

National Energy  
Board



Office national  
de l'énergie

FILING  
REQUIREMENTS

PIPELINE SAFETY

PUBLIC ENGAGEMENT

TOLLS AND TARIFFS

PROTECT THE ENVIRONMENT

APPLICATIONS

GUIDANCE

# Filing Manual

Canada

## Permission to Reproduce

Materials may be reproduced for personal, educational and/or non-profit activities, in part or in whole and by any means, without charge or further permission from the National Energy Board, provided that due diligence is exercised in ensuring the accuracy of the information reproduced; that the National Energy Board is identified as the source institution; and that the reproduction is not represented as an official version of the information reproduced, nor as having been made in affiliation with, or with the endorsement of the National Energy Board.

For permission to reproduce the information in this publication for commercial redistribution, please  
e-mail: [info@neb-one.gc.ca](mailto:info@neb-one.gc.ca)

## Autorisation de reproduction

Le contenu de cette publication peut être reproduit à des fins personnelles, éducatives et/ou sans but lucratif, en tout ou en partie et par quelque moyen que ce soit, sans frais et sans autre permission de l'Office national de l'énergie, pourvu qu'une diligence raisonnable soit exercée afin d'assurer l'exactitude de l'information reproduite, que l'Office national de l'énergie soit mentionné comme organisme source et que la reproduction ne soit présentée ni comme une version officielle ni comme une copie ayant été faite en collaboration avec l'Office national de l'énergie ou avec son consentement.

Pour obtenir l'autorisation de reproduire l'information contenue dans cette publication à des fins commerciales, faire parvenir un courriel à : [info@neb-one.gc.ca](mailto:info@neb-one.gc.ca)

Revisions were made to the National Energy Board Filing Manual on  
December 2016

L'Office national de l'énergie a modifié le Guide de dépôt en  
décembre 2016

© Her Majesty the Queen in Right of Canada as  
represented by the National Energy Board 2004

© Sa Majesté la Reine du chef du Canada représentée  
par l'Office national de l'énergie 2004

Cat. No. NE23-44/2004E  
ISBN 0-662-36977-7  
ISSN 1718-4711

N° de cat. NE23-44/2004F  
ISBN 0-662-76736-5  
ISSN 1718-4738

This report is published separately in both official  
languages. This publication is available upon request  
in multiple formats.

Ce rapport est publié séparément dans les deux  
langues officielles. On peut obtenir cette publication  
sur supports multiples, sur demande.

### Copies are available on request from:

The Publications Office  
National Energy Board  
517 Tenth Avenue S.W.  
Calgary, Alberta, T2R 0A8  
E-Mail: [publications@neb-one.gc.ca](mailto:publications@neb-one.gc.ca)  
Fax: 403-292-5503  
Phone: 1-800-899-1265  
Internet: [www.neb-one.gc.ca](http://www.neb-one.gc.ca)

### Demandes d'exemplaires :

Bureau des publications  
Office national de l'énergie  
517, Dixième Avenue S.-O.  
Calgary (Alberta) T2R 0X8  
Courrier électronique : [publications@neb-one.gc.ca](mailto:publications@neb-one.gc.ca)  
Fax : 403-292-5503  
Téléphone : 1-800-899-1265  
Internet : [www.neb-one.gc.ca](http://www.neb-one.gc.ca)

### For pick-up at the NEB office:

Library  
Second Floor

Des exemplaires sont également disponibles à la  
bibliothèque de l'Office  
(Deuxième étage)

Printed in Canada

Imprimé au Canada

**Publisher's Note:**

2016-02

Previous release was 2016-01

National Energy Board

**Filing Manual**

Note:

With this release, the Filing Manual has been updated to:

**Guide BB – Financial Surveillance Reports (*Toll Information Regulations*)**

- collect data on integrity spending from Group 1 Companies,
- specify the type and format of traffic data reported to the Board, and
- reflect current practices regarding pipeline throughput and capacity data and remove no longer used performance data requirements.

---

National Energy Board

[publications@neb-one.gc.ca](mailto:publications@neb-one.gc.ca)

403-299-3561

This publisher's note may be scanned electronically and photocopied for the purposes of circulating copies within your organization.

## Content Checklist

The following list of pages in the work is issued so that you may check to see that your copy is up to date.

<b>Pages</b>	<b>Date</b>	
		3-15 – 3-16 ..... 2014-02
Title page .....	2016-02	<i>Chapter 4</i>
Update		4-1 ..... 2014-02
		4-2 ..... 2013-02
U-1 – U-4 .....	2016-02	4-3 ..... 2016-01
		4-4 – 4-5 ..... 2013-01
<i>Table of Contents</i>		4A-1 – 4A-9 ..... 2013-01
i .....	2016-02	4A-10 – 4A-11 ..... 2012-02
ii .....	2016-01	4A-12 ..... 2004
iii – iv .....	2016-02	4A-13 – 4A-14 ..... 2012-02
		4A-15 ..... 2013-02
<i>Glossary of Terms</i>		4A-16 ..... 2013-01
		4A-17 – 4A-18 ..... 2016-01
v .....	2016-01	4A-19 ..... 2014-02
vi .....	2013-01	4A-20 – 4A-22 ..... 2013-01
vii.....	2014-02	4A-23 ..... 2014-02
viii – ix .....	2013-02	4A-24 ..... 2013-01
x .....	2014-02	4A-25 – 4A-26 ..... 2013-02
xi .....	2014-03	4A-27 ..... 2013-01
		4A-28 ..... 2013-02
<i>List of Abbreviations</i>		4A-29 – 4A-30 ..... 2011-01
		4A-31 ..... 2013-02
xii.....	2016-01	4A-32 – 4A-33 ..... 2016-01
xiii.....	2013-02	4A-34 ..... 2013-02
		4A-35 ..... 2014-02
<i>Chapter 1</i>		4A-36 ..... 2013-02
		4A-37 ..... 2014-02
1-1 .....	2011-02	4A-38 ..... 2011-01
1-2 .....	2013-02	4A-39 – 4A-42 ..... 2013-01
1-3 – 1-4.....	2011-02	4A-43 ..... 2014-02
1-5.....	2014-02	4A-44 ..... 2013-02
1-6.....	2013-02	4A-45 ..... 2004
1-7 – 1-8.....	2014-02	4A-46 – 4A-47 ..... 2013-01
		4A-48 ..... 2013-02
<i>Chapter 2</i>		4A-49 ..... 2014-02
		4A-50 – 4A-51 ..... 2013-01
2-1 – 2-4.....	2004	4A-52 ..... 2013-02
2-5 – 2-6.....	2016-01	4A-53 – 4A-55 ..... 2013-01
		4A-56 ..... 2013-02
<i>Chapter 3</i>		4A-57 ..... 2014-02
		4A-58 – 4A-59 ..... 2013-01
3-1 – 3-3.....	2014-02	4A-60 ..... 2013-02
3-4 – 3-5.....	2016-01	4A-61 ..... 2016-01
3-6.....	2014-02	4A-62 ..... 2012-02
3-7.....	2016-01	4A-63 – 4A64..... 2013-02
3-8 – 3-11.....	2014-02	4A-65 ..... 2014
3-12 – 3-13.....	2004	4A-66 ..... 2013-02
3-14.....	2013-02	4A-67 ..... 2011-01
		4A-68 – 4A-70 ..... 2016-01
Filing Manual Release 2016-02		
	U-2	

4A-71 .....	2015-01
4A-72 – 4A-74 .....	2013-02
4A-75 – 4A-77 .....	2012-01
4B-1 – 4B-8 .....	2015-01
4C-1 – 4C-3 .....	2016-01
4C-4 .....	2013-01
4D-1 – 4D-2 .....	2004
4E-1 .....	2013-02
4F-1 – 4F-2 .....	2013-02
4G-1 – 4G-2 .....	2013-02
4G-3 .....	2011-02
4H-1 – 4H-2 .....	2013-02
4I-1 – 4I-3 .....	2004
4J-1 .....	2004
4K-1 – 4K-4 .....	2016-01
4K-5 – 4K-6 .....	2014-03

### Chapter 5

5-1 – 5-2 .....	2004
5O-1 .....	2012-01
5O-2 – 5O-3 .....	2016-01
5P-1 – 5P-2 .....	November 2009
5P-3 .....	2012-02
5P-4 .....	2015-01
5P-5 .....	November 2009
5P-6 – 5P-9 .....	2012-01
5P-10 – 5P-12 .....	2015-01
5Q-1 – 5Q-2 .....	2013-03
5R-1 .....	2016-01
5R-2 .....	2015-01
5R-3 .....	2004
5R-4 – 5R-5 .....	2015-01
5S-1 – 5S-2 .....	2004
5T-1 – 5T-2 .....	2004
5U-1 .....	2013-01
5U-2 – 5U-6 .....	2004
5V-1 – 5V-4 .....	2004
5W-1 – 5W-2 .....	2004

### Chapter 6

6-1 – 6-2 .....	2004
6AA-1 .....	2004
6AA-2 .....	2014-02
6AA-3 .....	2011-01
6AA-4 – 6AA-5 .....	2014-02
6AA-6 .....	2004
6BB-1 – 6BB-10 .....	2016-02
6CC-1 – 6CC-2 .....	2011-01
6CC-3 – 6CC-4 .....	2004

### Chapter 7

7-1 – 7-2 .....	2016-01
-----------------	---------

### Appendix 1

APP-1 .....	2004
APP-2 .....	2013-02
APP-3 – APP-8 .....	2013-01
APP-9 .....	2013-02
APP-10 .....	2014-02
APP-11 – APP-12 .....	2016-01
APP-13 .....	2004
APP-14 .....	2015-01
APP-15 .....	2004
APP-16 .....	2013-02
APP-17 .....	2016-01
APP-18 .....	2013-01
APP-19 – APP-21 .....	2004
APP-22 .....	2011-02
APP-23 .....	2012-02
APP-24 .....	2011-02
APP-25 – APP-26 .....	2004
APP-27 – APP-28 .....	2014-03
APP-29 – APP-31 .....	2016-01
APP-32 .....	2004
APP-33 .....	2012-02
APP-34 – APP-35 .....	2014-01
APP-36 .....	2015-01
APP-37 .....	2013-03
APP-38 .....	2015-01
APP39 – APP-43 .....	2004

Instructions to Insert and Filing Record

Remove old pages		Insert new pages
Title Page .....		Title Page
	<i>Update</i>	
	<i>*File behind the title page, before the table of contents</i>	
U-1 – U-4 .....		U-1 – U-4
	<i>Table of Contents</i>	
i - xii .....		i – xiv
	<i>Chapter 6</i>	
BB-1 – BB-10 .....		BB-1 – BB-10

# Table of Contents

<b>List of Tables .....</b>	<b>iii</b>
<b>List of Figures.....</b>	<b>iiiv</b>
<b>Glossary of Terms .....</b>	<b>v</b>
<b>List of Abbreviations .....</b>	<b>xiii</b>
<b>Chapter 1 – Introduction.....</b>	<b>1-1</b>
1.1 Background .....	1-1
1.2 Purpose.....	1-1
1.3 Organization.....	1-2
1.4 Content Structure .....	1-2
1.5 Confidential Filing .....	1-3
1.6 Previously Filed Material.....	1-5
1.7 Pre-Application Meetings Guidance Notes.....	1-5
1.8 Public Engagement Resources .....	1-5
1.9 Updates .....	1-5
1.10 Measurement, Conversion Factors and Commodity Description .....	1-6
1.11 Filing with the National Energy Board .....	1-7
<b>Chapter 2 – Instructions to Users.....</b>	<b>2-1</b>
2.1 Process Flowchart .....	2-1
2.2 Steps to Work through the Flowchart .....	2-1
2.3 Regulatory Listing .....	2-5
<b>Chapter 3 – Common Information Requirements.....</b>	<b>3-1</b>
3.1 Action Sought By Applicant.....	3-1
3.2 Application or Project Purpose .....	3-2
3.3 Management Systems and Programs under the OPR.....	3-2
3.4 Consultation .....	3-23
3.4.1 Policies and Goals of the Consultation Program .....	3-4
3.4.2 Designing Project-Specific Consultation Activities .....	3-5
3.4.3 Implementing Project-Specific Consultation Activities.....	3-77
3.4.4 Justification for Not Undertaking Consultation Activities.....	3-1010
3.5 Notification Of Commercial Third Parties.....	3-12
<b>Chapter 4 – Physical Projects .....</b>	<b>4-1</b>
4.1 Description of the Project .....	4-1
4.2 Economic Feasibility, Alternatives and Justification.....	4-3
4.2.1 Filing Requirement – Economic Feasibility .....	4-3
4.2.2 Filing Requirements – Alternatives .....	4-3
4.2.3 Filing Requirement – Justification.....	4-4
Guide A – Facilities Applications (NEB Act s.52 and s.58) .....	4A-1
A.1 Engineering.....	4A-10
A.2 Environmental and Socio-Economic Assessment.....	4A-16
A.3 Economics and Financing .....	4A-61

A.4	Lands Information.....	4A-72
Guide B	– Abandonment Funding and Applications to Abandon .....	4B-1
B.1	Funding for Abandonment.....	4B-1
B.2	Applications to Abandon (NEB Act paragraph 74(1)(d) and OPR s.50).....	4B-4
B.3	Filing Requirements – Engineering .....	4B-4
B.4	Filing Requirements – Environment and Socio-Economic Assessment.....	4B-4
B.5	Filing Requirements – Economics and Finance.....	4B-5
B.6	Filing Requirements – Lands Information .....	4B-6
Guide C	– Protection of Pipelines From Ground Disturbance, Facility Construction, Crossings and Mining Operations (NEB Act s.112 and s.81) .....	4C-1
C.1	Construction of Facilities Across Pipelines (NEB Act s.112) .....	4C-1
C.2	Protection of Pipelines from Mining Operations (NEB Act s.81) .....	4C-3
Guide D	– Deviations (NEB Act s.45) .....	4D-1
D.1	Filing Requirements – Lands .....	4D-1
D.2	Filing Requirements – Environment and Socio-Economic Assessment.....	4D-2
Guide E	– Change in Class Locations (OPR s.42) .....	4E-1
Guide F	– Change of Service or Increase in Maximum Operating Pressure (OPR s.43) .....	4F-1
F.1	Filing Requirements – Engineering .....	4F-1
F.2	Filing Requirements – Environment and Socio-Economic Assessment.....	4F-1
F.3	Filing Requirements – Economics .....	4F-1
Guide G	– Deactivation (OPR s.44) .....	4G-1
G.1	Filing Requirements – Engineering .....	4G-1
G.2	Filing Requirements – Environment and Socio-Economic Assessment.....	4G-1
G.3	Filing Requirements – Economics .....	4G-1
Guide H	– Reactivation (OPR s.45) .....	4H-1
H.1	Filing Requirements – Engineering .....	4H-1
H.2	Filing Requirements – Environment and Socio-Economic Assessment.....	4H-1
H.3	Filing Requirements – Economics .....	4H-1
Guide I	– Processing Plants: Deactivation and Reactivation (PPR s.42 and s.43) .....	4I-1
I.1	Deactivation .....	4I-1
I.2	Reactivation .....	4I-2
Guide J	– Commodity Pipeline Systems .....	4J-1
Guide K	– Decommissioning .....	4K-1
K.1	Filing Requirements – General Requirements .....	4K-1
K.2	Filing Requirements – Engineering .....	4K-1
K.3	Filing Requirements – Environmental & Socio Economic.....	4K-2
K.4	Filing Requirements – Economics .....	4K-3
K.5	Filing Requirements – Lands Information .....	4K-3
K.6	Filing Requirements – Consultation .....	4K-4
<b>Chapter 5</b>	<b>– Applications not for Physical Projects.....</b>	<b>5-1</b>
Guide O	– Review, Rehearing or Variance Applications (NEB Act s.21).....	5O-1
Guide P	– Tolls and Tariffs (Part IV of NEB Act) .....	5P-1
P.1	Cost of Service.....	5P-2
P.2	Rate Base .....	5P-5
P.3	Financial Statements .....	5P-6
P.4	Cost of Capital .....	5P-6
P.5	Tolls and Tariffs.....	5P-9
P.6	Regulation of the Traffic, Tolls and Tariffs of Group 2 Companies .....	5P-10
P.7	Abandonment Costs .....	5P-12



Guide Q – Export and Import Authorizations (Part VI of NEB Act and part VI regulations).....	5Q-1
Guide R – Transfer of Ownership, Lease or Amalgamation [NEB Act paragraph 74(1)(a),(b) and (c)].....	5R-1
Guide S – Access on a Pipeline (NEB Act s.71) .....	5S-1
Guide T – Leave to Open (NEB Act s.47).....	5T-1
Guide U – Information Filed Respecting Plan, Profile, Book of Reference and Notices (NEB Act s.33 and s.34) .....	5U-1
U.1 Plan, Profile, Book of Reference (PPBoR) .....	5U-1
U.2 Section 34 Notices .....	5U-2
U.3 Application to Correct a PPBoR Error (NEB Act s.41).....	5U-5
Guide V – Right-of-Entry Application (NEB Act s.104) .....	5V-1
Guide W – Requirements For Substituted Service Applications.....	5W-1
<b>Chapter 6 – Non-Application Information Filings .....</b>	<b>6-1</b>
Guide AA – Post Certificate or Order Requirements .....	6AA-1
AA.1 Filing Requirements – Engineering and Technical .....	6AA-1
AA.2 Filing Requirements – Post Construction Environmental Monitoring Reports .....	6AA-2
Guide BB – Financial Surveillance Reports (Toll information regulations) .....	6BB-1
BB.1 Financial Surveillance Reporting for Group 1 Companies .....	6BB-1
BB.2 Traffic Data.....	6BB-2
BB.3 Financial Surveillance Reporting for Group 2 Companies .....	6BB-3
BB.4 Integrity Spending.....	6BB-3
Guide CC – Import and Export Reporting Regulation Requirements .....	6CC-1
CC.1 Gas other than Propane, Butanes and Ethane Reporting.....	6CC-1
CC.2 Propane and Butanes Reporting .....	6CC-2
CC.3 Ethane Reporting .....	6CC-3
CC.4 Oil Reporting .....	6CC-3
<b>Chapter 7 – Referenced Documents.....</b>	<b>7-1</b>
<b>Appendix 1 – Filing Manual Checklists.....</b>	<b>APP-1</b>

## List of Tables

Table 2-1: Sections of NEB Act and Regulations Requiring Applications.....	2-5
Table 3-1: Other Potential Federal Contacts .....	3-15
Table A-1: Circumstances and Interactions Requiring Detailed Biophysical and Socio- Economic Information .....	4A-23
Table A-2: Filing Requirements for Biophysical Elements .....	4A-45
Table A-3: Filing Requirements for Socio-Economic Elements.....	4A-56
Table A-4: Overview of Supply, Transportation and Markets Filing Requirements .....	4A-67
Table AA-1: Specific Information for Biophysical and Socio-Economic Elements .....	6AA-4
Table AA-2: Example of a Summary Table of Outstanding Issues .....	6AA-5
Table AA-3: Example of a Summary Table of Discussions Regarding Outstanding Issues .....	6AA-5
Table BB-1: Variance Reporting Thresholds for Group 1 Companies Filing Guide BB.1 Surveillance Reports .....	6BB-1

## List of Figures

Figure 2-1: NEB Filing Manual Flowchart.....	2-3
Figure A2-1: The Applicant's ESA process .....	4A-17

## Glossary of Terms

<b>Abandon</b>	The permanent cessation of the operation of a pipeline which results in the discontinuance of service.
<b>Abandoned Pipeline</b>	A pipeline, the operation of which has been abandoned with leave of the Board as required by paragraph 74(1)(d) of the <i>National Energy Board Act</i> , and that remains in place.
<b>Aboriginal</b>	Includes the Indian, Inuit and Métis peoples of Canada.
<b>Accountable Officer</b>	Person appointed as accountable officer under subsection 6.2(1) of the <i>National Energy Board Onshore Pipeline Regulations</i> [OPR s.1].
<b>Action Plans</b>	The competent minister is required to prepare one or more action plans based on the recovery strategy for a listed species. The action plan or plans and any amendments will be included in the public registry established under the <i>Species at Risk Act</i> .
<b>Adverse Effect</b>	The impairment of or damage to the environment or the health of humans, or damage to property or loss of reasonable enjoyment of life or property.
<b>Allowance for Funds Used During Construction (AFUDC)</b>	An amount allowed to be included in the construction costs of a project or the cost of funds used during the period of construction when a utility undertakes to construct its own facilities.
<b>Baseline Information</b>	The state of the environment, or environmental or socio-economic setting for a particular element providing a reference point for the element, with which to compare future conditions, and potential project effects.
<b>Base Year</b>	A period, usually a calendar year, of the most recent twelve consecutive months of actual data.
<b>Booked Amount</b>	The final amount recorded in the appropriate account under the <i>Gas Pipeline Uniform Accounting Regulations</i> or the <i>Oil Pipeline Uniform Accounting Regulations</i> .
<b>Contaminant</b>	A substance that is present or released in the environment at an amount, concentration, level or rate that results in or may result in an adverse effect.
<b>Critical Habitat</b>	The habitat that is necessary for the survival or recovery of a listed wildlife species and that is identified as the species'

critical habitat in the recovery strategy or in an action plan for the species. [*Species at Risk Act* s.2(1)]

**Cumulative Effects**

Changes to the environment that are caused by an action in combination with other past, present and future human actions. ('Action' includes projects and activities.)

**Current Year**

The 12-month period, usually a calendar year, preceding the test year. Amounts for a current year would usually involve actual data for a portion of the year and estimated data for the rest of the year.

**Deleterious Substance**

- (a) any substance that, if added to any water, would degrade or alter or form part of a process of degradation or alteration of the quality of that water so that it is rendered or is likely to be rendered deleterious to fish or fish habitat or to the use by man of fish that frequent that water; or
- (b) any water that contains a substance in such quantity or concentration, or that has been so treated, processed or changed, by heat or other means, from a natural state that it would, if added to any other water, degrade or alter or form part of a process of degradation or alteration of the quality of that water so that it is rendered or is likely to be rendered deleterious to fish or fish habitat or to the use by man of fish that frequent that water. [*Fisheries Act* s.34(1)]

**Designated Project**

A project designated under the *Canadian Environmental Assessment Act, 2012* as requiring a federal environmental assessment under the Act. [CEAA 2012 s.2(1)]

**Easement**

An agreement under which a company acquires the right to use the land for the pipeline or powerline. It is a written contract that sets out the rights of the company and rights of the landowner for the use of the right of way.

**Environmental Effect**

In respect of a project, any change that a project may cause to a bio-physical element found in Table A-2, and any effect of any such change on a socio-economic element (See definition of Socio-Economic effect).

**Environmentally Sensitive Area**

An area designated in regional or local land use plans, or by a local, regional, provincial or federal government body as being sensitive to disturbance or identified by an applicant as being sensitive for some reason.

**Federal Lands**

Under s.67 of the *Canadian Environmental Assessment Act, 2012*, the NEB must make a significance determination for any

projects on federal lands. The *Canadian Environmental Assessment Act, 2012*, defines federal lands as:

- (a) lands that belong to Her Majesty in right of Canada, or that Her Majesty in right of Canada has the power to dispose of, and all waters on and airspace above those lands, other than lands under the administration and control of the Commissioner of the Yukon, Northwest Territories or Nunavut;
- (b) the following lands and areas:
  - i. the internal waters of Canada, in any area of the sea not within a province,
  - ii. the territorial sea of Canada, in any area of the sea not within a province,
  - iii. the exclusive economic zone of Canada, and
  - iv. the continental shelf of Canada; and
- (c) reserves, surrendered lands and any other lands that are set apart for the use and benefit of a band and that are subject to the *Indian Act*, and all waters on and airspace above those reserves or lands.

**Fee Simple Owner**

The person or legal entity that is in the legal possession of land. Usually it is the person named on the title.

**Fish**

Includes (a) parts of fish, (b) shellfish, crustaceans, marine animals and any parts of shellfish, crustaceans or marine animals, and (c) the eggs, sperm, spawn, larvae, spat and juvenile stages of fish, shellfish, crustaceans and marine animals [*Fisheries Act* s.2.(1)].

**Fish Habitat**

Spawning grounds and any other areas, including nursery, rearing, food supply and migration areas, on which fish depend directly or indirectly in order to carry out their life processes [*Fisheries Act* s.2.(1)].

**Group 1 and  
Group 2 Companies**

In 1985, for financial regulatory purposes, the Board divided the pipeline companies under its jurisdiction into two groups: Group 1 companies with more extensive systems; and Group 2 companies that operate smaller systems.

**Heritage Resources**

Cultural, historic, archaeological and paleontological resources are collectively known as heritage resources and can include pre-contact and post-contact features.

<b>Human Health</b>	A state of complete physical, mental and social well-being, and the ability to adapt to the stresses of daily life; it is not merely the absence of disease or infirmity.
<b>Human Health Assessment</b>	Considers the effect of hazardous substances, environmental factors and exposure conditions on local and regional populations. It may consist of qualitative and quantitative assessments.
<b>Management Systems</b>	The management system set out in sections 6.1 to 6.6 of the <i>National Energy Board Onshore Pipeline Regulations</i> [OPR s.1].
<b>Migratory Bird</b>	A migratory bird referred to in the convention, and includes the sperm, eggs, embryos, tissue cultures and parts of the bird. [ <i>Migratory Birds Convention Act, 1994</i> s.2(1)]
<b>Mitigation</b>	In respect of a project, the elimination, reduction or control of the adverse environmental effects of the project, and includes restitution for any damage to the environment caused by such effects through replacement, restoration, compensation or any other means.
<b>Monitoring</b>	Activities for resolving specific outstanding environmental issues, observing the potential environmental effects of a project, assessing the effectiveness of mitigation measures undertaken, identifying unanticipated environmental issues and determining the action required based on the result of these activities.
<b>Navigable Water or Waterway</b>	Includes a canal and any other body of water created or altered as a result of the construction of any work. As well, a navigable water is considered as any body of water capable, in its natural state, of being navigated by floating vessels of any description for the purpose of transportation, recreation or commerce, and may also be a human-made feature such as a canal or reservoir. <sup>1</sup>
<b>Navigation</b>	Use of a vessel for transportation, recreation, or commerce on a navigable waterway.
<b>Owner</b>	For the purposes of sections 86 to 107 of the <i>National Energy Board Act</i> , the ‘owner’ is not restricted to the fee simple owner

---

<sup>1</sup> The changes to the NEB Act do not restrict the NEB’s consideration of the impacts of a project on navigation and navigation safety to the Schedule of “navigable waters” that is proposed for inclusion in the *Navigation Protection Act*, once that Act comes into force.

or to freehold lands<sup>2</sup>. In this regard, an owner may include any interest in, or possession of land, such as the fee simple owner, Aboriginal title, the administrators of crown and public lands and occupants of land. The interest held may be registered or unregistered.

With respect to sections 33 and 34 of the *National Energy Board Act*, the owner of lands includes the fee simple owner and may also include any other interest held in the land, as described above. When determining the owners of lands required for the project, the applicant should consider all potential owners of the lands required and implement its notification and acquisition processes pursuant to the Act.

## **Physical Project**

Applications being of a physical nature including those applications required by the *National Energy Board Onshore Pipeline Regulations* and *Processing Plant Regulations* as well as some pursuant to the *National Energy Board Act*.

## **Pipeline**

A line that is used or to be used for the transmission of oil, gas or any other commodity and that connects a province with any other province or provinces or extends beyond the limits of a province or the offshore area as defined in section 123, and includes all branches, extensions, tanks, reservoirs, storage facilities, pumps, racks, compressors, loading facilities, interstation systems of communication by telephone, telegraph or radio and real and personal property and works connected therewith, but does not include a sewer or water pipeline that is used or proposed to be used solely for municipal purposes. [National Energy Board Act s.2]

## **Plant Account**

An account listed in either Schedule IV of the *Gas Pipeline Uniform Accounting Regulations* or Schedule II of the *Oil Pipeline Uniform Accounting Regulations*, as appropriate.

## **Processing Plant**

A plant used for the processing, extraction or conversion of fluids and all structures located within the boundaries of the plant, including compressors and other structures integral to the transportation of fluids. [Processing Plant Regulations s.1]

## **Rate Base**

The net cost of investment on which an applicant expects to earn a return for a given test year.

---

2 Sections 75 and 85 of the NEB Act describe the nature of an 'owner':

75. A company shall, in the exercise of the powers granted by this Act or a Special Act, do as little damage as possible, and shall make full compensation in the manner provided in this Act and in a Special Act, to all persons interested, for all damage sustained by them by reason of the exercise of those powers.

85. In sections 86 to 107, 'owner' means any person who is entitled to compensation under section 75.

<b>Reclamation</b>	The process of re-establishing a disturbed site to a former or other productive use, not necessarily to the same condition that existed prior to disturbance. The land capability may be at a level different (i.e., lower or higher) than that which existed prior to the disturbance, depending on the goal of the process. Reclamation includes the management of a contaminated site and revegetation where necessary. Reclamation is not considered complete until the goals for reclamation have been achieved.
<b>Recovery Strategy</b>	A strategy for the recovery of a listed extirpated, endangered or threatened species prepared by the competent minister (as defined under the <i>Species at Risk Act</i> , s.2(1)). If the recovery of the listed species is feasible, the recovery strategy must address the threats to the survival of the species identified by the Committee for the Status of Endangered Wildlife in Canada, including any loss of habitat. The recovery strategy and any amendments will be included in the public registry established under the <i>Species at Risk Act</i> .
<b>Regulated Entity</b>	An economic unit operating a pipeline and subject to oversight by a regulatory body having jurisdiction.
<b>Residual Effects</b>	Effects that are present after mitigation is applied.
<b>Responsible Authority</b>	In relation to a project, a federal authority that is required pursuant to s.15 of the <i>Canadian Environmental Assessment Act, 2012</i> to ensure that an environmental assessment of the project is conducted.
<b>Right of Entry</b>	The right of access to, and use of, land surface.
<b>Right-of-Entry Order</b>	An order by the National Energy Board made under the <i>National Energy Board Act</i> granting a company access to, and use of, a defined portion of land for the purposes as set out in the order.
<b>Right of Way (RoW)</b>	The strip of land acquired for which a company has obtained the rights for the construction and operation of the pipeline or powerline.
<b>Serious Harm to Fish</b>	The death of fish or any permanent alteration to, or destruction of, fish habitat.
<b>Socio-Economic Effect</b>	In respect of a project, any effect on a socio-economic element found in Table A-3, including effects resulting from a change in the environment (See definition of Environmental Effect).



<b>Species at Risk</b>	A federally-listed extirpated, endangered or threatened species or a species of special concern. [ <i>Species at Risk Act</i> s.2(1)]
<b>Species of Special Status</b>	Species listed under provincial jurisdiction or of recognized importance because they are vulnerable, threatened, endangered or extirpated.
<b>Study Area</b>	The area within the spatial boundaries of the scope of the environmental and socio-economic effects assessment. Since the spatial boundaries of the assessment may vary with different biophysical and socio-economic elements, the study area may also vary.
<b>Test Year</b>	A future 12-month period, usually a calendar year, when the new tolls would be in effect.
<b>Traditional Territory</b>	Area where an Aboriginal group has claimed or asserted the right to use the land for traditional purposes such as hunting, fishing, trapping, gathering or spiritual activities. One or more Aboriginal groups may claim the same lands as their traditional territory.
<b>Valued Ecosystem Component (VEC)</b>	Resources or environmental features that have all or some of the following features: <ul style="list-style-type: none"> <li>• importance to local human populations;</li> <li>• regional, national or international profiles; or</li> <li>• if altered from their existing status will be important in evaluating the impacts of development or human actions, and in focusing management or regulatory policy.</li> </ul>
<b>Valued Socio-Cultural Component (VSC)</b>	Cultural, social, economic or health aspects of the study population that, if affected by the project, would be of concern to local human populations or government regulators.
<b>Water Body</b>	A water body, including a canal, reservoir, an ocean and a wetland, up to the high-water mark, but does not include a sewage or waste treatment lagoon or mine tailings pond.
<b>Wetlands</b>	Land where the water table is at, near, or above the surface, or which is saturated for a long enough period to promote wetland or aquatic processes as indicated by wet-altered soils, water tolerant vegetation and various kinds of biological activity which are adapted to a wet environment. Wetlands include organic wetlands or “peatlands”, and mineral wetlands or mineral soil areas that are influenced by excess water, but produce little or no peat.

## List of Abbreviations

ADR	Appropriate Dispute Resolution
AFUDC	allowance for funds used during construction
bbl	barrel
°C	degrees Celsius
CCME	Canadian Council of Ministers of the Environment
CEAA 2012	<i>Canadian Environmental Assessment Act, 2012</i>
CEA Agency	Canadian Environmental Assessment Agency
cf	cubic feet
cf/d	cubic feet per day
CIF	cost, insurance and freight
CSA	Canadian Standards Association
CSA Z662	<i>Canadian Standards Association Standard Z662, Oil and Gas Pipeline Systems</i> latest version as amended from time to time
DFO	Fisheries and Oceans Canada
<i>DPR – Authorizations</i>	<i>National Energy Board Act Damage Prevention Regulations – Authorizations</i>
ESA	environmental and socio-economic assessment
EPP	environmental protection plan
GPUAR	<i>Gas Pipeline Uniform Accounting Regulations</i>
H <sub>2</sub> S	hydrogen sulfide
ISO	International Organization for Standardization
kPa	kilopascals
LNG	liquefied natural gas
m <sup>3</sup>	cubic metre
MBP	market-based procedure
MJ/m <sup>3</sup>	megajoules per cubic metre
MOP	maximum operating pressure
MPa	megapascals
NEB or the Board	National Energy Board
NEB Act	<i>National Energy Board Act</i>
NGL	natural gas liquids
NO <sub>2</sub>	nitrogen oxide

NPRI	National Pollutant Release Inventory
O <sub>3</sub>	ozone
OPR	<i>National Energy Board Onshore Pipeline Regulations</i>
OPUAR	<i>Oil Pipeline Uniform Accounting Regulations</i>
Part VI Regulations	<i>National Energy Board Act Part VI (Oil and Gas) Regulations</i>
P&ID	process and instrumentation diagram
Post-construction report	post-construction environmental monitoring report
PPBoR	plans, profiles and books of reference
PPR	<i>National Energy Board Processing Plant Regulations</i>
QA	quality assurance
Reporting Regulations	<i>National Energy Board Export and Import Reporting Regulations</i>
RoW	Right of Way
Rules	<i>National Energy Board Rules of Practice and Procedure, 1995</i>
SARA	<i>Species at Risk Act</i>
SCADA	supervisory control and data acquisition
SI	International System of Units
SO <sub>2</sub>	sulphur dioxide
UTM	Universal Transverse Mercator
VEC	Valued Ecosystem Component
VSC	Valued Socio-cultural Component
Valued Component	VEC and VSC
10 <sup>6</sup>	million
10 <sup>9</sup>	billion



---

# Chapter 1 Introduction

---

## 1.1 Background

The National Energy Board's (NEB or the Board) purpose is to promote safety, security, environmental protection and economic efficiency in the Canadian public interest through its regulation of pipelines, energy development and trade as mandated by Parliament. As a result, companies regulated by the *National Energy Board Act* (NEB Act) are required to obtain the Board's approval to, among other things:

- add new facilities or modify or abandon existing facilities;
- export or import oil and gas products; and
- set tolls and tariffs.

When seeking approval, applicants must submit applications or information filings (collectively referred to as filings) to the Board that are complete and that enable the Board to:

- evaluate the overall public good that the request can create as well as its potential negative aspects;
- weigh the various impacts; and
- make an informed decision that balances, among other things, the economic, environmental and social interests at that point in time.

While it is ultimately the responsibility of the applicant to make its case before the Board, this manual has been developed to provide direction regarding the information the Board would typically expect to see addressed in a filing. The goal is to provide applicants with a clear definition of the Board's expectations for complete filings. Complete filings should allow the Board to carry out more consistent assessments with fewer information requests and therefore, shorten timelines required to make a decision.

As will be seen in the detailed requirements, in the process of assessing proposed projects, the Board uses a risk-oriented approach to evaluate issues, considering the probability and consequence of potential issues.

The contents within this document are based on the requirements outlined within the *National Energy Board Rules of Practice and Procedure, 1995* (Rules). It is the Board's expectation that applicants will use this document to the extent necessary. Checklists of all the filing requirements (summarized) are included in Appendix I. The Board encourages applicants to submit completed checklists with each application. The Board may consider making the inclusion of the checklists mandatory in the future.

## 1.2 Purpose

This manual is designed to:

- assist NEB-regulated companies to identify the instances where a filing is necessary, pursuant to the NEB Act and NEB regulations;

- outline the Board's responsibilities pursuant to the *Canadian Environmental Assessment Act, 2012* (CEAA 2012);
- outline the filings needed for most applications within the jurisdiction of the NEB; and
- provide guidance as to the type of information the Board would typically need to make a decision.

Where a project does not appear to be addressed by this manual, the applicant is encouraged to contact the NEB for assistance.

This manual is not explicitly applicable to:

- oil and gas activities regulated under other Acts for which the Board has responsibility, e.g., the *Canada Oil and Gas Operations Act* and the *Canada Petroleum Resources Act*;
- international and designated interprovincial electric power lines; or
- offshore pipelines.

Any party requiring NEB approval for these activities can refer to this manual for some guidance; however, it does not provide a comprehensive list of requirements for their filings.

### **1.3 Organization**

This manual is organized to easily identify the information required for each type of filing that is being made. In addition to the introductory information provided in Chapter 1, this manual is divided into the following chapters:

- Chapter 2 describes how to use this manual and includes a flowchart that applicants can use to determine what elements are required in their filing.
- Chapter 3 is the initial chapter for all applications and identifies the information which must be addressed in every application. After completing the requirements of Chapter 3, the applicant must then determine whether to proceed to Chapter 4 (physical projects) or Chapter 5 (non-physical projects).
- Chapter 4 identifies the information required for physical project applications.
- Chapter 5 identifies the information required for non-physical project applications.
- Chapter 6 identifies the information required for filings other than applications.
- Chapter 7 lists the NEB documents referenced throughout this manual.
- Appendix I includes the filing requirement checklists which applicants are encouraged to complete and submit with each application.

### **1.4 Content Structure**

The *Filing Manual* has been designed to assist applicants to clearly understand the information and level of detail required for a filing. The filing requirements are generally presented in the following format:

- a goal statement that clarifies the purpose of providing the information;

- filing requirements that specify the information details that are needed;
- a guidance section that provides direction regarding, for example, the level of detail, potential issues and information references; and
- grey boxes that provide direction to help determine if further information is required or not.

## 1.5 Confidential Filing

### Sections 16.1 and 16.2 of the National Energy Board Act

In respect of a filing related to:

- Any regulatory proceeding (i.e. applications filed under the NEB Act or any other public hearing process under the NEB Act);
- Matters related to condition compliance where the condition is a “for approval” condition of the Board; or
- Any other matter where there is significant third party interest;

an applicant may request that the NEB treat that filing as confidential, in accordance with section 16.1 of the NEB Act. In order for such a request to be successful, the NEB must be satisfied that the filing meets the conditions set out in subsection 16.1(a) or subsection 16.1(b) of the NEB Act.

