# Regulatory Agenda

The period covered in this Regulatory Agenda is the month of May 2001

# Mackenzie Valley and Beaufort Offshore Pipeline Agreement to Develop a Draft Framework for a Single Environmental Assessment Process for Pipeline Proposals

It was announced on 24 May that a draft framework for a single environmental assessment process will be developed for the review of Mackenzie Valley and Beaufort offshore pipeline proposals. The agreement was reached following two days of meetings of the chairs of the boards and agencies with responsibility for regulating energy developments in the Northwest Territories.

The draft framework will also consider integration of the various regulatory requirements applicable to the project and will support and respect the spirit and intent of land claims agreements. The parties are optimistic the draft framework will be developed by the end of the summer. Once developed, the draft framework will be made available for comment and will be subject to ratification by the relevant authorities.

Since November 2000, the parties have met several times to explore their willingness and ability to cooperate and coordinate the review process for northern gas development. The parties involved include: the National Energy Board, the Mackenzie Valley Environmental Impact Review Board, the Environmental Impact Screening Committee and the Environmental Impact Review Board for the Inuvialuit Settlement Region, the Canadian Environmental Assessment Agency, the Department of Indian Affairs and Northern Development, the Mackenzie Valley Land and Water Board, the NWT Water Board, the Inuvialuit Land Administration, the Inuvialuit Game Council, the Sahtu Land and Water Board, the Gwich'in Land and Water Board, and the Government of the Northwest Territories.

## In This Issue

## **Preface**

The purpose of this agenda is to provide information on the Board's activities. Except where otherwise noted, jurisdiction over the items listed in the agenda is exercised pursuant to the *National Energy Board Act*, R.S.C. 1985, c.N-7, as amended.

"We promote Safety, Environmental Protection and Economic Efficiency"

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# Energy Market Assessment - Canadian Electricity Trends and Issues

On 10 May, the Board issued an *Energy Market Assessment* report entitled *Canadian Electricity Trends and Issues* which examines electricity demand and generation in Canada and provides a province-by-province analysis of trade, regulatory developments (including restructuring initiatives) and electricity prices. The report is available on the Board's Internet Site at www.neb-one.gc.ca under the heading *Publications*, *Reports*, *Assessment (Markets)*.

## Energy Market Assessment -North American Natural Gas Liquids Pricing and Convergence

On 25 May, the Board issued an *Energy Market Assessment* report entitled *North American Natural Gas Liquids Pricing and Convergence* which provides a background on natural gas liquids pricing and the impact of energy price convergence. The report is available on the Board's Internet Site at www.neb-one.gc.ca under the heading *Publications*, *Reports*, *Assessment (Markets)*.

## **Public Hearing Applications**

#### **Recent Hearing Decision**

1. Enbridge Pipelines Inc. (Enbridge) - Pipeline Construction, Terrace Expansion Phase II -OH-1-2000 (File 3200-E101-3)

Reasons for Decision dated May; issued on 15 May.

The Board approved an application from Enbridge to construct oil pipeline facilities which comprise Phase II of its Terrace Expansion Program. Enbridge applied to construct approximately123 kilometres (76 miles) of 914 millimetre (36 inch) pipeline over three separate construction segments located between its Hardisty, Alberta terminal and its Kerrobert, Saskatchewan terminal. The applied-for facilities are the second phase of a multi-phase Terrace Expansion Program agreed upon by industry and Enbridge. Terrace Phase I was approved by the Board in 1998. The estimated cost of the expansion facilities is \$140 million and the proposed in-service date is the first half of 2002.

The Board considered the application at a public hearing held on 19 and 20 March, in Calgary, Alberta.

