knowledge, research or decision making.

as a part of their own energy information publications.

The NEB's Energy Information program is instrumental in supporting energy literacy across many platforms, and in conveying the role and the work of the NEB to a broader public. We collaborate with Natural Resources Canada, Statistics

In addition, the NEB publishes a portfolio of publications on energy supply, demand and infrastructure as part of the NEB's ongoing market monitoring and assessment of Canadian energy requirements and trends, including:

Canada, academic and global policy organizations who use the NEB's energy data, data modelling, and integrated analysis

- Canada's Energy Future
- Provincial and Territorial Profiles
- Commodity Prices and Trade Updates

- Energy Quizzes
- Market snapshots

5 new datasets

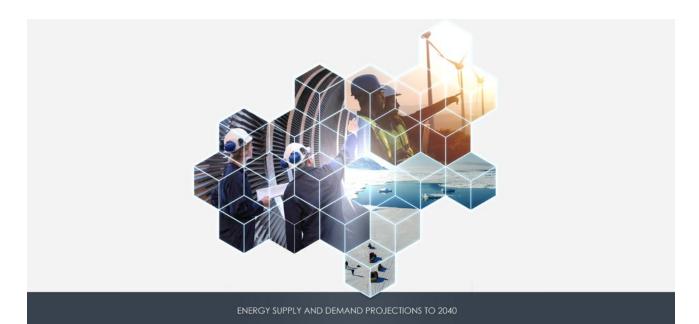
• <u>Canada's pipeline system portal</u> – Pipeline profiles, interactive pipeline maps, and pipeline transportation system

Increased information specific to National Energy Board-regulated infrastructure in communities.

**RESULTS 2018-19** 

15

**RESULTS 2017-18** 



# Canada's Energy Future 2018: Energy Supply and Demand Projections to 2040

The NEB has been producing energy outlooks for over 50 years. Now, the pace of change in Canadian and global energy markets, policy, and technology trends means that the need for timely analysis is greater than ever. <u>Canada's Energy Future 2018: Energy Supply and Demand Projections to 2040</u> is the only publicly available long-term Canadian outlook that provides data and analysis on all energy commodities and all provinces and territories.

The publication explores how possible energy futures might unfold for Canadians over the long term. NEB energy analysts use economic and energy models to make projections based on certain sets of assumptions given past and recent trends.

The report's baseline outlook is the Reference Case, which is based on a current economic outlook, a moderate view of energy prices, and includes climate and energy policies similar to those announced at the time of analysis. The Technology Case explores what Canada's energy future might look like with greater climate policy ambition, innovation and technology adoption. The report also includes cases with higher and lower commodity prices to examine price uncertainty.

The NEB's economists and technical staff engaged many different stakeholders in discussions on the future of energy in Canada during the creation of the report. This included federal government partners, provincial governments, and other energy experts across Canada, as well as international experts from groups including the International Energy Agency, the U.S. Energy Information Administration, and participants of the Energy Modeling Forum.

#### Western Canadian Crude Oil Supply, Markets, and Pipeline Capacity and Optimizing Oil Pipeline and Rail Capacity out of Western Canada

In November 2018, the Minister of Natural Resources, The Honourable Amarjeet Sohi, wrote to the NEB to seek advice on options to further optimize pipeline capacity out of western Canada. The request, which fell within the Board's advisory duties under Part II of the NEB Act, came as a response to the growing price differential for Canadian crude in the latter part of 2018 and its impacts on Canada. Minister Sohi requested insight on three specific questions:

- Is the current monthly nomination process to access available capacity on oil pipelines functioning appropriately, consistent with the "common carrier" provisions of the NEB Act and efficient utilization of pipeline infrastructure?
- Are there other impediments to the further optimization of pipeline capacity?
- Are there short-term steps to further maximize rail capacity?

In developing our report for the Minister, the NEB met with pipeline companies, producers, shippers, governments, other regulators and experts to seek input on the questions in the Minister's letter, and hosted an online forum on our website.

The NEB released the background information of our response to the Minister as a public report entitled Western Canadian Crude Oil Supply, Markets, and Pipeline Capacity in December 2018. The Minister received the formal report in February 2019, and at his request, we released Optimizing Oil Pipeline and Rail Capacity out of Western Canada - Advice to the Minister of Natural Resources in March. The reports described how space is allocated on pipelines in Canada, and offered insight into the imbalance between supply and capacity to move crude oil to markets and factors that have contributed to a wider discount, or differential, for Canadian crude oil.

