



CANADIAN ASSOCIATION
OF PETROLEUM PRODUCERS

Canada's Oil and Natural Gas Producers

November 1, 2015

Ms Sheri Young
Secretary of the Board
National Energy Board
517 Tenth Avenue SW
Calgary, Alberta, T2R O8A

By Email: damagepreventionregs@neb-one.gc.ca

To whom it may Concern,

Re: CAPP Feedback 25-Day Comment Period on Update to the National Energy Board's Damage Prevention Regulatory Framework Amendments to the NEB's Damage Prevention Regulations (File Ad-GA-ActsLeg-Fed-NEBA-RRG-DPR 0201)

The Canadian Association of Petroleum Producers (CAPP) represents companies, large and small, that explore for, develop and produce natural gas and crude oil throughout Canada. CAPP's member companies produce more than 90 per cent of Canada's natural gas and crude oil. CAPP's associate members provide a wide range of services that support the upstream crude oil and natural gas industry. Together CAPP's members and associate members are an important part of a national industry with revenues of about \$100 billion-a-year. CAPP's mission is to enhance the economic sustainability of the Canadian upstream petroleum industry in a safe and environmentally and socially responsible manner, through constructive engagement and communication with governments, the public and stakeholders in the communities in which we operate.

CAPP members work to reduce damage to underground infrastructure; ensuring public safety, environmental protection, and the integrity of services by promoting effective damage prevention practices. The safety and integrity of buried infrastructure is critical to the oil and gas industry, and our members work diligently to ensure their pipeline systems are safe and reliable.

CAPP member companies believe in strong damage prevention regulation and that all companies should be held to the highest standard. We appreciate the opportunity to comment on the Notice of Intent Update the National Energy Board's Damage Prevention Regulatory Framework Amendments to the NEB's Damage Prevention Regulations.

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Our industry is currently working on developing a new industry-specific damage prevention/ground disturbance guideline via our safety association, Enform. This product is about to be released for review and comment by industry, and we encourage the NEB to participate in the review.

Key Issues

Oil and gas companies work within different provinces and under different regulatory regimes across Canada. CAPP strongly supports regulatory harmonization, to reduce confusion, enable greater efficiency and enhance compliance. Regulatory harmonization is of even greater importance in the current economic climate. CAPP strongly urges the NEB to work towards establishing a clear consistent regulatory framework that is harmonized with other jurisdictions within which we operate.

CAPP prefers the definition for ground disturbance that was used in the recently published CSA Z247. This standard was developed, in part, to offer damage prevention symmetry across regulatory jurisdictions. CAPP therefore urges the NEB to adopt the ground disturbance definition captured in CSA Z247.

CAPP supports the objective of regulatory clarity. The proposed amendments introduce new terminology (eg: prescribed areas) and the language is unclear. CAPP suggests removing the term ‘excavation’ from the proposed amendments, and replacing it with the broader term ‘ground disturbance’, so that terminology is consistent. CAPP recommends that the language of the proposed amendments be reviewed.

Recommendations

CAPP continues to support the development of a strong regulatory framework for damage prevention, and we encourage the National Energy Board to engage with other regulators towards a more harmonized regulatory approach.

We wish to learn more about the proposed amendments, and we would welcome the opportunity to collaborate further.

On behalf of the Canadian Association of Petroleum Producers, thank you for the opportunity to present this feedback. Our members have a desire to work together to provide excellence in public and operator safety, and to have clear regulations that allow for the highest of due diligence. We hope our comments are useful and welcome any opportunity to discuss them further.

If you have any questions concerning our comments, please contact me at brad.herald@capp.ca or (403) 267-1113.

Sincerely,

A handwritten signature in black ink that reads "Brad Herald". The signature is written in a cursive, flowing style.

Brad Herald
Vice President, Western Canada and Natural Gas Markets