#### **Hearing Decision Pending**

1. Westcoast Energy Inc. (WEI) - Pine River Gas Plant Sulphur Pipeline - MH-1-2001 (File 3050-W005-1)

On 12 April, the Board decided not to permit WEI to reopen its Pine River Gas Plant Sulphur Pipeline (the pipeline) until it is satisfied that certain issues have been fully addressed, or that a comprehensive plan is in place to address those issues. On 24 April, the Board sent a letter to

WEI providing the scope for the comprehensive plan to be developed by the company.

On 16 March, the Board had issued an order, following a number of fires on the pipeline, directing WEI to stop all work on the pipeline, except work required in an emergency situation, and to cease operating the pipeline pending further order of the Board.

The Board held a public hearing on the operation of WEI's pipeline from 9 to 12 April in Chetwynd, British Columbia. The purpose of the hearing was to determine if the pipeline may be safely operated; whether the Board should order WEI to repair, reconstruct or alter part of the pipeline in order to ensure that it may be safely operated; and, if conditions should be imposed on WEI in order to ensure the safe operation of the pipeline.

#### **Hearing Applications Filed**

1. Westcoast Energy Inc. (WEI) - Pipeline Construction - Grizzly Raw Gas Transmission System Expansion and the Weejay Lateral (File 3200-W005-11)

On 18 May, the Board invited public comments on the environmental aspects of an application by WEI to extend the Grizzly Raw Gas Transmission System and to construct the Weejay Lateral in British Columbia and Alberta. Any person who wishes to comment should file a copy with Westcoast and the Secretary of the Board no later than Thursday, 27 June 2001.

On 31 January, WEI applied to construct approximately 108.5 kilometres (67 miles) of 406.4 millimetre (16 inch) pipeline extending the

Grizzly Raw Gas Transmission System from a point in northeast British Columbia, approximately 30 kilometres (19 miles) southeast of Tumbler Ridge, to a proposed receipt point in Alberta approximately 110 kilometres (68 miles) southwest of Grande Prairie. WEI also proposes to construct approximately 6.3 kilometres (4 miles) of 273 millimetre (10 inch) pipeline, to be known as the Weejay Lateral, from a well site in British Columbia to a tie-in point on the proposed Grizzly Extension Pipeline.

The proposed facilities will permit WEI to connect additional gas reserves in the Ojay/Weejay area of British Columbia and the Narraway area of Alberta. The estimated cost of the proposed facilities is \$64.5 million and the proposed in-service date is 1 December 2001.

As part of its application, WEI had prepared an environmental assessment document. To satisfy the requirements of the *Canadian Environmental Assessment Act*, the Board has determined that a comprehensive study must also be conducted for the project. The Board has delegated the responsibility for completing this study and preparing a comprehensive study report to WEI. The Board, the Canadian Environmental Assessment Agency, on behalf of the Minister of Environment, and the Department of Fisheries and Ocean have prepared a scoping document for the environmental assessment.

## 2. Maritimes & Northeast Pipeline Management Ltd. (M&NP) - 2001 and 2002 Tolls (File 4200-M124-1)

On 23 March, M&NP filed an application for the approval of final tolls for the period 1 October 2000 to 31 December 2001 (Test Period 2001) and the period 1 January 2002 to 31 December 2002 (Test Period 2002).

For Test Period 2001, M&NP is requesting approval of a revenue requirement of \$177.9 million, a rate base of \$883.2 million and a rate of return on rate base of 8.41 per cent. For Test Period 2002, M&NP is requesting approval of a revenue requirement of \$146.7 million, a rate base of \$900.1 million and a rate of return on rate base of 8.25 per cent. Revenue requirement is the cost of providing service, including operating and maintenance expenses, depreciation, amortization, taxes and return on rate base. Rate base is the amount of investment on which a return is authorized to be earned. M&NP has been operating on interim tolls approved by the Board effective 1 October 2000.