Where a request to treat filing as confidential is due to a potential risk to the security of a facility, applicants may apply under section 16.2 of the NEB Act. In order for such a request to be successful, the NEB must be satisfied that the filing meets the conditions set out in section 16.2, and that the filing was made:

- in respect of any order of the Board made under the NEB Act;
- in any regulatory proceeding (i.e. applications filed under the NEB Act or any other public hearing process under the NEB Act);
- in respect of a matter relating to condition compliance where the condition is a “for approval” condition of the Board; or
- any other matter where there is significant third party interest.

Applicants for all requests made pursuant to section 16.1 or section 16.2 of the NEB Act must provide:

1. A cover letter containing the request and reasons for the requests, as well as a summary of the nature of the information to be treated confidentially;
2. If possible, a redacted version of the filing (which does not contain the information requested to be kept confidential); and

3. Three unredacted copies of the filing that the applicant requests to be kept confidential. The filings must be provided via hand delivery, ordinary mail, registered mail or courier to the Secretary of the Board in a double sealed envelope under confidential cover.

If the NEB is satisfied that the filing meets the conditions set out in subsections 16.1(a) or 16.1(b) or in section 16.2, it may take measures that it considers necessary. One such measure is that only select NEB staff and Members responsible for the consideration of the filing would have access to the information, and the information would not be available to the public. The Board may also issue an order for rulings made pursuant to section 16.1 or 16.2.

#### Security Organization and Administration Standard

In respect of filings which are unrelated to:

- regulatory proceedings;
- matters relating to condition compliance where the condition is a “for approval” condition of the Board; or
- any other matter where there is a significant third party interest;

such filings may be designated in accordance with the *Security Organization and Administration Standard*. The NEB protects sensitive information under its control in accordance with this standard. In order for a filing to be classified in accordance with this standard, it must be considered sensitive. That is, if it was compromised, it could reasonably be expected to cause injury outside the national interests, for example, damage to an individual’s reputation. Applicants may wish to provide information which may assist the NEB in classifying a filing pursuant to the *Security Organization and Administration Standard*. Further information about the standard, particularly in regards to the levels of designation contained in the standard, can be obtained by viewing the standard online at: <http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12333&section=text>

*Note: The Board will continue to treat all Emergency Response Manuals in accordance with the Security Organization and Administration Standard, even if treatment is not specifically requested. Therefore, no specific information is necessary for the filing of Emergency Response Manuals where such a filing is made in the following circumstances:*

- *outside of a regulatory proceeding (and where there is no significant third party interest); or*
- *condition compliance where the condition is not a “for approval” condition of the Board.*

*Emergency Response Manuals being filed in the course of a regulatory proceeding, or during condition compliance where the condition is a “for approval” condition of the Board, or during any other matter where there is significant third party interest, must be accompanied by a request that the NEB treat a filing as confidential pursuant to section 16.1 or 16.2 of the NEB Act.*



## 1.6 Previously Filed Material

If an applicant wishes to refer to documents previously filed with the Board (e.g., company manuals, programs, standards or procedures) and those documents are still current, rather than resubmitting the documents, the applicant may:

- indicate when, under what circumstances and under what Board file number (if known) the information was filed;
- identify the version of the document referenced to indicate that it matches the previously filed version; and
- identify the section of the document being referenced (if applicable).

## 1.7 Pre-Application Meetings Guidance Notes

- Applicants may request a pre-application meeting to clarify filing requirements with the NEB. The [Pre-Application Meetings Guidance Notes](#) describe the process for requesting a meeting.
- For projects subject to a hearing, the applicant should file a Pre-Application Project Description with the Board three months before applying to the Board. The Pre-Application Project Description allows the Board to initiate its public engagement and enhanced aboriginal engagement activities, as well as its Participant Funding program if applicable. For information on what to include in a Project Description, please see [the Pre-Application Project Description](#) guidance found on the NEB website.

## 1.8 Public Engagement Resources

The Board has a variety of public engagement resources, including videos and online or print publications, that applicants can use to inform potentially affected persons about the NEB and its processes. On the NEB's website there is a detailed list of our publications and what each is used for. (See [Guidance for Companies on NEB Publications](#) under *Participation & Lands*.)

## 1.9 Updates

It is the Board's intent to update this document on a scheduled basis and when updates are necessary. The Board would appreciate any comments readers might have with respect to the content, usability or other matters associated with this document that could assist with future updates and revisions.

All comments may be directed to the Board by:

E-mail: [filingmanual@neb-one.gc.ca](mailto:filingmanual@neb-one.gc.ca)

Facsimile: Secretary at (403) 292-5503

Mail:

Secretary  
National Energy Board

517 Tenth Avenue SW  
Calgary, Alberta  
T2A 0A8

The Board will communicate its future revision process and schedule and any interim updates at [www.neb-one.gc.ca](http://www.neb-one.gc.ca).

### **1.10 Measurement, Conversion Factors and Commodity Description**

Where possible, the Board would prefer that information within applications be presented in the International System of Units (SI), although it is helpful to include the imperial equivalent as well.

The following conversion factors should be used:

- millimetre (mm) = 0.0394 inches
- metre (m) = 3.28 feet
- kilometre (km) = 0.62 miles
- cubic metre (m<sup>3</sup>) = 35.3 cf
- cubic metre = 6.29 bbl
- kilopascal (kPa) = 0.145 psi

If other conversion rates are used, indicate this fact and provide the rates used.

#### **Gas**

For gas volumes, market requirements, estimates of reserves, and productive capacity estimates will be at a temperature of 15°C and an absolute pressure of 101.325 kPa. Gas composition should be expressed in mole percent, and the heating value of the gas should be expressed in megajoules per cubic metre (MJ/m<sup>3</sup>). Volumes are requested to be in metric units as cubic metres (m<sup>3</sup>) and production rates as cubic metres per day (m<sup>3</sup>/d). The imperial equivalent would be cubic feet (cf) and cubic feet per day (cf/d) respectively.

#### **Liquids**

Descriptions of crude oil and equivalents will include, at a minimum:

- classification of the crude oil;
- specific gravity;
- sulphur content upon which the classification is based; and
- other properties when they are important to the design of the facilities or third party interests, for example:
  - viscosity or water content could be important to the design of the facilities; or
  - impurities could be of concern to third parties if more than one product is transported on the same pipeline.

Natural gas liquids (NGL) composition should be expressed as a percent and vapour pressure will be at a specified temperature.

Descriptions of refined hydrocarbons must include the type of product and any properties that might be important to the design of the facilities or third party interests.

All other liquid commodities must be described in sufficient detail for the NEB to understand the nature of the commodity and how it might affect the design of the proposed facilities or third party interests.

All liquids volumes, with the exception of NGL and cryogenic liquids, will be submitted as the volume such product would occupy at a temperature of 15°C and an absolute pressure of 101.325 kPa, unless otherwise stated in the application. For NGL and cryogenic liquids, the temperature and pressure at which the submitted volumes are measured will be provided.

Liquid volumes are requested to be expressed as m<sup>3</sup> and production rates as m<sup>3</sup>/d. The imperial equivalent would be in barrels (bbl) and barrels per day (bbl/d), respectively.

### 1.11 Filing with the National Energy Board

Parties who have the ability to file documents electronically are expected to file documents through the Board's electronic document repository at [www.neb-one.gc.ca](http://www.neb-one.gc.ca). Any person who has the ability to access documents through the repository must accept service of a notification that the document is in the repository rather than requiring a hard copy of the document be served.

For more information about filing electronically, please refer to the *Filers Guide to Electronic Submission* and the *Memorandum of Guidance on Electronic Filing*. Both of these documents are available on the Board's Internet site at [www.neb-one.gc.ca](http://www.neb-one.gc.ca). Please note that e-mails are not considered electronic filing and will not be accepted in a hearing.

The Board's electronic document repository will contain the full text of only those documents filed electronically (following the procedures mentioned above) and in hard copy. When documents are filed by hard copy or facsimile, the Board will undertake to file the documents on the submitters behalf. However, in some cases, the Board may choose to create an electronic placeholder for documents too large to submit electronically to the repository. In cases such as this, it will not be possible to view or search these documents. They will be made available for viewing in the Board's library.

Companies are reminded not to file their security documents electronically, although they need to be available for examination by the NEB during audits, inspections or other NEB regulatory activities. For further information please refer to the **"National Energy Board Security Advisory – NEB SA 2007-03 Security Sensitive Documents"** at the following link on the NEB website: <http://www.neb-one.gc.ca/sftnvrnmnt/scrt/dvsr/2007/2007-03nb-eng.html>.

If you are filing an application by hard copies, you must file 25 copies. If you file electronically, one hard copy must be subsequently filed<sup>3</sup>. The hard copy must have attached to it a signed copy

---

<sup>3</sup> There is an exception to this requirement for export order applications filed in the Online Application System.

of the Electronic Filing Receipt that the system will return to the filer upon receipt of the electronic document. Please file your completed application with the NEB and address it to:

Secretary  
National Energy Board  
517 Tenth Avenue SW  
Calgary, AB T2R 0A8  
Telephone: 403-292-4800  
Facsimile: 403-292-5503

## Chapter 2 Instructions to Users

### 2.1 Process Flowchart

A flowchart has been provided in Figure 2-1 to guide applicants through the process of:

- determining what type of filing must be submitted (i.e., physical project application, applications not for physical projects or an information filing); and
- identifying what information must be included in the filing.



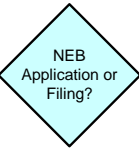
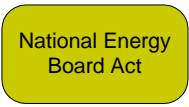
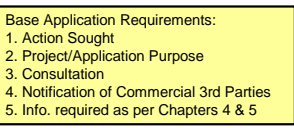

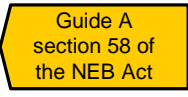
An important consideration for applicants to remember while working through the flowchart is that an application may trigger various sections of the NEB Act and regulations, and therefore, applicants should work through all steps of the flowchart until reaching an end point.

The guidance boxes within the flowchart indicate the requirements that must be fulfilled and direct the applicant to the appropriate location in the Manual for the specific filing requirements. Following the flowchart from the start to finish assures that applicants will have identified each of the elements essential to a filing.

### 2.2 Steps to Work through the Flowchart

#### Flowchart Symbols

The flowchart uses standard symbols to represent the process for completing a filing. The symbols are as follows:

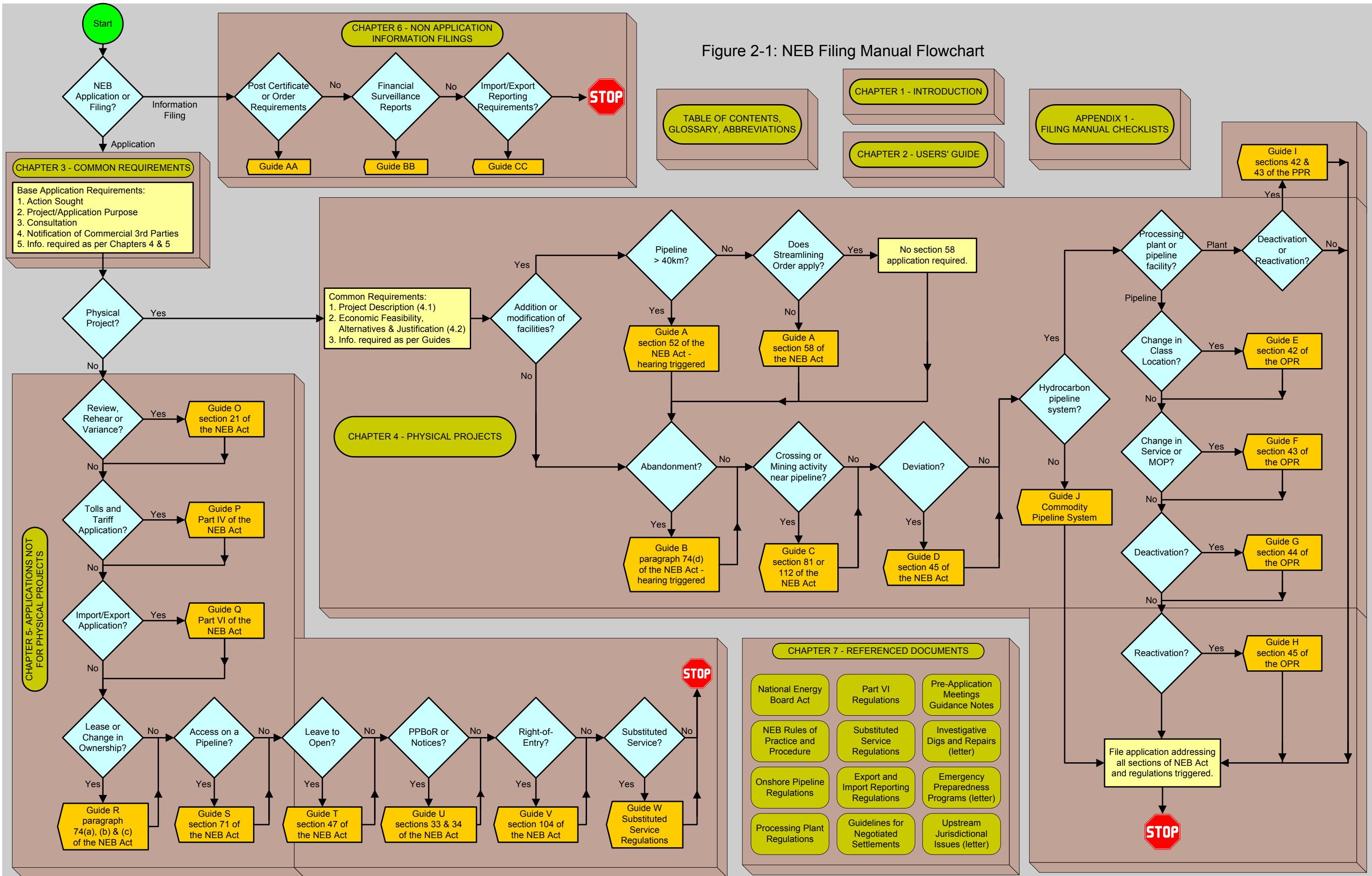
	starting point		chapter identifiers
	decision required		NEB referenced documents
	guidance or direction		stop point
	relevant guide and corresponding section of the NEB Act or regulation identified		

Please remember that the Manual and therefore this flowchart, applies only to applications and filings under the NEB Act and the regulations under the NEB Act.

### **Procedure**

1. Begin at the green “Start” circle in the upper left corner.
2. Is the potential filing an application or information filing?
3. If the potential filing is an information filing, complete the appropriate reports (see Chapter 6 for details).
4. If the potential filing is an application, complete the common application information (outlined in the yellow box). See Chapter 3 for details.
5. If the application is for a physical project, complete the base application requirements and begin to work across the flowchart. Working across the flowchart will require that you answer certain questions to determine what sections of the NEB Act or regulations are triggered (see also Table 2-1). Any sections triggered will require an application pursuant to the triggered section(s). See Chapter 4 for details.
6. If the application is not for a physical project, follow the flowchart down the left side and see Chapter 5 for supporting information.

Figure 2-1: NEB Filing Manual Flowchart







## 2.3 Regulatory Listing

Table 2-1 lists the sections of the NEB Act and regulations that have been identified within this Manual as requiring an application to the Board. The corresponding Guide is also included.

**Table 2-1: Sections of NEB Act and Regulations Requiring Applications**

Application Description	Relevant Legislation	Section(s)	Guide ID
Addition or modification of facilities	NEB Act	52, 58	Guide A
Abandonment	NEB Act	74(d)	Guide B
Protection of Pipelines from Ground Disturbance, Facility Construction, Crossings and Mining Operations	NEB Act	81, 112	Guide C
Deviations	NEB Act	45	Guide D
Change in Class Locations	OPR	42	Guide E
Change of Service or Increase in Maximum Operating Pressure	OPR	43	Guide F
Deactivation	OPR	44	Guide G
Reactivation	OPR	45	Guide H
Processing Plants: Facility Deactivations and Reactivations	PPR	42, 43	Guide I
Commodity Pipeline Systems	NEB Act		Guide J
Decommissioning	OPR PPR	45.1 43.1	Guide K
Reviewing or Amending a NEB Decision	NEB Act	21	Guide O
Tolls and tariffs	NEB Act	Part IV	Guide P
Export & Import Authorizations	NEB Act	Part VI	Guide Q
Transfer of Ownership, Lease or Amalgamation	NEB Act	74(a), (b), (c)	Guide R
Access on a Pipeline	NEB Act	71	Guide S
Leave to Open	NEB Act	47	Guide T
Information Filed Respecting PPBoR and Notices	NEB Act	34	Guide U
Right-of-Entry Application	NEB Act	104	Guide V
Requirements for Substituted Service Applications	Substituted Service Regulations		Guide W
Post Certificate/Order Information			Guide AA
Financial Surveillance Reports			Guide BB
Import and Export Reporting Regulation Requirements	Export and Import Reporting Regulations		Guide CC
Leave to make contact with, alter, or remove an abandoned pipeline	NEB Act	48.1(1)	Contact the Board



---

## Chapter 3                      Common Information Requirements

---

While each application is unique, the Board expects to see the following common elements:

- a description of the action being sought by the applicant;
- a description of the purpose of the application;
- details regarding consultation activities and outcomes; and
- details regarding notification made to commercial third parties.

As explained in subsection 3.3 below, the Board also expects that each application and project design will reflect a carefully-designed and well-implemented management system and related set of programs.

The following sections describe these common information requirements. For further details on information required in applications, see Chapter 4 and Chapter 5.

### 3.1      Action Sought By Applicant

#### Goal

The application states the request being made and what action is being requested of the Board.

#### Filing Requirements

Section 15 of the Rules requires the following information in an application:

- 15.(1)    Every application shall
  - (a) contain a concise statement of the relevant facts, the provisions of the Act or any regulations made under the Act under which the application is made and the nature of, and justification for, the decision or order sought;
  - (b) contain, in addition to the information that is required by the Act and any regulations made under the Act, any other information that explains or supports the application, including information referred to in published policies and guidelines of the Board; and
  - (c) set out the name, address, telephone number and any other telecommunications numbers of the applicant and the applicant's authorized representative, if any.
- (2)    Every application shall be divided into consecutively numbered paragraphs, each of which shall be confined as nearly as is practicable to a distinct portion of the subject-matter of the application.

#### Guidance

Applicants must, in addition to looking at the *Filing Manual*, have regard to the NEB Act and regulations relevant to the filing for direction on what needs to be included.

### **3.2 Application or Project Purpose**

#### **Goal**

The application provides clearly articulated reasons for the application.

#### **Filing Requirement**

Provide a description of the purpose of the proposed project.

#### **Guidance**

Explain the reason for the application, including a discussion of the need that would be addressed by the project.

### **3.3 Management Systems and Programs under the OPR**

A carefully-designed and well-implemented management systems supports a strong culture of safety and is fundamental to keeping people safe and protecting the environment. Sections 6.1 to 6.6 of the OPR detail the required elements of a company's management system. It must be a systematic approach designed to effectively manage and reduce risk through necessary organizational structures, resources, accountabilities, policies, processes and procedures, and must include measures to evaluate effectiveness and promote continual improvement.

A company's management system must also coordinate the following five programs:

- Emergency Management Program to ensure appropriate emergency preparedness and response (OPR section 32).
- Integrity Management Program to ensure the pipeline system continually operates within its design parameters (OPR section 40).
- Safety Management Program to protect workers and the public from occupational and process hazards (OPR section 47).
- Security Management Program to protect people, property and the environment from malicious damage (OPR section 47.1).
- Environmental Protection Program to avoid or reduce adverse effects on the environment (OPR section 48).

Section 6.5 of the OPR lists a number of processes and requirements that must be part of a company's management system and each of the above five programs.

Section 6.2 requires the appointment of an Accountable Officer and that their name and acceptance of responsibilities be filed with the Board. For further information on the OPR and related supporting documentation, please refer to the NEB's website.

A company's management systems applies to the entire lifecycle of a project, from planning and design, through construction and operation, to abandonment. It is therefore relevant at all stages of a project, including the application stage.

**FYI – Examples...**

The information to fulfill many of the requirements in this *Filing Manual* for pipeline projects should be based upon a company's management system processes. For example:

- Engineering design details required in Guide A.1 for facilities applications should be based upon implementation of processes within the Integrity Management Program, such as hazard identification, risk assessment, development of control and monitoring measures, and identification of legal requirements. Such processes will be similarly applicable to applications for abandonment (Guide B), variances related to physical activities (Guide O), leave to open (Guide T), etc. Design details may also be affected by other programs, such as the security assessment for the project conducted under the Security Management Program.
- Implementation of processes within the Environmental Protection Program will support the information requirements for the environmental and socio-economic assessment, such as in Guide A.2.6.1 (identification and analysis of effects) and Guide A.2.8 (inspection, monitoring and follow-up). Processes related to accidents and malfunctions within the Emergency, Safety and Security Management Programs can similarly contribute to these Guide requirements.

Various management system processes will also apply throughout the application stage, such as ensuring the training and competency of those involved in the development of the project design and of the application documents; quality assurance; document and record control; management of change if design details are altered; and ensuring that work performed by consultants and contractors is consistent with all obligations and responsibilities under the company's management system.

The Board expects an applicant to have applied relevant components of its management system and programs to the planning and design of the proposed project and related application documents, and to have reviewed those components for necessary modification in the event the proposed project goes ahead.

An application that is lacking (such as containing an incomplete discussion of hazards, risks and controls) might indicate that the applicant's management system and program components are inadequate. The Board expects companies to prevent such deficiencies, correct any that are identified, avoid similar deficiencies in future applications, and to apply lessons learned as broadly as possible.

### **3.4 Consultation**

The Board expects an applicant to have a company-wide Consultation program that establishes a systematic, comprehensive and proactive approach for the development and implementation of project-specific consultation activities. A Consultation program should be appropriately integrated into a company's overall management system to provide protection for the public, employees, property and the environment throughout the lifecycle (design, construction, operation, maintenance, abandonment) of a pipeline system.

The Board expects applicants will consider consultation for all projects. Depending on the project scope, that could mean carrying out extensive consultation activities or a simple consultation activity such as notifying a single landowner. Applicants are responsible to justify the extent of consultation carried out for each application. Applicants may also make use of the Board's publications to inform potentially affected persons about the NEB and its processes. On the NEB's website there is a detailed list of our publications and what each is used for. (See *Guidance for Companies on NEB Publications under Participation & Lands*.)

The following information is required within the application:

- An overview of the policies and goals of the Consultation Program;
- A description of the design of the project-specific consultation activities; and
- A description of the outcomes of the project-specific consultation activities.

Each of these information requirements is discussed in further detail in the following sections.

If no project-specific consultation activities are implemented, an explanation is also required.

The Board also expects companies to conduct effective public consultation activities. The Board's requirements for public consultation can be found in the "Operations and Maintenance Activities on Pipelines Regulated Under the *National Energy Board Act*: Requirements and Guidance Notes: (January 2013).

### **3.4.1 POLICIES AND GOALS OF THE CONSULTATION PROGRAM**

#### **Goal**

The application outlines the corporate policy or vision with respect to consultation and the principles and goals that guide the applicant's Consultation Program.

#### **Filing Requirements**

Provide an overview of the applicant's Consultation Program, which should include, but not be limited to:

- the corporate policy or vision with respect to consultation;
- the principles and goals established for the applicant's Consultation Program; and
- a copy of the Aboriginal consultation policy, if established, along with any documented policies and principles for collecting traditional knowledge or traditional use information, if applicable.

#### **Guidance**

The Board expects an applicant to develop and implement a Consultation Program to anticipate, prevent, mitigate and manage conditions which have the potential to affect persons and groups. A Consultation Program should be based on the elements of a standard management system (for example, the management system elements described in the NEB's Onshore Pipeline Regulations). Additional guidance is provided in the NEB's Draft Expectations for Public Involvement Programs [Filing [A22289](#)].

The Board also expects applicants to consider the language needs of the potentially affected persons and/or groups and include a description of this consideration in their application. Further to s.41 of the *Official Languages Act*, the Board is committed to fostering the full recognition and use of both English and French in Canadian Society. The Board recognizes the importance of considering official languages when developing and implementing a consultation program, to result in effective communication with potentially affected persons in the official language of their choice.

### 3.4.2 DESIGNING PROJECT-SPECIFIC CONSULTATION ACTIVITIES

#### Goal

The application indicates why the design of project-specific consultation activities is appropriate for the nature of the project in alignment with the company's Consultation Program.

#### Filing Requirement

Provide a description of the project-specific consultation activities and the factors that influenced the design.

#### Guidance

When designing project-specific consultation activities, applicants should consider that the Board expects consultation activities will, at a minimum:

- be initiated as soon as possible in the planning and design phase of a project;
- provide clear, relevant and timely information to potentially affected persons or groups;
- be accessible to and inclusive of all potentially affected persons or groups;
- be responsive to the needs, inputs and concerns of potentially affected persons or groups; and
- continue throughout the regulatory process, as well as the construction and operation phases of a project.

When consultation includes Aboriginal groups, applicants should consider establishing a consultation protocol in collaboration with these groups that takes into consideration their needs and cultural elements.

#### *Project-Specific Consultation Activities*

Describe project-specific consultation activities. At a minimum describe the:

- potentially affected persons or groups to be consulted, including:
  - local residents, landowners and land or waterway users;
  - government authorities; and
  - Aboriginal groups;
- potential information needs of the persons or groups;
- process by which potentially affected parties can comment to the Board before the Board makes its decision;
- manner in which official languages were considered, including how project information will be provided and communicated to potentially affected persons or groups in the official language of their choice to ensure effective and meaningful participation in the Board process;
- methods and timing of consultation;

- procedure for responding to issues and concerns; and
- plans for future consultation and follow-up throughout the operations phase of a project, which may include activities such as public awareness programs, continuing education and consultation with persons regarding proposed operations that may potentially affect them.

### ***Design Factors***

Consider the following factors, where appropriate, in the design of consultation activities:

- the nature, magnitude and areal extent of the project;
- the potential environmental and socio-economic effects of the project;
- effects of the project on navigation and navigation safety;
- potential broad impacts of the project that may extend beyond the project boundaries (e.g., noise and air emissions);
- all registered and non-registered interests held in the lands that may be affected by the project, which may include individuals or organizations identified through the consultation process;
- the specific or distinct needs of various potentially affected persons and groups;
- the location of Indian reserve lands, Métis settlements and traditional territories;
- existing local community concerns or sensitive issues that may be exacerbated by the project;
- the availability of emergency services;
- the compatibility of the project with current land use and zoning;
- the proximity of the project to urban centres;
- different project routing, design and construction alternatives, and their potential impacts on persons and groups; and
- any other relevant factors not included in this list.

### ***Government Authorities***

Ensure the appropriate government authorities (local, regional, provincial and federal) are included in the consultation process. In some cases, regulatory approval from another authority will be required. Contact that authority to determine their information requirements.

Table 3-1 (located at the end of Chapter 3) while not exhaustive, identifies federal authorities that might need to be contacted for certain projects. The list is intended for assistance and guidance only - applicants are responsible for obtaining all necessary approvals for any project. The Board accepts no responsibility for the accuracy or completeness of this list.



### 3.4.3 IMPLEMENTING PROJECT-SPECIFIC CONSULTATION ACTIVITIES

#### Goal

The application describes the results of the public consultation conducted to-date for the project, in sufficient detail to demonstrate:

- that all persons and groups potentially affected by the project are aware of: the project, the project application to the Board, and how they can contact the Board with outstanding application-related concerns;
- that those potentially affected by the project have been adequately consulted, and
- that any concerns raised have been considered, and addressed as appropriate.

#### Filing Requirement

Provide confirmation that the information provided to potentially affected persons and groups describes:

- the Applicant's intention to apply to the Board for approval of its project,
- how they can contact the Board with outstanding application-related concerns before the Board makes its decision on the application, and
- the actual date of filing the application with the Board, and information where to find the application and associated documents on the NEB website, including the file number.

Describe the outcomes of the consultation activities conducted for the project, including, but not limited to:

- the persons or groups consulted;
- the methods, dates and locations of consultation activities;
- the information that was distributed to persons or groups, which in most cases will include:
  - the location, starting and ending points, route and main components of the project;
  - a map or maps at appropriate scale that show all major components of the project, the routing of the project, the workspace required, the location of proposed facilities such as pump and compressor stations, and the location of any major towns, roads, water bodies or other landmarks in the area of the project;
  - the proposed timing and duration of construction;
  - the potential environmental and socio-economic effects of the project and how those effects will be addressed;
  - how public safety will be addressed;
  - the emergency response information;
  - how comments or concerns raised by potentially affected persons or groups will be addressed throughout the consultation process;
  - how interested persons can participate further in the consultation process;

- company contact information;
- the proposed timing of filing the application with the Board;
- NEB contact information and website; and
- the NEB pamphlet (blue colour) *Information for Proposed Pipeline or Power Line Projects that Do Not Involve a Hearing* if the project is not subject to a hearing. (For hearings, provide the NEB pamphlet (yellow colour) *Information for Proposed Pipeline or Power Line Projects that Involve a Hearing*)
- a summary of the comments and concerns expressed by potentially affected persons or groups;
- a summary of the response made regarding each of the concerns or comments, including:
  - the measures taken, or that will be taken to address those concerns or an explanation of why no further action is required to address the concerns or comments; and
  - the methods and dates that the response was made to the person(s) who raised the concern(s);
- how outstanding concerns will be addressed;
- how input from persons or groups has influenced the design, construction or operation of the project;
- details regarding discussions with Aboriginal groups, which includes each of the items listed above and:
  - the identity of all Aboriginal groups contacted, how they were identified, when and how they were contacted and who was contacted;
  - any relevant, non-confidential written documentation regarding consultations;
  - any concerns about the project raised by Aboriginal groups that you have discussed with any government department or agency, including when contact was made and with whom; and
  - if you are aware of any involvement of the Crown in consultations with the Aboriginal groups with respect to the project, describe the Crown involvement; and
- the details and results of the consultation undertaken with all persons who may be affected by any changes to the project.

## **Guidance**

### ***Notice To Those Potentially Affected***

The Applicant should provide confirmation of adequate notice by providing a description of:

- the process by which potentially affected persons and groups can contact the Board before the Board makes its decision; and
- the methods and timing of notification and consultation.

The Applicant should maintain records and be prepared to further demonstrate the adequacy of the notice that was provided to all potentially affected persons and groups.

See Guidance in 3.4.2.

For consultation activities that could involve a large number of people, it might not be practical to list all individuals that were consulted. It may be more practical to describe the main groups and why they are identified. For example, where a group has a common concern or association, describe:

- the group;
- their location;
- their common concern; and
- the authority of any representatives of the group.

### ***Consultation Methods***

Communicate the project information in a format and manner that is appropriate to the audience. Determine the means of communicating project information in conjunction with the potentially affected persons or groups, if possible.

Consultation methods can include:

- project brochures, either mailed or hand delivered;
- periodic newsletters;
- advertisements in local newspapers;
- radio spots;
- a project Web page;
- telephone calls;
- open house meetings;
- project questionnaires;
- facility tours;
- on-site meetings;
- personal visits; or
- workshops.

### ***Concerns***

To close the loop in consultation activities and address concerns before they become complaints, the Board expects applicants to:

- seek to understand the full nature of concerns expressed by persons or groups;
- consider the feasibility of any mitigation proposed by persons or groups to address those concerns;

- respond to concerns; and
- work with persons or groups to jointly resolve concerns.

### ***Identifying Aboriginal Groups***

Aboriginal groups potentially affected by the project can be identified by:

- considering the location of Indian reserve lands, Métis or other Aboriginal populations, and the traditional territory that may be claimed by one or more Aboriginal groups;
- contacting regional Aboriginal organizations or government agencies familiar with local Aboriginal groups; and
- taking into consideration past experience working in the area.

Consider augmenting the application with local and traditional knowledge and integrating the information and knowledge, where appropriate, into the design of the project. Where local and traditional knowledge is obtained, provide an opportunity for the individual who provided the information to confirm the interpretation of the information and how it was used in the project design.

## **3.4.4 JUSTIFICATION FOR NOT UNDERTAKING CONSULTATION ACTIVITIES**

### **Goal**

The application provides justification of why it was not necessary to carry out a consultation activities with respect to the proposed project.

### **Filing Requirement**

Explain why consultation activities were considered unnecessary.

### **Guidance**

Consultation activities might not be necessary if the applicant can demonstrate that one or more of the following scenarios applies:

### ***Equivalent Consultation Activities***

In the event that the project has been the subject of an equivalent consultation process carried out under the auspices of another agency, or conducted by another company or agency:

- describe the alternative consultation activities;
- provide evidence that these activities identified the project that is being applied for and its potential impacts; and
- demonstrate that these alternative activities meets the requirements of this section of the manual.

For example, where a road widening requires that an existing NEB-regulated pipeline be relocated, the responsible transportation authorities might conduct consultation activities for the road widening that includes consultation regarding the relocation of the pipeline. The pipeline

application would then include a description of these consultation activities and how it meets the requirements of this manual.

### ***No or Negligible Environmental or Socio-economic Effects***

Applicants will be conducting environmental and socio-economic assessments of the project in accordance with the requirements of the NEB Act, the CEAA 2012 and this manual (see Guide A within Chapter 4).

Through this assessment process, applicants will determine the potential adverse effects of the project. If the project's potential environmental and socio-economic effects are negligible, a public consultation activities might be unnecessary. A project with negligible effects might exist where the following conditions are met:

- the proposed project is of a small scale and is localized;
- all construction is to occur on previously disturbed land;
- there is no potential for an impact on navigation;
- the land acquisition process is complete and landowner concerns have been addressed;
- there are no residents near the proposed project;
- no other land uses or waterway uses or interests would be affected;
- there is no potential for traditional use activities to be affected by the project;
- there is no potential for cumulative environmental effects; and
- there would be negligible environmental effects associated with construction and operation of the project.

#### **Additional information...**

Be sure to demonstrate how any environmental and socio-economic effects of the project are negligible.

### ***Facilities within Company Owned or Leased Lands***

The application is a facilities application that relates to:

- work contained within the confines of land the applicant owns or leases (not including land upon which the applicant holds an easement only), except where those facilities or activities:
  - relate to an increase in the storage or disposal of toxic substances;
  - could result in increased noise emissions;
  - could result in increased emissions of air contaminants; or
  - could result in local nuisance, including the potential for increased dust or traffic.

### ***Other Scenarios***

Consultation activities may not be feasible if the project involves

- additional acquisitions are required to support the day-to-day operations of a pipeline or international power line (e.g., standby plant, or materials and supplies); or
- work performed as part of a contingency project such as emergency repairs

### **3.5 Notification Of Commercial Third Parties**

Notification of commercial third parties is normally required when the outcome of the application will affect such matters as:

- tolls or tariffs;
- the ability of third parties to receive, transport or deliver commodities; and
- supply, transportation or sales contracts.

The Board must be assured that all commercial third parties who could be affected by the decision are aware of the application and have had the opportunity to comment should they wish to do so.

#### **Goal**

The application includes evidence that all interested commercial third parties that could be potentially affected by the outcome of the application have been advised of the application.

#### **Filing Requirements**

1. Confirm that all commercial third parties who could potentially be affected in any way by the outcome of the application have been notified and include:
  - the method used to notify those parties; and
  - when the parties were notified.
2. Provide details regarding the concerns of third parties. This might include:
  - confirmation that no concerns were raised;
  - confirmation that concerns raised have been resolved; or
  - a list of the commercial third parties who have outstanding concerns and a discussion of their unresolved concerns.
3. List the self-identified interested third parties and confirm they have been notified.
4. Provide an explanation in the event that notification of commercial third parties was considered unnecessary.

#### **Guidance**

##### ***Identifying Commercial Third Parties***

Commercial third parties include those who could be directly or indirectly commercially affected by the outcome of an application. This should include shippers and could also include

commodity suppliers, end users and other pipelines. The following are examples of when to consider certain commercial third parties to be affected by an application:

- consider all shippers to be affected parties requiring notification of all tolls and tariff applications filed pursuant to Part IV of the NEB Act and all applications that could significantly affect tolls or tariffs;
- consider all shippers, suppliers and end users to be affected parties when the outcome of the application would significantly affect service on the pipeline; and
- consider operators of competitive facilities, whether regulated by the NEB or not, to be affected commercial third parties when the outcome of the application could reasonably be expected to have a significant adverse impact on their operations.

Third parties involved in physical construction activities (e.g., contractors, material vendors, consultants) or that supply food and accommodation would not normally be considered to be affected commercial third parties.

### ***Notification***

Inform the commercial third parties that an application has been, or will be, submitted to the NEB and provide a brief description. Notification should normally be done no later than the filing date of the application with the NEB. A copy of the application may be provided with the notification, be provided upon request or may constitute notification.

When determining the level of detail in the notification, consider the:

- scope of the project;
- potential impact on commercial third parties;
- nature of any concerns raised by commercial third parties; and
- resolution of concerns raised.

In general, the greater the scope of the project and the potential impact on commercial third parties the more information would be required. Further, more detailed information would normally be required when concerns have been raised by commercial third parties and remain unresolved at the time of filing.

Where the outcome of the application could affect specific commercial third parties, notify the individual parties. However, where a group with similar interests might be affected, such as western Canada producers or a group of end users, the applicant may choose to notify a recognized organization representative of the group such as the Canadian Association of Petroleum Producers or the Industrial Gas Users Association.

### ***Concerns***

Where concerns have been raised and resolved, include a discussion of the resolution when it would assist the NEB in making a decision. When providing a list of unresolved concerns, provide any other information that would assist the NEB to understand the issues, including a discussion of any attempts to reach agreement, such as a summary of the consultative process that was used prior to filing the application.

### ***Self-identified, Interested Third Parties***

Self-identified, interested third parties refers to third parties who have indicated to the applicant that they have an interest in the application or one or more types of applications filed with the NEB.

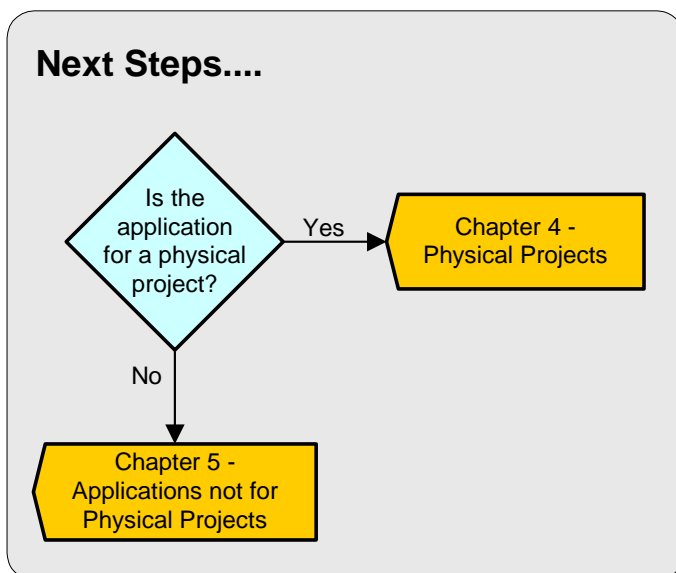
Whether any commercial third parties could be affected by the application or not, the NEB expects that the applicant will notify all self-identified interested third parties.

### ***When Notification is Not Required***

Notification might not be required if the outcome of the application is not expected to result in any significant impacts on commercial third parties, for example:

- facilities applications for routine operational maintenance and repair where:
  - access to facilities might be temporarily interrupted during construction, but service will not be interrupted; or
  - the toll impact would be immaterial or considered to be a routine adjustment in a negotiated tolls agreement;
- applications for construction on an owner-operated pipeline where the owner is the sole shipper;
- applications concerning crossing matters, leave to open, deviation, change in class location or right of entry that would not affect tolls or the operation of the pipeline; and
- applications to change the name of a pipeline owner that does not involve the sale of the pipeline or a change in operation.