#### **Exploring Energy Futures - for Students**

Through our Energy Information program, the NEB continually strives to make neutral, high-quality energy analysis and information available to all public audiences. In 2018-19, the NEB partnered with <u>Ingenium: Canadian Museums for Science and Innovation to create a lesson plan for high school students</u> that teaches them about energy in Canada. It is based on the NEB's Energy Futures work and uses the Explore Canada's Energy Future interactive data visualization tool.

The lesson plan is designed to encourage students' own observations about why provinces generate and consume electricity differently, provide students with the tools to engage in important conversations about energy in Canada, and increase their energy literacy. It also contains four activities, supported by two infographics developed by the Canadian Geographic Society.

This project is a new opportunity for the NEB to provide energy information to a youth audience, supporting knowledge about and interest in Canadian energy. The lesson plan was completed and released in October 2018 and a Part Two is scheduled for release in 2019, with material that is specifically tailored to Indigenous students and educators.

## Centralizing Energy Data: Canadian Energy Information Portal

There are many organizations and sources that collect and maintain national energy data, which can make finding particular types of information challenging. The NEB has collaborated with Natural Resources Canada, Environment and Climate Change Canada, and Statistics Canada on a project to centralize all national energy data in a single online space. This portal provides Canadians with a single point of access to a wide variety of statistics and measures of the country's energy sector. The portal offers an array of information on topics such as energy production, consumption, international trade, transportation and prices.

The portal also features an interactive dashboard that provides a comprehensive picture of the Canadian energy sector, with a focus on monthly and provincial usage.

The initiative will benefit anyone interested in obtaining data on energy who may not have prior knowledge of where or how to find that information, and create a more efficient mechanism for both the NEB and members of the public who regularly use energy data.

The NEB collaborated with the International Energy Agency (IEA) on an innovative Clean Technology Scenario report. The report shows that CO2 emissions from Canadian buildings could be 80% lower by 2050, with major energy improvements and shifts away from fossil fuels to low-carbon energy sources. NEB employees released the findings of the report with attendees at the <u>Clean Energy Ministerial</u> (CEM) in Vancouver. The CEM is a high-level global forum that promotes policies and programs to advance clean energy technology to share lessons learned and best practices, and encourage the transition to a global clean energy economy.





The NEB engages with stakeholders and Indigenous Peoples on topics within the National Energy Board's mandate and role, beyond engagement on specific projects.

In order to prevent harm, keep Canadians safe, protect the environment, and prevent market inefficiencies, the NEB is committed to listening to what people have to say and sharing the unique information we have as a regulator. Engagement leads to more informed decisions and recommendations that support safety and environmental protection, energy literacy and public transparency across every aspect of our work.

#### **Our Commitment:**

Stakeholders and Indigenous Peoples share their perspectives and provide feedback regarding the National Energy Board mandate and role.

NEB engagement activities with stakeholders and Indigenous Peoples are meaningful.

#### **Engagement Activities in 2018-19:**



9,269

# participants in NEB Engagement Programs



82%

% increase in participants from 2017-18



196

Indigenous Engagement events



150

Stakeholder Engagement events

#### Performance Results - Engagement

Number of participants in National Energy Board engagement programs.

TARGET RESULTS 2017-18 RESULTS 2018-19

5,000 4,270 9,269

Percentage of surveyed stakeholders who engaged with the National Energy Board who indicate that the engagement was meaningful.

TARGET RESULTS 2017-18 RESULTS 2018-19

75% 76% 84%

Percentage of surveyed Indigenous Peoples who engaged with the National Energy Board who indicate that the engagement was meaningful.

TARGET RESULTS 2017-18 RESULTS 2018-19

75% 80% 80%

#### **Key Initiatives in 2018-19**

- Expanded public engagement by enhancing the capacity of regional and national committees to allow for the provision of input focused on improving our decisions and our work
- Emphasis on enhancements to Indigenous monitoring and landowner advisory services
- Expanded training options available to employees to build cultural competency and engagement skills and conflict management training
- Continued commitment to the IAMCs
- Increased emphasis and common engagement approaches across all NEB programs

## A New Vision: Renewing Engagement at the NEB

Over the past year, the NEB has created new opportunities for engagement between the NEB, Indigenous Peoples and stakeholders. We have progressed—taking in and applying learnings from our engagement activities and the new relationships we are beginning to build. We have found that comprehensive engagement leads to better outcomes for all of the NEB's programs.

The establishment of a Three-Year NEB Focus Area on Reconciliation reflected an organization-wide understanding and agreement that as we modernize assessment and lifecycle oversight activities, we must also reconcile our relationships with Indigenous Peoples and engage differently. The establishment of this enterprisewide Focus Area means the NEB is poised and ready to transform the way we work with Indigenous Peoples by recognizing their unique culture, knowledge and history, and endeavoring to reflect a renewed nation-to-nation relationship based on recognition of rights, respect, cooperation and partnership. Building on the success of the two way dialogue that has been a hallmark of northern Indigenous Engagement and the Indigenous Advisory Monitoring Committees, the NEB is focusing on providing greater support for Indigenous Peoples to ask questions, learn, share perspectives, collaborate and inform improvements to the NEB's work.