# 3. Georgia Strait Crossing Pipeline Limited (GSCPL) - Georgia Strait Pipeline Crossing Project (GSX Project) (File 3200-G049-1)

On 24 April, GSCPL applied to construct and operate the Canadian portion of a natural gas pipeline from Sumas, Washington, across the ocean floor of Georgia Strait to a landfall point near Cobble Hill on Vancouver Island, interconnecting with the Centra Gas Transmission System. The proposed project is a joint undertaking by British Columbia Hydro and Power Authority (BC Hydro) and Williams Gas Pipeline Company (Williams), operating under the name of GSX.

The Canadian portion of the pipeline would originate at a point on the international border in Boundary Pass, west of the Strait of Georgia, to an interconnection with the existing Centra Gas British Columbia Inc. pipeline on Vancouver Island, south of Duncan. The Canadian portion of the pipeline would be approximately 60 kilometres (37.5 miles) in length, with approximately 44 kilometres (27.5 miles) being offshore and 16 kilometres (10 miles) onshore. The 406.4 millimetre (16 inch) diameter pipeline would be designed to initially transport 2.66 million cubic metres (94 million cubic feet) per day of natural gas. The company is proposing an in-service date of October 2003. The estimated cost of the Canadian portion of the facilities is \$100 million.

Following a request from the Board, the Minister of the Environment announced on 4 October 2000 that the proposed Georgia Strait Crossing Pipeline Project will be sent to an independent environmental assessment review panel. The Board will announce at a later time how the application will be processed.

#### 4. New Brunswick Power Corporation (NB Power) -Construct an International Power Line (File 2200-N088-1)

On 31 May, NB Power applied to construct and operate a 345 kilovotlt international power line (IPL) of approximately 95 kilometres (59 miles) in length running west from the Point Lepreau Peninsula through the counties of Saint John and Charlotte in New Brunswick to the international boundary near Woodland, Maine. The estimated cost of the IPL is \$40 million and NB Power expects to commence construction in the Spring of 2002. The United States portion of the project will consist of approximately 135 kilometres (84 miles) of power line running from Woodland to Orrington in Maine. Bango Hydro Electric Company is seek-

ing state and federal approvals for the U.S. portion of the project.

On 19 April, NB Power filed a preliminary submission to request the Board to initiate activities as the Responsible Authority under the *Canada Environmental Assessment Act* for the proposed IPL before NB Power applies for a certificate to construct the IPL.

#### **Hearings Adjourned and Postponed**

1. St. Clair Pipelines (1996) Ltd. (St. Clair) -TransCanada PipeLines Limited (TCPL) - Pipeline Projects in Ontario - Canadian Millennium Pipeline Project - GH-1-2000 (Files 3200-S119-1 and 3200-T001-15)

For more information on this matter, refer to item 1 under *Hearing Applications*, *Hearing Adjourned* in the June 2000 issue of the *Regulatory Agenda*.

2. Sumas Energy 2, Inc.(SE2) - International Power Line (File 2200-S040-1)

For more information on this matter, refer to item 1 under *Hearing Applications*, *Hearing Scheduled* in the February 2001 issue of the *Regulatory Agenda*.

3. Mr. Robert A. Milne, 3336101 Ontario Limited, c.o.b. as Milne Crushing & Screening - MH-1-97

For more information on this matter, refer to item 1 under *Hearing Applications*, *Hearings Postponed* in issue No. 62 of the *Regulatory Agenda* dated 1 October 1997.

4. Crowsnest Pipeline Project - Natural Gas Pipeline

For more information on this matter, refer to item 1 under *Hearing Applications*, *Hearing Application* Suspended of issue No. 63 of the *Regulatory Agenda* dated 1 January 1998.

## **Non Hearing Applications**

## **Electricity Matters**

#### **Matters Under Consideration**

1. BP Canada Energy Company (BP) - Electricity Export (File 6200-B058-1-1)

On 16 March, BP applied for permits to export up to 1 000 megawatts and 5 000 gigawatt hours of combined firm power and energy annually for a period of 10 years.