The requirements for consultation, described in Section 3.4 - Consultation, continue to apply even if it is decided there are no commercial third parties to notify of an application.





**Table 3-1: Other Potential Federal Contacts**

<b>Project Considerations</b>	<b>Contact</b>
Does the project occur in a National Park or National Historic Site or is it likely to affect a National Park or National Historic site?	Parks Canada Agency
Is the project likely to take place on, involve dredge or fill operations in, draw water from or discharge water to a historic canal administered by and operated by Parks Canada?	Parks Canada Agency Public Works and Government Services
Is the project likely to affect Indian reserve lands?	Aboriginal Affairs and Northern Development (AANDC)
Will the project occur on lands in the Yukon or the Northwest Territories that are under the control, management and administration of Indian and Northern Affairs and require the issuance of a Class A or Class B permit?	Aboriginal Affairs and Northern Development (AANDC)
Is the project likely to result in international air pollution?	Environment Canada
Is the project likely to result in the deposition of materials into the marine environment?	Environment Canada
Does the project occur in a wildlife area as defined in the <i>Wildlife Area Regulations</i> ?	Environment Canada
Could the project affect wildlife species at risk or their critical habitat or the residences of individuals of those species?	Environment Canada Fisheries and Oceans Canada Parks Canada Agency
Is the project likely to result in: <ul style="list-style-type: none"> <li>• killing, capturing, taking or possessing a migratory bird or its nest or eggs;</li> <li>• collecting eiderdown or depositing oils or other harmful substance in areas frequented by migratory birds;</li> <li>• an effect on migratory bird habitat within a bird sanctuary; or</li> <li>• the release of a species of bird not indigenous to Canada?</li> </ul>	Environment Canada
Will the project affect the natural flow of an international river (i.e., water flowing from any place in Canada to any place outside Canada) or affect the actual or potential use of that river outside Canada?	Environment Canada
Is the project likely to result in the release of a deleterious substance?	Environment Canada
Is the project likely to affect wetland function?	Environment Canada Parks Canada Agency
Is the project likely to affect the operation of a railway company or property owned or leased by a railway company, or require the installation of telephone, electricity, telegraph or other wire services for a railway facility?	Canadian Transportation Agency Transport Canada if <i>Railway Safety Act</i> is involved
Will the project result in cutting timber or constructing roads in a Federal Forest Experimental Area?	Natural Resources Canada
Does the project involve producing or holding explosives in a magazine?	Natural Resources Canada
Does the project involve replacing or repairing a bridge?	Public Works and Government Services



---

## Chapter 4                      Physical Projects

---

An applicant must:

- complete the common application requirements outlined in Chapter 3;
- confirm that the application is for a physical project;
- address sections 4.1 Description of the Project and 4.2 – Economic Feasibility, Alternatives and Justification; and
- identify which Guides within Chapter 4 are applicable (see Figure 2-1) and provide the required information in Section 4.1

### 4.1 Description of the Project

#### Goal

The application will include a clear description of the project, including:

- project components, activities and location;
- cost information;
- construction schedules; and
- related undertakings.

#### Filing Requirements

1. Identify and describe the project components, activities and related undertakings (e.g., pipe, valves, compressors, pumps, access roads including temporary and permanent bridges, construction camps, marine terminals and loading facilities).
2. Describe the project location and the criteria used to determine the proposed route or site.
3. Describe how and when the project will be carried out.
4. Provide a description of any facilities to be constructed by others which are required to accommodate the proposed facilities, including temporary facilities.
5. Provide an estimate of the total capital costs and incremental operating costs, if applicable; and changes to abandonment cost estimates, where applicable, for the following categories:
  - pipelines;
  - compression or pumps;
  - metering and regulating;
  - tankage;
  - other facilities;
  - allowance for funds used during construction (AFUDC) including rates used; and

- capitalized overhead, showing a separate breakdown of the main cost elements such as materials, installation, land and land rights.

6. Indicate the expected in-service date.

## **Guidance**

### ***Description of Project Components***

The description of the project components should address the following:

- what the project is, including:
  - a complete list and thorough description of the project components and activities, including any components or activities required for the project to proceed (e.g., construction camps, means of access including temporary and permanent bridges, electrical grid connections, marine terminals and loading facilities);
  - the location and size of any temporary work space;
  - a description of replacements or expansions of physical facilities and activities that are anticipated over the life of the project; and
  - preliminary drawings if available.
- where the project is located, including:
  - a general description of the route or facility location, including identification of:
    - general land tenure, including any federal lands;
    - navigable waterways;
    - current land uses;
    - nearest residences and communities;
    - unique features;
    - the positioning of project endpoints for linear developments;
    - the location of any alternate routes or sites considered; and
    - preliminary drawings, if available.
- how the project will be carried out, including:
  - a thorough description of how project activities (e.g., clearing, hydrostatic testing, watercourse crossings, inspection, monitoring and surveillance programs) would be carried out during the construction and operations phases;
  - the anticipated workforce (i.e., person days and skills required for construction and operations activities); and
  - a list of other permits, licences, or authorizations that will be required before part or all of the project can proceed.
- when the project would likely be carried out, including:
  - a breakdown of all construction and operations activities by major activity;

- construction and operations schedules;
- a description of how any changes to schedules can affect the project; and
- a description of when proposed decommissioning and abandonment of the project might take place.

### ***Description of Project Costs***

When describing any estimated capital costs, specify what year dollars are used, and describe whether the estimated costs include any inflation and contingency provisions. For any estimate of incremental operating costs, specify what year dollars are used.

When estimating new or changes to abandonment costs, follow the format set out in March 2010 *Revisions to Preliminary Base Case Assumptions* (Filing [A24600](#)), Tables A-1, A-2, A-4, as revised from time to time. Table A-3 was revised in December 2010 and is available at Filing [A27778](#).

For companies with no facilities currently regulated by the NEB, the estimated costs will have some bearing on the allocation of NEB costs, as set out in the *Cost Recovery Regulations*, section 5.2(1).

## **4.2 Economic Feasibility, Alternatives and Justification**

### **Goal**

The application includes an integrated discussion that demonstrates the economic feasibility, financial resources, and justification for the proposed project, including a description of any alternatives considered.

### **4.2.1 FILING REQUIREMENT – ECONOMIC FEASIBILITY**

Describe the economic feasibility of the project.

#### **Guidance – Economic Feasibility**

The discussion of economic feasibility should combine evidence provided elsewhere in the application with evidence provided according to Guide A, Section A.3 - Economics and Financing, to show that the applied-for facilities are economically feasible. Also, the evidence should demonstrate plans to manage all potential costs associated with the risks and liabilities that may arise during the construction or operation of the Project, including a significant incident involving a product release (see the NEB's [Event Reporting Guidelines](#) for a definition of “significant incident”).

### **4.2.2 FILING REQUIREMENTS – ALTERNATIVES**

1. Describe the need for the project along with the rationale for selecting the applied for project over other possible options.
2. Describe and justify the selection of the proposed route and site including a comparison of the options evaluated using appropriate selection criteria.

3. Describe the rationale for the chosen design and construction methods. Where appropriate, describe any alternative designs and methods evaluated and explain why these other options were eliminated.

#### **FYI - Example**

In the GSX project, the Panel ruled that other ways of meeting the energy demands of Canadians, such as wind, solar, and tidal power were not relevant to the Panel's public interest determinations under Section 52 of the NEB Act because this information did not have sufficient connection or nexus to the application before the Board and would not inform its decision. Joint Review Panel for the Georgia Strait Canada Pipeline Project, GH-4-2001, Joint Review Panel Report, Georgia Strait Crossing Pipeline Ltd. July 2003, Appendix D, Panel Rulings, Ruling: 20 January 2003.

### **Guidance – Alternatives**

#### ***Alternatives Evaluated***

In the context of economic feasibility, alternatives are other technically, economically and environmentally-feasible means of meeting the need for the project and its eventual retirement, such as a different:

- transportation mode;
- transmission system that could achieve the same purpose as the proposed facilities;
- route or site;
- facility design; or
- construction method, including different means of development, implementation and mitigation.

#### ***Selection Criteria***

Different project, routing, design and construction alternatives must be summarized and compared using criteria that justify and demonstrate how the proposed option was selected and why it is the preferred option. The level of detail provided by the applicant may reflect the more conceptual nature of the options.

When comparing project routing, design or construction options, elaborate on the following criteria, as appropriate:

- engineering design;
- economic feasibility or life span<sup>4</sup> costs;
- effect on reliability and security of the existing system;
- demonstrated public concern; and
- environmental and socio-economic constraints or potential effects.

### **4.2.3 FILING REQUIREMENT – JUSTIFICATION**

Provide a justification for the proposed project.

---

<sup>4</sup> Life span includes planning, construction, maintenance, operation and abandonment.

### **Guidance - Justification**

Describe the needs that would be satisfied by the project and demonstrate that, taking into consideration all viable alternatives available, the proposed project is the most appropriate option to meet the needs while serving the public interest.

#### **Next Steps....**

Determine which of the Guides included within this chapter are applicable to the application being filed and complete the necessary filing requirements.





## **Guide A – FACILITIES APPLICATIONS**

For a proposed project that involves constructing or modifying facilities that require an application under the NEB Act, the Board must satisfy itself, or make recommendations to the Governor in Council, that the facilities are and will be required for the present and future public convenience and necessity. The Board may consider information relating to:

- engineering;
- environment and socio-economics;
- economics and financial matters;
- lands; and
- any public interest that may be affected by the granting or refusing of the application.

Guide A establishes the information required in each of these instances.

### **Section 52 Applications**

Applications under section 52 of the NEB Act trigger a public hearing, either written or oral. Applicants should refer to the information requirements outlined in:

- Chapter 3 - Common Information Requirements;
- Chapter 4 - Physical Projects, including sections 4.1 and 4.2 and all subsections within Guide A - Facilities Applications (NEB Act s.52 and s.58).

### **Section 58 Applications**

Section 58 of the NEB Act permits the Board to make orders exempting certain facilities from any or all of the provisions of sections 29 to 33 and section 47 of the NEB Act.

58. (1) The Board may make orders exempting
- (a) pipelines or branches of or extensions to pipelines, not exceeding in any case forty kilometres in length, and
  - (b) such tanks, reservoirs, storage facilities, pumps, racks, compressors, loading facilities, interstation systems of communication by telephone, telegraph or radio, and real and personal property and works connected therewith, as the Board considers proper, from any or all of the provisions of sections 29 to 33 and 47.

While applications made under section 58 do not automatically trigger a public hearing, the Board will still assess the application with respect to:

- public consultation;
- engineering;
- environment and socio-economics;
- economics; and
- lands.

As such, applicants should refer to the information requirements outlined in:

- Chapter 3, Common Information Requirements;
- Chapter 4, Physical Projects, including sections 4.1 and 4.2 and all subsections within Guide A - Facilities Applications (NEB Act s.52 and s.58).

## **Operations and Maintenance Activities**

Operations and maintenance activities are defined within the National Energy Board's "*Operations and Maintenance Activities on Pipelines Regulated Under the National Energy Board Act: Requirements and Guidance Notes*". Operations and maintenance activities do not require an application under section 58 of the *National Energy Board Act*. The Board recommends that Companies review the requirements and guidance notes for operations and maintenance activities to determine if notification of these activities is required.

## **Section 58 Streamlining Order**

On 1 August 2012, the NEB revoked Streamlining Order XG/XO-100-2005, and replaced it with XG/XO-100-2012.

This Order provides the Board's approval for the construction and operation of certain classes of oil and gas projects regulated under the NEB Act. If the proposed project meets all the requirements found within Schedule "A" attached to the Order, an application is not necessary.

The Order also contains the guidance on the process for identifying and reporting on eligible projects. A copy of the Streamlining Order and Schedule "A" immediately follows this subsection.

National Energy  
BoardOffice national  
de l'énergie

File: AD-GA-ActsLeg-Fed-NEBA-01 01  
1 August 2012

To: All Oil and Gas Pipeline Companies under the National Energy Board (Board)  
All Interested Parties.

### Section 58 Streamlining Order

The Board has revoked Streamlining Order XG/XO-100-2005, dated 7 July 2005, and replaced it with XG/XO-100-2012 (attached). This revocation and issuance of a new Streamlining Order was required due to the enactment of the *Canadian Environmental Assessment Act, 2012* (CEA Act 2012) on 6 July 2012, which resulted in the former *Canadian Environmental Assessment Act* (CEA Act) being repealed.

Streamlining Order XG/XO-100-2012 effectively provides the Board's approval for the construction and operation of certain classes of oil and gas projects regulated under the *National Energy Board Act* (NEB Act) that satisfy the criteria listed in Schedule A of the Order.

Changes from the prior Order include:

- deleting references to the former CEA Act in the Order and Schedule A, as the CEA Act 2012 does not apply to these classes of projects;
- updating the criteria in Step 2 of Schedule A to be consistent with the criteria for self-assessment of risk as identified in the Board's Online Application System (OAS);
- adding a reference to "federal lands" in Step 2 of the Schedule A to meet requirements under section 67 of the CEA Act, 2012;
- adding a reference in Step 2 to "wildlife area" and "migratory bird sanctuary", as defined in the *Regulations Designating Physical Activities*, CEA Act 2012;
- adding references to the OAS in Schedule A to provide more guidance to companies;
- revising the wording in the sunset clause to provide clarity to the companies, in the event that the streamlined project does not commence within one year of the project having been determined by the company to satisfy the criteria set out in Schedule A of this Order; and
- minor wording changes to increase consistency and readability.

Projects undertaken pursuant to the Streamlining Order are required to comply with all applicable Acts, rules, standards and regulations (e.g. the *Onshore Pipeline Regulations, 1999* as amended from time to time). These projects continue to be subject to the Board's oversight, including inspections and audits.

.../2

444 Seventh Avenue SW  
Calgary, Alberta T2P 0X8

444, Septième Avenue S.-O.  
Calgary (Alberta) T2P 0X8

Canada

Telephone/Téléphone : 403-292-4800  
Facsimile/Télocopieur : 403-292-5503  
<http://www.neb-one.gc.ca>  
Telephone/Téléphone : 1-800-899-1265  
Facsimile/Télocopieur : 1-877-288-8803

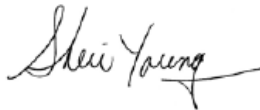
- 2 -

The Board is satisfied that streamlined projects would not present concerns with respect to safety, security and the environment. Such projects would be located on lands where there is an agreement in place to allow companies to undertake streamlined activities and they are not likely to adversely affect the rights of shippers or other directly affected persons.

Reporting requirements are set out in the attached Order. The issuance of Streamlining Order XG/XO-100-2012 does not mean that expenditures have been approved for inclusion in the rate base. Companies and persons wishing to include such expenditures in rate bases are required to justify the expenditures under Part IV of the NEB Act.

If you have any questions related to the Streamlining Order, please contact the Applications Business Unit at 403-299-3692 or 403-299-3730, or toll-free at 1-800-899-1265.

Yours truly,

A handwritten signature in cursive script, appearing to read "Sheri Young".

Sheri Young  
Secretary of the Board

Attachment

National Energy  
BoardOffice national  
de l'énergie**ORDER XG/XO-100-2012**

**IN THE MATTER OF** the *National Energy Board Act* (NEB Act) and the regulations made thereunder; and

**IN THE MATTER OF** exemptions relating to certain classes of oil and gas pipeline facility projects under National Energy Board jurisdiction pursuant to sections 18 and 58 of the NEB Act.

**BEFORE** the Board on 19 July 2012.

**WHEREAS** the Board issued Order XG/XO-100-2005 on 12 July 2005, with respect to streamlining the section 58 process;

**AND WHEREAS** the Board has determined that certain changes to Streamlining Order XG/XO-100-2005 are required as a result of the 6 July 2012 enactment of the *Canadian Environmental Assessment Act, 2012*, which resulted in the former *Canadian Environmental Assessment Act* being repealed;

**AND WHEREAS** the Board is satisfied the projects that can be streamlined according to the criteria set out in Schedule A are routine in nature for oil or gas pipelines for which an Order or Certificate has been issued by the Board, and are not related to commodity pipelines or to pipelines transporting sulphur or sulphur compounds for sales or disposal beyond the property limits of a gas plant;

**AND WHEREAS** the Board has considered all directly related relevant matters, including environmental matters, related to projects streamlined according to the criteria set out in Schedule A pursuant to Part III of the NEB Act;

**AND WHEREAS** the projects streamlined according to the criteria set out in Schedule A would be designed, constructed and operated in accordance with applicable regulations made pursuant to the NEB Act;

**AND WHEREAS** the Board is satisfied that projects streamlined according to the criteria set out in Schedule A would not likely affect the interests of persons other than those to whom a prior Order or Certificate was issued;

.../2

Canada

**AND WHEREAS** the Board considers it to be in the public interest to grant an exemption Order in respect of the projects streamlined according to the criteria set out in Schedule A;

**IT IS ORDERED** that Order XG/XO-100-2005 is hereby revoked;

**IT IS FURTHER ORDERED** that, pursuant to sections 18 and 58 of the NEB Act, the projects listed and streamlined according to the criteria set out in Schedule A, attached to and forming part of this Order, are exempt from the provisions of sections 30, 31 and 47 of the NEB Act, upon the following conditions:

1. Unless the Board otherwise directs, pipeline companies and persons under the Board's jurisdiction must, for those projects satisfying the criteria set out in Schedule A:
  - a) advise the Board in writing 10 business days prior to construction of any planned projects on the eligible projects list (Step 1 of Schedule A) for which the anticipated expenditure is greater than \$1,000,000. Such reports must include a statement describing the project(s), including location(s), and the estimated cost;
  - b) serve copies of the reports required pursuant to condition 1(a) on the Section 58 Interested Parties List in the event that the project is to be undertaken by a Group 1 pipeline company;
  - c) report annually, on or before 31 March of each year, on construction, installation, or procurement and any expenditures undertaken for each project pursuant to this Order, as well as the total number and total cost of the listed projects; and
  - d) report immediately, in writing, to the Board on any air, soil or surface/ groundwater contaminants, or any hazardous wastes, as defined in section 1 of the *Export and Import of Hazardous Waste and Hazardous Recyclable Material Regulations* under the *Canadian Environmental Protection Act*, that are found during activities related to the construction or installation of the project(s), and provide a detailed description of the proposed containment, handling and/or disposal methods.
2. All pressure testing must be hydrostatic pressure testing and the pressure test reports must be prepared in accordance with Guide AA of the Board's Filing Manual. These reports are not required to be filed with the Board, but must be retained for audits conducted by the Board.

**XG/XO-100-2012**

- 3 -

3. Unless construction on a specific project has commenced under this Order within one year of the project having been determined by the company to satisfy the criteria set out in Schedule A of this Order, the company must reconsider the criteria set out in Schedule A to determine if the specific project continues to satisfy the criteria. If the specific project does not continue to satisfy the criteria, the company must apply for approval of that project under section 58 of the NEB Act.

NATIONAL ENERGY BOARD



Sheri Young  
Secretary of the Board

**XG/XO-100-2012**

**Schedule A:  
Process for Identifying and Reporting on Projects Subject to  
Streamlining Order XG/XO-100-2012**

Schedule A is to be used to determine whether a project under the *National Energy Board Act* is subject to Streamlining Order XG/XO-100-2012 (the Order).

However, Companies and persons may be required, either upon request of the Board or during a Board inspection or Board audit, to demonstrate that projects undertaken pursuant to the Order were properly subject to this Order. Companies and persons are also reminded of the reporting requirements pursuant to condition 1 of this Order.

It is important to note the following:

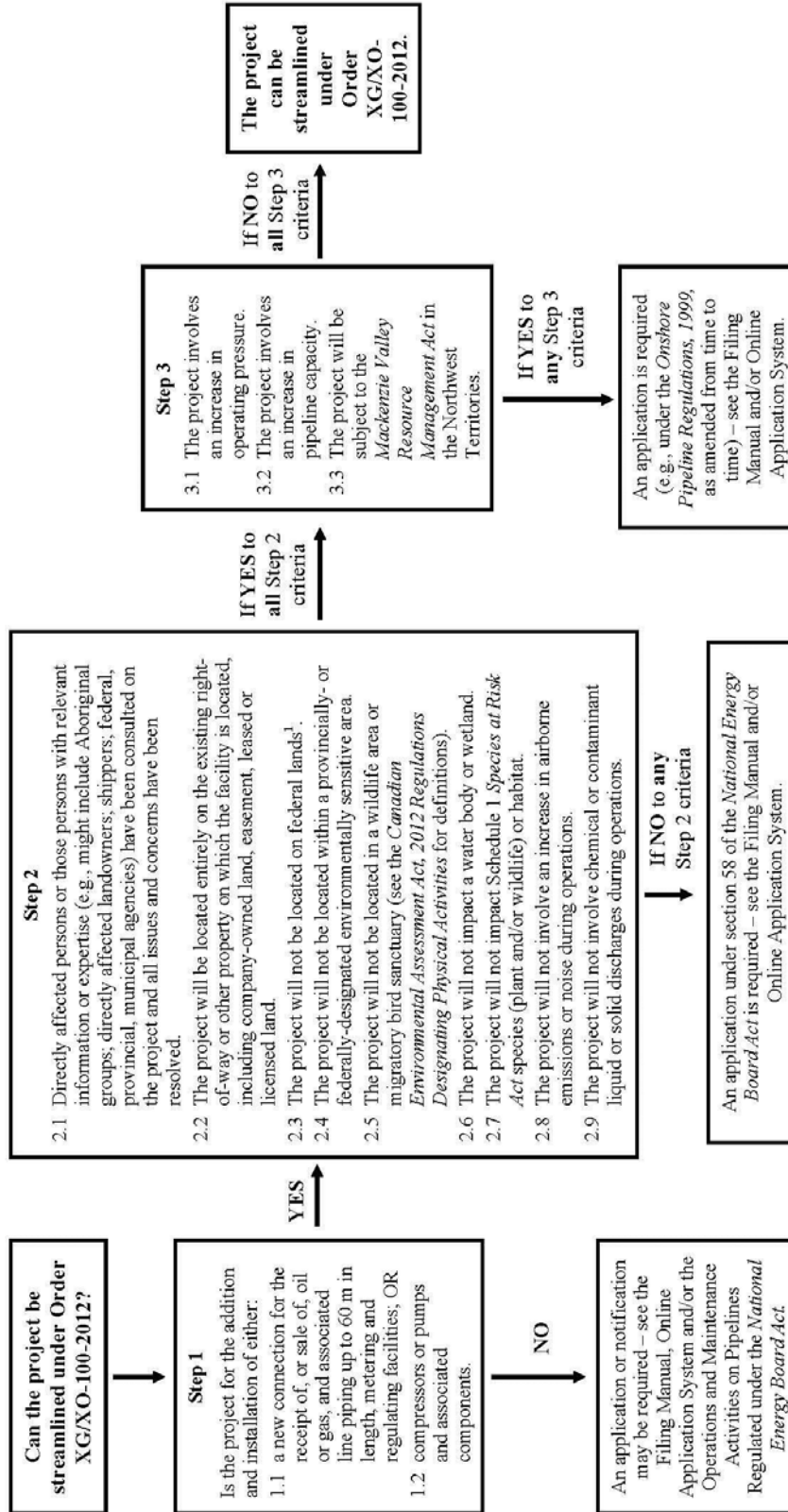
- In determining whether a project under the *National Energy Board Act* is subject to the Order, Companies shall ensure that the project is within the list of eligible projects listed in Step 1.
- The Order only applies to projects on an existing oil or gas pipeline for which a Board Certificate or Order<sup>1</sup> is in place and does not apply to commodity pipelines or to pipelines transporting sulphur or sulphur compounds for sale or disposal beyond the property limits of a gas plant.
- Projects subject to the Order shall be designed, constructed, and operated in accordance with regulations made pursuant to the *National Energy Board Act*.
- The Order applies only to projects and associated ancillary facilities which satisfy **ALL** the criteria set out in Schedule A.
- Operations and maintenance activities are defined within the National Energy Board's "Operations and Maintenance Activities on Pipelines Regulated under the *National Energy Board Act*: Requirements and Guidance Notes". Operations and maintenance activities are not included under the Streamlining Order as they do not require an application under section 58 of the *National Energy Board Act*. The Board recommends that Companies review the requirements and guidance notes for operations and maintenance activities to determine if notification of these activities is required.

---

<sup>1</sup> The Company proposing the project eligible for streamlining must hold in its name the Order or Certificate issued by the Board.



## Schedule A – Order XG/XO-100-2012



<sup>1</sup> Under subsection 2.(1) of the *Canadian Environmental Assessment Act, 2012* "federal lands" means:

- (a) lands that belong to Her Majesty in right of Canada, or that Her Majesty in right of Canada has the power to dispose of, and all waters on and airspace above those lands, other than lands under the administration and control of the Commissioner of Yukon, the Northwest Territories or Nunavut;
- (b) the following lands and areas:
  - (i) the internal waters of Canada, in any area of the sea not within a province,
  - (ii) the territorial sea of Canada, in any area of the sea not within a province,
  - (iii) the exclusive economic zone of Canada, and
  - (iv) the continental shelf of Canada; and
- (c) reserves, surrendered lands and any other lands that are set apart for the use and benefit of a band and that are subject to the *Indian Act*, and all waters on and airspace above those reserves or lands.

## **A.1 Engineering**

### **A.1.1 Engineering Design Details**

#### **Goal**

The application includes all necessary design details of the proposed project to give the NEB an understanding of the nature of the proposed project.

#### **Filing Requirements**

1. Describe the fluid type and chemical composition.
2. If the proposed project involves line pipe, provide:
  - pipe outside diameters;
  - pipe material types, categories, and grades;
  - pipe wall thicknesses;
  - maximum operating pressures (MOP);
  - estimate of pipe length by province for each change in diameter, material grade and wall thickness;
  - valve spacing and a map showing valve locations;
  - minimum depth(s) of cover and typical drawings (e.g., crossings);
  - class locations;
  - description of proposed pipe coatings; and
  - general description of the corrosion control elements and facilities.
3. If the proposed project involves pigging facilities, provide:
  - pipe outside diameters;
  - pipe material types and grades;
  - pipe wall thicknesses;
  - MOP;
  - pig trap locations;
  - pig trap pressure ratings;
  - a description of the pig trap closure device; and
  - a general description of the corrosion control elements and facilities.
4. If the proposed project involves compressor or pump facilities, provide:
  - pipe outside diameters;
  - pipe material types and grades;
  - pipe wall thicknesses;

- MOP and inlet and outlet design pressures;
  - an indication of the presence of surge control systems;
  - type and power of pumps or compressor units;
  - fuel type and source for pumps or compressor units;
  - a station schematic showing buildings and all major piping and valves including connections to existing pipeline systems;
  - a plot plan of the facility including the location of roads and fences;
  - description of boilers and pressure vessels;
  - a general description of the corrosion control elements and facilities and overpressure control; and
  - a general description of the pressure control and overpressure protection devices.
5. If the proposed project involves pressure regulating or metering facilities, provide:
- a description of the gas or fluid analysis system;
  - minimum and maximum station flows and associated inlet and outlet pressures;
  - a general description of the pressure control and overpressure protection devices;
  - a description of the type and frequency of H<sub>2</sub>S analysis in the inlet gas stream;
  - a station schematic showing buildings and all major piping and valves including connections to existing pipeline systems;
  - a plot plan of the facility including the location of roads and fences;
  - pipe outside diameter;
  - pipe material type and grade;
  - pipe wall thickness;
  - MOP;
  - a general description of the corrosion control elements and facilities; and
  - if the measurement is being done for custody transfer purposes, include a description of the measurement equipment, including:
    - physical size;
    - flow capacity;
    - measurement accuracy;
    - meter type;
    - number of meters; and
    - proving method.
6. If the proposed project involves liquid tanks or other commodity storage facilities, provide:
- nominal and working capacity;

- maximum injection and takeaway flow rates;
  - seasonal demand for injection and takeaway capacity and flow rates;
  - a description of the containment and overflow prevention system;
  - a description of overpressure prevention systems;
  - a schematic showing storage tanks, buildings and all major piping and valves, including connections to existing pipeline systems;
  - a plot plan of the facility including the location of roads and fences;
  - pipe outside diameters;
  - pipe material types and grades;
  - pipe wall thicknesses;
  - MOP;
  - valve locations;
  - a description of the fire suppression system, if applicable;
  - a description of the vapour detection and containment system, if applicable;
  - a description of the flaring system, if applicable; and
  - a general description of the corrosion control elements and facilities, if applicable.
7. If the proposed project involves new control system facilities for a pipeline, plant or station, provide:
- a basic description of the supervisory control and data acquisition (SCADA) system related to the proposed facility, including the parameters monitored;
  - a basic description of the leak detection system including its sensitivity and accuracy; and
  - a basic description of the emergency shut down system.
8. If the proposed project involves gas processing, sulphur or liquefied natural gas (LNG) plant facilities, provide:
- an equipment and pipe list, including the pertinent engineering design information;
  - plant capacity and LNG storage capacity;
  - a process and instrumentation diagram (P&ID);
  - a process flow description;
  - plant feed and product specifications;
  - a general description of the corrosion control elements and facilities; and
  - a risk management plan.
9. If the proposed project involves facilities not mentioned above, provide a technical description of the proposed facilities that includes an equivalent level of information to that listed above.

10. If the proposed project involves a building, include the building's use and dimensions.
11. If the proposed project is a new system that is a critical source of energy supply to an area, provide a description of the impact to the new system capabilities following the loss of any critical component such as a compressor, pump or pipeline.

### **A.1.2 Engineering Design Principles**

#### **Goal**

The application includes information on the engineering codes, standards and regulations applicable to the project as well as information with respect to any special engineering design challenges associated with the project.

#### **Filing Requirements**

1. Confirm project activities will follow the requirements of the latest version of *Canadian Standards Association Standard Z662, Oil and Gas Pipeline Systems* (CSA Z662).
2. If the proposed project uses any of the Annexes, in whole or in part, that form part of CSA Z662, provide a statement indicating which Annex is being used and for what purpose.
3. If any portion of the proposed project involves a hydrocarbon pipeline, provide a statement confirming compliance with the latest version of the OPR or PPR.
4. Provide a listing of all primary codes and standards, including the version and date of issue that will be followed in the design, material selection, construction, operation and maintenance for each element of the applied-for facility, including:
  - pipe;
  - coatings;
  - valves;
  - fittings;
  - cathodic protection systems;
  - compressors and pumps;
  - regulators and control valves;
  - liquid tanks and other storage facilities;
  - boilers or pressure vessels (including certifying authority used or required);
  - electrical systems;
  - SCADA;
  - pressure control and overpressure protection;
  - leak detection; and
  - buildings.

Where there is a choice in the code or standard selected, provide a brief reason why the referenced code or standard is considered the appropriate code.

5. Provide confirmation that the project will comply with company manuals and confirm that, in turn, these manuals comply with the:
  - OPR, if applicable;
  - PPR, if applicable; and
  - the codes and standards for the project.

Keep the latest versions of these manuals available for Board audit and file copies upon request.

6. If the proposed project involves any portion of a non-hydrocarbon commodity pipeline system provide a QA program outlining the necessary action required to ensure the materials purchased for use in the proposed facility are appropriate for their intended service.
7. If the proposed facility will be subject to conditions not specifically addressed in CSA Z662 (e.g., seismic issues, fracture control, slope instability, pipe buoyancy, or lack of support due to streambank erosion) provide:
  - a written statement from a qualified professional engineer that the project has been assessed and designed for the potential effects of the condition that is not specifically addressed in CSA Z662; and
  - a description of the designs and measures required to safeguard the pipeline.
8. If the proposed project involves horizontal directional drilling, provide:
  - a preliminary feasibility report detailing the assessment that was completed to determine that horizontal directional drilling could be successfully completed; and
  - a description of the contingency plan to be used if the horizontal directional drill is not successful.
9. If the proposed project involves new materials, provide, in tabular format, material supply chain information (e.g., forming and manufacturing locations) and the associated Quality Assurance verification activity.
10. If the proposed project involves the reuse of materials, provide an engineering assessment in accordance with CSA Z662 that indicates its suitability for the intended service.

### **A.1.3 Onshore Pipeline Regulations**

#### **Goal**

The application meets the requirements of the OPR.

#### **Filing Requirements**

1. If any portion of the proposed project involves a hydrocarbon pipeline system requiring development of designs, specifications, programs, manuals, procedures, measures or plans

for which no standard is set out in the OPR, provide copies to the Board for approval. [OPR, subsection 5.1(1)].

2. If the project design is non-routine in nature or must incorporate unique challenges because of its geographical location (e.g., sub-sea pipelines; pipelines located north of the 60th parallel; pipelines transporting sour gas, acid gas or high vapour pressure products; or pipelines operating under any extreme or unusual circumstances), provide a quality assurance (QA) program outlining the actions required to ensure the materials purchased for use in the proposed facility are appropriate for their intended service (OPR, section 15). See the Guidance topic below for further details.
3. If welding will be performed on a liquid-filled pipeline that has a carbon equivalent of 0.50% or greater and is a permanent installation, submit the following for approval [OPR, subsection 38(3)]:
  - welding specifications;
  - procedures; and
  - the results of procedure qualification tests for approval.

## Guidance

### *Quality Assurance Program for Materials*

The QA program in the above filing requirement ensures that materials purchased meet the company's specified requirements. The rigor of the QA program should be consistent with the scale of the purchase order and its intended application (e.g., the purchase of a single small diameter fitting would not warrant the same degree of scrutiny as would a major pipeline construction project).

QA programs can include the elements of a recognized standard such as the International Organization for Standardization (ISO) 9000 series or quality management systems, and, where appropriate:

- **requirements for the pipeline company's (or its agents) evaluation of the manufacturer's or supplier's quality management system prior to the award of any contract;**
- requirements for company (or its agents) audits and inspections during manufacture and fabrication, shipping, storage, etc.;
- requirements for random and progressive product testing;
- inspection procedures and inspector qualifications;
- requirements for handling and review of documentation;
- a system for managing non-conformances to specifications; and
- procedures for company acceptance of products.

## **A.2 Environmental and Socio-Economic Assessment**

### **A.2.1 Introduction**

Section A.2 describes the NEB's environmental and socio-economic assessment responsibilities and process and outlines the information required in a complete application. Additional filing requirements may exist for applications to other regulators<sup>5</sup>. Section A.2 consists of two broad parts.

Subsections A.2.2 to A.2.4 will assist an applicant in understanding how a project is evaluated and how an applicant should provide information.

A.2.2 – The NEB's Approach to Environmental and Socio-Economic Assessment;

A.2.3 – Scope of an Environmental and Socio-Economic Assessment; and

A.2.4 – Level of Detail.

The applicant should carefully review the information in Subsections A.2.2 through A.2.4 to understand the requirements outlined in the subsections that follow.

The second part, Subsections A.2.5 to A.2.8 describes the information applicants should include in a project-specific Environmental and Socio-Economic Assessment (ESA):

A.2.5 – Description of the Environmental and Socio-Economic Setting;

A.2.6 – Effects Assessment;

A.2.7 – Cumulative Effects Assessment; and

A.2.8 – Inspection, Monitoring and Follow-up.

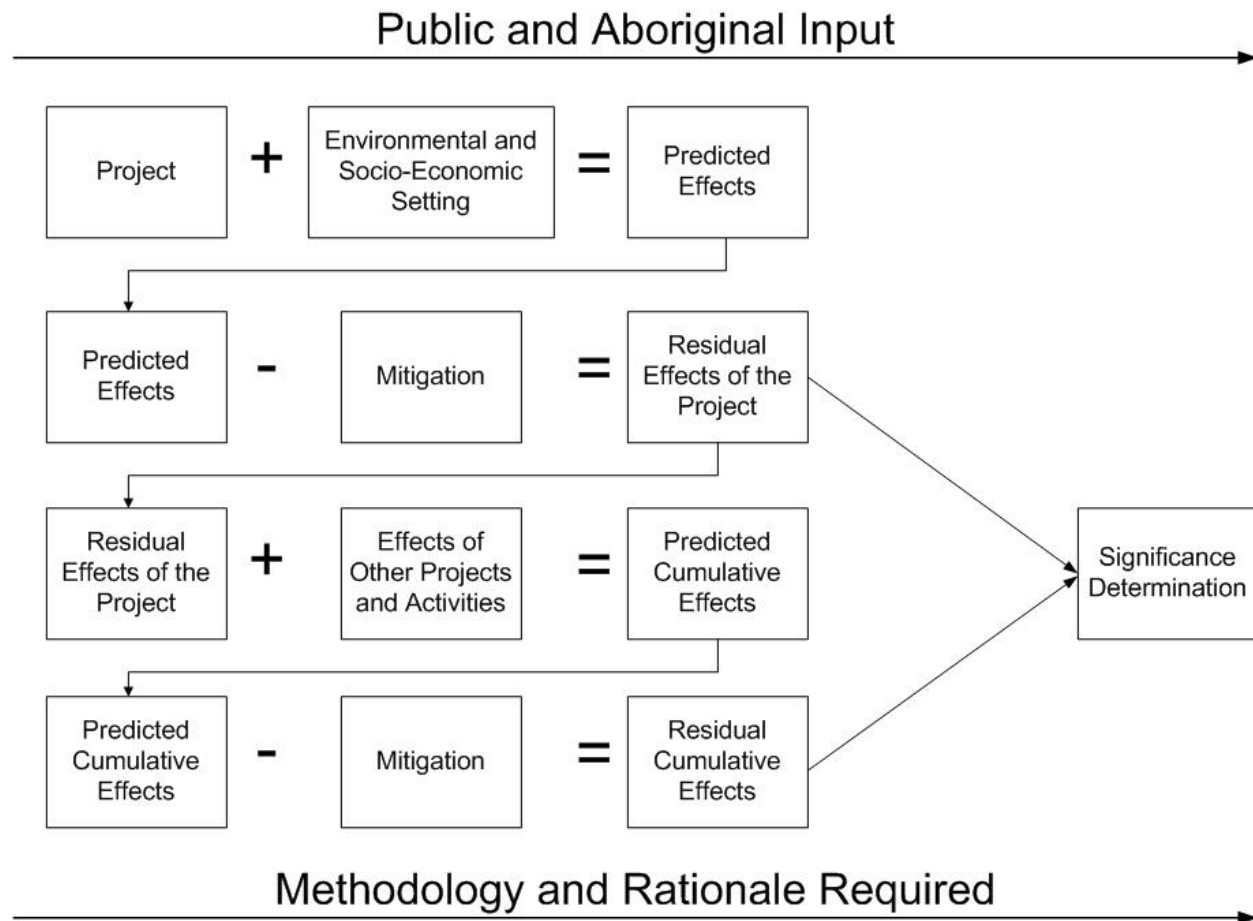
In addition to the description of the project (discussed in Section 4.1 of this Manual), the applicant should describe:

- the environmental and socio-economic baseline setting;
- the predicted beneficial and adverse effects of the proposed project on the socio-economic and biophysical environment over the life of the project;
- the methods used for effects analysis, and the rationale for selecting the methods chosen;
- the proposed mitigation measures; and
- the predicted significance of residual project effects and residual cumulative effects.

---

<sup>5</sup> Proponents should contact the NEB and other relevant regulators, such as the Mackenzie Valley Environmental Impact Review Board, for more information on how to complete an application for authorizations in areas where other legislation may apply.