#### **Engaging on Safety and Environmental Protection: Indigenous Monitoring Program**

Including Indigenous Peoples in the monitoring of energy infrastructure creates stronger safety and environmental oversight outcomes and prevents harm. Indigenous Advisory and Monitoring Committees (IAMCs) were codeveloped to increase Indigenous involvement in the federal monitoring and oversight of two energy projects: the Trans Mountain Expansion Project (TMEP) along with the existing Trans Mountain Pipeline, and the Enbridge Line 3 Replacement Program (Enbridge Line 3).

Over 2018-19. IAMC Monitors and NEB Inspection Officers participated in three joint training exercises. Indigenous Monitors participated in a four-day training session at the NEB Office in Calgary. At this training, Monitors learned about the mandate of the Committee, the role and powers of the NEB and its Inspection Officers and discussed how Monitors and Inspectors would work together. Monitors and Inspection Officers also participated in two days of Indigenous Knowledge training in Winnipeg. They heard from Elders from across the prairies and experts on United Nations Declaration on the Rights of Indigenous Peoples, and learned about cultural resources found on the Enbridge Line 3 alignment sheets including tipi rings, and other sacred sites. Inspection Officers also participated in a sweat lodge and a cultural land walk lead by First Nation Elders.

"Working with Indigenous Monitors helped me broaden my lens, to include elements that I would have not picked up in inspections before. It helped me do my job and ensure that impacts on the land and on Indigenous culture were avoided or minimized"

**NEB Inspection Officer** 

Between August 2018 and March 2019, Enbridge Line 3 and TMEP/ Trans Mountain IAMC Indigenous Monitors participated in 35 inspections and emergency management events with the NEB. The program had immediate effects that resulted in the increased protection of Indigenous interests and understanding of the NEB's regulatory roles. It also made significant in-roads towards relationship-building and long-term changes in the capacity of the NEB to integrate Indigenous Knowledge, values, and perspectives into its work.

A workshop on the lessons learned from the initial phase of the Indigenous Monitoring program was held in January 2019 following the completion of the construction season. All participants had many positive comments to make about the pilot. While there is still work to be done and improvements to be made, the initial successes of the IAMC pilot have created a new perspective on safety and environmental oversight that reflects the importance of cultural learning and knowledge exchange.

"The cooperation between the NEB Inspection Officers and IAMC Indigenous Monitors was very respectful. The first inspection, we issued an Order—that was pretty successful. We found something that needed addressing and it was accepted by the Inspection Officers after they looked into it. That was exciting for me—to see how they work, how they understand things. Every step of the way I was included."

IAMC Indigenous Monitor

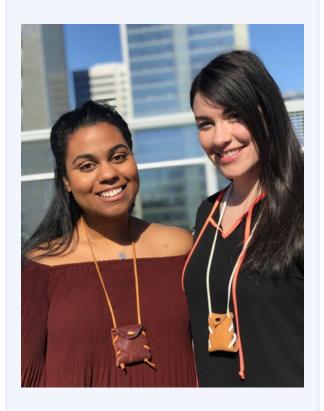
#### Safety and Environmental Oversight and IAMC Engagement Initiatives over 2018-19

- Indigenous Monitors participate in a total of 35 inspections and emergency management events
- IAMCs receive Serious Incident notifications
- Community outreach to share Emergency Management information
- Remediation Process Guide solicit IAMCs feedback
- Indigenous Monitor input on Company Condition Filings

#### **Indigenous Cultural Competence**

The NEB's decisions and actions may impact Indigenous rights and interests, and it is important that we understand and respect those rights and interests in our activities. In 2018-19, the NEB developed an Indigenous Cultural Competence Framework that will shape our policies, processes and training development going forward. The goal of the Framework is to provide specific, consistent and structured knowledge and skills that improves our ability to competently and respectfully engage with Indigenous Peoples.

The NEB hosted 11 Indigenous Awareness events in 2018-19, featuring Indigenous arts, culture and interactive learning opportunities, including two blanket exercises, webcasts by the Canada School of Public Service, a visit to the Alex Janvier exhibit at the Glenbow Museum, recognition of Orange Shirt Day, the NEB's first annual Authentic Indigenous Art Market, and the collective four week learning series of APTN's "First Contact" with a guided Elder-led panel discussion.