2. El Paso Merchant Energy, L.P. (El Paso) -Electricity Export (File 6200-E036-1)

On 11 December, El Paso applied for permits to export up to 1 000 megawatts of firm and interruptible power and up to 5 000 gigawatt hours of firm and interruptible energy per year for a period of 10 years.

On 20 April, the Board sent a letter to El Paso requesting additional information.

3. Independent Electricity Market Operator of Ontario (IMO) - Electricity Export (File 6200-J027-1)

On 15 December, IMO applied for permits to export electricity as a border accommodation to provide emergency assistance to neighbouring jurisdictions in the United States for 25 years.

On 7 February and 20 April, the Board sent letters to IMO requesting additional information.

4. Morgan Stanley Capital Group Inc. (Morgan) - Electricity Export (File 6200-M136-1) On 1 May, Morgan applied for permits to export up to 2 336 000 megawatts of firm and interruptible power and 2 336 gigawatt hours per year of firm and interruptible energy for a period of 20 years.

5. PanCanadian Energy Services (PanCanadian) - Electricity Export (File 6200-P080-1)

On 15 March, PanCanadian applied for permits to export up to 5 000 gigawatt hours of firm and interruptible energy per year for a period of 10 years.

6. TransCanada Power Marketing Ltd. (TransCanada) - Electricity Export (File 6200-T074-1)

On 13 March, TransCanada applied for permits to export up to 500 megawatts of firm and interruptible power per month, and 2 terawatt hours of firm and interruptible energy per year for a period of 10 years.

## **Pipeline Matters**

#### **Matters Completed**

1. Section 58 Applications

The Board has approved applications under section 58 of the *National Energy Board Act* involving routine pipeline facilities or the construction of Pipelines not exceeding 40 kilometres in length. See Appendix I for details of the applications approved.

#### **Matters Under Consideration**

2. AEC Suffield Gas Pipeline Inc. - Amber Energy Inc. - Natural Gas Pipeline Construction - Ekwan Pipeline Project (File 3400-A167-1)

For more information on this matter, refer to item 7 under *Non Hearing Applications*, *Pipeline Matters* in issue No. 72 of the Regulatory Agenda dated 1 April 2000.

3. Ricks Nova Scotia Co. (Ricks) and AEC Oil and Gas (AEC) - Sale of the Ladyfern Pipeline (Files 3400-A081-1 and 3400-R029-2)

On 1 March, Ricks and AEC filed a joint application for approval of the sale and purchase of Ricks' Ladyfern Pipeline to AEC. The Ladyfern Pipeline is a 12 kilometre (7.5 mile), 273.1 millimetre (10 inch) natural gas pipeline originating in northeastern British Columbia and connecting with the Nova Gas Transmission Ltd. Owl Lake South Meter Station in Alberta.

4. Pouce Coupe Pipe Line Ltd. (Pouce Coupe) - Sale of Oil Pipelines (Files 3400-P123-2 and 3400-F72-1)

On 25 July, Pouce Coupe applied for approval of the following: i) sell the Pouce Coupe pipeline to Pembina Partnership; ii) sell the Federated Pipe Lines (Northern) Ltd. (Federated) pipeline to Pembina Partnership; iii) sell both these newly acquired pipelines by Pembina Partnership to Pembina Northern LP; iv) replace the name Pouce Coupe in Board Order XO-1-89 with "Pouce Coupe as agent and general partner of Pembina Northern LP"; and v) transfer Certificate OC-42 from Federated Pipe Lines (Northern) Ltd. to "Pouce Coupe as agent and general partner of Pembina Northern LP". Pouce Coupe is a wholly-owned subsidiary of Pembina Corporation.

The Pouce Coupe facilities consists of 26 kilometres (16 miles) of 219 millimetre (eight inch) of oil pipeline extending from Dawson Creek, British Columbia to Bay Tree, Alberta. The Federated system consists of 172 kilometres (107 miles) of 273 millimetre (10 inch) of oil pipeline extending from Taylor, British Columbia to Belloy, Alberta.