**Figure A2-1: The Applicant's ESA process**

The level of detail the NEB requires in an application will vary with:

- the nature and scale of the project;
- the predicted effects of the project; and
- the level of public interest in the project.

The applicant must provide a defensible line of reasoning, supported by facts, to support the analysis and conclusions on identified issues and the environmental and socio-economic effects of the project.

Table A-1 in Subsection A.2.4 identifies circumstances that trigger the need for detailed information to be filed on specific biophysical or socio-economic components and considers all phases of an applied for project (construction, operation, maintenance and abandonment), including the potential for accidents and malfunctions during each phase. Tables A-2 and A-3, which follow Subsection A.2.7, identify those specific information requirements.

**FYI – Additional Information...**

For non-hearing NEB Act section 58 applications, the Board has an on-line application system (OAS) through which applicants can build and file their applications. Regardless of whether the OAS criteria are met, applicants should still refer to the guidance set out in the filing manual. In all cases applicants must submit a completed Environmental and Socio-Economic Interactions Table with their OAS application. If one or more of the OAS criteria cannot be met, the system guides the applicant back to the appropriate section of the filing manual to show the filing requirements necessary for a particular application. Generally, less complex projects will require less information to be filed, and more complex projects will result in larger and more complex applications. While a proponent's full ESA is not required to be filed for applications using the OAS, it must still be prepared and may be requested at any time. It may be helpful to include the ESA for applications where there are multiple or complex issues, or to provide clarity and efficiency in the review of an application.

**A.2.2 The NEB's Approach to Environmental and Socio-Economic Assessment**

The NEB has a broad mandate under the NEB Act and it may consider matters that appear to the Board to be directly related to the pipeline and relevant to its decisions or recommendations. The NEB is responsible for assessing the environmental and socio-economic effects of energy projects within its jurisdiction, such as international and interprovincial pipelines in Canada, certain natural gas processing plants, and related facilities and activities<sup>6</sup>. The NEB's environmental and socio-economic assessment responsibilities cover four distinct phases:

- evaluating potential effects of constructing and operating proposed projects;
- monitoring and enforcing terms and conditions before, during and after construction;
- monitoring and regulating ongoing operations, including decommissioning; and
- evaluating potential effects of abandonment.

The NEB's objectives for environmental and socio-economic assessment are that:

- the potential effects of projects receive thorough consideration before any decisions on the project are made allowing a project to proceed;
- projects are not likely to cause significant adverse effects or contribute to significant adverse cumulative effects;
- there is an opportunity for meaningful public and Aboriginal participation; and
- the NEB's process and its decisions or recommendations are transparent and reflect the input received from those participating in the environmental assessment and regulatory review process.

**FYI – Additional Information...**

CEAA 2012 – Many larger proposed projects (e.g. the construction and operation of a new pipeline with a length of 40km or more) will require a CEAA 2012 assessment. Applicants should consult the CEAA 2012 *Regulations Designating Physical Activities* to confirm whether their proposed project may be designated under the CEAA 2012. In such circumstances proponents are encouraged to visit the CEA Agency's website for additional information and guidance about the CEAA 2012.

6 As noted in Section 1.2 of the *Filing Manual*, the ESA requirements described in the section are not explicitly applicable to:

- oil and gas activities regulated under other Acts for which the Board has responsibility, e.g., the *Canada Oil and Gas Operations Act* and the *Canada Petroleum Resources Act*;
- international and designated interprovincial electric power lines; or
- offshore pipelines.

### A.2.3 Scope of the Environmental and Socio-Economic Assessment

#### What is Scoping?

Appropriate scoping is the foundation upon which an effective environmental and socio-economic assessment is built. The scope ensures that the assessment focuses on relevant issues and concerns, and assists in determining the appropriate level of detail to include in the assessment. Proper scoping reduces the risk of including unimportant or irrelevant information in the assessment or excluding factors that should be assessed. Scoping is the process of identifying:

- the physical facilities and activities to include within the ESA; and
- what biophysical and socio-economic elements are likely to be affected.

#### **FYI – See also...**

Scoping information for cumulative effects assessment is provided in Subsection A.2.7.

#### The Applicant's Role in Scoping

The applicant's role in scoping includes:

- providing sufficient information for the NEB to fully understand the nature of the project it is to assess;
- ensuring the applicant's ESA focuses on relevant issues and concerns, including those identified by affected parties, and that an appropriate level of detail is included in the ESA; and
- considering the factors set out in s.19 of the CEAA 2012 as applicable, even for projects not governed by the CEAA 2012. The Board expects a complete ESA from an applicant, regardless of the applicability of the CEAA 2012.

To assist an applicant in scoping before filing an application, the NEB encourages the applicant to:

- request a meeting with Board staff to discuss process-related matters and be guided to examples of complete ESAs filed previously with the Board (see Chapter 1, Section 1.7 – Pre-Application Meetings Guidance Notes);
- consult any relevant Canadian Environmental Assessment Agency (CEA Agency) guidance documents and, if appropriate, discuss scoping any other relevant federal authorities (see Table 3-1 for potential considerations and contacts); and
- where appropriate, consult with other regulatory bodies at the provincial, territorial, regional, municipal or Aboriginal levels of government.

An application must clearly identify, describe and substantiate:

- the scope of the applied for project;
- other physical facilities and activities necessary to enable the project to proceed, including directly-related ancillary facilities, such as access roads including temporary and permanent

bridge crossings, construction camps, or pipe lay-up and storage areas, marine terminals and loading facilities; and

- other physical facilities and activities likely to occur if the applied for project is approved and proceeds, which may include power lines or upstream and downstream petroleum development activities and works directly related to the proposed project.

### **Scope of the assessment and the NEB**

The scope of the project includes the physical facilities and activities making up the project and enabling it to proceed as applied for by the proponent. It may also include other physical facilities and activities that would be undertaken if the applied for project is approved and proceeds.<sup>7</sup>

The NEB determines the scope of the project by considering relevant case law, CEA Agency guidance and any other relevant commentary.

The NEB will review and assess the scope of the ESA based on the evidence before it. Although elements of the project or the scope of factors to be considered may change over the course of a proceeding (*e.g.*, as a result of public or Aboriginal input, or changes to the project), the application is usually the prime source of information and starting point for establishing what the Board will consider in the environmental assessment of a project.

For projects subject to a public hearing, the NEB will release a List of Issues that sets out the issues the Board will consider in the hearing. Within the List of Issues, environmental matters are usually identified at a sufficiently broad level that all relevant environmental effects may be considered. It is important to note the requirements within this *Filing Manual* amount to a standing scoping document in lieu of the NEB preparing a project-specific scoping document for every project.

#### **FYI – Reminder...**

The requirements contained within this *Filing Manual* are essentially a generic scope of the assessment document applicable to any facility project. The description of the project within the proponent's application sets out the scope of the project. If the information submitted is not sufficient for the NEB to be clear on scope, the NEB will request more information, which could lengthen the assessment process.

### ***Guidance – Scope of the Project***

In evaluating whether to include other physical facilities and activities directly related to the proposed project, but which may be outside of the NEB's regulatory jurisdiction, the Board may consider factors such as:

- is the physical facility or activity within the control of the applicant for the primary project being applied for under the NEB Act?
- are mitigation measures and follow-up activities enforceable by the NEB, another federal or provincial department or agency, or person or body that will ensure implementation?

---

<sup>7</sup> National Energy Board, Letter dated 17 September 1999, Re: Upstream Jurisdictional Issues

- are effects from the other physical facilities and activities relevant to the Board's decision or recommendation under the NEB Act?

#### **FYI - Example...**

The NEB's project assessment involves considering physical works and activities directly related to the proposed project, such as its construction and operations, and related physical works or undertakings. Since upstream and downstream facilities are generally not part of project applications, their environmental and socio-economic effects are also generally not considered.

However, the Board may in some cases consider the environmental and socio-economic effects in Canada of upstream or downstream facilities where there is a necessary connection between those facilities and the project before the Board. Some examples where the Board has decided to consider the environmental effects of upstream or downstream facilities as part of its NEB Act assessment include the Board's consideration of a U.S. power plant related to the Sumas Energy 2, Inc. project [see Ruling on the Environmental Effects Motion<sup>(a)</sup>] and of certain provincially-regulated power plants related to the GSX Canada Pipeline Project<sup>(b)</sup>.

Separate from this, the Board does consider the effects of other projects as part of its cumulative effects assessment of a project if those effects act in combination with the effects from the proposed Project [see for example, the NEB's assessment of the Keystone Pipeline Project<sup>(c)</sup>].

Given the unique circumstances associated with each project, applicants should consult the Regulatory Documents section of the Board's website for examples of the criteria the Board has applied in the past when deciding how to address upstream and downstream facilities in an application.

(a) National Energy Board, EH-1-2000, Reasons for Decision, Sumas Energy 2 Inc. (Facilities), March 2004, Appendix III, Ruling on the Environmental Effects Motion, 9 December 2002, p. 125.

(b) Joint Review Panel for the Georgia Strait Canada Pipeline Project, GH-4-2001, Joint Review Panel Report, Georgia Strait Crossing Pipeline Ltd., July 2003, Appendix D, Panel Rulings, Ruling: 31 May 2002.

(c) National Energy Board, OH-1-2007, Reasons for Decision, TransCanada Keystone Pipeline GP Ltd. (Facilities), September 2007, p. 45-46.

### ***CEAA 2012 Designated Physical Activities***

For physical activities designated under the CEAA 2012, the NEB as the Responsible Authority must prepare a description of the factors to be taken into account in the EA and the scope of those factors. Section 19 of CEAA 2012 sets out the factors that must be taken into account. It is critical that applicants, in preparing their ESA's, apply section 19 and consider the scope of those factors based on guidance in this *Filing Manual*.

#### **A.2.4 Level of Detail**

The nature of the project, together with the environmental and socio-economic setting, establish the extent of interactions between the project and the environment. Those interactions form the basis on which effects are predicted, and for understanding the appropriate level of detail needed about the setting, interactions, and predicted effects. The extent of public interest may also guide the applicant in determining the level of detail necessary.

Where the project may impact Aboriginal communities and affect the use of traditional territory or potential or established treaty or Aboriginal rights, applicants must identify the potentially-affected Aboriginal groups and carry out effective consultations with them to determine their views and concerns. If there are potential impacts, applicants must file information about the Aboriginal groups affected, the concerns they have raised, how the applicant will address the concerns and identify any outstanding concerns. The level of detail provided should reflect the

nature and extent of the impacts, the nature of the rights or interests affected and the degree of concern expressed by Aboriginal groups.

The information provided by an applicant in its ESA must be of sufficient detail to allow the NEB to:

- identify the spatial and temporal extent of interactions between the project and the biophysical and human environments;
- identify the potential effects of the project;
- identify the potential for the environment to affect the project; and
- determine the significance of those effects.

#### **FYI – Example...**

As an example, a project crossing a small and ephemeral watercourse, during the dry period, with no activities or physical works within a fisheries-sensitive zone would likely require less detail on effects on fish and fish habitat than a project requiring in-stream construction work in a fish-bearing watercourse during spawning periods.

The applicant must clearly rationalize the level of detail provided. This is typically reflected through the following:

- Description of the project: information describing how the project would cross the watercourse (primary and alternative methods), and whether any physical works or construction would be required in or immediately adjacent to the watercourse and, if so, what these could be and how they might take place;
- Environmental setting: information on the nature of the watercourse, shores, riparian zones, erosive features, its fisheries and fish habitat potential;
- Interactions: information describing the proposed timing of construction, the spatial extent of interactions, any loss of riparian or fish habitat, and extent of any potential release of a deleterious substance into the watercourse;
- Predicted effects: information on any direct and indirect effects on water quality, habitat, fish and on which life including if the project may result in a serious harm to fish that are part of a commercial, recreational or aboriginal fishery, or to fish the support such a fishery, or any effects on other wildlife; and
- Results of consultation with other regulators: information detailing the results of any consultation with Fisheries and Oceans Canada should an aquatic species under SARA or its critical habitat be present; and the measures that will be taken to ensure compliance.

The ESA must include both quantitative and qualitative information. Applicants must consider the extent to which detailed maps, survey and trend data, or diagrams or figures relating to specific areas of biophysical or socio-economic elements of interest or concern may enhance the assessment. The number and nature of biophysical and socio-economic elements considered within an ESA, and the supporting level of detail necessary, will vary depending on the setting and issues raised about the project.

Table A-1 below provides examples of the range of circumstances that may lead to the need for detailed information and considers all phases of an applied for project (construction, operation, maintenance and abandonment), including the potential for accidents and malfunctions during each phase. Where circumstances described in Table A-1 exist, Tables A-2 and A-3 describe the specific details to include in the assessment.

**Table A-1: Circumstances and Interactions Requiring Detailed Biophysical and Socio-Economic Information**

<b>Biophysical and Socio-Economic Elements</b>	<b>Circumstances and Interactions Requiring Detailed Information (considering all phases of the project including potential accidents and malfunctions during each phase)</b>
Physical and meteorological environment	<ul style="list-style-type: none"> <li>• The project may affect the morphology of unique physical features (such as physiography, bedrock, permafrost, topography, geology or other local conditions).</li> <li>• The project may be affected by local or regional physical features, meteorological conditions or extremes, or other natural hazards.</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Soil and soil productivity	<ul style="list-style-type: none"> <li>• Any portion of the project would be located outside a previously-developed fenced or gravelled facility site.</li> <li>• Any portion of the project would be underground.</li> <li>• The project may result in a reduction in soil productivity or integrity.</li> <li>• Historical land use suggests soils or sediments may contain contaminants or the project may result in the contamination of soils.</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Vegetation	<ul style="list-style-type: none"> <li>• Any portion of the project would be located outside a previously-developed fenced or gravelled facility site.</li> <li>• Any portion of the project would cross through an area that may require ongoing vegetation control.</li> <li>• The project may result in the proliferation of invasive species.</li> <li>• The project may result in the damage or destruction of vegetative communities.</li> <li>• The project may affect vegetation of specific concern to an Aboriginal group.</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Water quality and quantity	<ul style="list-style-type: none"> <li>• The project would be within 30 m of a water body.</li> <li>• The project may reduce the quality or quantity of water.</li> <li>• The project would involve the likely release or leaching of a polluting substance into a water body or groundwater.</li> <li>• The project may result in a change in groundwater flows.</li> <li>• The project may result in the inter-basin transfer of water.</li> <li>• The project may affect a water body of specific concern to an Aboriginal group.</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Fish and fish habitat	<ul style="list-style-type: none"> <li>• The project is within 30 m of a fish-bearing water body or its tributaries.</li> <li>• The project may result in the deposit of a polluting or harmful (deleterious) substance into a water body.</li> <li>• The project may result in an impact to fish and fish habitat or may result in a serious harm to fish that are part of a commercial, recreational or aboriginal fishery, or to fish that support such a fishery.</li> <li>• The project may affect fish or fish habitat of specific concern to an Aboriginal group.</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>

Wetlands	<ul style="list-style-type: none"> <li>• The project would include physical facilities or activities within 30 m of a wetland.</li> <li>• The project would include activities or physical facilities within regionally, provincially, territorially or federally-established limits of a wetland with provincial, regional, territorial or federal status.</li> <li>• The project may result in loss of wetland functions.</li> <li>• The project may affect wetlands of specific concern to an Aboriginal group.</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Wildlife and wildlife habitat	<ul style="list-style-type: none"> <li>• The project would be located on or near lands that may constitute sensitive habitat for wildlife (e.g., nesting, denning, overwintering, migratory/staging, movement corridors, forest interior habitat, mineral licks)</li> <li>• The project would be located on or near an area of environmental significance or of natural or scientific interest such as a National Park, a Migratory Bird Sanctuary, a National Wildlife Area, an Important Bird Area, a World Biosphere Reserve or a designated Environmentally-Sensitive Area.</li> <li>• The project may create new human access opportunities to important wildlife habitat.</li> <li>• The project may result in a loss or change to wildlife habitat function (e.g., nesting, foraging, migration)</li> <li>• The project may result in increased mortality or disturbance of wildlife.</li> <li>• The project may affect wildlife of specific concern to an Aboriginal group.</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Species at risk or species of special status and related habitat	<ul style="list-style-type: none"> <li>• The study area includes lands within the identified range of a species at risk or a species of special status, and includes habitat that could support these species.</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Air emissions	<ul style="list-style-type: none"> <li>• There may be increased air emissions from operating or maintaining the project.</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Greenhouse gas (GHG) emissions	<ul style="list-style-type: none"> <li>• There are GHG emissions related to construction, as discussed in Table A.2.</li> <li>• The project may result in an increase in GHG emissions during the operation or maintenance of a gas plant, pump or compressor station.</li> <li>• There may be GHG emissions above federal or applicable provincial reporting criteria.</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Acoustic environment	<ul style="list-style-type: none"> <li>• The project may result in increased noise levels during construction, operation or maintenance (e.g., blasting or noise from construction traffic).</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Human occupancy and resource use	<ul style="list-style-type: none"> <li>• The project will not be located entirely within a previously-developed facility site, on company owned land zoned for industrial purposes.</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Heritage resources	<ul style="list-style-type: none"> <li>• The project would include clearing of vegetation, grading, trenching, excavating or drilling.</li> <li>• The project would create new human access opportunities to areas with heritage resources or heritage resource potential.</li> <li>• There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>



Navigation and navigation safety	<ul style="list-style-type: none"> <li>The project includes activities to be conducted or components to be located in, on, over, under, through or across a navigable waterway when the water is flowing (i.e. <i>not</i> seasonally dry or frozen)</li> <li>There is outstanding concern about this element of the project, which has not been resolved through consultation</li> </ul>
Traditional land and resource use	<ul style="list-style-type: none"> <li>The project would be located on, or traverse, Crown land or the traditional territory, reserve land or settlement area of an Aboriginal group.</li> <li>The project may adversely affect the current use of lands and resources by Aboriginal people.</li> <li>There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Social and cultural well-being	<ul style="list-style-type: none"> <li>The project may affect the social and cultural well-being of Aboriginal groups, local residents or communities.</li> <li>There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Human health and aesthetics	<ul style="list-style-type: none"> <li>The project may affect local or regional water quality and quantity, or air quality.</li> <li>The project may change the existing environmental setting related to odours, visual aesthetics (beauty) or other sensory conditions.</li> <li>There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Infrastructure and services	<ul style="list-style-type: none"> <li>The project may cause temporary or permanent damage, or require additions, modifications or repairs, to local or regional infrastructure.</li> <li>The project may result in increased demands on local and regional services.</li> <li>The project may affect the usage of roadways during construction and operation.</li> <li>There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>
Employment and economy	<ul style="list-style-type: none"> <li>The project may affect local and regional employment, procurement (ordering) and contracting conditions or government revenues.</li> <li>There is outstanding concern about this element of the project, which has not been resolved through consultation.</li> </ul>

### A.2.5 Description of the Environmental and Socio-Economic Setting

A description of the existing environmental and socio-economic setting within the study area (also known as “baseline information”) is necessary to predict the effects of a proposed project. This baseline information provides a backdrop against which a project’s effects are assessed, including the cumulative effects of a project. The applicant is not expected to provide extensive descriptions of features of the environment or socio-economic components that would clearly not be impacted by a proposed project.

#### Goal

The application describes the biophysical and socio-economic setting with sufficient detail to:

- identify the elements of importance in the area;
- identify project-environment interactions;
- identify, predict and determine the significance of effects of the project;
- identify and predict the effects of the environment on the project; and

- formulate appropriate mitigation measures and monitoring programs.

### Filing Requirements

1. Identify and describe the current biophysical and socio-economic setting of each element (*i.e.*, baseline information) in the area where the project is to be carried out. Include a map at an appropriate scale and describe:
  - the study area(s), and how the study area(s) were established;
  - the ecological land classification and key terrain features, such as mountains, rivers, lakes and other important features;
  - the locations of any nearby communities and residences (permanent and temporary) and significant landmarks;
  - current local economy and trends;
  - current land and resource uses, including traditional land and resource uses;
  - the potential to encounter heritage resources;
  - the areas of physical and environmental constraints (*e.g.*, biophysical, land use or natural resource use);
  - navigable waters that may be affected by project components (*e.g.* temporary and permanent bridges, marine terminals and loading facilities);
  - consistency between the project and any regional land use plans;
  - any environmentally-sensitive areas, sensitive habitats or areas of special concern (*e.g.*, existing and candidate protected areas), including those identified through public or Aboriginal consultation, which influence facility routing or site locations;
  - the locations of all proposed facilities; and
  - a list of projects and/or activities in the project area.

#### **FYI – Additional information...**

Where the current state of the environment has been significantly altered from the past, the applicant must first describe how far back in time past activities are relevant and then also describe the past activities or past state of the environment. This may be particularly relevant for assessing cumulative effects or identifying a baseline for reclamation goals (*e.g.*, for restoring native vegetation).

2. Describe which biophysical or socio-economic elements in the study area are of ecological, economic or human importance and require more detailed analysis taking into account the results of consultation (see Table A-1 for examples). Where circumstances require more detailed information in an ESA, see:
  - i) Table A-2 - Filing Requirements for Biophysical Elements; or
  - ii) Table A-3 - Filing Requirements for Socio-Economic Elements.
3. Provide supporting evidence (*e.g.*, references to scientific literature, field studies, local and traditional knowledge, previous environmental assessment and monitoring reports) for:
  - information and data collected;

- analysis completed;
  - conclusions reached; and
  - the extent of professional judgment or experience relied upon in meeting these information requirements, and the rationale for that extent of reliance.
4. Describe and substantiate the methods used for any surveys, such as those pertaining to wildlife, fisheries, plants, species at risk or species of special status, soils, heritage resources or traditional land use, and for establishing the baseline setting for the atmospheric and acoustic environment. If the season for a particular survey was not optimal, discuss the limitations of survey results or indicate when and how additional surveys will be conducted.
  5. Applicants must consult with other expert federal, provincial or territorial departments and other relevant authorities on requirements for baseline information and methods.

## **Guidance**

### ***Study Area***

The study area(s) must be of sufficient size to encompass the spatial boundaries of the project and any related physical facilities or activities (*e.g.*, compressors, pump and meter stations, storage facilities, access roads).

The study area must also be of sufficient size and orientation to encompass all areas where valued components may be affected by the project, for example:

- areas downstream and immediately upstream;
- areas downwind;
- areas in which the project may be within the range of vision;
- species' home ranges and migratory patterns;
- the emergency planning zone;
- affected communities and known or asserted areas of Aboriginal traditional land and resource use; and
- areas in which infrastructure is affected or new or enhanced infrastructure would be needed.

Typically, the study area encompassing the above-noted areas extends beyond a narrow corridor or project site. Subsection A.2.7 provides additional guidance on the study area for a cumulative effects assessment.

### ***Source of Baseline Information***

Baseline information must include both scientific information and local and traditional knowledge.

Information sources and data collection methods used for describing the baseline environmental and socio-economic setting may consist of:

- field studies, including site-specific survey methods;
- database searches, including federal, provincial, territorial and local data banks;
- sailing directions, recreational waterway guides, etc;
- field measurements to gather data on ambient or background levels for air quality or acoustic environment;
- remote sensing information;
- literature reviews;
- literature produced by government agencies and academic institutions;
- renewable resource harvest data;
- expert, community and traditional knowledge interviews (*e.g.*, with regulatory agencies, Aboriginal groups, community and nature conservation groups, local outfitters and recreational organizations including navigation user groups, as well as with local residents, landowners and land users); and
- statistical surveys, as applicable.

The validity and accuracy of baseline information used in the ESA must be supported by:

- describing and substantiating the sampling, survey and research protocols or techniques followed for each information source or data collection method used;
- indicating that proper record-keeping practices have been implemented to maintain survey results for future reference, including measures to respect confidentiality of sensitive information contained in Aboriginal traditional land and resource use studies; and
- wherever appropriate, quantifying and analyzing any statistical survey data obtained.

#### **FYI – See also...**

Additional guidance on baseline information for a cumulative effects assessment is provided in Subsection A.2.7.

### **Identifying Need for Detailed Biophysical and Socio-Economic Information**

Additional biophysical and socio-economic information must be included with the application if there is evidence of public concern, or if any of the circumstances identified in Table A-1 exist. Tables A-2 and A-3 describe the specific details that should be included.

Applicants are reminded that detailed information is only required for the elements that are identified as having potential environmental or socio-economic effects. Further, a clear and defensible explanation should be provided as to why any element in Table A-1 is not addressed.

### **A.2.6 Effects Assessment**

#### **Goal**

The application includes information on the potential biophysical and socio-economic effects of the project, with enough detail to:

- predict and analyze the nature and extent of those effects;
- identify mitigation options to protect the biophysical and socio-economic environment, and analyze their effectiveness; and
- determine the significance of any effects remaining following mitigation, including the significance of cumulative effects.

#### **A.2.6.1 Identification and Analysis of Effects**

##### **Filing Requirements – Identification and Analysis of Effects**

1. Describe the methods used to predict the effects of the project on the biophysical and socio-economic elements, and the effects of the environment on the project.

This Manual assumes a valued component based approach to effects assessment where the application focuses on those biophysical or socio-economic elements, or a subset of those elements (see guidance below), that may be affected by a project and are of concern or value to the public and Aboriginal groups. Applicants must identify valued components for which effects are predicted and explain why and how the valued components were identified.

If another method is used to assess potential effects on the biophysical and socio-economic elements described in Tables A-1, A-2, and A-3, then provide the details and rationale on that method.

Provide the details of any important aspects of uncertainty associated with the analysis.

Where professional knowledge or experience is cited, describe the extent of professional judgment or experience relied upon, the rationale for that extent of reliance and how the resulting conclusions or decisions were reached

2. Predict the effects associated with the proposed project, including those that could be caused by construction, operations, decommissioning or abandonment, as well as accidents and malfunctions. Also include effects the environment could have on the project.

#### **FYI - Reminder...**

If there are no predicted interactions between project activities and a particular biophysical or socio-economic element, then no further analysis is necessary for that element. Instead, provide a sufficient description of the project or setting to demonstrate why no interactions are predicted.

For those biophysical and socio-economic elements or their valued components that require further analysis (see Table A-1), provide the detailed information outlined in Tables A-2 and A-3. This must include, but is not limited to, a description and quantification of:

- spatial and temporal boundaries for the effects analysis of each biophysical or socio-economic element or valued component associated with the project;
- local and regional conditions of each biophysical or socio-economic element or valued component (*i.e.*, location, distribution, abundance, status, sensitivity to the project, ability to recover, and natural variation of valued components, as appropriate), including how this is expected to change from baseline if the project were to proceed;
- factors influencing change, the limiting factors, and the natural variation for each valued component, if known;
- magnitude and reversibility of any predicted change from baseline conditions;
- local, regional and federal management objectives (*e.g.*, recovery strategies, action plans, management plans and land use plans) and thresholds, and identify how the effects of the project relate to such strategies, plans, objectives or thresholds;
- methods used for any modelling, including the assumptions used and limitations of the models; and
- information about reporting requirements for all levels of government (*e.g.*, for GHGs), if applicable.

For each valued component, provide or reference any supporting information used in the project effects analysis, such as:

- public comments;
- consultations with other regulators and departments or agencies;
- scientific literature;
- local and traditional knowledge;
- status reports;
- approved recovery strategies, action plans and management plans for species at risk; and
- follow-up studies and case studies from other projects;

**FYI – See also...**

Filing requirements specific to cumulative effects assessment are provided in Subsection A.2.7.

## **Guidance - Identification and Analysis of Effects**

The identification and analysis of project effects builds directly on scoping, the description of the environmental and socio-economic setting, and the level of detail considerations described above.

Typically, applicants use a valued component approach to focus the effects analysis on practical and representative components of the biophysical and socio-economic environment. Valued components could be the broad elements described in Tables A-1, A-2 and A-3 or a

representative subset of those elements. In that way, the analysis of potential effects focuses on the components of those biophysical or socio-economic elements where project-environment interactions are more readily assessable, and on the interactions that may be of concern to the public or Aboriginal groups (often termed Valued Environmental Components [VECs] or Valued Socio-Economic Components [VSCs]). The valued components selected must:

- be indicative of predicted effects that could result from the project over time;
- have baseline data available in order to determine the significance of effects; and
- be able to reflect measurable changes that result from the project effects over time.

The analysis should result in an understanding of where uncertainty about project-environment interactions may exist, or where information gaps necessary to predict effects may remain.

### ***Spatial and Temporal Boundaries***

The spatial and temporal boundaries must:

- be provided for each valued component, along with a rationale for selecting those boundaries;
- include the area over which effects on the valued components may occur. This area could include a population boundary, home range, airshed, watershed, Aboriginal traditional land and resource use areas, or municipal or regional planning districts;
- include the duration that each valued component may be affected;
- consider the effects of the project on the valued component and the extent to which those effects are measurable;
- include all phases of the project; and
- not be constrained by jurisdictional boundaries.

### ***Analysis***

The analysis methods must be fully disclosed and meet the study needs. In addition to meeting the requirements of other regulations (*e.g.*, *Species at Risk Act* [SARA], *Migratory Bird Convention Act* [MBCA], *Fisheries Act*, etc.), the analysis of project effects must take into account local, regional and federal policy or management objectives (*e.g.*, recovery strategies, action plans, management plans and land use plans) and thresholds. Where there are no management objectives or thresholds, include information on the current state of knowledge on the valued component. After a review of the available literature, if the state of knowledge is incomplete or there is substantial uncertainty, identify any information gaps, and indicate if and how they will be filled. Where uncertainty exists about the project effects on a valued component, describe how the inspection and monitoring program will reduce the uncertainty.

Where there is applicable local and traditional knowledge, it must be included in the ESA. See Section 3.4 – Consultation, for further details on consulting with Aboriginal persons and groups and gathering traditional knowledge.

### ***Effects Assessment for Accidents and Malfunctions***

The prevention of any accidents and malfunctions associated with NEB-regulated projects is the NEB's goal. In the event an accident or malfunction does occur, the Board will hold its regulated companies accountable for an appropriate response under their Emergency Management Program. This program is required by section 32 of the OPR (see also Section 3.3).

The applicant's ESA must identify and assess the effects on workers, the public, and biophysical and socio-economic elements of all potential accidents and malfunctions.

Accidents and malfunctions and associated emergencies can result from numerous events, including pipeline and equipment failure, human error, natural perils such as tornadoes, hurricanes, floods, or earthquakes, and terrorism or other criminal activities. Multi-hazard emergencies, such as an earthquake, may cause pipeline breaks, fires and explosions, which result in injury and further property damage.

The level of detail provided on potential effects of accidents and malfunctions will depend on the:

- type, scale, and location of the proposed project;
- type(s) and characteristics of product(s) to be transported or processed;
- environmental and socio-economic sensitivities within potentially affected areas; and
- extent to which an applicant's existing Emergency Management Program and other plans and manuals address the issues and concerns about the proposed project.

### ***Abandonment, Deactivation, and Decommissioning***

As described in Guide B (Abandonment), an application for abandonment must be filed for all NEB-regulated facilities when they have reached their end of life, including associated decommissioned facilities. A public hearing is required under the NEB Act. Pipeline deactivation and decommissioning activities may also be subject to regulatory provisions within the OPR (Refer to Guide G for Deactivation and Guide K for Decommissioning). Applicants must consult those regulations and associated guidance notes as appropriate.

In an application for proposed new facilities, the NEB typically only examines abandonment and decommissioning activities in a broad context. A separate environmental and socio-economic assessment, specific to decommissioning or abandonment activities, will be required in the future when the facilities are ready to be decommissioned or abandoned.

The level of detail provided may be constrained by the uncertainties inherent with forecasting a phase of the project that may be several decades in the future. However, an applicant is still required to provide a preliminary abandonment plan as part of its ESA to support its estimates of funds required by the NEB to be set aside during the life of the pipeline for abandonment. The plan should:

- describe what pipeline components would be removed, reused or left in place and provide the rationale for doing so. Where site specific situations require special methodology then details should be provided;
- provide the reclamation objectives or principles to be applied to abandonment;



- provide sufficient information to demonstrate that abandonment of the project will return the right of way to a state comparable with the surrounding environment;
- be developed in consultation with the persons or groups potentially affected;
- provide the estimated total cost to abandon, as well as the Collection Period over which revenue will be accumulated (if proposing a trust as a set-aside mechanism for abandonment funding); and
- determine the significance of any effects remaining following mitigation, including the significance of cumulative effects.

### ***Post-Abandonment***

Pursuant to subsection 48.1(1) of the NEB Act no person shall, without the Board's leave, make contact with, alter or remove an abandoned pipeline. Please contact the Board for filing requirements for proposed contact with, alteration or removal of an abandoned pipeline.

### **A.2.6.2 Mitigation Measures**

#### **Filing Requirements – Mitigation Measures**

1. Describe the standard and project specific mitigation measures and their adequacy for addressing the project effects, or clearly reference specific sections of company manuals that provide mitigation measures. Ensure that referenced manuals are current and filed with the NEB.

#### **FYI – Reminder...**

See Section 1.6 - Previously Filed Material, for guidelines on referring to information already filed with the Board.

- If more than one mitigation measure is proposed as a possibility for any particular effect, provide the applicable criteria for selecting the mitigation to use, or describe how measures would be combined to mitigate against a single effect.
  - If new mitigation measures are to be used, provide any test results or a technically-based rationale for their use and describe how their effectiveness will be evaluated.
  - Ensure mitigation measures are appropriate for the scale of impacts predicted.
  - If project effects cannot be avoided, mitigation must reduce or compensate for them.
  - Where an applicant hires a third party to prepare its ESA, provide a statement committing to adopting and implementing all mitigation recommendations included in the ESA. Explain any mitigation recommendations not adopted and provide alternative approaches, as appropriate.
  - Identify the conditions of approvals or permits required by other regulatory bodies related to the mitigation of environmental or socio-economic effects.
2. Ensure that commitments about mitigative measures will be communicated to field staff for implementation through an Environmental Protection Plan (EP Plan). An EP Plan might be simple and concise for smaller, less complex projects but for certain projects (see guidance

below), the NEB may require a comprehensive EP Plan. An EP Plan must include all environmental commitments specific to the project and include or cross-reference other plans and programs relied on. Describe any plans or programs that may be used to mitigate potential effects (*e.g.*, waste management plans, invasive species plans, horizontal directional drill contingency plans, heritage resource discovery contingency plans, etc.).

3. Describe plans and measures to address potential effects of accidents and malfunctions during construction and operation of the project (see guidance under Identification and Analysis of Effects, Accidents and Malfunctions in Subsection A.2.6). Under the OPR and associated guidance material, companies are required to have a Security Management Program and an Emergency Management Program (see Section 3.3). These programs must be submitted or referenced for each application.

### **Guidance - Mitigation Measures**

Mitigation measures are:

- developed during a project's feasibility study;
- developed during project design;
- defined in the project plan;
- refined as the ESA progresses and the project's predicted environmental and socio-economic effects become more certain; and
- may be standard or project-specific measures.

The identification and analysis of effects and mitigation measures may be presented together.

### ***Mitigation Options***

At the application stage of the proposed project, many mitigation measures may still be tentative, subject to further detailed design and to site-specific environmental conditions. For these cases, the ESA must describe:

- the different mitigative options available and being considered; and
- the criteria that would be used for selecting the actual mitigation to be implemented.

Including the options and selection criteria for contingency measures in an EP Plan may avoid having to submit variance applications to the NEB if changes in field conditions require use of construction alternatives.

#### **FYI – Reminder...**

In some cases, the proposed route or site, route segments, facility design or construction methods may themselves be forms of environmental mitigation when compared to alternative routing, design or construction methods. This may be demonstrated in the application's discussion of alternatives (see Subsections 4.2.2 and A.2.3) by:

- identifying which design features and construction methods are considered to be mitigation;
- identifying any alternatives that were considered to these features or methods and the proposed routing; and
- providing a comparative analysis of the mitigation measures considered.

### ***Construction Methods***

An applicant must justify its proposed construction method and why this method is the best alternative. Applicants should consider construction methods that minimize environmental and socio-economic effects while allowing for safe and efficient installation of a pipeline. For example, low impact pipelining uses a narrower strip of land to excavate the trench, install the pipe, compact the subsoil and replace the topsoil all in one continuous operation. This method has been effective in minimizing adverse impact on agricultural-land, forested land and sensitive habitats, such as native prairie. When using this method, topsoil disturbance is reduced, with stripping just slightly wider than the trench. Once the pipeline is lowered into place, the subsoil is returned to the trench and mechanically compacted in layers. The topsoil is then replaced over the levelled trench and land is immediately available for production.

The applicability of low impact pipelining methods will vary according to pipe diameter, topography, and other project-specific factors. However the principles of minimizing disturbance to the land and optimizing construction efficiencies typically result in lesser environmental effects.

Additionally, avoiding instream construction across navigable waterways outside of seasonally dry and frozen conditions can result in less impact to navigation and navigation safety.

### ***Environmental Protection Plan (EP Plan)***

Although the NEB expects an EP Plan to be prepared for all projects, the size and scope of an EP Plan will vary. An EP Plan is specific to a project or activity and is a tool to communicate a company's environmental protection procedures and mitigation measures to employees, contractors, and regulators. The purpose of an EP Plan is to document and communicate all project-specific environmental commitments made by an applicant and the associated mitigation measures in a clear and user-friendly format.

The NEB may request the EP Plan to be filed during the examination of an application, or as a condition of approval to be complied with before construction. The NEB may expect a comprehensive EP Plan to be filed under the following circumstances:

- when the applicant does not have up-to-date company manuals on file with the NEB that document its environmental protection procedures;
- if site-specific or project-specific mitigation or protection measures are provided by the applicant as commitments to avoid or address predicted adverse environmental effects in the application; or
- if the application and assessment process is lengthy or complex, and environmental protection measures and commitments are contained in several different places or documents. (*e.g.*, responses to information requests).

A comprehensive EP Plans is typically required for larger facility applications under section 52 or 58 of the NEB Act. In these circumstances, the NEB encourages companies to submit a draft EP Plan containing all preliminary environmental protection and mitigation measures with their application to assist the NEB in assessing the application. Should the project be approved, the NEB often requires the company to file an updated EP Plan before starting construction.

When preparing its EP Plan, an applicant should consider:

- identifying specific goals for protecting environmental elements and addressing socio-economic elements;
- describing the environmental protection objective for each goal, and providing mitigative options to meet those objectives based on site-specific conditions; and
- providing decision-making criteria for choosing which measures and procedures to implement and under what circumstances for each objective.

### ***Draft EP Plan***

If a draft EP Plan is filed with the application, it should contain:

- the purpose of the EP Plan, a summary of the project with a map, and a description of how environmental compliance would be met for the project;
- the resource-specific mitigation to be applied for the project, and the general environmental protection measures for each phase of construction;
- (or reference) relevant construction specifications and drawings to execute environmental mitigation measures, and the corresponding environmental alignment sheets;
- (or cross-reference) other more detailed plans as applicable (*e.g.*, waste management plan, emergency and security management plans, contingency plans, and other element-specific management plans and programs);
- the assignment of accountabilities and responsibilities for carrying out practices and procedures, making criteria-based decisions and confirming compliance with the Environmental Protection Program (required by the OPR); and
- a table of contacts for reporting environmental incidents as required by other regulators (and the OPR).