# Improving the NEB's Regulatory Framework through Increased Stakeholder Engagement

The NEB's Regional Offices have developed effective engagement mechanisms which allow NEB employees to regularly meet with impacted stakeholders and rights holders to gather feedback to enhance our regulatory framework.

The Vancouver Regional Office's (VRO) ongoing meetings with the Lower Mainland Municipalities (LMM) allowed technical staff from the NEB to meet face-to-face with municipal stakeholders and discuss issues that are important to them. One of the key issues raised through this forum is the LMM's concern regarding increased costs incurred by municipalities as a result of work conducted near NEB-regulated pipelines, particularly in urban areas. The NEB worked with varied stakeholders to identify options to address these concerns. In 2019, the NEB will issue a discussion paper with a proposed regulatory approach that reflects this early engagement activity, and begin the formal consultation process on the proposal.

The Montreal Regional Office (MRO) worked with officials from the <u>Communauté métropolitaine de Montréal</u> and the Quebec Government to finalize the <u>Cadre de référence Intervention Pipelines</u>, a framework aimed at clarifying the roles and responsibilities of Emergency Management officials from all levels of governments in the event of a pipeline incident in the province. Incident response has been an on-going concern in the region, and the MRO engaged extensively with municipalities along the routes of Enbridge Line 9B and the Trans-Northern Pipeline on our existing emergency management practices.

The MRO has also engaged extensively with officials from Public Safety Quebec, Public Safety Canada and other municipalities, including the City of Montreal to organize Diapason 2, a two-day table-top incident response exercise involving more than 150 participants. This was the second table-top exercise organized in the region, and these exercises continue to be well-attended and well-received.



# Supporting Regulatory Excellence

The NEB has always strived for continual improvement in the way we approach our work. In recent years, the increasing complexity of our regulatory context and Canada's energy industry has intensified our focus on creating systemic improvements in all parts of the organization.

# Transformation of Data and Information Management

The work of the NEB is driven through data analysis, information exchange and performance measurement. Over 2018-19 the NEB focused on a transformation of how we manage and use data to enable and support our employees and to meet the energy information needs of Canadians.

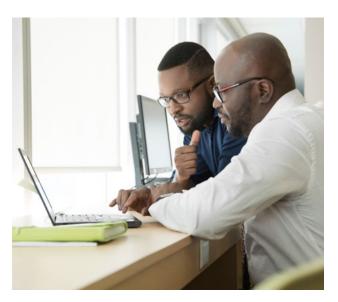
Every day we are generating data from digital products and services at an unprecedented rate. This explosion in data requires a uniquely skilled workforce to fully leverage the opportunities from data. To create a foundation of expertise in this area, the NEB has been working actively with data science industry leaders, academics and government programs to form partnerships and increase our in-house capacity for data science, user-experience and interface design and geographic information expertise.

The NEB developed a partnership with the non-profit organization <u>Code for Canada (C4C)</u> to modernize REGDOCS, the NEB's publicly accessible database of regulatory documents that includes hearing reports, environmental assessments, transcripts, and decisions. C4C fellows will work with NEB employees to research, develop, test, and iterate a digital solution to make it easier to discover energy projects of interest, extract information about those projects, and submit documents to be considered by the NEB.

The NEB has also held cross-organizational Data Science Workshops, aimed at helping our employees build capacity in data analytics, experimentation culture and evidence-based decision making. We implemented both "handson" data science training facilitated by industry expert, Shingai Manjengwa, and we created an on-line version of the training that we are testing with the eventual goal of incorporating it into the Canada School of Public Service educational offerings.







# The Government of Canada's Bill C-69

The federal government's introduction of Bill C-69, proposes to replace the National Energy Board Act with the Canadian Energy Regulator (CER) Act, which would see the NEB become the CER.

The CER Act will introduce some changes to how we operate\*. However, our job as Canada's energy regulator – and our mission and vision – will remain the same. We would continue to regulate pipelines, power lines, energy development and trade in a way that protects the public and the environment while supporting efficient markets.

With more than six decades of experience as a federal regulator that currently oversees more than 73,000 km of pipelines and 1,400 km of international powerlines, and an experienced workforce of more than 500 employees, we are well-positioned to implement Bill C-69.

Moving ahead, we will support the mandate and structure of the new organization, implement regulatory processes that are even more focused on Indigenous and public participation, institute updated systems, website, physical and digital assets. We will continue on a journey towards regulatory excellence with the same passion, dedication and expertise that each of us has always brought to our role as Canada's federal energy regulator. And, we welcome walking that path with the Canadians whom we are proud to serve.



<sup>\*</sup> FOLLOWING THE CONCLUSION OF FISCAL YEAR 2018-19, BILL C-69 RECEIVED ROYAL ASSENT ON JUNE 20, 2019.

#### To Learn More about the NEB

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