On 11 August, the Board sent a letter to Pouce Coupe requesting additional information.

5. Westcoast Energy Inc. (WEI) - Kwoen Facilities (File 3400-W005-265)

On 15 December, WEI applied for approval to construct upstream facilities in order to

debottleneck the Pine River Plant, which is located 30 kilometres (18.6 miles) south of Chetwynd, British Columbia, and gas from the Grizzly Valley Raw Gas Transmission System. The applied-for facilities, which would expand raw gas deliveries to meet the Pine River Plant's initial design residue gas capability, include: (i) a booster compressor unit; (ii) an acid gas stripper facility; (iii) a 10-kilometre (6.2-mile) acid gas re-injection commodity pipeline; and, (iv) modifications to a re-injection disposal well. The proposed gas stripper facility and the booster compressor unit would be located 29 kilometres southeast of the Pine River Plant. The estimated cost of the project is \$95.5 million.

## Traffic, Tolls and Tariff Matters

#### **Matters Under Consideration**

1. TransCanada PipeLines Limited (TCPL) - 2001/2002 Tolls and Tariff (File 4200-T001-15)

On 3 May, TCPL filed an application concerning 2001/2002 tolls and tariff issues. The 2001/2002 Tolls and Tariff application is based on the terms of a Mainline Service and Pricing Settlement.

In April 2001, TCPL and certain stakeholders reached agreement on the terms of a settlement. The proposed settlement relates to all tolls and tariff matters for the years 2001 and 2002, excluding cost of capital issues. The settlement, which would be effective1 January 2001, establishes a toll methodology to be utilized for both 2001 and 2002, tariff provisions to be applicable in that time period, and the components of the revenue requirement (other than cost of capital) to be used in the calculation final tolls.

TCPL indicated to the Board that proposed changes to the cost of capital were not part of the settlement and will be the subject of a separate application to be filed in the near future.

The Board has decided to request comments from interested parties on the substance of the application as well as the need for and nature of a further process. Interested parties had until 23 May to comment, and TCPL had until 29 May to reply to comments received. The Board is considering the comments received will decide on an appropriate course of action for completing the examination of the application.

2. Murphy Oil Company Ltd. (Murphy) - Milk River Pipeline - Toll Complaint (File 4775-M23-1-2)

On 25 August, PanCanadian Petroleum Limited, Alberta Energy Company Ltd., Crestar Energy Inc. and EOTT Energy Canada Limited Partnership, collectively known as the Bow River South Group (BRS), filed a complaint concerning the tolls charged by Murphy for transportation of crude oil on the Milk River pipeline. The Milk River pipeline is a crude oil system approximately 18 kilometres (11 miles) long connecting the Home Oil Manyberries pipeline, the Bow River pipeline and a Murphy truck terminal in Alberta to the CENEX pipeline in Montana.

BRS has filed their complaint after they had been unsuccessful in obtaining a satisfactory explanation for the derivation of the tolls charged on the Milk River pipeline.

On 31 August, the Board decided to initiate a written proceeding to examine the tolls. The Board also decided that the existing tolls will, effective 1 September 2000, continue to be charged on an interim basis, pending a determination by the Board of just and reasonable tolls. On 26 September, the Board, at the request of Murphy, extended the dates for the filing of submissions.

#### **Frontier Matters**

- 1. Paramount Resources Ltd. was issued a "Declaration of Commercial Discovery" on 1 May with respect to certain lands operated in the southeast of Fort Liard pursuant to the Part II.1, Section 28.2 of the National Energy Board Act and Part IV, Section 35 of the Canada Petroleum Resources Act.
- 2. *Imperial Oil Resources* was given approval on 31 May for "Authority to Drill a Well" pursuant to section 83 of the *Canada Oil and Gas Drilling Regulations* for the following wells:

IMP Norman Wells O-16X;

IMP Norman Wells O-19X:

IMP Norman Wells M-19X; and

IMP Norman Wells N-18X.