### ***Final EP Plan***

A final comprehensive EP Plan must:

- include all items required in a draft EP Plan;
- if relevant, include an amendment or concordance table detailing changes from the draft to final version of the EP Plan;
- incorporate all environmental commitments made during the NEB application assessment process, including all requirements set out in permits, orders, certificates, or any other authorizations;
- include a copy of any NEB discussion or assessment of environmental matters as set out in or attached to the NEB certificate or order;
- include additional requirements as a result of season-specific field surveys conducted before construction;
- include the GPS locations for environmentally-sensitive areas identified in the surveys; and

- include updated environmental alignment sheets summarizing all pertinent environmental issues and the corresponding mitigation measures that will be implemented during construction.

### ***Variances to the EP Plan***

It is the responsibility of the company to apply to the Board for variances to the commitments made in the application, in the application assessment process or as required in the project approval conditions. It is therefore of benefit to the applicant to incorporate decision making criteria for choosing which measures and procedures to implement and under what circumstances. Where this is done, there may be sufficient flexibility to respond to changes that result in the field without filing a variance application.

Further information about variation applications can be obtained from the NEB Operations Project Manager assigned to the project or activity.

### ***Waste Management Plan***

A waste management plan for the control of contaminated and non-contaminated waste from the project is required. The plan must describe the purpose of the plan, the types of waste anticipated, the resulting prevention and mitigation measures to be applied to manage that waste, and how any relevant reporting requirements will be met. The plan must also include a reporting structure, contact list and reference to other applicable legislation.

### ***Mitigation for Potential Effects of Accidents and Malfunctions***

Describe how the Company's programs, plans and manuals, required under the OPR, interact to prevent and mitigate potential accidents, malfunctions and their potential effects.

There may also be project-specific plans and commitments an applicant should consider as part of its mitigation of potential effects of accidents and malfunctions. As noted in Section 3.3, these must also be incorporated into a company's programs as appropriate.

## **A.2.6.3 Evaluation of Significance**

### **Filing Requirements – Evaluation of Significance**

1. After taking into account any appropriate mitigation measures, identify any remaining residual effects from the project.
2. Describe the methods and criteria used to determine the significance of adverse effects, including defining the point at which any particular effect on a valued component is considered "significant".
3. Evaluate the significance of residual adverse environmental and socio-economic effects against the defined criteria.
4. Evaluate the likelihood of significant, residual adverse environmental and socio-economic effects occurring and substantiate the conclusions made.

## **Guidance – Applicant’s Evaluation of Significance**

Evaluating environmental and socio-economic effects consists of assessing:

- whether the effects are adverse;
- whether the adverse effects are significant; and
- whether the significant adverse effects are likely.

A common way for an applicant to assess project effects is to compare the quality of the existing environment with the predicted quality of the environment if the project is approved and built. The direction of change to the environment may be adverse, neutral or beneficial.

The following criteria may be useful in assessing the significance of a project’s adverse effects:

- magnitude;
- duration;
- frequency;
- geographic extent;
- ecological context; and
- reversibility or degree of permanence.

In applying these criteria to each residual effect, an applicant must define each criteria and the range considered within each criteria. To help evaluate the significance of a particular effect and define the point at which it becomes “significant”, consider providing rating attributes (*e.g.*, low / moderate / high) for each significance criteria and defining the range of each attribute. An applicant must also describe how each criterion or combination of criteria was used to reach the applicant’s significance conclusion.

Definitions for rating criteria are expected to be quantitative and based on standards, guidelines, objectives or other established and accepted ecological thresholds. In the absence of any such references or regulatory guidance, or where these are not quantitative (*e.g.*, it may not be appropriate to set thresholds to determine "acceptable levels of change", in relation to all socio-economic effects), then rating attribute definitions must be qualitative and based on available research literature. Applicants must also consider the level and nature of concerns raised by the public and address issues of concern to Aboriginal groups potentially affected by the project.

The significance of adverse effects could also be assessed by comparing effects to conformity requirements within approved land use plans or conducting a quantitative risk assessment.

Where professional judgement is used to determine the significance of adverse effects, the extent of reliance on professional judgement must be described and rationale for the extent of the reliance must be provided. An applicant’s ESA must provide an evaluation of the likelihood and significance of any adverse environmental effects, for consideration by the NEB.

Assessing the likelihood of significant adverse effects must be based on the probability of occurrence and state the level of scientific uncertainty. If a qualitative determination of the likelihood of significant adverse effects is used, provide a clear rationale and supporting information.

## A.2.7 Cumulative Effects Assessment

### Goal

The application must include information about the interactions between predicted residual environmental and socio-economic effects of the project and effects from other projects or activities that have been or will be carried out. This information must provide enough detail to:

- identify and analyze predicted cumulative environmental and socio-economic effects;
- identify proposed mitigation measures to protect the environment and address socio-economic effects, and to analyze their effectiveness; and
- evaluate the significance of any predicted cumulative effects.

### A.2.7.1 Scoping and Analysis of Cumulative Effects

#### Filing Requirements – Scoping and Analysis of Cumulative Effects

1. Identify the valued components for which residual effects are predicted, and describe and justify the methods used to predict any residual effects.

#### **FYI – Additional Information...**

Both significant and non-significant residual effects of a project may contribute to cumulative effects and must be considered. Residual effects are those effects remaining after implementing the applicant's mitigation measures. If the applicant can clearly demonstrate that no residual effects are predicted, further analysis of cumulative effects is not required.

2. For each valued component where residual effects have been identified, describe and justify the spatial and temporal boundaries used to assess the potential cumulative effects.
3. Identify other physical facilities or activities that have been or will be carried out within the identified spatial and temporal boundaries for the cumulative effects assessment.
4. Identify whether the effects of those physical facilities or activities that have been or will be carried out would be likely to produce effects on the valued components within the identified spatial and temporal boundaries.
5. Where other physical facilities or activities may affect the valued components for which residual effects from the applicant's proposed project are predicted, continue the cumulative effects assessment, as follows:
  - Consider the various components, phases and activities associated with the applicant's project that could interact with other physical facilities or activities.
  - Provide a description of the extent of the cumulative effects on valued components.
  - Where professional knowledge or experience is cited, explain the extent to which professional knowledge or experience was relied upon and justify how the resulting conclusions or decisions were reached.

## **Guidance – Scoping and Analysis of Cumulative Effects**

### ***Cumulative Effects Assessment***

Assessing cumulative effects typically requires the same method of analysis as described in the project-specific effects assessment. As discussed in Subsections A.2.3 to A.2.6., the baseline information, project description and project-specific mitigation measures already captured in the application must be provided in enough detail to characterize the extent of the residual effects of the project.

Subsection A.2.6 and Tables A-2 and A-3 outline the type of information required for a project-specific effects assessment. Although the tables also make specific note of information required for a cumulative effects assessment for valued components, all information requirements contained in the tables should be evaluated, as appropriate, as a guide for applicants in completing a cumulative effects assessment.

A cumulative effects assessment differs from a conventional project-specific effects assessment in that it typically includes:

- larger geographic study areas;
- longer time frames;
- environmental and socio-economic effects associated with physical facilities or activities that may not be directly related to the applied for project (e.g., upstream or downstream facilities not within the Board’s jurisdiction, a proposed highway project or residential sub-division in the study area, ongoing forestry or agricultural activities); and
- spatial boundaries that are generally not constrained by jurisdictional boundaries.

The level of effort and scale of the cumulative effects assessment should be appropriate to:

- the nature and context of the project under assessment;
- its potential residual effects; and
- the environmental and socio-economic setting (e.g., an increased level of detail may be required when rapid or intensive development of the region has occurred or is anticipated, or particular environmental or socio-economic sensitivities or risks are involved, such as significant Aboriginal traditional use).

Applicants should also consult the CEA Agency’s “*Operational Policy Statement - Assessing Cumulative Environmental Effects under the Canadian Environmental Assessment Act, 2012*”.

### ***Other Physical Facilities or Activities***

Provide clear reasoning, with supporting rationale, for selecting the other existing and future physical facilities or activities to be included within the cumulative effects assessment. When identifying other physical facilities or activities, include those physical facilities or activities likely to take place as opposed to those not reasonably foreseeable or hypothetical.



Consideration of other physical facilities or activities that have been or will be carried out within the defined spatial and temporal boundaries must, at minimum, include:

- existing projects and activities;
- those physical facilities or activities for which formal plans or applications have been made or are likely to occur; and
- other related project or activity development assumptions that support and are consistent with the long term economic or financial assumptions (Guide A.3) and engineering assumptions (Guide A.1) made in the application, even if formal plans or applications have not yet been made.

The Courts have said that the decisions of responsible authorities are not required to “consider fanciful projects by imagined parties producing purely hypothetical effects”<sup>8</sup>. However, the NEB does have discretion to consider future development scenarios if it is reasonable to anticipate that the applied for project could contribute to the potential cumulative effects resulting from such future development (i.e. if the economic feasibility of the applied for project is contingent upon the future development). The extent to which an applicant must consider the effects associated with other future physical facilities and activities and the associated depth of analysis will depend upon the relative contribution of the applied for project to the predicted cumulative effects.

Where intensive or expansive development of the region is occurring or anticipated, details regarding the flexibility of project-specific mitigation and monitoring strategies become particularly important and should also be provided with the application to demonstrate the ability of the applicant to adapt its plans in the future should the resulting cumulative effects differ from those predicted (further Filing Requirements and Guidance for project related monitoring are provided in Subsection A.2.8 below).

The Board recognizes that an applicant’s depth of analysis in assessing the effects associated with other future physical facilities and activities will depend on the feasibility and practicality of assessing the effects associated with those facilities and activities. For example, future effects associated with projects not within the direct control of the applicant and for which there is limited information, or which are still in early planning stages, are inherently more challenging to assess. Despite this, an applicant should use the best available information or undertake additional work to assess these potential effects. Any uncertainties associated with the information used and any assumptions or limitations associated with the analysis must be explained.

### **A.2.7.2 Mitigation Measures for Cumulative Effects**

#### **Filing Requirements – Mitigation Measures for Cumulative Effects**

Describe the general and specific mitigation measures, beyond project-specific mitigation already considered, that are technically and economically feasible to address any cumulative effects.

---

<sup>8</sup> Bow Valley Naturalists Society v. Canada (Minister of Canadian Heritage), [2001] F.C.J. No. 18 (F.C.A.) at para. 75

- If appropriate, provide any additional mitigation measures being considered as alternatives to the preferred cumulative effects-specific measures (e.g., adaptive or contingency measures).
- If more than one mitigation measure is available for any particular cumulative effect, then provide the criteria that would be applied to select the mitigation to use (e.g., for the application of contingency plans).
- If new or unproven mitigation measures are to be used, provide any test results or a technically-based rationale for their use and describe how their effectiveness would be evaluated.
- Indicate the likelihood of success in reducing or avoiding cumulative effects by the application of the mitigation measures identified.

### **Guidance – Mitigation Measures for Cumulative Effects**

Mitigation of cumulative effects may include broader-scale planning measures or initiatives to reduce interactions and effects from multiple projects or activities. Potentially effective mitigation of cumulative effects may not be within the direct control of, or undertaken by, the applicant. For example, operators may have cooperation plans in place to prevent simultaneous occurrence of activities or projects, or multiple operators may cooperatively make use of existing disturbed areas to prevent new disturbances. Further, regional-level multi-stakeholder planning initiatives may also be evaluated as a means to mitigate cumulative effects. Where such measures or initiatives are in place, an applicant should clearly explain why the identified mitigation would be appropriate to mitigate any cumulative effects. If the mitigation is not within the direct control of the applicant, it should state who would implement the mitigation and how that responsible party intends to monitor implementation of the mitigation.

Various forms of compensation (e.g. habitat offsets) should also be considered as part of an applicant's proposed mitigation, as appropriate.

If monitoring or research programs are identified as a means to adaptively manage cumulative effects, the applicant should explicitly identify how those programs will be used to avoid or reduce effects (i.e., which management actions will be triggered when certain ecological or socio-economic effects are identified, or thresholds reached).

#### **A.2.7.3 Applicant's Evaluation of Significance of Cumulative Effects**

### **Filing Requirements – Applicant's Evaluation of Significance of Cumulative Effects**

1. After taking into account any appropriate mitigation measures for cumulative effects, identify the remaining residual cumulative effects.
2. Describe the methods and criteria used to determine the significance of remaining adverse cumulative effects, including defining the point at which each identified cumulative effect on a valued component is considered "significant".
3. Evaluate the significance of adverse residual cumulative effects against the defined criteria. If the total cumulative effect on a given valued component is considered

significant, describe the incremental increase in total cumulative effects caused by the project.

4. Evaluate the likelihood of significant, residual adverse cumulative environmental and socio-economic effects occurring and substantiate the conclusions made.

### **Guidance – Applicant’s Evaluation of Significance of Cumulative Effects**

Refer to Subsection A.2.6 for guidance on evaluating the likelihood and significance of adverse residual environmental and socio-economic effects on a project-specific basis. The key difference between determining the significance of project-specific effects versus cumulative effects is the consideration of other physical facilities and activities. The evaluation of significance must focus on the total cumulative effect that may be created from all physical facilities and activities considered in combination with the proposed project. The definition of significance must be clearly explained and take into account local, regional and federal policy and management objectives (*e.g.* recovery strategies, action plans, management plans and land-use plans) and thresholds.

### **A.2.8 Inspection, Monitoring, and Follow-up**

#### **Goal**

The application describes the inspection, monitoring and follow-up plans and programs that will be in place to prevent, identify, and address potentially adverse environmental effects over the life of the project.

#### **Filing Requirements**

1. Describe inspection plans to ensure compliance with biophysical and socio-economic commitments, consistent with sections 48, 53, and 54 of the OPR. Inspection plans must be sufficiently detailed to demonstrate adequacy and effectiveness and must:
  - identify those positions accountable and responsible for monitoring and ensuring environmental compliance, and confirm they are independent of the contractor, as required by Sections 53 and 54 of the OPR;
  - reference inspection procedures, and describe the accountability and reporting structure for environmental inspectors; and
  - describe minimum qualifications and experience, including training requirements of individuals who will be undertaking inspection and monitoring responsibilities, as required by Sections 46 and 54 of the OPR.
2. Describe the surveillance and monitoring program for the protection of the pipeline, the public and the environment as required by section 39 of the OPR. The monitoring program must be sufficiently detailed to demonstrate its adequacy and effectiveness and must:
  - include methods for:
    - identifying and tracking environmental and socio-economic issues;

- resolving any environmental and socio-economic issues specific to the project, including any sampling programs or site-specific investigations as appropriate; and
  - monitoring the effectiveness of mitigation and reclamation, based on established reclamation criteria (see requirements of individual elements in Table A-2) as well as the applicant's performance measures and targets for each mitigation measure;
  - the frequency or schedule for implementing the procedures listed above; and
  - the criteria for assigning specific monitoring procedures to environmental and socio-economic issues;
3. Consider any particular elements in the Application that are of greater concern and evaluate the need for a more in-depth monitoring program for those elements.
  4. For CEAA designated physical activities, identify which elements and monitoring procedures would constitute follow-up under the CEAA 2012.

### **Guidance**

The NEB recognizes three categories of verification conducted by the applicant. These apply both during and upon completion of construction through the life of the facility:

- Inspections to confirm both implementation of commitments made during the application process and fulfillment of NEB-approval conditions to promote safety, security and environmental protection;
- Monitoring to confirm if mitigation objectives for a specific project, program, or the continued operation of the project have been met; and
- Identify and address any potential short term and long term issues or effects experienced, but not predicted.

A more rigorous type of monitoring program to confirm the effectiveness of an element-specific program may be appropriate when:

- the project or activity is contributing to regional issues of concern;
- the project involves new or unproven technology or is not routine in nature;
- the project involves uncertain effects;
- the project involves new or unproven mitigation measures whose effectiveness is uncertain;
- a familiar or routine project is proposed in a new or unfamiliar environmental and socio-economic setting.

A condition on the project certificate or order may be imposed to require the applicant to file post-construction monitoring reports after the completion of construction. The time period for required reporting can vary, but typically ranges from one to five years following the commencement of project operations. Projects requiring a longer period of time to reach

reclamation goals (e.g., work in areas difficult to revegetate, such as native prairie) or requiring an in-depth, element-specific program may be required to submit monitoring reports of greater scientific rigour or over a longer time period.

- For CEAA 2012 designated physical activities, follow-up on identified elements or issues of concern to:
  - verify the accuracy of the environmental assessment; and
  - determine the effectiveness of any measures taken to mitigate the adverse effects of the project.

Follow-up would generally be an in-depth, scientifically rigorous program.

### ***Revisions to Applicant Plans and Programs***

The NEB encourages applicants to use its current and relevant plans and programs to support the inspection, monitoring and follow-up components of its application. If these plans or programs have been previously filed with the Board, provide the document title, version number, latest revision date, date of filing and the NEB file number. Refer to Section 1.6 for more information regarding these documents. If a project is approved, applicants must file any updates required to incorporate the approved project.

**Table A-2: Filing Requirements for Biophysical Elements**

<p><b>FYI - Reminder ...</b></p> <p>Filing Requirements for an effects assessment are described in Subsections A.2.5 and A.2.6.</p> <p>Table A-1 in Subsection A.2.4 provides examples of the circumstances and interactions that lead to the need for detailed information and considers all phases of an applied for project (construction, operation, maintenance and abandonment), including the potential for accidents and malfunctions during each phase. Table A-2 was designed to assist applicants in identifying the required information specific to individual biophysical elements. The elements and circumstances described in the tables are not exhaustive.</p> <p>Applicants must adapt the framework below to logically present the detail and analysis of their particular projects. Where project effects may overlap different element categories, it may be appropriate to define a more suitable or specific element or valued component. For example, where there is a risk of soil contamination reaching groundwater, then "groundwater contamination" might be an appropriate element to assess. This could more accurately focus on the issue of concern, avoid repeating information under both soils and water categories, and provide a more focused assessment.</p>	
<b>Physical and Meteorological Environment</b>	
<b>Filing Requirements</b>	<b>Guidance</b>
<ol style="list-style-type: none"> <li>1. Describe the general topography of the project area and any particular physical features crossed by the project or which may affect the project.</li> <li>2. Identify any areas of ground instability.</li> <li>3. Identify areas of potential wind or water erosion.</li> <li>4. Describe the local and regional climate. Also identify the potential for extreme weather events, such as wind, precipitation, and temperature extremes.</li> <li>5. Identify any areas with potential for acid-generating rock and describe the effects if</li> </ol>	<p>This section provides information on factors or elements of importance that may affect project design.</p> <p>Give special consideration to the following components which may be either directly or indirectly affected by the project or which may impact project design:</p> <ul style="list-style-type: none"> <li>• unstable slopes or other unfavourable geotechnical conditions, including areas with the potential for landslides, mudflows, slumping, subsidence;</li> <li>• seismicity;</li> <li>• flooding, migrating watercourses and eroding banks;</li> <li>• extreme weather events;</li> <li>• seasonal and peak flow regime at stream crossings;</li> </ul>

<p>exposed as a result of the project.</p> <p>6. Identify and describe any areas with permafrost conditions.</p> <p>7. Describe how local or regional physical and meteorological conditions could affect the project, including how changing conditions may affect the project over the lifetime of the project.</p>	<ul style="list-style-type: none"> <li>river ice processes and potential ice jams;</li> <li>permafrost; and</li> <li>areas with acid rock.</li> </ul> <p>Local and regional climate should be described in terms of the range of its variability and the severity (<i>i.e.</i>, frequency and duration of maximums and minimums) as well as its averages.</p> <p>In regions with the potential for extreme weather events, describe and assess these events in terms of:</p> <ul style="list-style-type: none"> <li>their frequency and intensity; and</li> </ul> <p>how any applicable design standards reduce the potential threat (also see the Filing Requirements contained in Guide A.1.2 Engineering Design Principles).</p> <p>Meteorological impacts must be considered in the context of:</p> <ul style="list-style-type: none"> <li>climate variability and trends (including changes in extreme weather events);</li> <li>winter ground conditions; and</li> <li>areas where warming trends may influence hydrologic conditions, such as runoff.</li> </ul> <p>In areas where permafrost regimes exist:</p> <ul style="list-style-type: none"> <li>identify and quantify permafrost conditions, including: <ul style="list-style-type: none"> <li>discontinuous permafrost;</li> <li>high ice content soils;</li> <li>thaw-sensitive slopes; and</li> <li>riparian areas.</li> </ul> </li> <li>develop baselines for: <ul style="list-style-type: none"> <li>near-surface ground temperatures;</li> <li>active-layer conditions;</li> <li>slope stability; and</li> <li>movement potential on the approaches to river crossings.</li> </ul> </li> <li>describe how any changes in the permafrost regime may affect the project over its lifetime.</li> </ul>
Soil and Soil Productivity	
Filing Requirements	Guidance
<p>1. Describe general soil characteristics and the current level of disturbance associated with soils.</p> <p>2. For agricultural lands or forested lands with agricultural capability, describe:</p> <ul style="list-style-type: none"> <li>the soil classification, including the order, group, family, series and type of soil prior to construction, and quantify the soil classification;</li> <li>the productivity of land and the type of agricultural resource;</li> <li>the soil types in the study area highly susceptible to: <ol style="list-style-type: none"> <li>wind and water erosion;</li> <li>soil compaction; and</li> <li>loss of structure and tilth;</li> </ol> </li> </ul>	<p>Soil profile descriptions for dominant soil types must consider:</p> <ul style="list-style-type: none"> <li>soil horizons;</li> <li>thickness of horizons;</li> <li>texture;</li> <li>colour;</li> <li>chemical properties; and</li> <li>organic content.</li> </ul> <p>The soils assessment and mitigative plan must consider:</p> <ul style="list-style-type: none"> <li>soil salvage techniques (<i>e.g.</i>, soil stripping, including proposed width, grubbing, and alternative soil handling techniques);</li> <li>soil separation maintenance measures;</li> <li>erosion control measures, including drawings of</li> </ul>

<ul style="list-style-type: none"> <li>any other soil types needing specific management or mitigation measures; and</li> <li>soil conservation and protection measures.</li> </ul> <p>3. Describe any contaminants of concern potentially associated with the project that may affect soil.</p> <p>4. Describe the historical land use and the potential for contamination of soils or sediments. Describe any known or suspected soil contamination within the study area that could be re-suspended, released or otherwise disturbed as a result of the project.</p> <p>5. If sediments or soils are contaminated, describe the applicable regulatory standards and all remediation, mitigation and monitoring measures that will be undertaken.</p> <p>6. Describe the criteria for evaluating reclamation success. Explain how this evaluation would be undertaken and documented. Reclamation measures could include:</p> <ul style="list-style-type: none"> <li>erosion control, other than re-vegetation;</li> <li>soil reclamation;</li> <li>drainage tile repair;</li> <li>soil compaction alleviation; and</li> <li>soil salinity reduction.</li> </ul> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	<p>proposed techniques, particularly at watercourse crossings;</p> <ul style="list-style-type: none"> <li>wind erosion and wet soil shutdown procedures; and</li> <li>soil compaction prevention measures.</li> </ul> <p>Where there is a potential for human health effects, see Table A-3.</p> <p>Where soil contamination may be present, consider the guidance provided in the Canadian Standards Association's (CSA) Z768-01 and Z769-00 standards for Phase I and II Environmental Site Assessments. In addition, the NEB's Remediation Process Guide (2011) may also be of value.</p> <p>Additional guidance:</p> <ul style="list-style-type: none"> <li>The Canadian Soil Information Service (under Agriculture and Agri-Food Canada) provides access to soils information, including the <i>Canadian System of Soil Classification</i>, which describes current accepted standards for soil classification in Canada.</li> <li>The Canadian Council of Ministers of the Environment (CCME) <i>Canadian Environmental Quality Guidelines</i> (including Soil Quality).</li> </ul>
Vegetation	
Filing Requirements	Guidance
<p>1. For lands where vegetation may be affected by the project, describe:</p> <ul style="list-style-type: none"> <li>the pre-project diversity, relative abundance and distribution of vegetation species and communities of ecological, economic or human importance (e.g., traditional use, tame pasture, native prairie, wetland or old growth);</li> <li>the conservation status applicable to any particular species or communities;</li> <li>the current level of disturbance associated with vegetation; and</li> <li>the amount, merchantability and location of any merchantable timber to be removed during project construction.</li> </ul> <p>2. Describe any weed infestations and other invasive and introduced species of concern.</p> <p>3. Describe re-vegetation procedures to be implemented as part of the project, including:</p> <ul style="list-style-type: none"> <li>re-vegetation techniques and the locations where they would be implemented;</li> <li>seed mixes to be used, their application rates, and the locations for their application, or the criteria for determining these specifications, and</li> </ul>	<p>The description of vegetated lands does not include industrial lands.</p> <p>Vegetation community descriptions must apply the most relevant and up to date ecological classification or mapping system. Reference any available provincial or territorial inventory and mapping standards and guidelines.</p> <p>Consultations with potentially affected Aboriginal groups may provide further information. Conservation status (provincial and COSEWIC) of ecological communities as well as plant species must be noted.</p> <p>Explain how communities in the study area were delineated (i.e., existing mapping, remote sensing interpretation, or field mapping).</p> <p>Indicate the date of spatial data collection.</p> <p>Provide justification if field work was not carried out.</p> <p>The effects analysis on vegetation must consider:</p> <ul style="list-style-type: none"> <li>change in vegetation cover caused by the project;</li> <li>alternatives to clearing the entire ROW (include options and decision criteria for retaining vegetation in order to break lines of sight, control access, maintain wildlife corridors, maintain habitat</li> </ul>

<p>a discussion of the use of seed certificates;</p> <ul style="list-style-type: none"> <li>any fertilizers to be used, their application rates and locations, or the criteria for determining these specifications; and</li> <li>contingency planting and seeding plans that include a description of any species of vegetation to be replanted, the locations for replanting, or the criteria for determining these specifications.</li> </ul> <p>4. Describe the condition(s) to which the RoW and temporary work space will be reclaimed and maintained once construction has been completed. Explain the extent to which the ROW needs to be kept cleared or could be left to grow and provide the criteria relied on to determine this.</p> <p>5. Describe the vegetation standards and controls to be implemented while constructing and operating the project. Describe any integrated vegetation management program, including:</p> <ul style="list-style-type: none"> <li>the criteria and circumstances for applying chemical, biological or mechanical control methods;</li> <li>the selection of plant species to be kept and planted to promote naturally low growing plant communities; and</li> <li>the use of herbicides, tree growth regulators or other chemicals, their application rates and protocols.</li> </ul> <p>6. Describe criteria for evaluating reclamation success related to vegetation and how this evaluation would be undertaken and documented.</p> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	<p>connectivity, reduce fragmentation and reducing overall cumulative effects);</p> <ul style="list-style-type: none"> <li>weed control measures (e.g., prevention, treatment);</li> <li>avoidance of any sensitive or rare communities and important individuals (e.g., vegetation important to wildlife); and</li> <li>seed mixes and replanting for re-vegetation purposes.</li> </ul> <p>Native and indigenous species adapted to local conditions should be used when the goal of revegetation is to naturalize or regenerate the area.</p> <p>Vegetation control programs, including the frequency of work, monitoring and inspection of RoW vegetation conditions, and control procedures, must consider:</p> <ul style="list-style-type: none"> <li>the nature of the vegetation cover (e.g. species mix, characteristics) occurring along the RoW, and variations over different biogeographical areas;</li> <li>the promotion or inhibition of different plant communities (naturally low or slow growing plant species versus predominantly tall or fast growing species); and</li> <li>the application of other integrated vegetation management practices.</li> </ul> <p>If herbicides or other chemicals may be used, consider:</p> <ul style="list-style-type: none"> <li>the criteria for their use;</li> <li>the concentrations, rates and methods of application;</li> <li>their specificity and potential adverse environmental effects; and</li> <li>referring to material safety data sheets.</li> </ul>
<b>Water Quality and Quantity</b>	
<b>Filing Requirements</b>	<b>Guidance</b>
<p>1. Provide a project-specific water use assessment identifying and describing the water resources and the quality of those resources potentially affected by the project, including: any need for water withdrawn from local waterbodies, the purpose, the quantities required, the waterbodies used as a supply source, the flow rate or volume of water available in the waterbody and how and where waste water would be discharged.</p> <p>2. Describe any interactions between the project and groundwater. Where there is an interaction:</p> <ul style="list-style-type: none"> <li>describe any potential changes in groundwater flows and any subsequent effects from the changes; and</li> <li>identify any wells nearby, providing criteria for the spatial boundary considered, and describe the potential for well water quantity and quality to be affected.</li> </ul>	<p>The effects analysis regarding quality or quantity of ground or surface water (e.g., lakes, watercourses, riparian areas, or man-made water bodies or structures) must consider:</p> <ul style="list-style-type: none"> <li>withdrawal or discharge needs for the proposed project; and</li> <li>any potential inter-basin transfers that might introduce undesirable biota.</li> </ul> <p>In addition to meeting the requirements of section 24 of the OPR by obtaining permits for hydrostatic testing, applicants must consider hydrostatic test water needs and management in its environmental effects assessment. Where the final details of hydrostatic testing have yet to be confirmed, applicants must still identify their expected needs, options available to them and the criteria they intend to apply to ensure protection of water resources.</p> <p>Applicants may identify any alternative sources of water</p>



<ol style="list-style-type: none"> <li>Describe any contaminants potentially associated with the project that may affect water quality.</li> <li>Describe mitigation for any potential effects on surface-, ground- or well-water quantity and quality, including the need for any specific pre- and post-construction monitoring.</li> <li>Describe any applicable water management plans.</li> </ol> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	<p>(e.g., recycled or brackish water) for the project. Also consider the potential to reuse test water from section to section for pipe testing.</p> <p>Project interactions with groundwater may result from crossing a shallow water table or specific project activities (e.g., blasting). In these cases, consider the spatial extent and depth levels as well as water characteristics (e.g., salinity).</p> <p>Consider and describe whether the project may affect evaporation and transpiration rates and therefore affect surface land use, especially in agricultural areas.</p> <p>If there is potential for contaminants affecting water resources, consider sediment or groundwater sampling for assessment of contaminants.</p> <p>Where there is a potential for human health effects, see Table A-3.</p> <p>Additional guidance:</p> <ul style="list-style-type: none"> <li>The CCME's <i>Canadian Environmental Quality Guidelines</i> (including Water Quality).</li> <li>Health Canada's <i>Guidelines for Canadian Drinking Water Quality</i>.</li> </ul>
Fish and Fish Habitat	
Filing Requirements	Guidance
<ol style="list-style-type: none"> <li>Identify fish species and their life stages in the study area, as well as their contribution to local fisheries or to ecological importance.</li> <li>Describe the seasonal ranges, seasonal sensitive periods, habitat use, movements, and general population status of fish species identified above.</li> <li>Identify any fisheries avoidance measures, mitigation, or other measures to protect and enhance fish and fish habitat, including protected areas in and near the study area.</li> <li>Identify the need for an Authorization under paragraph 35(2)(b) of the <i>Fisheries Act</i> for a serious harm to fish that are part of a commercial, recreational or aboriginal fishery, or to fish that support such a fishery and discuss any applicable DFO guidance documents.</li> <li>Describe, in detail, sensitive areas and sensitive habitats, including wetlands and riparian habitat.</li> <li>Where fish-bearing watercourses would not be crossed by trenchless methods, either describe and justify the watercourse-crossing techniques to be used or the criteria for determining the techniques proposed for each watercourse crossing.</li> <li>Describe the timing of any instream work, including restricted activity periods and windows.</li> <li>Describe the conditions to which the watercrossings and riparian zones would be reclaimed and maintained once construction has been completed.</li> <li>Describe criteria for evaluating success of reclamation of fish-bearing water bodies and their banks, as well as</li> </ol>	<p>Applicants should work with the relevant provincial or territorial fisheries authorities to identify issues and appropriate mitigative measures, and where appropriate, Aboriginal groups.</p> <p>Where an authorization for serious harm to fish is required from DFO, outline any appropriate offsetting and monitoring.</p> <p>Where effects on fish and fish habitat may affect human health, see Table A-3.</p> <p>DFO has several guidance documents and information pieces that could be useful in dealing with fish and fish habitat. Please refer to the DFO National website for applicable materials and guidance.</p> <p>The document <i>Pipeline Associated Watercourse Crossings (3<sup>rd</sup> Edition)</i> – endorsed by DFO - provides guidance on best practices and meeting regulatory requirements. This document may be obtained through the NEB, the Canadian Association of Petroleum Producers (CAPP), the Canadian Energy Pipeline Association (CEPA) or the Canadian Gas Association (CGA).</p>

<p>riparian areas. Describe how and when this evaluation would be undertaken and documented.</p> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	
Wetlands	
Filing Requirements	Guidance
<ol style="list-style-type: none"> <li>Quantify, delineate and describe wetlands in the study area in the context of: <ul style="list-style-type: none"> <li>wetland class, ecological community type and conservation status;</li> <li>abundance at local, regional and provincial scales;</li> <li>distribution; and</li> <li>current level of disturbance.</li> </ul> </li> <li>Identify and describe wetland capacities to perform hydrological, water quality, habitat or other ecological functions.</li> <li>Identify a regional study area of sufficient size to capture effects on wetlands within the larger drainage area. Include wetlands located outside of the local study area that may be affected by hydrological changes as a result of cumulative effects.</li> <li>Detail the efforts to be taken to avoid impacting wetlands, mitigation, monitoring and any applicable compensation measures, for potentially affected wetlands.</li> </ol> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	<p>Wetlands include bogs, fens, marshes, swamps and shallow waters as defined in the Canadian Wetland Classification System (National Wetlands Working Group, 1997).</p> <p>The effects analysis regarding wetlands must consider any potential loss of wetland function.</p> <p>A higher level of assessment may be required for provincially or territorially significant wetlands, for wetlands of significance to Aboriginal groups or for features of significance. Discuss any applicable provincial or territorial classification schemes, and protection policies and requirements.</p> <p>Applicants should consult with Environment Canada regarding mitigation for wetlands.</p> <p>Additional guidance:</p> <p>Useful information sources accessible from Environment Canada include:</p> <ul style="list-style-type: none"> <li>The <i>Federal Policy on Wetland Conservation</i>;</li> <li>The <i>Federal Policy on Wetland Conservation Implementation Guide</i>;</li> <li><i>Wetland Ecological Functional Assessment: An Overview of Approaches</i>; and</li> <li><i>Wetlands Environmental Assessment Guideline</i>.</li> </ul>
Wildlife and Wildlife Habitat	
Filing Requirements	Guidance
<ol style="list-style-type: none"> <li>Identify wildlife species of ecological, economic or human importance in the study area. Also describe the: <ul style="list-style-type: none"> <li>diversity, distribution and location;</li> <li>abundance and population status;</li> <li>life cycle;</li> <li>seasonal ranges (e.g., migration);</li> <li>habitat requirements;</li> <li>movements (e.g., wildlife corridors); and</li> <li>sensitive periods (e.g., seasonal, diurnal and nocturnal).</li> </ul> </li> <li>For the wildlife identified above, describe and quantify the habitat type, including its: <ul style="list-style-type: none"> <li>function;</li> <li>location;</li> <li>suitability;</li> <li>structure;</li> </ul> </li> </ol>	<p>The identification and description of wildlife presence in the area must include, but not be limited to, resident, temporary (e.g., migratory), unique species or populations, and umbrella and keystone species. Mammals, birds, amphibians, reptiles and invertebrates may be relevant. The identification and description of wildlife of human importance must also consider consumptive (e.g., hunting, harvesting) and non-consumptive (e.g., bird-watching) values, as well as species of importance to potentially affected Aboriginal groups.</p> <p>The identification, description and quantification of habitat must include, but not be limited to:</p> <ul style="list-style-type: none"> <li>breeding or rutting grounds;</li> <li>nesting and denning sites;</li> <li>wintering grounds;</li> <li>hibernation or hibernaculum sites;</li> <li>moulting, migration and staging areas;</li> </ul>

<ul style="list-style-type: none"> <li>• diversity;</li> <li>• relative use; and</li> <li>• abundance as it exists prior to project construction.</li> </ul> <p>3. Describe any lands in the study area that might constitute sensitive areas and habitat for wildlife, or nearby environmentally-significant areas, such as National Parks, areas of natural or scientific interest, Migratory Bird Sanctuaries or other important bird areas or sanctuaries, National Wildlife Areas, or World Biosphere Reserves.</p> <p>4. Identify wildlife management areas and established or proposed sanctuaries or other areas in or near the study area.</p> <p>5. Describe the levels of disturbance currently affecting wildlife and habitat, such as habitat fragmentation and the extent of human access and use.</p> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p> <p>Further, with respect to cumulative effects:</p> <ol style="list-style-type: none"> <li>1. Describe the cumulative disturbance footprint of proposed and future physical facilities and activities within known key habitats (e.g., migration corridors, denning or calving areas, feeding areas) and distribution of that footprint, quantitatively where possible. Describe the effects on the connectivity of key habitats.</li> <li>2. Describe the cumulative effects on wildlife that could occur as a result of the timing of the proposed project in combination with other physical facilities or activities.</li> <li>3. Describe how cumulative changes in access would affect wildlife mortality risk or habitat quantity and quality.</li> <li>4. Compare the cumulative effect on each species assessed to any available species-specific thresholds or policies, and indicate to what degree a threshold is approached or exceeded.</li> </ol>	<ul style="list-style-type: none"> <li>• movement corridors;</li> <li>• mineral licks; and</li> <li>• trees important to wildlife (e.g., bat trees).</li> </ul> <p>Other sensitive areas and habitats include:</p> <ul style="list-style-type: none"> <li>• wetlands (and associated upland habitats);</li> <li>• riparian habitat;</li> <li>• forest interior habitat;</li> <li>• old growth; and</li> <li>• grasslands / native prairie.</li> </ul> <p>The effects analysis regarding wildlife and wildlife habitat must consider factors such as:</p> <ul style="list-style-type: none"> <li>• ecosystem functions;</li> <li>• the timing of construction activities in relation to sensitive periods for wildlife (e.g., migratory bird breeding season);</li> <li>• varying degrees of wildlife habitat loss;</li> <li>• changes in habitat quality (e.g., fragmentation, edge effects);</li> <li>• changes in human access;</li> <li>• disturbance to wildlife, including sensory (light and noise) disturbance from operation of above-ground facilities, including on birds and nocturnal species; and,</li> <li>• direct and indirect wildlife mortality.</li> </ul> <p>Ensure spatial boundaries for the study area and assessment are specific to the valued component and ecologically defensible (e.g., winter range boundaries, migration routes, fawning and calving areas).</p> <p>When calculating the disturbance footprint or linear disturbance density, remember to include the total avoidance area experienced by the valued component, which may be considerably larger than the physical footprint itself depending on the valued component.</p> <p>Temporal considerations are also relevant. For example, effects on wildlife from noise and sensory disturbance, water usage or divergence, or waste stream emissions to air, land or water can be exacerbated by having a number of projects taking place simultaneously (or continuously over more than one season) in a watershed, breeding area or migratory pathway.</p> <p>Increased access to project areas, whether temporary or permanent, affects wildlife habitat, populations, distribution and interactions. Access may include not only human access but increased ease of access by predators or competing species.</p> <p>Examples of tools that may be used to assess cumulative effects on valued components include scenario-based models, spatial analysis using a geographic information system, and landscape level indicators of change (e.g., linear density) (see the CEA Agency's Cumulative Effects Practitioners Guide, 1999).</p> <p>Applicants should note the requirements of applicable provincial, territorial and federal regulations (e.g., the</p>
--	--