3. Geological, geophysical or geotechnical operation - two applications were approved pursuant to section 5.1(b) of the Canada Oil and Gas Operations Act as follow:

Company	Area	Operation ID	Date
Canadian Forest Oil Ltd.	Liard	9229-C131-006E	22 May 2001
Petro-Canada Inc.	Mackenzie Delta	9329-P028-006E	31 May 2001

## **Appeal and Review**

#### **Appeal Pending**

1. Canadian Forest Oil Limited (Canadian Forest) v Chevron Canada Resources and Ranger Oil Limited (Chevron et al.)

For more information on this matter, refer to item 1 under the heading Appeals of the 31August 2000 issue of the Regulatory Agenda.

#### **Review Pending**

1. Reservoir Safety Committee (RSC) - Review of Electricity Export Permits Issued to British Columbia Power Exchange Corporation (Powerex) and British Columbia Hydro and Power Authority (BC Hydro) (File 6200-B095-4-1)

On 17 October, RSC applied for a review of electricity export permits EPE-118 and EPE-119 issued to Powerex and permits EPE-124, EPE-125, EPE-126 and EPE-127 issued to BC Hydro. In its application, RSC stated that since 1980,

11 drowning have occurred in BC Hydro's Carpenter Reservoir. This is a consequence of BC Hydro's refusal to provide adeqtate protection to workers and members of the public traveling through the Bridge River Generating Facility, located within the Carpenter Reservoir. RSC further stated that widespread citizen concern with the operation of the facility, has led to the formation of the RSC. RSC's goal is to effect significant safety related improvements to the facility. RSC requested that the Board rescind permits related to the export of electricity generated through BC Hydro's Bridge River Hydro Electric Facility until such time as the safety of workers and the traveling public can be assured.

On 19 December, the Board sent a letter to RSC advising that it will hold the application in abeyance until RSC has complied with section 44 of the *National Energy Board Rules of Practice and Procedure, 1995*, including notification to potentially interested persons.

## **Amendments to Regulations and Rules**

1. National Energy Board Pipeline Crossing Regulations, Part II - Damage Prevention Regulations (File 185-A000-36)

The Board intends to replace the existing *Pipeline Crossing Regulations*, *Part II* with regulations targeted at damage prevention (to be known as Damage Prevention Regulations). The new regulations will regulate activities on or adjacent to pipeline rights of way under the Board's jurisdiction in the interest of the safety of the public and of company employees and the protection of property and the environment.

On 15 February, the Board released the results of a survey conducted last summer on the proposed new regulations. The results of the survey can be found on the Board's Internet site at www.neb-one.gc.ca.

## 2. Processing Plant Regulations (the Regulations) (File 185-A000-13)

The Board is proposing new goal-oriented Processing Plant Regulations to complement the *Onshore Pipeline Regulations, 1999.* The Regulations, when promulgated, will govern the design, construction, operation, and abandonment of processing plants which are owned and operated by federally regulated companies and whose function is integral with respect to transportation. Such facilities are presently regulated under the *Onshore Pipeline Regulations, 1999.* 

The draft regulations have been sent to the Department of Justice for examination under the *Statutory Instruments Act*.

## 3. National Energy Board Rules of Practice and Procedure, 1995 (the Rules) (File 341-A000-2)

The Board is moving towards the implementation of Electronic Regulatory Filing (ERF). An analysis of the legal issues surrounding implementation of ERF has been prepared and is available on the Board's Internet site at www.neb-one.gc.ca under *Electronic Regulatory Filing*, *Other ERF Documents*. Regulations under the *National Energy Board Act* and the *Canada Oil and Gas Operations Act* have been examined. The most extensive changes are to the Rules. Amendments to the Rules will enable parties to file all required regulatory documentation via electronic means. Changes to the other regulations are largely of an administrative nature.