	<p>federal <i>Migratory Birds Regulations</i>).</p> <p>Additional guidance:</p> <p>Environment Canada and its Divisions (e.g., Canadian Wildlife Service) are sources of relevant information on:</p> <ul style="list-style-type: none"> <li>• wildlife and wildlife habitat;</li> <li>• Acts and Regulations, including the <i>Migratory Birds Convention Act</i>;</li> <li>• locations of National Wildlife Areas and Migratory Bird Sanctuaries; and</li> <li>• environmental assessment guides, including: <ul style="list-style-type: none"> <li>• <i>Environmental Assessment Guideline for Forest Habitat of Migratory Birds</i>;</li> <li>• <i>Migratory Birds Environmental Assessment Guideline</i>;</li> <li>• <i>Wetlands Environmental Assessment Guideline</i>;</li> <li>• <i>Environmental Assessment Best Practice Guide for Wildlife at Risk in Canada</i>; and</li> <li>• relevant Canadian Wildlife Service Technical Report Series publications.</li> </ul> </li> </ul> <p>The Important Bird Areas database may be accessed through Bird Studies Canada or Nature Canada.</p>
<b>Species at Risk or Species of Special Status</b>	
<b>Filing Requirements</b>	<b>Guidance</b>
<ol style="list-style-type: none"> <li>For effects related to wildlife, fish, and plant species at risk or species of special status: <ul style="list-style-type: none"> <li>• identify the species and their status;</li> <li>• provide the appropriate references to the SARA Schedules, or Committee on the Status of Endangered Wildlife in Canada (COSEWIC), provincial or territorial listing;</li> <li>• identify their habitat(s), including any critical habitat(s) identified in a Recovery Strategy or an Action Plan listed on the SARA public registry;</li> <li>• determine whether the species, its habitat, or the residences of those species could be affected by project activities; <ol style="list-style-type: none"> <li>if not, explain why not;</li> <li>if yes, describe any predicted effects;</li> <li>identify any critical timing windows (e.g., denning, rutting or spawning), setback distances, or other restrictions;</li> <li>identify if a provincial, territorial or federal (e.g., SARA) permit will be required; and</li> <li>identify any proposed mitigative measures (e.g., improved project design or construction timing or compensation plan).</li> </ol> </li> </ul> </li> <li>Where the project may result in the destruction of any part of the critical habitat of a wildlife species listed on Schedule 1 of SARA, describe: <ul style="list-style-type: none"> <li>• any discussions with the appropriate Federal Authority (Environment Canada, Fisheries and Oceans Canada, Parks Canada) on obtaining a permit under section 73 of the SARA;</li> </ul> </li> </ol>	<p>Many rare species (e.g., endangered or threatened species under the SARA) are at risk in large part as a result of the past cumulative effects on their population or habitat. Their inclusion on official lists reflects their status as having crossed a threshold requiring special actions for their protection and recovery. Any additional residual effects have the potential to further contribute to this existing situation. Consequently, proposed projects must preferably avoid, or fully mitigate or compensate for any residual project contribution to cumulative effects.</p> <p>Status refers to designation under federal, provincial or territorial legislation or guidelines (e.g., extirpated, endangered, threatened or of special concern).</p> <p>Consult the SARA public registry for Schedule 1, the List of Wildlife Species at Risk, and Schedules 2 and 3 of SARA. Consult with Environment Canada (Canadian Wildlife Service), Fisheries and Oceans Canada, or Parks Canada on species at risk or their critical habitat in the study area.</p> <p>Where critical habitat has not been defined, field studies may be necessary, as well as identifying, with federal, provincial or territorial authorities, mitigation measures that effectively avoid sensitive interaction periods or activities. Field surveys may be useful in identifying mitigation needs or locally common populations not substantially affected.</p> <p>For species at risk listed on Schedule 1 of SARA, the proposed mitigative measures must be consistent with any applicable Recovery Strategies and Action Plans listed on the SARA public registry.</p>

<ul style="list-style-type: none"> <li>all reasonable alternatives to the project that would avoid the effect on the species' critical habitat; and</li> <li>all feasible measures that will be taken to eliminate the effect of the work or activity on the species' critical habitat.</li> </ul> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical works or activities and expand on the matters described above as appropriate.</p>	<p>Consult with appropriate provincial or territorial authorities on species listed under those jurisdictions.</p> <p>For species at risk with no recovery strategy or action plan, applicants should use the best available information, such as COSEWIC status reports, draft recovery strategies or action plans, existing plans or input from the recovery team and specific advice (or management plans) from any jurisdiction that manages the species. Describe how measures to avoid, fully mitigate or compensate project effects would align with the best available information. When relying on compensation plans, describe the details of consultation with relevant experts, the options available, and criteria for selecting the options relied on, and for assessing the adequacy (sufficiency and validity) of any compensation measures or offsets.</p> <p>Applicants should conduct a thorough inventory of all areas potentially affected by the project that are expected to support any species at risk or species of special status. Consult federal, provincial, territorial, regional and local databases (e.g., conservation data centres) and any other information associated with species of special status. Species data in existing databases may not be systematically collected or updated and, therefore, a database search may not be sufficient to support a conclusion about the absence of a species in the area.</p> <p>Additional guidance, including direction to relevant federal, provincial, territorial and other related information, is available from the COSEWIC and Environment Canada.</p>
Air Emissions	
Filing Requirements	Guidance
<ol style="list-style-type: none"> <li>Provide an assessment of air emissions from construction equipment and vehicular traffic.</li> <li>For pipeline and gas plant projects that result or may result in an increase in air emissions during operations or maintenance: <ul style="list-style-type: none"> <li>describe local and regional meteorological conditions, including a description and rationale for the meteorological data used in any quantitative assessment;</li> <li>describe existing background concentrations in the surrounding airshed and the methodology used to determine baseline concentrations;</li> <li>describe the source characteristics (e.g., point emissions, area sources, flaring and incineration emissions, and fugitive sources);</li> <li>provide a quantitative assessment of any potential air emissions (e.g., nitrogen dioxide, hydrogen sulphide, sulphur dioxide, ozone, volatile organic compounds, benzene, toluene, ethylbenzene and xylene (BTEX), mercaptans and particulate matter), including fugitive emissions generated by activities and systems associated with the project. Also provide a comparison to all relevant regulatory ambient air</li> </ul> </li> </ol>	<p>The effects assessment must consider:</p> <ul style="list-style-type: none"> <li>how volumes and modelled changes to ground-level and receptor-level concentrations during normal operations, maintenance, upsets, start-ups, shut-downs, and worst-case scenarios comply with federal, provincial and local objectives;</li> <li>compliance with the CCME <i>National Emission Guideline for Stationary Combustion Turbines</i>, the CCME <i>Environmental Code of Practice for the Measurement and Control of Fugitive VOC [volatile organic compounds] Emissions from Equipment Leaks</i>, including details of the leak detection and repair program in place if fugitive VOC emissions are a concern for the project, and the CCME <i>Environmental Guidelines for Controlling Emissions of VOCs from Above Ground Storage Tanks</i>;</li> <li>compliance with applicable provincial regulations on benzene emissions from processing facilities or CAPP's <i>Best Management Practice: Control of Benzene Emissions from Glycol Dehydrators</i>;</li> <li>compliance with applicable provincial flaring, incinerating and venting guidelines and</li> </ul>

<p>quality criteria (both provincial and federal);</p> <ul style="list-style-type: none"> <li>• identify maximum discharge limits associated with the project including assumptions, inputs and any variables associated with the maximum discharge;</li> <li>• describe the mitigation measures and how they would be implemented to protect the local airshed conditions; and</li> <li>• describe participation in national or regional air emission tracking and reporting programs, or provide rationale why participation is not required.</li> </ul> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	<p>regulations or CAPP's <i>Best Management Practice: Facility Flare Reduction</i>;</p> <ul style="list-style-type: none"> <li>• compliance with applicable provincial smoke management / venting guidelines and smoke control regulations; and</li> <li>• reporting requirements to the National Pollutant Release Inventory.</li> </ul> <p>Where ecological and human health effects are predicted to result from the project, see Table A-3.</p> <p>Monitoring and follow-up must consider:</p> <ul style="list-style-type: none"> <li>• requirements under federal (CCME) as well as provincial guidelines and permit requirements; validation of predictions in the event of possible exceedences of ambient air quality objectives;</li> <li>• uncertainty or absence of data to model or assess air quality; and</li> <li>• public concerns about air quality.</li> </ul> <p>Where the project may result in an increase in GHG emissions during construction, operations or maintenance, see the GHG emissions section.</p> <p>Additional guidance:</p> <ul style="list-style-type: none"> <li>• Canadian National Ambient Air Quality Objectives</li> <li>• CCME's <i>Canada-wide Standards for Particulate Matter (PM) and Ozone</i></li> <li>• CAPP Technical Report – <i>A National Inventory of Greenhouse Gas (GHG), Criteria Air Contaminant (CAC) and Hydrogen Sulphide (H<sub>2</sub>S) Emissions by the Upstream Oil and Gas Industry: Volume 4, Methodology for CAC and H<sub>2</sub>S Emissions</i></li> <li>• CAPP's <i>Best Management Practice: Management of Fugitive Emissions at Upstream Oil and Gas Facilities</i>.</li> </ul>
GHG Emissions	
Filing Requirements	Guidance
<ol style="list-style-type: none"> <li>1. Provide an assessment of the construction-related GHG emissions and include a description and justification of the methods used in the assessment.</li> <li>2. For projects that result or may result in an increase in GHG emissions during operations or maintenance: <ul style="list-style-type: none"> <li>• describe and quantify GHG emissions. Include a description of the methods used for the quantification, rationale, and assumptions used in the estimation;</li> <li>• describe the sources (e.g., point emissions, area sources, flaring and incineration emissions, and fugitive sources);</li> <li>• describe the measures to be implemented for continuous improvement of GHG emissions management; and</li> <li>• describe the participation in provincial/federal reporting programs or provide rationale why participation is not required.</li> </ul> </li> </ol>	<p>Applicants may consider using appropriate industry-wide estimates for their assessment of construction-related GHG emissions.</p> <p>A quantitative assessment of construction-related GHG emissions may be relevant in certain conditions. For example, where burning of forest cover as a result of land clearing will result in an increase in GHG emissions, or where there is a public concern associated with an increase in GHG emissions from construction.</p> <p>The GHG emissions assessment should consider applicable provincial and federal estimating and reporting guidance.</p> <p>Additional guidance:</p> <ul style="list-style-type: none"> <li>• Methodology Manual – <i>Estimation of Air Emissions from the Canadian Natural Gas Transmission, Storage and Distribution System</i> prepared for Canadian Energy Partnership for Environmental Innovation (CEPEI)</li> </ul>

	<ul style="list-style-type: none"> <li>• The Natural Gas Combustion Emissions Calculator produced by CEPEI</li> <li>• The CEA Agency's <i>Incorporating Climate Change Considerations in Environmental Assessment: General Guidance for Practitioners</i></li> <li>• CAPP's Guide: <i>Calculating Greenhouse Gas Emissions</i></li> <li>• Environment Canada can provide information regarding reporting</li> </ul>
Acoustic Environment	
Filing Requirements	Guidance
<ol style="list-style-type: none"> <li>1. Where there is a public concern associated with an increase in noise levels during construction, provide a noise impact assessment, including an overview of the concerns.</li> <li>2. For projects that result or may result in an increase in noise emissions during operations or maintenance (e.g. pump stations, compressor stations, gas plants): <ul style="list-style-type: none"> <li>• describe existing ambient noise levels in the area, including the methods and data sources used to determine the ambient levels;</li> <li>• identify the potentially affected receptors and permissible sound levels for each receptor;</li> <li>• quantify noise levels at appropriate distances from the facility (e.g., at edges of the RoW/facility and at the affected receptor) and describe the frequency, duration and character of noise;</li> <li>• provide the predicted sound levels from the project alone and predicted cumulative sound levels in combination with other existing and future physical facilities and activities in the area, including an assessment of low frequency noise;</li> <li>• describe consultation with regulators, stakeholders, community groups, landowners and Aboriginal communities about potential effects of the project on the acoustic environment;</li> <li>• identify and justify the applicable guidelines used to determine the significance of the effects of the predicted emissions associated with the project;</li> <li>• provide a noise management plan, including identification of noise sources, an assessment of current noise mitigation measures, performance effectiveness of noise control devices, best practices programs and continuous improvement programs; and</li> <li>• identify the need for a follow-up monitoring for the purposes of validation of the model or as a result of any concerns raised by the public.</li> </ul> </li> </ol> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or</p>	<p>The effects assessment must consider:</p> <ul style="list-style-type: none"> <li>• any effects from inaudible noise (e.g., low frequency noise); and</li> <li>• the effects of noise on wildlife.</li> </ul> <p>Noise management plans must consider:</p> <ul style="list-style-type: none"> <li>• notification and scheduling of maintenance activities, such as blowdowns and equipment venting during daylight hours; and</li> <li>• notification of nearby residences and local authorities of plans and procedures for preventing and managing noise.</li> </ul> <p>Where there is a potential for human health effects see, Table A-3.</p> <p>Additional guidance:</p> <ul style="list-style-type: none"> <li>• Energy Resources Conservation Board's <i>Directive 038: Noise Control</i> (ERCB Directive 038)</li> <li>• Alberta Utilities Commission's <i>Rule 012 – Noise Control</i> (AUC Rule 012)</li> <li>• British Columbia Oil and Gas Commission's <i>British Columbia Noise Control Best Practices Guideline</i></li> </ul> <p>For projects in provinces with no guidelines, please refer to ERCB Directive 038 or AUC Rule 012, whichever is the most appropriate.</p>

activities and expand on the matters described above as appropriate.	
--	--

**Table A-3: Filing Requirements for Socio-Economic Elements****FYI - Reminder ...**

Filing Requirements for an effects assessment are described in Subsections A.2.5 and A.2.6.

Table A-1 in Subsection A.2.4 provides examples of the circumstances and interactions that lead to the need for detailed information and considers all phases of an applied for project (construction, operation, maintenance and abandonment), including the potential for accidents and malfunctions during each phase. Table A-3 was designed to assist Applicants in identifying detailed information needs specific to individual socio-economic elements. The elements and circumstances described in the table are not exhaustive.

Human Occupancy and Resource Use	
Filing Requirements	Guidance
<ol style="list-style-type: none"> <li>1. Describe the general patterns of human occupancy and resource use in the study area.</li> <li>2. Describe the potential interactions of the project with local and regional human occupancy and resource development activities. Include effects the project may have on the maintenance of those activities and on the livelihood of local workers, business owners and operators.</li> <li>3. Describe the goals of any applicable local or regional land use plans or local or regional development plans and the extent to which the project is aligned with such plans.</li> <li>4. Identify predicted effects of the project on the quality and quantity of ground or surface water used for domestic, commercial, agricultural or recreational uses.</li> <li>5. Identify any predicted visual or other aesthetic effects of the project on existing land use in the study area.</li> <li>6. Identify any predicted effects of the project on livestock health and productivity.</li> <li>7. Describe any site specific and project wide mitigation to address identified effects.</li> </ol> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	<p>The assessment of potential impacts on human occupancy and resource use must evaluate:</p> <ul style="list-style-type: none"> <li>• rural and urban residential areas (includes both year-round and seasonally-occupied facilities), Indian Reserve Lands, Aboriginal communities and Aboriginal traditional territories;</li> <li>• agricultural areas (including specialty crops, orchards and vineyards);</li> <li>• health and productivity of livestock;</li> <li>• recreation and park areas (including local and provincial or territorial parks and recognized scenic areas);</li> <li>• lands under Parks Canada's jurisdiction, conservation areas, International Biological Program Sites or other ecological reserves or preserves;</li> <li>• industrial and commercial areas;</li> <li>• controlled or managed forest areas (including agreement forests and timber sales areas);</li> <li>• registered or recognized hunting, trapping or guiding areas and commercial and sport fishing areas;</li> <li>• water reserves and licences, and water supply sources or intakes for agricultural, industrial, commercial, residential and municipal users; and</li> <li>• transportation infrastructure, which, in addition to road and rail infrastructure, would also include navigable waterways.</li> </ul> <p>The project should be assessed for compatibility with local and regional land use and development plans. Where "multiple-use" is permitted, it should also be assessed for compatibility with existing uses.</p> <p>If there is a predicted effect on the use of traditional territory or potential or established treaty or Aboriginal rights, refer to the Traditional Land and Resource Use element within this table.</p> <p>If there is a predicted effect on a biophysical component (e.g., Water Quality and Quantity, Acoustic Environment)</p>



	<p>that could affect Human Occupancy and Resource Use, refer to that biophysical component in Table A-2.</p> <p>If there is a predicted effect on visual or other aesthetic qualities, refer to the guidance under the Human Health element within this table.</p>
Heritage Resources	
Filing Requirements	Guidance
<ol style="list-style-type: none"> <li>1. Describe any known heritage resources in the study area.</li> <li>2. Determine the potential for any undiscovered heritage resources in the study area.</li> <li>3. Describe what contingency plans and field measures would be undertaken if a heritage resource is discovered during construction.</li> <li>4. Provide copies of correspondence from provincial or territorial authorities responsible for heritage resources with comments on any heritage resource assessment and proposed mitigation measures.</li> <li>5. Indicate whether the applicant would implement the recommendations of the provincial or territorial heritage resource authorities.</li> <li>6. If a previous heritage resource assessment has been completed in the study area, a summary should be filed along with any additional mitigation measures specific to the applied for project.</li> </ol> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	<p>Applicants must be aware of federal, provincial or territorial legislation or guidelines for identifying and protecting heritage resources.</p> <p>Applicants must consult with Aboriginal groups with concerns about heritage resources in the project area.</p> <p>Although lands may be previously disturbed, an archaeological and paleontological assessment may still be required.</p> <p>The heritage resources assessment must be completed by a qualified archaeologist or paleontologist and include details of the field methodology used in the study.</p> <p>Where there is potential for discovery of heritage resources during construction or operations activities, a heritage resources contingency plan must be submitted. The plan must state, at a minimum, who would be contacted and under what conditions work would stop and resume.</p>
Traditional Land and Resource Use	
Filing Requirements	Guidance
<ol style="list-style-type: none"> <li>1. Describe how lands and resources in the study area are currently used by Aboriginal persons or groups for traditional purposes.</li> <li>2. Identify the Aboriginal persons or groups currently carrying out traditional land and resource use activities, the spatial and temporal extent of use and how the project could impact this use.</li> <li>3. Describe all reasonable alternatives considered that would avoid the impact on the Aboriginal traditional land and resource use considered during project development.</li> <li>4. Describe all feasible measures that would be taken to mitigate the impact of the activity on Aboriginal traditional land and resource use.</li> <li>5. Describe the methodology used to collect the Aboriginal traditional land and resource use information and provide a listing, and the rationale for the listing, of all Aboriginal persons and groups contacted.</li> </ol>	<p>An assessment of impacts on current use of lands and resources for traditional purposes by Aboriginal people is required for the ESA.</p> <p>Aboriginal people may use lands for various traditional activities, such as hunting, fishing, trapping, berry picking and plant gathering for medicinal, cultural or household use, as well as cultural or spiritual ceremonies.</p> <p>In assessing the temporal aspects of traditional land and resource use, note the frequency, duration and seasonal aspects of each activity. In assessing the spatial aspects of traditional land and resource use, note that some activities could be site specific (e.g., berry-picking areas) but others may not (e.g., hunting may extend over a broad area and temporal considerations may be more relevant).</p> <p>Applicants must also refer to the assessment of the applicable biophysical element (wildlife and wildlife habitat, vegetation and fish and fish habitat) when considering traditional land and resource use.</p> <p>Where confidentiality of the traditional land and resource information is a concern, this information may be provided in the following manner (in order of preference):</p>

<p>6. Demonstrate that those Aboriginal persons and groups participating in collecting traditional use information have had the opportunity to review the information and proposed mitigation. Include any comments from the Aboriginal participants on the information and proposed mitigation.</p> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	<ul style="list-style-type: none"> <li>• a traditional land use study in which the information is provided using a system of data classification to protect the confidentiality of site-specific details;</li> <li>• a traditional land use study with site-specific information blacked out; or</li> <li>• a summary of the traditional land use study, including the methodology and proposed mitigation.</li> </ul> <p>Alternatively, applicants may ask permission to file the study confidentially, in accordance with the criteria set out in section 16.1 of the NEB Act.</p>
<b>Social and Cultural Well-Being</b>	
<b>Filing Requirements</b>	<b>Guidance</b>
<ol style="list-style-type: none"> <li>1. Describe the socio-cultural setting of the study area, indicating the: <ul style="list-style-type: none"> <li>• predominant cultural and Aboriginal groups;</li> <li>• demographic features of the local population and workforce; and</li> <li>• prevalent socio-cultural concerns of residents, families and workers in the study area.</li> </ul> </li> <li>2. Provide an overview of the predicted socio-cultural effects on the local community from the project.</li> <li>3. Describe the predicted interactions of project construction, operations, and maintenance workforces with the local community, residents and businesses.</li> <li>4. Describe any mitigative measures to address identified effects.</li> </ol> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	<p>Socio-cultural effects on local communities may arise from various sources, including:</p> <ul style="list-style-type: none"> <li>• an increase in temporary or permanent residents to an area;</li> <li>• location of construction camps within, beside or near local communities;</li> <li>• a significant increase to, or uneven distribution of, personal income at the community level; and</li> <li>• disruptions to cultural traditions and institutions.</li> </ul> <p>The potential effects from the sources listed above may include:</p> <ul style="list-style-type: none"> <li>• stresses on community, family and household cohesion;</li> <li>• alcohol and substance abuse; or</li> <li>• illegal or other potentially disruptive activities.</li> </ul> <p>The identification and evaluation of potential effects must:</p> <ul style="list-style-type: none"> <li>• be conducted at the community level rather than the individual level to protect the privacy of individuals; and</li> <li>• include consultation with local, regional and Aboriginal social and cultural service providers, agencies and institutions as appropriate.</li> </ul> <p>The local community could include:</p> <ul style="list-style-type: none"> <li>• more than one inhabited area within the study area; and</li> <li>• more than one cultural group within an inhabited area.</li> </ul>
<b>Human Health</b>	
<b>Filing Requirements</b>	<b>Guidance</b>
<ol style="list-style-type: none"> <li>1. Describe and quantify: <ul style="list-style-type: none"> <li>• the project-related activities, toxic components, nuisances and environmental changes that could potentially be sources of adverse human health effects; and</li> <li>• the potential human receptors of these effects.</li> </ul> </li> </ol>	<p>Applicants must consider the potential for effects to human health to determine the level of assessment required. For example, where the project may cause nuisance-related health concerns, applicants must summarize the effect, outline mitigation measures to minimize the effect (e.g., regular road watering to reduce dust), and give appropriate details of analytical procedures used (e.g., a source and release assessment,</p>

<p>2. Where the project could create air, water or noise emissions or effluent discharge levels that meet local, provincial, territorial or federal guidelines (e.g., CCME Guidelines, ERCB Directive 038, AUC Rule 012), yet public concerns regarding human health effects have been raised, provide a description of the public concerns and how they would be addressed.</p> <p>3. Where the project could create health effects, summarize how these effects would be mitigated.</p> <p>4. Where it is reasonable to assume there could be a potentially high or significant risk to human health from the project, provide a human health risk assessment.</p> <p>5. Provide a description of any predicted visual or other aesthetic effects of the project on residents or other potentially affected persons or users in the study area.</p> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	<p>exposure assessment, dose-response assessment or risk characterization).</p> <p>Quantification of sources of health effects and potential human receptors must consider:</p> <ul style="list-style-type: none"> <li>• ambient conditions;</li> <li>• distances to edge of RoW, nearest residences, schools and other public institutions;</li> <li>• modelling and prediction of environmental conditions during construction and operations at the above distances; and</li> <li>• distance to where predicted conditions would meet any applicable standards and populations within that radius.</li> </ul> <p>Identifying and evaluating potential human health effects must include consultation with local, regional, Aboriginal, provincial or territorial, and federal health service providers, agencies and institutions, as appropriate.</p> <p>Applicants must consider the potential effects of the project on the health of susceptible groups, such as:</p> <ul style="list-style-type: none"> <li>• local residents, landowners and tenants;</li> <li>• the elderly and children; and</li> <li>• others who may regularly use the study area such as recreationalists, hunters and trappers.</li> </ul> <p>Applicants must also consider how the project may affect the health of those using traditional areas for hunting, trapping, fishing, berry picking, and medicinal plant collection. This consideration must be linked with the applicant's assessment of traditional land and resource use.</p> <p>As the definition of human health includes consideration of mental and social well-being, applicants must also consider any adverse emotional or social stressors potentially resulting from the project, including:</p> <ul style="list-style-type: none"> <li>• concern for public safety from construction or operations-related accidents or malfunctions; or</li> <li>• disruption of normal, daily living activities.</li> </ul> <p>Where a particular project emission or effluent discharge level falls below or within applicable limits, additional mitigation may not be required. However, where the change may be substantial (even if within set limits) due to local or regional circumstances or the extent of the change, the applicant must provide any other additional mitigation to minimize pollution and human health risks.</p> <p>A visual impact assessment must consider and describe factors such as, but not limited to:</p> <ul style="list-style-type: none"> <li>• whether landforms, vegetation cover and other landscape features screen or visually absorb the project;</li> <li>• how the project will compare with other nearby built features;</li> <li>• identification of view points and areas from which the project will be visible;</li> <li>• views affected by the project; and</li> <li>• the extent to which views are obstructed by the project.</li> </ul> <p>Applicants must clearly link this portion of their</p>
--	--

	<p>assessment to those sections of their assessment that consider the biophysical elements affecting human health (e.g., Acoustic Environment or Water Quality and Quantity).</p> <p>Consult Health Canada for information on human health impact assessments and to access <i>The Canadian Handbook on Health Impact Assessment</i>.</p> <p>Health indicator data is available from Statistics Canada.</p>
Infrastructure and Services	
Filing Requirements	Guidance
<ol style="list-style-type: none"> <li>Describe the existing local and regional infrastructure in the study area, including: <ul style="list-style-type: none"> <li>railways;</li> <li>roads, highways and their traffic usage levels and patterns;</li> <li>pipelines, water mains and sewage lines;</li> <li>navigable waterways;</li> <li>existing power lines; and</li> <li>any other potentially affected facilities.</li> </ul> </li> <li>Describe the existing local and regional services in the study area and the predicted effects on those services. Include an assessment of effects to: <ul style="list-style-type: none"> <li>accommodation, including camping facilities;</li> <li>recreation;</li> <li>waste disposal;</li> <li>police;</li> <li>fire-fighting;</li> <li>ambulance; and</li> <li>health care services.</li> </ul> </li> <li>Describe any need for government and applicant expenditures for new or expanded services or infrastructure, arising out of project-related effects.</li> <li>Describe any mitigative measures, including applicable plans, to address identified effects.</li> </ol> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	<p>The assessment must consider and, where possible, quantify how project construction and operation activities may affect local or regional infrastructure and services, such as:</p> <ul style="list-style-type: none"> <li>housing;</li> <li>educational facilities;</li> <li>essential and emergency services (fire, police, ambulance, hospital) including the standard of service provided (e.g., response time);</li> <li>recreational requirements;</li> <li>transportation; and</li> <li>utilities including water, sewer, waste disposal, electricity.</li> </ul> <p>Effects related to the above-noted factors must be assessed from the perspectives of both:</p> <ul style="list-style-type: none"> <li>the project's needs for infrastructure and services (e.g., to meet workers' needs for housing or transportation); and</li> <li>the project's effects on local infrastructure and services, and consequent effects on local residents (e.g., project effects on availability of housing for local residents or on traffic flows and delays to the local population).</li> </ul> <p>Applicants must consider any local and provincial or territorial guidelines regarding emergency services or requirements for heavy load vehicles and construction access permits.</p>
Navigation and Navigation Safety	
Filing Requirements	Guidance
<ol style="list-style-type: none"> <li>Provide a listing of proposed navigable waterways that the pipeline corridor will pass in, on, under, over, through or across, the proposed crossing methodology, and the contingency plans for HDD.</li> <li>Provide a listing of ancillary project components that will be constructed in, on, under, over, through or across navigable waterways to support the pipeline project (e.g. temporary and permanent bridges, marine terminal).</li> <li>Provide a listing of potentially affected waterway</li> </ol>	<p>Where there are waterways which are considered navigable and there are project effects on navigation and navigation safety, Applicants must assess who navigates the affected waterways (e.g., tourism groups, guide outfitters, anglers, kayaking organizations), the type of craft, the ability to notify waterway users of impediments, the project effects/impacts on safe and reliable navigation and identify mitigation measures to minimize or eliminate project effects to navigation and navigation safety.</p>

<p>users and describe the consultation conducted with waterway users and Aboriginal groups regarding navigational use, issues raised, and how issues have been addressed.</p> <p>4. Describe project effects on navigation and navigation safety.</p> <p>5. Describe proposed mitigation measures to address project effects on navigation and navigation safety.</p>	
<b>Employment and Economy</b>	
<b>Filing Requirements</b>	<b>Guidance</b>
<ol style="list-style-type: none"> <li>1. Describe the local and regional employment situation in the study area.</li> <li>2. Describe any local or regional training and employment development plans.</li> <li>3. Describe the ability of local and Aboriginal residents and businesses to provide labour services, equipment, supplies and other contracting needs during construction, operation and maintenance of the project.</li> <li>4. Describe plans to encourage local and Aboriginal employment, procurement and contracting opportunities.</li> <li>5. Describe any training programs the applicant is supporting to enhance employment opportunities for local and Aboriginal residents.</li> <li>6. Provide an estimate of the anticipated levels of local and regional economic participation in the project in comparison to the total project requirements (e.g., number of workers and total dollar value of contracts).</li> <li>7. If the project has the potential to directly affect local, regional, provincial, territorial or federal government revenues from tax levies or other means during construction and operation, provide a quantitative assessment of the potential effects.</li> </ol> <p>Where residual effects have been predicted, identify whether those residual effects would be likely to act in combination with the effects of other physical facilities or activities and expand on the matters described above as appropriate.</p>	<p>The assessment must include a quantitative and qualitative review of:</p> <ul style="list-style-type: none"> <li>• local and regional employment and unemployment levels;</li> <li>• education and skill levels;</li> <li>• local and regional economic conditions; and</li> <li>• direct government revenues expected to be generated by the project.</li> </ul> <p>Construction and operations workforce numbers and contract values must be provided, where possible, on a month-to-month basis through the construction phase of the project and on a yearly basis for the operations phase of the project. For smaller projects, only an estimate of the construction workforce and the full-time operations workforce is required.</p> <p>The assessment must describe those situations when the project may directly or indirectly create economic hardship or the displacement of workers or businesses, including any mitigative measures to address these effects.</p> <p>If the applicant has prepared an economic benefits plan or has entered into specific cooperation agreements with communities or Aboriginal groups, the applicant should provide a summary of the employment, training and business commitments made.</p>

### A.3 Economics and Financing

Information on economics is required in an application when the applied-for facilities would result in one or more of the following:

- the construction of a new pipeline;
- an increase in pipeline capacity or throughput on an existing regulated pipeline; or
- a change in the type of commodity being transported on an existing regulated pipeline.

Economics information must include details on:

- supply;
- transportation;
- markets; and
- financing.

The overall purpose for filing information on facility economics is to demonstrate that the applied-for facilities will be used, will be useful, and that demand charges will be paid and that sufficient funds will be available for abandonment requirements.

### **A.3.1 Supply**

#### **Goal**

The application includes information indicating that there is or will be adequate supply to support the use of the pipeline, taking into account all potential supply sources that could reasonably be expected to be sourced by the applied-for facilities over their expected economic life.

#### **Filing Requirements**

Provide:

1. a description of each commodity (e.g., crude oil, natural gas or NGL);
2. a discussion of all potential supply sources;
3. a forecast of the productive capacity for each commodity over the economic life of the facilities; and
4. for pipelines with contracted capacity, a discussion of the contractual arrangements underpinning the supply.

#### **Guidance**

When determining what level of supply information to provide, be aware that the NEB must be satisfied that there is, or will be, an adequate supply available to the pipeline such that the applied-for facilities could be expected to be used at a reasonable level over their economic life and would be in the public interest.

The level of detail in the supply information would normally correspond to:

- the projected increase in capacity or throughput;
- the nature and complexity of the supply source; and
- the potential impact on the public interest, commercial or otherwise.

Generally, the greater the projected increase in capacity or throughput, the greater the amount of supply information that would be required. Additional information might be required for proposed projects that have a larger potential impact on third parties or the environment to demonstrate that the project is in the public interest.

### ***Commodity Description***

Describe each commodity that would be affected by the applied-for facilities. Adhere to the guidelines for describing commodities provided in Section 1.9 - Measurement, Conversation Factors and Commodity Description.

### ***Resources***

Describe each current and potential supply source that the applied-for facilities are relying upon, including the methodology used to derive these estimates.

### ***Productive Capacity***

Forecast the current and future production over the economic life of the project. Include forecasts from:

- the various supply sources; and
- conventional and unconventional production as well as production from other basins that could be sourced.

Clearly describe the sources for and the methodology used to derive the forecasts.

### ***Contractual Arrangements***

For pipelines with contracted capacity, include a description of any relevant contractual arrangements underpinning the supply arrangements. Also include key contractual terms such as length of contract and volumes under contract, where available.

## **A.3.2 Transportation Matters**

### **Goal**

The application includes information indicating that the volumes to be transported are appropriate for the applied-for facilities and that the proposed facilities are likely to be utilized at a reasonable level over their economic life.

### **Filing Requirements**

#### ***Pipeline Capacity***

1. In the case of an expansion to an existing pipeline, provide:
  - the pipeline capacity before the expansion capacity is added;
  - the added capacity of the expansion project;
  - the pipeline capacity as it would be following the expansion; and
  - a justification that the capacity of the pipeline expansion is appropriate in terms of incremental volumes to be shipped on the expanded facility.
2. In the case of a new pipeline, provide a justification that the capacity of the new pipeline will be appropriate for the productive capacity or supply that would be available to the pipeline.

### ***Throughput***

1. For pipelines with contracted capacity, provide information on contractual arrangements underpinning the projected throughput volumes.
2. For all pipelines other than pipelines with contracted capacity, provide a forecast of projected throughput volumes by commodity type, receipt location and delivery destination on an annual basis over the economic life of the applied-for facilities.
3. If the proposed project results in an increase in throughput capacity, provide:
  - the theoretical and sustainable daily, seasonal and annual capabilities of the existing and the proposed facilities versus the current and forecasted requirements, indicating any contracted interruptible quantities; and
  - the flow formulae and flow calculations used to determine the daily or hourly (as appropriate) capabilities of the proposed facilities and the underlying assumptions and parameters, including a description of the gas or fluid properties.
4. Where more than one type of commodity would be transported in the same pipeline, describe the segregation of the commodities, including where applicable, potential contamination issues or cost impacts.

### **Guidance**

Information submitted on transportation matters should:

- demonstrate that the capacity of the applied-for facilities is appropriate for the commodities and volumes that would be transported in the pipeline; and
- provide sufficient evidence to assure the Board that the applied-for facilities will be used at a reasonable level over their economic life.

Information on pipeline capacity, projected throughput or contracted volumes and, if applicable, supply available to the pipeline, could be provided in tabular format. Where it would provide clarity, a graphical representation could also be included.

### ***Pipeline Capacity***

Provide an estimate of the average annual capacity of the pipeline for the commodity or commodities transported.

Where pipeline capacity would be increased as a result of the construction of the applied-for facilities, include the pipeline capacity that would be added as well as the resultant total capacity of the pipeline.

In all cases where there will be a substantial difference between pipeline capacity and contracted volumes or projected throughput, include an explanation of the difference.

In the case where the subject pipeline is one of a number of pipelines serving a particular supply area, provide a description of the overall service for the area and the role the subject pipeline plays in serving the area relative to throughput volumes and productive capacity for the supply area.



### ***Contractual Arrangements***

Transportation agreement evidence is required when the applied-for facilities relate to the transportation of natural gas.

Describe the contracted volume and term by shipper. When possible, submit evidence of the transportation agreements, such as signed execution sheets and copies of the contracts. Contractual evidence must be of sufficient detail to assure the Board that the facilities will be used at a reasonable level and that demand charges will be paid.

### ***Projected Throughput***

A throughput forecast is required for liquids facilities (e.g., crude oil and NGL).

Also include a forecast of supply that could reasonably be expected to be available to the pipeline over the economic life of the applied-for facilities.

Describe the projected annual throughput of each commodity by source, location and delivery destination over the expected economic life of the applied-for facilities.

### ***Commodity Integrity on Multi-Product Pipelines (where applicable)***

In the case of multi-product pipelines for a new pipeline, or where the applied-for facilities could affect the integrity of any of the transported commodities, include a discussion of the methods that will be used to segregate or protect the integrity of the commodity types. Describe any potential contamination issues or cost impacts and strategies that will be used to mitigate any potential problems.

## **A.3.3 Markets**

### **Goal**

The application includes information indicating that adequate markets exist for the incremental volumes that would be available to the marketplace as a result of the applied-for facilities.

### **Filing Requirements**

Provide:

1. an analysis of the market in which each commodity is expected to be used or consumed; and
2. a discussion of the physical capability of upstream and downstream facilities to accept the incremental volumes that would be received and delivered.

### **Guidance**

Information on markets is required to assure the NEB that there is sufficient demand to absorb the incremental volumes and, where applicable, physical capability in the upstream and downstream facilities to accept the incremental volumes. Where long-term transportation and downstream arrangements are in place, the required market information will be more general in nature, but must be adequate to allow the Board to determine whether the market demand will be sufficient to support the economic feasibility of the pipeline.

The level of detail will correspond to:

- the magnitude of the incremental volumes that would be delivered into the market;
- the degree of competition from other supply areas and from other fuels in the market to be served; and
- the potential impact on the public interest, commercial or otherwise.

Generally, the greater the projected increase in volumes delivered to the marketplace, the greater the amount of market information that would be required. Proposed projects that have a larger potential impact on third parties or the environment may require filing additional information to demonstrate that the project is in the public interest.

### ***Description of the Market***

Describe the market that will receive the commodity, including, where applicable:

- where the commodity could be delivered (e.g., gas hub or designated refinery);
- the potential competition to serve the market or the market areas from other pipelines;
- energy sources; and
- transportation systems.

### ***Ability of Upstream and Downstream Facilities to Accept Incremental Volumes***

In cases where the applied-for facilities would be receiving a commodity or commodities from an upstream facility or delivering to a downstream facility, provide assurance that the connecting facility is physically able to accept the additional volumes being received or delivered.

In addition to the filing guidance contained above, Applicants are to note that as of 1 January 2008, the British Columbia Oil and Gas Commission (OGC) put into effect requirements for the measurement and metering of fluids on pipelines entering or leaving the Province of British Columbia as outlined in the OGC *Measurement Requirements for Upstream Oil and Gas Operations Manual - Chapter 7 – Cross Border Measurement*. Companies should determine whether any of their NEB-regulated facilities handle BC production and fall within these provincial measurement requirements for such production.

**Table A-4: Overview of Supply, Transportation and Markets Filing Requirements**

Scope of Project	Commodity Source Type	Supply	Transportation	Markets
<div>Major Project</div> <div></div> <div>Local Connection</div>	Basin-wide supply source (e.g., a mainline)	Resources: <ul style="list-style-type: none"><li>Table with estimates of conventional and unconventional resources. Table should include estimates of discovered and undiscovered resources.</li><li>Description of the sources and methodology used to derive the estimates.</li></ul> Productive Capacity: <ul style="list-style-type: none"><li>Table and graph providing productive capacity estimates for each of the resources listed above over the life of the project.</li><li>Description of the sources and methodology used to derive these estimates.</li></ul> Contractual Arrangement(s): <ul style="list-style-type: none"><li>A detailed description of the contractual arrangements.</li></ul>	New Pipeline (larger project)  Pipeline Capacity: <ul style="list-style-type: none"><li>Total capacity of the pipeline.</li><li>Justification that pipeline capacity is appropriate.</li></ul> Contractual Arrangement(s): <ul style="list-style-type: none"><li>Pipelines with contracted capacity: a detailed description of the transportation contract arrangements underpinning the projected throughput.</li><li>Other: forecast of projected throughput by commodity, receipt location and delivery point.</li></ul>	More shippers  Comprehensive market analysis with justification that incremental or new volumes will be absorbed. Evidence that downstream facilities are physically able to receive incremental volumes.
		Expansion (larger project)  Pipeline Capacity: <ul style="list-style-type: none"><li>Before expansion.</li><li>Incremental capacity added and total capacity following expansion.</li><li>Justification that the additional capacity is appropriate.</li></ul> Contractual Arrangement(s): <ul style="list-style-type: none"><li>Pipelines with contracted capacity: a detailed description of the transportation contract arrangements underpinning the projected throughput.</li><li>Other: forecast of projected throughput by commodity, receipt location and delivery point.</li></ul>	Fewer shippers  Comprehensive market description and assurance of demand for incremental volumes. Assurance that downstream facilities are physically able to receive incremental volumes.	
	Localized supply source (e.g., part of a gathering system)	Resources: <ul style="list-style-type: none"><li>Table with estimates of discovered and undiscovered resources.</li><li>Description of the sources and methodology used to derive the estimates.</li></ul> Productive Capacity: <ul style="list-style-type: none"><li>Table and graph providing productive capacity estimates for each of the resources listed for the economic life of the project.</li><li>Description of the sources and methodology used to derive these estimates.</li></ul> Contractual Arrangement(s): <ul style="list-style-type: none"><li>A description of any relevant supply arrangements.</li></ul>	New Pipeline (smaller project)  Pipeline Capacity: <ul style="list-style-type: none"><li>Total capacity of the pipeline.</li><li>Justification that the pipeline capacity is appropriate.</li></ul> Contractual Arrangement(s): <ul style="list-style-type: none"><li>Pipelines with contracted capacity: evidence of the transportation contract arrangements underpinning the projected throughput.</li><li>Other: forecast of projected throughput by commodity, receipt location and delivery point.</li></ul>	Fewer shippers  Market description and assurance of demand for incremental volumes. Assurance that downstream facilities are physically able to receive incremental volumes.
		Expansion (smaller project)  Pipeline Capacity: <ul style="list-style-type: none"><li>Before expansion</li><li>Incremental capacity added and total capacity following expansion.</li><li>Justification that the additional capacity is appropriate.</li></ul> Contractual Arrangement(s): <ul style="list-style-type: none"><li>Pipelines with contracted capacity: evidence of the transportation contract arrangements underpinning the projected throughput.</li><li>Other: forecast of projected throughput by commodity, receipt location and delivery point.</li></ul>	No third party shippers  Assurance of demand for incremental volumes.	
	Change in commodity	Supply information is appropriate to the scope of the project, as above.	When more than one commodity: Discussion pertaining to segregation of commodities and potential contamination issues or costs.	Market information is appropriate to scope of the project, as above.

### A.3.4 Financing and Financial Resources

#### Goals

The application provides a discussion of the following points:

- the applicant's ability to finance the proposed facilities;
- the method of financing the facilities and the potential costs associated with the risks and liabilities that arise during the construction and operation of the Project, including a significant incident (see the NEB's [Event Reporting Guidelines](#) for a definition of "significant incident");
- any changes to the financial risk of the company associated with its intended method of financing the facilities;
- the impact of the proposed facilities on the applicant's abandonment cost estimate and the collection of these costs; and
- the toll impact of the proposed facilities including the extent of any cross-subsidization.

#### Filing Requirements

##### **Additional information...**

All applications submitted pursuant to either section 52 or 58 of the NEB Act must include the information stated in requirements 1 through 4.

In addition, applications with significant toll impacts must also include the information stated in requirement 5.

1. Provide evidence of the ability to finance the proposed facilities.
2. Provide evidence that the applicant can manage the potential costs associated with the risks and liabilities that arise during the construction and operation of the Project, including a significant incident involving a product release.
3. Indicate the estimated toll impact for the first full year that the facilities are expected to be in service.
4. Confirm shippers have been apprised of the project and associated toll impact. Provide a summary of their concerns, if any, and the plans to address these concerns.
5. Provide a discussion on how the applicant will address the impact of the proposed facilities on funding for abandonment;
6. For applications with significant toll impacts, provide additional toll details for:
  - existing facilities;
  - the aggregate of existing and proposed facilities; and
  - the first five years that the proposed facilities are forecast to be in service.

#### Guidance

The NEB needs sufficient information to allow it and interested parties to understand the application and the impacts on third parties, and to make a decision. The information provided

should demonstrate that the applied-for project is financially sound given the approved toll methodology and that it is not being cross-subsidized in an inappropriate manner.

While the NEB would find the information identified in the filing requirements to be satisfactory in most instances, it may be necessary to provide further information. In general, more detailed information should be provided for projects that are greater in complexity and scope. Examples of factors that could affect the complexity and scope of a project include the:

- toll impact of the proposed facilities;
- proposed toll design methodology;
- level of market power held by the applicant, including its affiliates;
- number of shippers on the system;
- number of third parties that could be affected by the proposed facilities and the level of effect on these parties; and
- the financial risk assumed by the applicant.

Determine the level of information to include for each filing requirement based on the factors described above, and provide any additional information that would be pertinent.

### ***Finance Information***

Evidence that the applicant has the ability to finance the proposed facilities should include, but not be limited to:

- a description of the intended methods and sources of financing the proposed facilities;
- a description of any financing already in place; and
- a description of any restrictive provisions concerning future financing, any changes in capital structure, the impact on interest coverage ratios and other factors that could affect the financing of the proposed facilities.

### ***Ownership Structure***

The applicant should describe the corporate structure, including at a minimum:

- a) The corporate structure chart showing the applicant, its subsidiaries, owning entities and affiliates; and
- b) A description summarizing each entity's ownership and the operating relationships with each other.

This chart in a) and the description in b) must show, but need not be restricted to:

- i. the ownership of each entity and their jurisdiction of incorporation or registration; and

Where limited partnerships are involved, a description of

- ii. the general and limited partners in each limited partnership; and
- iii. the respective roles and responsibilities of each of these entities in managing the limited partnerships, and operating the pipeline and related facilities.

### ***Financial Resources***

Oil pipeline projects with a capacity of 250,000 bbl per day or more are expected to provide information on how the applicant can sustain management of the potential costs associated with the risks and liabilities that arise during the construction and operation of the Project, including a significant incident involving a product release:

- a) A description of the applicant's various types and amounts of financial resources, including the applicant's readily accessible financial resources;
- b) Key features with respect to third party liability insurance coverage plus description of whether the coverage is for the applicant or project alone or part of an umbrella coverage policy;
- c) The basis for determining the amount of the financial resources required, taking into account the risk assessment for the Project, the costs of accidents and malfunctions, and any and all threats;
- d) With respect to the costs of a hydrocarbon spill, identification of different cost categories (e.g.: clean up and remediation versus compensation) and location variables that would influence total costs;
- e) Evidence of how the risk assessment results have been applied to anticipate, prevent, manage, and mitigate potential hazards during the design and operation of the project to minimize the quantity of hydrocarbons in the event of a spill;
- f) An overview of plans for operating practices to avoid human error; and
- g) An overview of how the applicant has factored its Emergency Prevention, Preparedness and Response Plan into its estimates of spill quantities and costs of an accident or malfunction.

(Additional information would be expected where marine shipping is involved.)

For the meaning of "risk assessment" and "risk assessment results" see CSA Z662-15, Clause 3, and Annex B, Guidelines for Risk Assessment of Pipeline Systems.

### ***Toll Details***

Toll details will include:

- the annual toll impact;
- where tolls are cost-based, the cost of service and rate base by main elements;
- where tolls are not cost-based, the revenues from and costs of providing service by main elements;
- the method and rates of depreciation by plant accounts, if different from those approved by the NEB; and
- if not already filed with the NEB, copies of the relevant additional tariffs, transportation contracts or operating agreements associated with the new facilities.

### ***Abandonment Funding Information***

In 2008 the National Energy Board identified the following issue: What is the optimal way to ensure that funds are available when abandonment costs are incurred?

The Board determined, in the RH-2-2008 Reasons for Decision, that abandonment costs are a legitimate cost of providing service and are recoverable upon Board approval from users of the system. The Board also stated that landowners will not be liable for costs of pipeline abandonment.

All pipeline companies regulated under the *National Energy Board Act* are required to comply with the Board's decisions regarding abandonment funding.

Applicants with existing NEB-regulated facilities must use their Board-approved Abandonment Cost Estimate to calculate the annual amount to be set aside. Each Applicant must use the specific methodology that was approved for it by the Board in the MH-001-2013 Reasons for Decision.

For Group 1 companies, calculate the change in Abandonment Cost Estimate relative to the total Board-approved Abandonment Cost Estimate for this system.

For Group 2 companies, calculate the change in Abandonment Cost Estimate relative to the total Abandonment Cost Estimate for all your NEB regulated pipelines.

Information on abandonment funding should include the following:

- Current Board-approved Abandonment Cost Estimate.
- Change these proposed facilities will have on the Board-approved Abandonment Cost Estimate.
- Description on how you intend to address the change in your Abandonment Cost Estimate (i.e. how will this impact your set aside mechanism, collection mechanism, tolls or tariffs).

Applicants new to the Board's regulation require approval of the Abandonment Cost Estimate for the proposed facilities, as well as a process and mechanism for setting-aside abandonment funds. Information on abandonment funding should include the following:

- Proposed Abandonment Cost Estimate for the facilities.
- Description on how you intend to set-aside funds (either a trust, letter of credit, or surety bond) and a draft copy of the proposed set-aside mechanism;
  - If using a trust, a proposed trustee for the trust, and a description of whether or not the trustee is regulated under the *Trust and Loan Companies Act*; and
- Description on how you intend to collect the funds.

### **A.3.5 Non-NEB Regulatory Facility Approvals**

#### **Goal**

The application includes information on other regulatory processes that are being undertaken with respect to the project.

#### **Filing Requirements**

Confirm that all non-NEB regulatory approvals required to allow the applicant to meet its construction schedule, planned in-service date and to allow the facilities to be used and useful are or will be in place.

If any of the approvals referred to in #1 may be delayed, describe the status of those approval(s) and provide an estimation of when the approval is anticipated.

#### **Guidance**

The NEB requires information regarding the status of all required federal, provincial and municipal approvals or authorizations to be reasonably assured that there are no issues before other regulators that would prevent or delay either the construction or use of the applied-for facilities. Updates on status may also be provided after an application has been submitted.

### **A.4 Lands Information**

#### **Goals**

The application includes accurate documentation on land areas, land rights, the service of notice, the land acquisition process, and includes sample agreements and notices.

#### **A.4.1 Filing Requirements – Land Areas**

Ensure the land documentation includes the following:

- the width of the RoW including the locations where the width varies;
- the locations and dimensions of known temporary work space required for the project or, if locations are not known, a drawing showing the typical dimensions of the temporary work space required for road, watercourse and other crossings, storage areas and camps; and
- the locations and dimensions of any new lands required for all associated facilities.

#### **Guidance – Land Areas**

A description of the requirements and rationale for both temporary and permanent lands allows the Board to assess the appropriateness of the land areas. The description should include the dimensions of the:

- RoW;
- temporary working space;
- valve sites;
- cathodic beds;



- pole lines;
- access roads;
- meter stations; and
- facilities such as compressor or pumping stations.

Describe the location and distance of any changes to RoW width and the reasons for the change.

Where new lands under any type of agreement are not required for the project, this should be clearly stated in the application and no further land area information needs to be filed.

#### **A.4.2 Filing Requirements – Land Rights**

1. Provide a description of the type of land rights proposed to be acquired for the project and related facilities.
2. Provide a description of the nature and relative proportions of land ownership along the proposed route (i.e., freehold, Crown or public lands).
3. Where no new land rights are required, provide a description of the existing land rights that allow for the project.

#### **Guidance – Land Rights**

The description of the land rights will inform the Board and landowners of the different types of land rights needed for the project (e.g., option, easement, fee simple, statutory RoW, temporary work space, permit or licence, etc.) and the areas where existing land rights allow for the project.

A description of the land ownership informs the Board of the land acquisition areas and agreements required for the project.

#### **Appropriate Dispute Resolution (ADR)**

The Board fosters open and respectful discussion between parties affected by NEB regulated projects to settle issues that may arise between parties throughout the project lifecycle. The Board recognizes that a range of interest-based dispute resolution techniques, appropriate to the circumstance, are available and may be effective in dealing with such issues and disagreements. Interest-based techniques should be considered as alternative or complementary to traditional regulatory or litigated processes, such as the Detailed Route Hearing, and at the earliest opportunity for best results.

Parties are encouraged to consider ADR in their project planning and as soon as possible to resolve issues and manage conflict. Board staff with ADR specialization are available to assist stakeholders identify and design dispute resolution processes appropriate to their unique needs at any stage of the project.

#### **A.4.3 Filing Requirements – Lands Acquisition Process**

1. Provide a description of the proposed process for acquiring the lands required for the project.
2. Provide the timing of acquisition and the current status of acquisition.

3. Provide the status of service of notices on all owners of lands to be acquired pursuant to subsection 87(1) of the NEB Act.

### **Guidance – Lands Acquisition Process**

A description of the land acquisition process to be implemented will allow the Board to assess the process and to be aware of the timing of acquisition.

The land acquisition information should describe the:

- numbers of landowners and tenants;
- numbers of option or easement agreements signed;
- numbers of notices served; and
- timing of service of remaining notices.

This information may be provided in a table form.

### **A.4.4 Filing Requirements – Land Acquisition Agreements**

1. Provide a sample copy of each form of land acquisition agreement proposed to be used (includes option and easement). The agreement shall be in the form required by subsection 86(2) of the NEB Act:

- 86. (2)** A company may not acquire lands for a pipeline under a land acquisition agreement unless the agreement includes provision for
- (a) compensation for the acquisition of lands to be made, at the option of the owner of the lands, by one lump sum payment or by annual or periodic payments of equal or different amounts over a period of time;
  - (b) review every five years of the amount of any compensation payable in respect of which annual or other periodic payments have been selected;
  - (c) compensation for all damages suffered as a result of the operations of the company;
  - (d) indemnification from all liabilities, damages, claims, suits and actions arising out of the operations of the company other than liabilities, damages, claims, suits and actions resulting from gross negligence or willful misconduct of the owner of the lands;
  - (e) restricting the use of the lands to the line of pipe or other facility for which the lands are, by the agreement, specified to be required unless the owner of the lands consents to any proposed additional use at the time of the proposed additional use; and
  - (f) such additional matters as are, at the time the agreement is entered into, required to be included in a land acquisition agreement by any regulations made under paragraph 107(a).

2. Provide a sample copy of any proposed agreements for:
  - fee simple ownership;

- temporary work space;
- an access road; or
- other agreements for the lands required for the project.

### **Guidance – Lands Acquisition Agreements**

A sample copy of the acquisition agreement(s) enables the Board to verify that the agreement complies with the requirements of subsection 86(2) of the NEB Act and that landowner's rights are protected.

#### **Additional information...**

Where lands will not be acquired pursuant to the above filing requirements, it is not necessary to file the respective sample copy of agreement.

### **A.4.5 Filing Requirements – Section 87 Notices**

1. Provide a sample copy of the notice proposed to be served on all owners of land pursuant to subsection 87(1) of the NEB Act:

**87. (1)** When a company has determined the lands that may be required for the purposes of a section or part of a pipeline, the company shall serve a notice on all owners of the lands, in so far as they can be ascertained, which notice shall set out or be accompanied by

- (a) a description of the lands of the owner that are required by the company for that section or part;
- (b) details of the compensation offered by the company for the lands required;
- (c) a detailed statement made by the company of the value of the lands required in respect of which compensation is offered;
- (d) a description of the procedure for approval of the detailed route of the pipeline; and
- (e) a description of the procedure available for negotiation and arbitration under this Part in the event that the owner of the lands and the company are unable to agree on any matter respecting the compensation payable.

In addition, where an application will be filed pursuant to section 58 of the NEB Act the notice should describe:

- the process for approval of the detailed route of the pipeline, and
- a statement that sections 34 to 39 of the NEB Act will not apply in respect of the procedure for approval of the detailed route of the project.

2. Confirm that all notices served or proposed to be served on owners of land pursuant to the requirements of subsection 87(1) of the NEB Act include a copy of the Board publication titled: *NEB Landowner Guide*.<sup>9</sup>

## **Guidance – Section 87 Notices**

### ***Notice***

Viewing a sample copy of the notice assists the Board in verifying that the notice complies with the requirements of subsection 87(1) of the NEB Act and that landowners and others persons are adequately notified.

### ***Exemption from Section 33 of the NEB Act***

Where an application is filed pursuant to section 58 of the NEB Act, the procedure for approval of the detailed route of the pipeline, as described in sections 34 to 39 of the NEB Act, may not apply. In this situation, the subsection 87(1) notice will describe the procedure for approval of the detailed route of the pipeline and will also include a statement that sections 34 to 39 of the NEB Act will not apply in respect to the procedure for approval of the detailed route of the pipeline.

### ***Section 58 Application Conditions***

In the event the Board grants an order approving the section 58 application, it may condition the order such that prior to commencement of construction of the project on those lands where new land rights are required, the applicant will demonstrate in writing to the Board that either:

- those lands have been acquired; or
- where any required lands have not been acquired, the rights, as prescribed by the NEB Act, of those landowners will not be prejudiced by the construction of the project.

### ***Lands not Acquired***

In the event that a section 52 certificate is issued, the applicant would file the plans, profiles and books of reference (PPBoR) for the pipeline and serve notices pursuant to the requirements of subsection 34(1) of the NEB Act on those landowners from which land rights have not been acquired. The Board may allow construction of the project for those portions where the lands have been acquired, with the exception of a buffer zone near the lands not yet acquired pending the applicant demonstrating to the Board that either the lands have been acquired, or the rights of the landowners have not been prejudiced.

### ***Landowners' Guide***

The Board's publication *NEB Landowner Guide*<sup>10</sup> is available on the Board's website ([www.neb-one.gc.ca](http://www.neb-one.gc.ca)) and copies are available from the NEB Library.

---

<sup>9</sup> Previously titled: *Pipeline Regulation in Canada: A Guide for Landowners and the Public*

<sup>10</sup> Previously titled *Pipeline Regulation in Canada: A Guide for Landowners and the Public*

***Filing Requirements – Section 58 Application to Address a Complaint***

1. Where a section 58 application proposes work or construction to address a landowner or public complaint that has been filed with the Board, the application should include:
  - a statement that the purpose of the work or construction proposed by the application is in response to a complaint that has been filed with the Board;
  - the name and location of the complainant;
  - the nature and date of the complaint; and
  - how the activities proposed within the section 58 application will address the complaint.

FYI – Reminder: See Section A.4.2.4

The Board encourages ADR interest-based approaches as alternative or complementary to traditional regulatory or litigated dispute resolution processes.

- For best results consider interest-based techniques to resolve issues at earliest opportunity
- Board ADR specialists are available to assist parties identify and design processes appropriate to their situation and unique circumstances.

**Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.



## Guide B – ABANDONMENT FUNDING AND APPLICATIONS TO ABANDON

### B.1 Funding for Abandonment

All pipeline companies are required to follow the *National Energy Board Onshore Pipeline Regulations*, which include a systematic approach to pipeline management, including abandonment. Those regulations require all NEB-regulated pipeline companies to establish, implement and maintain a management system that, among other things, integrates a pipeline company's operational activities with its management of financial resources to meet its obligation to abandon its pipeline system. A systematic approach requires a pipeline company to have a documented organizational structure that sets out accountabilities, roles and responsibilities in relation to pipeline abandonment.

Companies' management of financial resources includes the proactive management of their obligations relating to the set aside and collection of abandonment funds. The *Onshore Pipeline Regulations* require pipeline companies to, as part of their management system, establish and implement a process for, among other things:

- Regular review of objectives and targets required to meet companies' obligations to abandon a pipeline (assumptions would be refined as more detailed plans and assessments are developed);
- Identifying and managing any change that could affect pipeline abandonment, including financial aspects of pipeline abandonment (for example, changes to the assumptions underlying pipeline abandonment such as various pipeline segments or sets of facilities that may be abandoned on different timelines);
- Evaluating and managing the risks associated with, among other things, the financial aspects of pipeline abandonment;
- The internal and external communication of information relating to pipeline abandonment; and
- Identifying the documents required for the pipeline company to meet its obligation to abandon a pipeline.

#### Goal

As of 1 January 2015, NEB-regulated pipeline companies must have a process and mechanism in place that will provide adequate funds to pay for pipeline abandonment. Companies should also institute governance practices relating to pipeline abandonment, which are one component of the systematic approach required by the *National Energy Board Onshore Pipeline Regulations*.

#### B.1.1 Cost Estimates

Companies are required to file their abandonment cost estimates for Board approval. Companies' filings should also include a description of the methodology and assumptions used to estimate costs. Provide a level of detail and technical description appropriate to allow a person to form a reasonable understanding the estimates to a reasonable level. See Chapter 7 Referenced Documents, Abandonment Funding and Planning for documents that describe cost categories,

abandonment assumptions and methodologies that have been used by companies and/or approved by the Board in the past.

### **B.1.2 Protection of Funds**

Pipeline companies must establish a trust or provide a letter of credit issued by a bank listed in Schedule 1 of the *Bank Act*, or a surety bond supplied by a surety company regulated by the Office of Superintendent of Financial Institutions. A model trust agreement, letter of credit and surety bond can be found in Reasons for Decision MH-001-2013. For information on accessing abandonment funds included in a letter of credit or surety bond, see the appropriate checklists and Table B-1 or Table B-2 below.

#### **B.1.2.1 Trusts**

A trust can be a suitable mechanism to set aside funds for pipeline abandonment. However, the question of whether any particular trust is suitable depends on the terms and conditions that govern the trust. Companies are encouraged to consult Chapter 7: Referenced Documents, Abandonment Funding and Planning, for reference documents issued by the Board in regards to trusts. In particular, Appendix VI of the MH-001-2013 Reasons for Decision sets out Indicative Terms for companies proposing trusts. These should be viewed as the substantive minimum requirements that must be incorporated into a trust agreement. The Board has also issued subsequent compliance decisions regarding companies filing trusts.

#### **B.1.2.2 Letter of Credit**

If a company is using a letter of credit to set-aside funds, the financial instrument must meet the criteria included in the checklist below. To obtain funds please fill out the information included in Table B-1 or Table B-2.

Letter of Credit Checklist:

- Physical letter filed with the Board: Ensure that the physical letter of credit is filed with the Board and not a draft.
- Amount: The letter of credit must be equal to a company's approved Abandonment Cost Estimate (ACE). The Board does not allow growing letters of credit.
- Beneficiary: The beneficiary must be identified as "Her Majesty the Queen in Right of Canada as represented by the National Energy Board";
- Duration: The letter of credit must automatically renew on an annual basis (on 1 January each year) without notice or amendment, and without a maximum number of renewals;
- Issuer: The issuer of the letter of credit must be a Canadian chartered bank set out on Schedule 1 to the *Bank Act*;
- Access to funds: The full amount of the letter of credit must be payable to the beneficiary on demand upon presentation of the letter of credit at the bank's main Calgary branch;
- Notification: The beneficiary must be notified by fax and registered mail (to the attention of the Secretary of the Board) at least 60 days before the letter of credit may be cancelled



or not renewed. Upon notification the beneficiary must be entitled to draw the entire amount of the letter of credit; and

- Additional terms: The letter of credit must be irrevocable, non-transferable and non-assignable, and must be subject to the International Chamber of Commerce Uniform Customs and Practice for Documentary Credits (2007 revision).

Source: (Reasons for Decision MH-001-2013, Adobe Page 111 and 112 of 176)

### **B.1.2.3 Surety Bond**

If a company is using a surety bond to set-aside funds, the financial instrument must meet the criteria included in the checklist below.

Surety Bond Checklist:

- The surety must be regulated by the Office of the Superintendent of Financial Institutions (OSFI);
- The obligee must be the “Her Majesty the Queen in Right of Canada as represented by the National Energy Board”;
- The term of the bond must be indefinite. The bond may have a form of evergreen provision that automatically renews the bond unless notice of termination is given;
- The bond must be terminable by the surety providing 60 days’ notice, with the obligee then having a further 60 day period to make a written demand of the surety;
- The bond must be structured as an on demand instrument. This may be accomplished by requiring the surety to pay the bond amount upon receiving a written demand of the obligee consistent with the form of bond provided to the Ontario Minister of the Environment under Part XII of the *Environmental Protection Act* (Ontario);
- The bond must reference the underlying regulatory obligations of the principal. For pipeline abandonment, the bond should reference the *National Energy Board Act*, RH-2-2008 Reasons for Decision, the Board document approving the pipeline company’s cost estimate, and the MH-001-2013 Reasons for Decision; and
- The surety may fulfill its obligations under the bond by: (i) remedying the default, (ii) completing the pipeline company’s abandonment obligations, or (iii) paying the bond balance to the Board. If these options are set out in the bond, then the Board must have the discretion to choose among them.

Source: (Reasons for Decision MH-001-2013, Adobe Page 113 of 176)

### **B.1.3 Regular Reporting**

All companies must file an annual update with respect to abandonment funding by 31 January of each year. The annual reporting form for companies using a trust can be found in Appendix XV of Reasons for Decision MH-001-2013. The annual reporting form for companies using a letter of credit or surety bond can be found in Appendix XVI of Reasons for Decision MH-001-2013.

## **B.2 Applications to Abandon (NEB Act paragraph 74(1)(d) and OPR s.50)**

Section 50 of the OPR states:

- 50.** A company shall include in an application made under section 74 of the Act for leave to abandon a pipeline or a part of one, the reasons, and the procedures that are to be used for the abandonment.

### **Goal**

The application must include the rationale for the abandonment and the measures to be employed in the abandonment as well as evidence that:

- the proposed abandonment will be carried out in a technically safe manner;
- potential environmental, socio-economic, economic and financial effects are identified and addressed; and
- all landowners and other persons potentially affected are sufficiently notified and have their rights protected.

## **B.3 Filing Requirements - Engineering**

1. Confirm abandonment activities will follow the requirements of the latest version of CSA Z662.
2. Provide:
  - a rationale for the abandonment;
  - a complete description of the facilities being abandoned;
  - an assessment of the potential safety hazards related to the facility abandonment and the mitigative actions planned to reduce such hazards; and
  - a plan outlining how the facility will be prepared for abandonment and how it will be monitored, if necessary, during its abandonment.
3. Pipeline abandonment details – please refer to the Engineering Section in Guide K – Decommissioning

## **B.4 Filing Requirements - Environment and Socio-Economic Assessment**

### **Additional information...**

An ESA is required for applications for abandonment. See Section A.2 in Guide A for filing requirements in addition to those in this Guide.

1. Describe the different ecological settings found at the project location and identify the different land uses that are or will be in place, if known.
2. Identify the ecological settings (identified in 1) in which each of the project components to be abandoned is located.
3. Describe and justify the methods that will be used to clean up any contamination found at the project component sites and:
  - quantify the amount of contamination that may exist;
  - describe special handling techniques that will be used; and
  - identify regulatory requirements that will be followed for cleanup and disposal.
4. For each project component, describe:
  - how and when it will be abandoned;
  - how the environment will be reclaimed; and
  - how the abandonment is appropriate for the ecological setting where it is located.
5. Use an appropriate level of detail and technical description to allow regulators, the public and others to thoroughly understand what is being proposed.
6. Describe any regulatory requirements for reclamation and remediation and how these requirements will be met.
7. Identify historical spills and releases that have occurred on the area to be abandoned.

## **B.5 Filing Requirements - Economics and Finance**

See Chapter 7: Referenced Documents, Abandonment Funding and Planning for documents related to estimating costs of abandonment, including provision for post-abandonment funding.

1. Provide details of the costs associated with the proposed abandonment, including details of any estimated costs for post abandonment monitoring and contingency.
2. Confirm that funding is and will be available to finance the proposed abandonment project, and explain how funding will be available for post-abandonment activities (both monitoring and coverage of any future events).
3. Provide the original book cost of the facilities and accumulated depreciation to the retirement date.
4. Explain any impact on remaining ratebase, providing accounting details as outlined in the *Gas Pipeline Uniform Accounting Regulations* (GPUAR) or *Oil Pipeline Uniform Accounting Regulations* (OPUAR), including details of whether the retirement is ordinary or extraordinary.

## **B.6 Filing Requirements - Lands Information**

1. Describe the location and the dimensions of the existing RoW and facility lands that would be affected by the abandonment.
2. Provide a map or site plan of the pipeline or facility to be abandoned.
3. Identify the locations and dimensions of known temporary work space required for the abandonment.
4. Describe any easement proposed to be acquired for the abandonment, including the location and dimensions of the easement;
5. Provide a record of public consultation activities that have been undertaken for the abandonment. This record should include a description of:
  - all discussions with landowners regarding the easement;
  - a summary of any issues or concerns identified by the landowner regarding the easement, surrendering of the easement or the lands proposed to be acquired; and
  - how the applicant proposes to address any concerns or issues raised by potentially affected people or landowners or an explanation as to why no further action is required.
6. Provide the details of any reclamation plans developed in consultation with landowners affected by the proposed abandonment.
7. If any easement will be surrendered:
  - identify the lands where easement will be surrendered;
  - describe the contingency plans that will be put in place to protect the landowner should subsequent land issues arise following the abandonment of the facility and surrender of the easement; and
  - file evidence to demonstrate that affected landowners have been advised of the proposed abandonment and that if the Board approves the abandonment, the Board will no longer have jurisdiction over the pipeline.

### **Guidance**

#### ***Environment and Socio-Economic***

##### ***Abandonment Plan***

An application to abandon the operation of a pipeline could include an abandonment plan tailored to the individual project and should include input from interested parties such as:

- landowners;
- aboriginal groups;
- occupants;
- land managers;

- lessees;
- municipal agencies (federal or provincial);
- shippers; and
- upstream and downstream users.

If an abandonment plan is shared with interested parties, any comments from these stakeholders should be considered and, where appropriate, incorporated into the plan.

Environmental, safety and land-use issues may all be considered in the application. The application may also address reclamation of sites where surface facilities have been or will be removed and the management of any pipeline components that will be maintained in a deactivated state.

### ***Abandonment-in-Place or Removal of Pipeline***

Assessments and studies should be provided to support the choice between abandonment-in-place or removal of the pipeline. If the pipeline is to be removed, assess the impact of the removal on the environment. If the pipeline is to be abandoned in place, refer to CSA Z662.

### ***Additional Information***

The following discussion papers were authored collectively by the NEB, Alberta Energy and Utilities Board, Canadian Energy Pipeline Association and Canadian Association of Petroleum Producers and provide guidance on responsible abandonment and methods of approach:

- *Pipeline Abandonment - A Discussion Paper on Technical and Environmental Issues dated 1996.*
- *Legal Issues Relating to Pipeline Abandonment: A Discussion Paper dated 1997.*

In 2009, the NEB's Land Matters Consultation Initiative, a public forum to discuss various landowners concerns, generated a report, in part identifying the need for clarification on how pipeline abandonment is monitored. This report is available on the NEB website (<http://www.neb-one.gc.ca/prtcptn/pplnbndnmnt-eng.html>)

Additional information can also be obtained in the CCME *National Guidelines for Decommissioning Industrial Sites*, available on the CCME website ([http://www.ccme.ca/files/Resources/csm/pn\\_1074\\_e.pdf](http://www.ccme.ca/files/Resources/csm/pn_1074_e.pdf))

## ***Economics and Finance***

### ***Abandonment Costs***

See Chapter 7 Referenced Documents, Abandonment Funding and Planning for documents that describe cost categories that the Board has found useful in examining cost estimates. Describe the methodology and assumptions used to estimate costs. Provide a level of detail and technical description appropriate to allow regulators, the public, and others to understand the estimates to a reasonable level.

For example, where pipe is proposed to be left in the ground, describe plugging intervals and costs. Where facilities are proposed to be removed identify the costs for dismantling and

removal, reclamation, any remediation, and, where relevant, the costs and expected proceeds from salvage activities, including the timing of receipts of salvage proceeds.

### ***Liability Exposure***

The description of future liabilities should include:

- the types of each liability and an estimate of the associated cost; and
- a statement of which abandonment work is associated with a legal obligation and which work is not.

### ***Financing***

The confirmation that funding is and will continue to be available to fund the abandonment should include:

- an explanation of the economic feasibility of the abandonment; and
- the expected toll treatment and toll impact, including:
  - an explanation of how the tolls were determined;
  - the expected impact, if any, on shippers and other parties;
  - a statement regarding the extent of shippers' and other parties' support for any toll increase; and
- describe any funding, financial guarantees or other arrangements designed to cover these costs.

### ***Provisions for Post-abandonment***

- Provide a description about the mechanisms to be used to set-aside funds for post-abandonment activities.
- Provide information for landowners regarding access to funds.
- Provide estimates of average annual future costs for post-abandonment activities, as well as the number of years for which the company believes it is to be responsible for such activities.

### ***Accounting***

The GPUAR or OPUAR prescribe the accounting treatment for both ordinary and extraordinary retirements, including informing the Board if the gain or loss on an extraordinary retirement is material.

#### **Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.

## **Guide C – PROTECTION OF PIPELINES FROM GROUND DISTURBANCE, FACILITY CONSTRUCTION, CROSSINGS AND MINING OPERATIONS (NEB ACT S.112 AND S.81)**

### **C.1 Ground Disturbance, Facility Construction and Crossings Near Pipelines (NEB Act s.112, *National Energy Board Damage Prevention Regulations – Authorizations*)**

#### **Goal**

The application includes information with respect to:

- a facility proposed for construction across, on, along or under a pipeline;
- a proposed activity that causes a ground disturbance<sup>11</sup> within the prescribed area, which is a strip of land measured 30 m perpendicularly on each side from the centreline of the pipe (*National Energy Board Damage Prevention Regulations – Authorizations (DPR – Authorizations)*);
- vehicle or mobile equipment proposed to operate across the pipeline outside the travel portion of a highway or public road; or
- a facility across, on, along or under the pipeline that is to be reconstructed, altered or removed.

#### **Filing Requirements**

##### ***Construction of facilities across pipelines and activities causing ground disturbance***

1. For an application to construct a facility across, on, along or under a pipeline where consent has not been obtained from the pipeline company or measures outlined in the *DPR – Authorizations* cannot be met, provide:
  - the purpose and location of the proposed facility;
  - a description of the proposed facility; and
  - the rationale for seeking approval from the Board.
2. For an application to conduct an activity causing a ground disturbance in the prescribed area where consent has not been obtained from the pipeline company or measures outlined in the *DPR – Authorizations* cannot be met, provide:
  - the purpose and location of the activity;
  - a description of the activity(s) resulting in a ground disturbance; and
  - the rationale for seeking approval from the Board.

---

<sup>11</sup> NEB Act, section 2: “ground disturbance” does not include a ground disturbance caused by:

- cultivation to a depth of less than 45 cm below the surface of the ground
- any other activity to a depth of less than 30 cm and that does not result in a reduction of the earth cover over the pipeline to a depth that is less than the cover provided when the pipeline was constructed.

3. For applications to construct a facility or to conduct an activity causing a ground disturbance in the prescribed area, provide an ESA (see Section A.2 within Guide A)

***Crossing pipelines with vehicles and mobile equipment***

4. For an application to operate a vehicle or mobile equipment across a pipeline where consent has not been obtained from the pipeline company, provide:
  - the purpose and location of the activity;
  - a description of the vehicle or equipment; and
  - the rationale for seeking approval from the Board.
5. For an application to direct the owner of a facility constructed across, on, along or under a pipeline, to reconstruct, alter or remove the facility, provide:
  - the purpose and location of the facility;
  - the purpose for the reconstruction, alteration or removal of the facility; and
  - the rationale for seeking approval from the Board.

**Guidance**

***Construction of facilities across pipelines and activities causing ground disturbance***

An application is not required for activities (construction of facilities, activities causing ground disturbance, crossings) for which the requirements outlined in the *DPR – Authorizations* have been met.

An application for activities causing a ground disturbance is not required where the activity is:

- to a depth of less than 30 cm and that does not result in a reduction of the earth cover over the pipeline to a depth that is less than the cover provided when the pipeline was constructed; or
- cultivation to a depth that is less than 45 cm below the surface of the ground.

***Crossing pipelines with vehicles and mobile equipment***

***Crossing along a travelled portion of a highway or public road***

An application for a mobile equipment or vehicle crossing is not required if the crossing is to occur along the travelled portion of a highway or public road.

***Crossing with vehicles for agricultural activity***

Equipment that is used to perform an agricultural activity may cross a pipeline if the following conditions are met:

- the loaded axle weight and tire pressures are within the manufacturers approved limits and operating guidelines; and
- the point of crossing has not been identified by the pipeline company as a location where agricultural activities have the potential to damage the pipeline.



### **Multiple Activities**

Where multiple activities are proposed (e.g. both a crossing and ground disturbance), an application may be required for one of the activities even though the other activity may fall within one of the above-mentioned categories that do not require an application.

### **Filing an Application**

The information required for this application can be filed with the Board in the form of a letter. A copy of the letter should be sent to all affected parties (including the pipeline company) so they can review the information and forward any comments they may have to the Board.

Provide as much information as possible about the efforts made to obtain the pipeline company's consent for the activity prior to making the application to the Board including the reasons given by the pipeline company for withholding its consent. If applicable, please provide an explanation why certain measures outlined in the *DPR – Authorizations* cannot be met.

This may include copies of letters exchanged with all affected parties or minutes of meetings.

The Board may request additional information when an application is filed, depending on the circumstances of the project.

Applicants can refer to Section A.2 in Guide A for guidance with respect to the ESA process. NEB staff can provide assistance in determining whether the project requires an ESA. In general, smaller projects that landowners may want to carry out may result in a less extensive ESA.

## **C.2 Protection of Pipelines from Mining Operations (NEB Act s.81)**

This section is applicable to proposed mines or mineral work that will take place within 40 metres of the RoW of a federally regulated pipeline.

An application under section 81 may involve pipeline crossings and therefore, an application pursuant to section 112 may also be required.

### **Goal**

The application includes information with respect to:

- the portion of the pipeline affected by the proposed mines or mineral work;
- an environmental screening;
- any crossings; and
- any seismic program or explosives involved.

### **Filing Requirements**

1. As required by subsection 81(3) of the NEB Act, provide a plan and profile for the portion of the pipeline to be affected.
2. For applications filed under section 81 of the NEB Act, provide an ESA (see Section A.2 within Guide A)

3. Provide all reasonable and necessary information and details respecting the proposed mine or mineral work, including:
  - project title and contact information for the company, contractors and sub-contractors;
  - the name and contact information of the affected pipeline company;
  - legal description of the lands to be affected;
  - a map indicating the location of the pipeline(s); and
  - a statement certifying that the pipeline company and the Board will be contacted at least 72 hours prior to conducting the project.
4. If the project involves crossing a pipeline, also include:
  - the proposed crossing date; and
  - evidence that an approved crossing agreement is in place.
5. If the application is for a seismic program or involves explosives:
  - indicate the type of seismic program (e.g., 2D, 3D);
  - provide the plat of the seismic program;
  - identify the source (e.g., dynamite or vibroseis);
  - identify the size of the dynamite charge, if applicable; and
  - confirm that the program will be conducted in accordance with all applicable regulations.