4. Canada Oil and Gas Diving Regulations (Diving Regulations) and Guidance Notes (File 2001-1)

The Board is proposing replacing the existing Diving Regulations with goal-oriented Diving Regulations. Instead of specifying various aspects of the diving operations, these new Regulations put the responsibility on the Operators to develop and demonstrate how their dive plan specifications and procedures meet the objectives of the Regulations.

The draft regulations have been sent to the Department of Justice for examination under the *Statutory Instruments Act*.

5. The Canada Oil and Gas Drilling Regulations (COGDR) and the Canada Oil and Gas Production and Conservation Regulations (COGPCR) (File 0406-14)

The above mentioned two regulations have been updated and re-structured into one Regulation entitled the *Canada Oil and Gas Drilling and Production Regulations* (the Regulations). The Regulations will establish the requirements for engineering, safety and environmental, and conservation of resources issues pertaining to the design, construction, operation and abandonment of exploration and production facilities under the *Canada Oil and Gas Operations Act*.

The draft regulations have been sent to the Department of Justice for examination under the *Statutory Instruments Act.* 

#### 6. Regulations and Guidance Notes Pertaining to Canada Labour Code, Part II

The process of amending the *Canada Oil and Gas Occupational Safety and Health Regulations* pertaining to oil and gas activities, under the provisions of the *Canada Labour Code, Part II*, is continuing.

## **Administrative Matters**

## **Instructions for Filing**

All correspondence with the Board should be addressed to the Secretary, National Energy Board, 444 Seventh Avenue SW, Calgary, AB T2P 0X8 - Fax (403) 292-5503.

## Applications - Copies Required to be Filed

For a list of the number of copies required for the different types of applications, see our Internet site under the heading *Regulatory Updates*.

### **Communication Numbers**

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## **Appendix I**

## **Section 58 Applications**

## **Gas Pipelines**

Applicant	File/Order	Application	Est. Cost
Maritimes & Northeast Pipeline Management Ltd.	File: 3400-M124-12 Order: XG-M124-14-2001	Application dated 12 March; approved on 31 May. Construct Custody Transfer Station facilities for Sempra Gas Atlantic at Truro, Nova Scotia.	1 450 000

## **Oil Pipelines**

Applicant	File/Order	Application	Est. Cost
Enbridge Pipelines (Westspur) Inc.	File: 3400-W103-11 Order: XO-E103-12-2001	Application dated 23 February; approved on 28 May. Decommission approximately two kilometres of 168.3 millimetre crude pipeline and construct a new 114 millimetre pipeline as a replacement.	170 000

## **Profile**

The National Energy Board is a federal regulatory tribunal that was created on 2 November 1959 by an Act of Parliament. Over the course of its history, it has played an important role in the development of Canada's energy sector.

The Board's regulatory powers under the *National Energy Board Act* include the granting of authorizations for the exportation of oil, natural gas and electricity, the certification of interprovincial and international pipelines and designated interprovincial and international power lines, and the setting of tolls and tariffs for oil and gas pipelines under federal jurisdiction.

In addition to its regulatory functions, the Board is responsible for advising the government on the development and use of energy resources.

The Act also requires that the Board keep under review the Canadian supply of all major energy commodities, with emphasis on electricity, oil, natural gas, and the by-products derived from oil and natural gas, as well as the demand for Canadian energy in Canada and in export markets.

The Board's responsibilities under the *Canada Oil* and *Gas Operations Act* and certain provisions of the *Canada Petroleum Resources Act* encompass the regulation of exploration for and the development and production of oil and gas on Frontier Lands in a manner that promotes safety of the worker, protection of the environment, and conservation of hydrocarbon resources.

The Board also has specific responsibilities under the *Northern Pipeline Act* and the *Energy Administration Act*. In addition, Board inspectors have been appointed safety officers by Human Resources Development Canada to administer Part II of the *Canada Labour Code*.

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