### **Guidance**

Submitting a Pipeline Notification Form to the Board is not considered an application or an approval for the activity.

Conditions of approval may include the requirement for mitigation plans that ensure public safety if live charges cannot be removed from the ground.

Applicants can refer to Section A.2 in Guide A for guidance with respect to the ESA process. NEB staff can provide assistance in determining whether the project requires an ESA. In general, smaller projects that landowners may want to carry out may result in a less extensive ESA.

#### **Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.

## **Guide D – DEVIATIONS (NEB ACT s.45)**

In some cases during construction the pipeline has to be relocated due to new facts or changes in design (e.g., a new river or railroad crossing or newly found archaeological site). In those situations, only a section 45 application is required.

Section 45 requires a company to file a plan, profile and book of reference when changing the location of a pipeline. This applies whether the pipeline is approved and located or is already constructed. However, section 45 does not give authority to construct; therefore, in cases where the pipeline is already constructed, an application under section 52 or 58 must also be filed, unless the facilities fall within the Section 58 Streamlining Order.

### **Goal**

The application should include the rationale for the deviation as well as information with respect to the proposed route, the landowner's comments (if any), the service of notices on landowners, and the land acquisition process.

### **D.1 Filing Requirements - Lands**

1. Provide the order number and date of the approval of the original PPBoR.
2. Provide a PPBoR drawing showing the approved route.
3. Provide a PPBoR drawing showing the location of the proposed deviated, changed or altered route for approval.
4. Provide the starting and ending points of the deviation (kilometre post to kilometre post).
5. Include a map at an appropriate scale that indicates the location of the deviation, alteration or change in relation to both the approved detailed route and the certificated route of the pipeline. Include surrounding natural and man-made features on the map.
6. Describe any new lands required including the status of acquisition of the lands and the status of service of subsection 87(1) notices.
7. Describe any landowner concerns and how those concerns will be addressed, including the date(s) responses will be provided to the landowner(s) or evidence to demonstrate that the affected landowners consent to the deviation.
8. For an application filed pursuant to subsection 45(3) of the NEB Act for an exemption from the provisions of section 45, include:
  - the order number and date of the approval of the original PPBoR;
  - the starting and ending points of the deviation (kilometre post to kilometre post);
  - the maximum distance of deviation from centre line;
  - a PPBoR drawing showing the approved route and the proposed deviation;

- a map at an appropriate scale that indicates the location of the deviation, alteration or change in relation to both the approved detailed route of the pipeline and the certificated route of the pipeline. Include the surrounding natural and man-made features on the map;
- a description of any new lands required including the status of acquisition of the lands and the status of service of subsection 87(1) notices;
- a description of landowner concerns and how those concerns will be addressed, including the date(s) responses will be provided to the landowner(s); or
- evidence to demonstrate that the affected landowners consent to the deviation.

## **D.2 Filing Requirements – Environment and Socio-Economic Assessment**

1. Describe how the effects have already been considered in an ESA by the NEB; or
2. If the environmental and socio-economic effects have not been previously addressed by an ESA, provide the filing requirements outlined in Guide A, Section A.2.

### **Guidance**

To address the environmental and socio-economic effects of a deviation that have not been previously assessed, applicants are referred to Guide A, Section A.2. Applicants should carefully review the sections discussing the scoping of the ESA and the level of detail required. Appropriate scoping ensures the ESA will focus on relevant issues and concerns, and assists in determining the appropriate level of effort to be used to prepare the ESA.

#### **Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.

## **Guide E – CHANGE IN CLASS LOCATIONS (OPR s.42)**

Section 42 of the OPR states:

If the class location of a section of a pipeline changes to a higher designation that has a more stringent location factor, the company shall, within six months after the change, submit the proposed plan to deal with the change to the Board.

### **Goal**

The application includes a plan that describes how the applicant proposes to deal with class location changes to a section(s) of its pipeline to a higher designation with a more stringent location factor.

### **Filing Requirement**

Submit a plan which:

- identifies what changes in circumstances have occurred;
- identifies potential concerns resulting from the change in circumstances; and
- describes the mitigative actions where applicable, to address potential concerns.

Refer to CSA Z662 for a definition of “class location”.

#### **Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.



## **Guide F – CHANGE OF SERVICE OR INCREASE IN MAXIMUM OPERATING PRESSURE (OPR s.43)**

Section 43 of the OPR states:

If a company proposes a change of service or an increase in the maximum operating pressure for the pipeline, the company shall submit an application for the change or increase to the Board.

### **Goal**

The application includes technical information with respect to the proposed change in service or increase in maximum operating pressure (MOP), as well as identifies all potential impacts.

### **F.1 Filing Requirements - Engineering**

1. Confirm project activities will follow the requirements of the latest version of CSA Z662.
2. Provide details of the current state of service and proposed service.
3. Provide an engineering assessment in accordance with CSA Z662 demonstrating the integrity of the pipeline system and its suitability for the proposed service, and identifying the updates and revisions which will be incorporated into the Integrity Management Program.

### **F.2 Filing Requirements – Environment and Socio-Economic Assessment**

1. Describe how the effects have already been considered in an ESA by the NEB; or
2. If the environmental and socio-economic effects have not been addressed by a previous ESA, provide the filing requirements outlined in Guide A, Section A.2.

### **F.3 Filing Requirements - Economics**

Provide the necessary economic information as outlined in Guide A, Section A.3.

### **Guidance**

#### ***Engineering***

Any application for a change in service or change in MOP should meet the minimum requirements as set out in of CSA Z662.

A change of service occurs when the fluids being transported by the pipeline are changed. CSA Z662 defines “service fluid” as “the fluid contained, for the purposes of transportation, in an in-service pipeline system”.

To clarify, a change in flow direction or pressure of the pipeline contents does not constitute a change in service.

### ***Environment***

To address the environmental and socio-economic effects of a change in service or increase in MOP that have not been previously assessed, applicants are referred to Guide A, Section A.2. Applicants should carefully review the sections discussing the scoping of the ESA and the level of detail required. Appropriate scoping ensures the ESA will focus on relevant issues and concerns, and assists in determining the appropriate level of effort to be used to prepare the ESA.

#### **Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.



## **Guide G – DEACTIVATION (OPR s.44)**

Section 44 of the OPR states:

- (1) If a company proposes to deactivate a pipeline or part of one for 12 months or more, has maintained a pipeline or part of one in a deactivated mode for 12 months or more or has not operated a pipeline or part of one for 12 months or more, the company shall submit an application for the deactivation to the Board.
- (2) The company shall include in the application the reasons, and the procedures that were or are to be used, for the activity that is the subject of the application.

### **Goal**

The application explains the need for the proposed deactivation, includes a description of the proposed activities, and identifies all potential impacts.

### **G.1 Filing Requirements - Engineering**

1. Describe the rationale for the deactivation and the measures to be employed or that were employed for the deactivation to maintain the integrity of the pipeline and protect the public and the environment.
2. Provide a schedule outlining when the deactivations are planned for completion.
3. Describe the activities associated with the deactivations.
4. Provide an estimate of the costs associated with the deactivations.
5. Confirm deactivation activities will follow the requirements of the latest version of CSA Z662.
6. Provide the details of the ongoing monitoring of the deactivated pipeline or a section of it to verify that the public and the environment are continually protected.

### **G.2 Filing Requirements – Environment and Socio-Economic Assessment**

1. Describe how the environmental and socio-economic effects have already been considered in an ESA by the NEB; or
2. If the environmental and socio-economic effects have not been addressed by a previous ESA, provide the filing requirements outlined in Guide A, Section A.2.

### **G.3 Filing Requirements - Economics**

Provide the necessary economic information as outlined in Guide A, Section A.3.

## **Guidance**

Deactivation is defined in section 1 of the OPR as meaning “to remove temporarily from service”. An improperly deactivated pipeline or a section of it may be a source of risk to the public and the environment.

The definition of “pipeline” in the NEB Act applies to the OPR and therefore, this section applies to portions of the pipeline other than line pipe (such as above ground facilities) that are not being maintained for peak flow, standby (ready for immediate use) or emergency use.

For a pipeline or a section of it that is expected to be idle or otherwise not operating for periods of 12 months or more, the Board expects a company to apply for deactivation in accordance with section 44 of the OPR.

In practice, it is accepted that portions of pipeline, though maintained in a deactivated state:

- may never be returned to service;
- may be maintained in a deactivated state for an unspecified length of time; and
- may ultimately be addressed in an application to abandon the operations of the pipeline.

Deactivation may impose a higher level of risk to the integrity of the pipeline depending on the measures specified for the maintenance of the deactivated pipe.

Deactivation of pipelines may impact shippers and upstream and downstream users of the pipeline. Companies proposing deactivations could consider using a consultative approach with stakeholders similar to that which is used for applications made pursuant to section 58 of the NEB Act (see Guide A). Consultation should address all issues arising from the deactivation that relate to the protection of property and the environment as well as the safety of persons.

Approvals of applications for deactivation may be subject to conditions and will normally include a requirement for periodic status reporting.

Notification should address all issues arising from the deactivation that relate to the protection of property and the environment as well as the safety of persons.

If deactivation results in a suspension of service, an application pursuant to either section 71 or 72 of the NEB Act may also be required.

For a pipeline or a section of it that has been idle or otherwise not operating for periods of 12 months or more, the Board expects a company to apply in advance for leave of the Board to reactivate the pipeline or a section of it in accordance with section 45 of the OPR. Information regarding reactivation applications is found in Guide H.

## ***Engineering***

Any application for a reactivation must meet the minimum requirements as set out in CSA Z662.

## ***Environmental and Socio-Economic Effects***

To address the environmental and socio-economic effects of a deactivation that have not been previously assessed, applicants are referred to Guide A, Section A.2. Applicants should carefully

review the sections discussing the scoping of the ESA and the level of detail required. Appropriate scoping of the ESA ensures the ESA will focus on relevant issues and concerns, and assists in determining the appropriate level of effort to be used to prepare the ESA.

**Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.



## **Guide H – REACTIVATION (OPR s.45)**

Section 45 of the OPR states:

- (1) If a company proposes to reactivate a pipeline or part of one that has been deactivated for 12 months or more , the company shall submit an application for the reactivation to the Board.
- (2) The company shall include in the application the reasons, and the procedures that are to be used for the reactivation.

### **Goal**

The application explains the need for the proposed reactivation, includes a description of the proposed activities, and identifies all potential impacts.

### **H.1 Filing Requirements - Engineering**

1. Describe the rationale for the reactivation and the measures to be employed for the reactivation.
2. Provide a schedule outlining when the reactivations are planned for completion.
3. Provide a complete description of the activities associated with the reactivations.
4. Describe the operating conditions under which the reactivated facility will operate.
5. Provide an engineering assessment in accordance with CSA Z662 demonstrating the integrity of the pipeline system and its suitability for the proposed service, and identifying the updates and revisions which will be incorporated in to the Integrity Management Program.
6. Provide an estimate of the costs associated with the proposed reactivations.
7. Confirm reactivation activities will follow the requirements of the latest version of CSA Z662.

### **H.2 Filing Requirements – Environment and Socio-Economic Assessment**

1. Describe how the effects have already been considered in an ESA by the NEB; or
2. If the environmental and socio-economic effects have not been addressed by a previous ESA, provide the filing requirements outlined in Guide A, Section A.2.

### **H.3 Filing Requirements - Economics**

1. Provide the necessary economic information as outlined in Guide A, Section A.3.

## **Guidance**

### ***Engineering***

Any application for a reactivation must meet the minimum requirements as set out in CSA Z662.

### ***Environmental and Socio-economic Effects***

To address the environmental and socio-economic effects of a reactivation that have not been previously assessed, applicants are referred to Guide A, Section A.2. Applicants should carefully review the sections discussing the scoping of the ESA and the level of detail required.

Appropriate scoping of the ESA ensures the ESA will focus on relevant issues and concerns, and assists in determining the appropriate level of effort to be used to prepare the ESA.

#### **Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.

## **Guide I – PROCESSING PLANTS: DEACTIVATION AND REACTIVATION (PPR s.42 AND s.43)**

Sections 42 and 43 of the PPR state:

- 42. (1) If a company proposes to deactivate its processing plant for 12 months or more, has maintained the processing plant in a deactivated mode for 12 months or more or has not operated the processing plant for 12 months or more, the company shall notify the Board of that fact.
- (2) The company shall set out in the notification the reasons for the deactivation or the cessation of operations and the procedures used or to be used in the deactivation.
- 43. (1) If a company proposes to reactivate a processing plant that has been deactivated for 12 months or more or to resume operating a processing plant that has not been operated for 12 months or more, the company shall notify the Board of that fact before the reactivation or the operation resumes.
- (2) The company shall set out in the notification the reasons for the reactivation or the resumption of operations and the procedures to be used in the reactivation.

### **Goal**

The application explains the need for the proposed deactivation or reactivation, includes a description of the proposed activities, and identifies all potential impacts.

### **I.1 Deactivation**

#### **I.1.1 Filing Requirements - Engineering**

- 1. Explain the reasons for the deactivation or the cessation of operations and the procedures used or to be used in the deactivation.
- 2. Provide the date the processing plant was or will be removed from service.
- 3. Describe the provisions for the management of change.
- 4. Describe the general condition of equipment to be deactivated.
- 5. Describe the means of isolation.
- 6. Describe the instrumentation status.
- 7. Provide the lay-up conditions.
- 8. Describe the inspection and testing requirements during deactivation.
- 9. Describe the intent of future equipment use, if any.

### **I.1.2 Filing Requirements – Environment and Socio-Economic Assessment**

1. Describe how the effects have already been considered in an ESA by the NEB; or
2. If the environmental and socio-economic effects have not been addressed by a previous ESA, provide the filing requirements outlined in Guide A, Section A.2.

### **I.1.3 Filing Requirements - Economics**

1. Provide the necessary economic information as outlined in Guide A, Section A.3.

## **I.2 Reactivation**

### **I.2.1 Filing Requirements - Engineering**

1. Explain the reasons for the reactivation or the resumption of operations and the procedures to be used in the reactivation.
2. Provide the date the processing plant will be returned to service.
3. Describe the provisions for the management of change.
4. Describe the general condition of equipment to be reactivated.
5. Describe the instrumentation status.
6. Provide the lay-up conditions.
7. Describe the inspection and testing requirements prior to reactivation.

### **I.2.2 Filing Requirements – Environment and Socio-Economic Assessment**

1. Describe how the effects have already been considered in an ESA by the NEB; or
2. If the environmental and socio-economic effects have not been addressed by such an ESA, provide the filing requirements outlined in Guide A, Section A.2.

### **I.2.3 Filing Requirements - Economics**

1. Provide the necessary economic information as outlined in Guide A, Section A.3.

## **Guidance**

Deactivation is defined in section 1 of the PPR as meaning “to remove temporarily from service”. In practice, it is accepted that portions of a plant, though maintained in a deactivated state:

- may never be returned to service;
- may be maintained in a deactivated state for an unspecified length of time; and
- may ultimately be addressed in an application to abandon the operations of the plant.



Deactivation may impose a higher level of risk to the integrity of the plant, or systems therein, depending on the measures specified for the maintenance of the deactivated systems or plant.

Deactivation of plants, or systems within plants, may impact upstream and downstream users of the plant.

If deactivation results in a suspension of service, an application pursuant to either section 71 or 72 of the NEB Act may also be required.

Companies are required to notify the Board of any plans for the deactivation of a plant (or portions thereof) for 12 months or more.

Notification should address all issues arising from the deactivation that relate to the protection of property and the environment as well as the safety of persons.

### ***Environmental and Socio-Economic Effects***

To address the environmental and socio-economic effects of a deactivation or reactivation that have not been previously assessed, applicants are referred to Guide A, Section A.2. Applicants should carefully review the sections discussing the scoping of the ESA and the level of detail required. Appropriate scoping of the ESA ensures the ESA will focus on relevant issues and concerns, and assists in determining the appropriate level of effort to be used to prepare the ESA.

#### **Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.



## Guide J – COMMODITY PIPELINE SYSTEMS

As a result of the *Canada Transportation Act*, which came into force on 1 July 1996, jurisdiction over interprovincial and international commodity pipelines in Canada was transferred from the National Transportation Agency (now the Canadian Transportation Agency) to the Board. In order to assume this jurisdiction, the definition of “pipeline” in the NEB Act was broadened to include pipelines transporting commodities other than oil or gas, but excluding municipal sewer and water lines.

Due to the wide variety of fluids transported on commodity pipelines, the Board determined that it would be more practical to regulate these lines on a case-by-case basis, rather than developing new regulations that would address all potential commodity issues. The Board, therefore, issued Order MO-CO-3-96, which exempted commodity pipelines from the provisions of the OPR.

The first application filed with the Board for the construction and operation of a commodity pipeline was on 10 October 1997 by Souris Valley Pipeline Limited for the construction and operation of a carbon dioxide transmission pipeline in southern Saskatchewan. The Board made the decision that any certificate issued in respect of the proposed facilities would be conditioned to reflect many of the issues addressed by the OPR.

In regard to the application of this manual, while the requirements pursuant to sections of the NEB Act apply to commodity pipelines just as they would to traditional hydrocarbon pipelines, specific sections of the OPR do not. However, the relevant Guides within this manual may still be applicable to commodity pipelines.

### **Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.



## Guide K – DECOMMISSIONING

### K.1 Filing Requirements – General Requirements

1. Provide a complete description of the facilities being decommissioned. This should include a description of any adjacent facilities that are impediments to allowing the facility to be abandoned.
2. An application for abandonment must be filed for all NEB-regulated facilities when they have reached their end of life, including associated decommissioned facilities. Therefore companies should demonstrate that they are planning for eventual abandonment of decommissioned facilities by providing the anticipated timing of abandonment activities (as best known at this time) for each facility being decommissioned as well as any measures taken to prepare for this eventual abandonment.

### K.2 Filing Requirements – Engineering

#### 1. Pipeline:

Provide details to confirm that the pipeline is going to be:

- emptied of service fluids;
- purged or appropriately cleaned or both in a manner that leaves no mobile materials remaining in the pipeline;
- physically separated from any in-service piping;
- capped, plugged, or otherwise effectively sealed;
- left without any internal pressure;
- left in a state where road, railway or utility crossings are not at risk of disturbance due to settlement;
- equipped with signage; and
- monitored as appropriate for subsidence and to maintain adequate cover for existing and future land use.

**Note:** Pipelines containing liners or constructed of polymeric pipe may require repeat purging and maintenance to accommodate out gassing of hydrocarbon or H<sub>2</sub>S. See CSA Z662 clause 13.2.8.6.

#### 2. Surface Equipment:

Provide details on the removal of pipeline related surface equipment.

- describe equipment to be removed to pipeline depth, except where surface equipment is within an existing surface facility that is in continuing operation, or is required for the operation of any other remaining pipelines.

Examples of such equipment could be, but are not limited to: pipeline risers, liner vent piping, casing vents, underground vault vents or valve extenders, inspection bell

- holes, and cathodic protection rectifiers, test posts, or anode wiring, storage tanks and associated piping and equipment.
- describe how above ground pipelines and all related surface equipment are to be decommissioned except where they are part of or within an existing surface facility that is in continuing operation, or is required for the operation of any other remaining pipelines.
3. Facilities:
- Provide details on decommissioning of pipeline related facilities such as compressors and pump stations unless they are still part of an operating site. Disposition of associated piping, supports and foundations shall also be described.
4. Underground Components:
- Provide details on the decommissioning of underground vaults and closed-top pits. Discuss the decommissioning of any underground tanks in relation to requirements in API 1604.
5. Records:
- Describe the records that are to be maintained of all pipeline components and facilities that are to be decommissioned.

### **K.3 Filing Requirements - Environmental & Socio-Economic**

1. Describe the ecological setting and current land use of the project footprint as well as adjacent areas.
2. Describe any known areas of contamination in the project areas as well as historical, ongoing or planned remediation activities associated with those sites. Describe any regulatory requirements for the reclamation and remediation of these sites and how these requirements will be met.
3. Provide an Environmental and Socio-Economic Assessment (ESA) (see guidance notes below).
4. For decommissioning projects that are located outside of lands owned or leased by the applicant, provide a monitoring plan outlining how the decommissioned facility will be monitored for the period of time between decommissioning and abandonment. This plan should include:
  - a description of the baseline data that has been collected or obtained for future monitoring results to be measured against. Baseline data should be of sufficient scale, scope and intensity to meet project monitoring requirements.
  - A description of how soils, vegetation establishment, invasive weeds, wetland hydrology and surface and ground water quality will be monitored.
  - Contingency plans for the discovery of soil and water contamination, loss of depth of cover, or extreme weather events affecting the integrity of the decommissioned facilities.

- Input from interested parties. Any comments from stakeholders should be considered and, where appropriate, incorporated into the plan.
5. For decommissioning projects that are located outside of lands owned or leased by the applicant, provide an explanation of how natural regeneration of the project footprint in forested areas or native prairie have been considered in the planning for decommissioning. This should include:
- a discussion of whether or not non-agricultural lands will be allowed to naturally re-vegetate while the facility is in a decommissioned state; and
  - a discussion of any limitations that this would have on the ability to monitor the facilities. A discussion of whether allowing re-vegetation of the project footprint would limit future physical abandonment choices (i.e., pipeline removal vs. abandonment in place). And if so, how that has been factored into decommissioning planning.

#### **K.4 Filing Requirements - Economics**

1. Provide details of the costs associated with the proposed decommissioning.
2. Confirm that funding is and will be available to finance the proposed decommissioning project.
3. Where the pipeline has or is likely in future to have third party shippers, provide:
  - Information on the original book cost of the facilities and accumulated depreciation to the retirement date
  - Explain any impact on remaining ratebase, providing accounting details as outlined in the *Gas Pipeline Uniform Accounting Regulations* (GPUAR) or *Oil Pipeline Uniform Accounting Regulations* (OPUAR), including details of whether the retirement is ordinary or extraordinary.
4. Explain the impact on the company's abandonment funding program or verify that the decommissioning does not impact it. For example, explain:
  - Any resulting changes to the abandonment cost estimate for the system, or to the estimated timing of abandonment for various segments;
  - Any resulting changes to the plans to fund future abandonment costs.

#### **K.5 Filing Requirements - Lands Information**

1. Describe the location and the dimensions of the existing RoW or facility lands that would be affected by the decommissioning activities.
2. Provide a map or site plan of the facilities to be decommissioned.

3. Identify the locations and dimensions of any temporary workspace required for decommissioning activities
4. Provide a record of public consultation activities that have been undertaken with affected landowners. This record should include a description of:
  - All discussions with landowners regarding the proposed decommissioning activities;
  - A summary of any issues or concerns identified by the landowner; and
  - How the applicant proposes to address any concerns or issues raised by potentially affected people or landowners or an explanation as to why no further action is required.
5. Provide a plan for how consultation with affected people or landowners will be conducted during the period of time between decommissioning and abandonment.

## **K.6 Filing Requirements - Consultation**

1. The Board expects applicants will consider consultation for all projects. Please refer to Chapter 3.3 of the NEB's Filing Manual for additional information. Sharing contamination remediation plans, if any, with landowners, stakeholders – refer to Abandonment Guide B.2

### **Guidance**

#### ***Environment and Socio-Economic***

##### ***Environmental and Socio-Economic Assessment***

The Board requires proponents to conduct an ESA for all valued components for which decommissioning activities may potentially interact. ESA requirements are outlined in Guide A, Section A.2 of this *Filing Manual*. Section A.2.4 describes the level of detail required in an ESA, and Table A-1 provides examples of the range of circumstances that may lead to the need for detailed information.

For smaller projects that may have fewer interactions with the valued components, proponents may choose to file an environmental and socio-economic interactions table with their application. This table should include a description of any potential adverse effects that may result from the project, the mitigation that would be implemented to avoid or minimize those effects, and any potential residual effects, as well as cumulative effects.

##### ***Decommissioning Plan***

An application to decommission the operation of a pipeline could include an decommissioning plan tailored to the individual project and should include input from interested parties such as:

- landowners;



- aboriginal groups;
- occupants;
- land managers;
- lessees;
- municipal agencies (federal or provincial);
- shippers; and
- upstream and downstream users.

If a decommissioning plan is shared with interested parties, any comments from these stakeholders should be considered and, where appropriate, incorporated into the plan.

Environmental, safety and land-use issues may all be considered in the application. The application may also address reclamation of sites where surface facilities have been or will be removed and the management of any pipeline components that will be maintained in a deactivated state.

## ***Economics and Finance***

### ***Decommissioning Costs***

Describe the methodology and assumptions used to estimate costs. Identify and describe any associated section 52 or 58 applications. Provide a level of detail and technical description appropriate to allow regulators, the public, and others to understand the estimates to a reasonable level.

As decommissioning is not the final stage in the lifecycle of a Board-regulated pipeline, provide estimates of average annual future costs for post-decommissioning activities.

Provide estimates of:

- any future costs associated with maintaining these facilities in a decommissioned state, up until abandonment of these and nearby facilities.
- the costs to complete the abandonment of these facilities (including recognition of costs of post abandonment activities (i.e., for any facilities proposed to be left in the ground, the costs of monitoring and contingent remediation of any discoveries of contamination or subsidence).
- explain if and how the total costs to abandon the entire pipeline system have been adjusted for the decommissioning of these facilities, and any related impact on funding for those future costs that remain.

For more information, refer to RH-2-2008, MH-001-2012, MH-001-2013 and the 4 March 2010 Revisions to the Base Case.

### ***Liability Exposure***

As decommissioning is not the final stage in the lifecycle of Board-regulated pipelines, the description of future liabilities should include:

- the type of each liability and an estimate of the associated cost; and
- a statement of which decommissioning work is associated with a legal obligation and which work is not.

Describe the methodology and assumptions used to estimate costs. Identify and describe any associated section 52 or 58 applications. Provide a level of detail and technical description appropriate to allow regulators, the public, and others to understand the estimates to a reasonable level.

### ***Financing***

The confirmation that funding is available for the decommissioning work, and the funding will continue to be available to fund the future abandonment, including updated description of any funding, financial guarantees or other arrangements designed to cover these costs.

If the pipeline will still be providing service to third party shippers, include:

- the expected toll treatment and toll impact, including:
  - an explanation of how the tolls were determined;
  - the expected impact, if any, on shippers and other parties; and
  - a statement regarding the extent of shippers' and other parties' support for any toll increase.

Explain how this decommissioning plan compares to the abandonment plan for these facilities or this site.

### ***Accounting***

The GPUAR or OPUAR prescribe the accounting treatment for both ordinary and extraordinary retirements, including informing the Board if the gain or loss on an extraordinary retirement is material.

#### **Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.

---

## **Chapter 5                      Applications not for Physical Projects**

---

An applicant must:

- complete the common application requirements outlined in Chapter 3;
- confirm that the application is not for a physical project; and
- identify which Guides within Chapter 5 are applicable (see Figure 2-1) and provide the required information.



## **Guide O – REVIEW, REHEARING OR VARIANCE APPLICATIONS (NEB Act s.21)**

An applicant may apply under section 21 of the NEB Act for a review or rehearing of a previous Board decision or order or to vary a certificate, licence or permit. Part III of the Rules sets out the procedure to be followed for a review or rehearing.

### **Goal**

The application must identify the decision, order, certificate, licence or permit affected and must include the grounds for review or rehearing of the decision or order or the reason variation of the certificate, licence or permit is required.

### **Filing Requirements**

1. Applications for review or rehearing must meet the requirements set out in Part III of the Rules, which may be summarized as follows:
  - The application must be in writing, signed by the applicant or the applicant's authorized representative, filed with the Board and served on all parties to the proceeding that gave rise to the decision or order in respect of which the review or rehearing is sought.
  - The application must contain:
    - a concise statement of the facts;
    - the grounds that the applicant considers sufficient
      - in the case of a review, to raise a doubt as to the correctness of the decision or order, or
      - in the case of a rehearing, to establish the requirement for rehearing, including:
        - a) any error of law or jurisdiction;
        - b) changed circumstances or new facts that have arisen since the close or the original proceeding; or
        - c) facts that were not placed in evidence in the original proceeding and that were then not discoverable by reasonable diligence
  - the nature of the prejudice or damage that has resulted or will result from the decision or order; and
  - the nature of the relief sought.
2. Where the application is to vary an order, certificate, licence or permit, include the reason the variation is required and all information necessary to support the change proposed, including the information required by the relevant *Filing Manual* Guide.

## **Guidance**

In Part III of the Board's Rules, and in this guidance, a reference to an application for review includes an application to vary or rescind any decision or order of the Board.

### *Reviews or Rehearings*

There is no automatic right of review or rehearing. In other words, the Board's power under section 21(1) of the NEB Act is discretionary. In past decisions, the Board has stated this discretion must be exercised sparingly and with caution.

Section 45 of the Rules establishes a two-step process for review or rehearing applications. The Board first determines whether the decision or order should be reviewed or the application reheard. In order to find that a review or rehearing is required, the Board must be satisfied that the applicant has raised a doubt as to the correctness of the decision or order under review or has demonstrated that a rehearing is required. Before making its determination, the Board may, but is not required to, give interested parties the opportunity to file submissions. If the first test is met, the Board considers the review or rehearing application on its merits. In doing so, the Board may establish a process to govern the conduct of the review or rehearing.

An applicant may apply for an order staying the decision or order in respect of which the review is sought pending the review or staying the original proceeding pending the rehearing by meeting the requirements of section 47 of the Rules.

### *Variance Applications*

Applications to vary an order, certificate, licence or permit are generally required to reflect changes to previously-approved applications. Such an application may be required to:

- modify facilities previously approved under the NEB Act;
- make changes to tolls and tariffs approved under Part IV of the NEB Act; or
- make changes to the name of the holder of the certificate, licence or permit.

In each case, the applicant must satisfy the filing requirements of the relevant *Filing Manual* Guide. For example, an application seeking to vary a certificate of public convenience and necessity to reflect a design change must include all information required under Guide A to support the proposed change. The applicant must examine the Guide pursuant to which the original Board instrument was issued to determine specific filing requirements.

Variation of a Board decision, order or permit does not require the approval of the Governor in Council. However, Governor in Council approval of a variation of a certificate or licence is required under section 21(2) of the NEB Act. Applicants should be aware that this requirement may extend the timeline for obtaining certificate and licence variations.

A variance to a certificate or order under section 21 is required where the company who operates the pipeline will change, for example, in the event of a sale, purchase, transfer or lease of a pipeline, or amalgamation, for which leave was granted by the Board under section 74.

Where the company who is authorized under the order or certificate to operate the pipeline has not changed (e.g., in the event of a simple corporate name change), a variance is not required.

However, for administrative purposes, the Board strongly encourages companies to notify the Board and request an amendment to their order or certificate in the event of a corporate name change. At a minimum, and if not done earlier, the changes should be noted when filing certain annual compliance information each January.<sup>12</sup>

Further, in the event of a variance or corporate name change, signage on facilities and communication with landowners must be updated within 30 days to facilitate communication and safety reporting (see OPR, paragraph 36(f)).

**Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.

---

<sup>12</sup> See MH-001-2013 Reasons for Decision Set-aside and collection mechanisms May 2014 Pipeline Abandonment – Financial issues, Appendix XV Reporting Form – Companies using Trusts for Set-aside mechanism, Appendix XVI and Appendix XVI Reporting Form – companies using Set-aside mechanisms other than trusts, and Exempt Companies, page 157-8, pdf 175-6.





## Guide P – TOLLS AND TARIFFS (PART IV OF NEB ACT)

### Additional information...

Pursuant to subsection 60(1) of the *National Energy Board Act* (the Act), all companies may only charge tolls specified in a tariff that has been filed with the Board and is in effect or that have been approved by an order of the Board.

Pipeline companies regulated by the Board are divided into two groups for financial regulation purposes. Group 1 companies are generally identified as those with extensive systems under the Board's jurisdiction, whereas those with lesser operations are designated as Group 2 companies. Companies may be designated as Group 1 either in the Board's *Gas Pipeline Uniform Accounting Regulations* or *Oil Pipeline Uniform Accounting Regulations* (collectively, the G/OPUAR), or by direction of the Board. Group 1 companies are listed in section P.6 of this Guide.

A Group 1 pipeline company not regulated on a complaint basis (see footnote 5 in Guide R) that has not reached a negotiated settlement with its interested parties is regulated on a cost-of-service basis and is required to provide the information outlined in the filing requirements within sections P.1 to P.5 of this guide.

If a company has reached a negotiated settlement with its interested parties, the filing requirements are outlined in the *Revised Guidelines for Negotiated Settlements of Traffic, Tolls and Tariffs* dated 12 June 2002.

For Group 2 companies, the requirements are outlined in section P.6 of this guide, **Regulation of the Traffic, Tolls and Tariffs of Group 2 Companies**.

All companies must comply with the Board's RH-2-2008 Reasons for Decision [[Filing A21835](#)]. A summary of the filing requirements in respect of this decision is included in section P.7, **Abandonment Costs**.

This guide addresses:

- cost of service;
- rate base;
- financial statements;
- cost of capital; and
- tolls and tariffs.

### Level of Detail

The information required for these applications will generally vary with the complexity of the issues and the degree of change from previously approved applications. Some factors to consider in determining the amount of information to provide include:

- the proposed toll design methodology;
- the number of shippers on the system;
- the level of market power held by the applicant, including its affiliates; and
- the size of the toll increase or decrease.

## Definitions

In general, the accounting terminology used in this portion of the manual is defined in either the *Gas Pipeline Uniform Accounting Regulations* (GPUAR) or the *Oil Pipeline Uniform Accounting Regulations* (OPUAR), as appropriate.

## Goals

The tolls and tariffs application includes a discussion of the following points:

- the revenue requirement that the applicant is seeking to recover in its tolls and how the revenue requirement is determined;
- the applied-for toll design and tolls, including evidence that the tolls are just and reasonable and not unjustly discriminatory; and
- any revisions to the applicant's tariff.

## P.1 Cost of Service

### Filing Requirements

1. Describe the steps that were taken with interested parties to discuss issues and to attempt to reach a negotiated settlement.
2. Provide a summary schedule of the total cost of service (i.e., total revenue requirement), showing booked amounts for the base year, and projected amounts for the current year and test year, as well as year-to-year changes for the following cost components:
  - operating, maintenance and administrative expenses;
  - transmission by others;
  - depreciation and amortization of plant;
  - income taxes;
  - taxes other than income taxes;
  - miscellaneous revenues;
  - return on rate base;
  - deferred items; and
  - other items.
3. Provide an analysis of each cost component of the cost of service listed above, showing, by major cost category:
  - the total booked amounts for the base year;
  - the current year projection; and
  - the test year projection.

Provide explanations for significant year-to-year increases or decreases.

Where costs result from an allocation between regulated and non-regulated business entities, the analysis must include:

- the gross costs;
  - the costs allocated to each of the regulated entities;
  - the total costs allocated to the non-regulated entities;
  - a description of the cost allocation methodology; and
  - an explanation of the appropriateness of the allocation methodology.
4. For any deferral account, provide schedules showing the derivation and monthly accumulation of balances and the calculation of any carrying charges, indicating which amounts are actual and which are estimated.
  5. Provide a schedule reconciling the additions to the plant accounts with additions to income tax Capital Cost Allowances for the base, current and test years.
  6. Provide a schedule detailing the changes in the deferred tax balance for the base, current and test years.
  7. Provide the estimated total cost to abandon, as well as the Collection Period over which revenue will be accumulated. (See Chapter 7: Referenced Documents, Abandonment Funding and Planning, for related guidance).

## **Guidance**

### ***Major Cost Category Information***

Provide information for major cost categories at a sufficient level of detail to allow intervenors to assess the reasonableness of the costs. The Board expects the application to include at least the following:

- For municipal taxes, provide a schedule comparing base, current and test year amounts by province, breaking down variances into amounts due to changes in:
  - mill rates;
  - reassessments; and
  - facility additions.
- For income tax, provide schedules for the income tax provisions of each of the base, current and test years, with cross-references to supporting schedules as applicable, showing:
  - the derivation of the utility income after tax;
  - the carrying charges on deferrals;
  - the effective income tax rate;
  - the Capital Cost Allowances;
  - the disallowable expenses;
  - the interest portion of the allowance for funds used during construction (AFUDC);

- the utility capital and non-capital losses carried forward;
- the Large Corporation Tax; and
- other significant items.
- For salaries and wages, provide cost schedules for the base, current and test years, with explanations of changes from year to year, detailing the following:
  - general salary increases;
  - merit increases;
  - promotions and progressions;
  - management incentive compensation;
  - severance payments;
  - staffing levels (full time equivalents, if appropriate);
  - any allocation methodology; and
  - other relevant factors.

Support the cost schedules with schedules showing the number of permanent and temporary employees (or full time equivalents) for each period.

For oil pipelines, provide:

- schedules of fuel and power costs, for the base, current and test years, that illustrate the derivation of the energy requirements and corresponding costs; and
- a schedule showing the derivation of a five-year historical oil loss or gain as a percentage of receipts of oil or other products transported through the pipeline system.

### ***Abandonment Funding***

See Chapter 7: Referenced Documents, Abandonment Funding and Planning for documents that describe the requirements for pipeline abandonment cost estimates, set-aside and collection mechanisms and other Board direction regarding abandonment funding.

### ***Foreign Currency***

Where a transaction occurred in a foreign currency, include a description of the method used to derive the exchange rate that was applied.

### ***Transactions Involving an Affiliate***

Where contracted services are either from or to an affiliate, provide the details of the transactions, including evidence that the cost of the contracted services is reasonable.

## P.2 Rate Base

### Filing Requirement

1. Provide detailed schedules for rate base with supporting assumptions and calculations, where applicable, for the following:
  - monthly additions, retirements and month-ending balances for the base year, current year and test year by plant account;
  - cash working capital; and
  - average amounts and month-end balances for the base year, current year and test year for all other items included in rate base.

### Guidance

Include complete documentation of the investment in the pipeline on which a return is expected, and verification that rate base additions and retirements were authorized by the NEB. Such evidence usually includes:

- the method used to determine the average amounts of the rate base (i.e., either the 13-point or 24-point method);
- a schedule showing additions to the plant accounts between the end of the base year and the end of the test year, broken down by project and referring to the applicable NEB order number approving the project (including the section 58 Streamlining Order);

Break down forecasted amounts by plant account and only include costs for approved projects in the rate base. Information should include:

- explanations for amounts booked in the plant accounts that will not be used in pipeline operations during the test year, including the rationale for keeping these items in rate base or deleting them from rate base;
- a variance analysis showing, for each project, the amount proposed to be added to rate base compared to the original cost estimate provided to the NEB in any application filed pursuant to Part III of the NEB Act;
- an explanation of variances exceeding either \$100,000 or 10 percent, whichever is greater;
- retirements from the plant accounts broken down by NEB order number, if applicable;
- for AFUDC and overhead, the rate and method of calculation used for projects transferred to Plant in Service between the end of the base year and the end of the test year;
- for cash working capital, a time lag analysis for the base year if a change is proposed from the most recent NEB approved average number of days between operating expense payment dates and revenue receipt dates; and
- a list of depreciation rates by major account groups applied in the test year, together with a justification for any proposed changes from the most recent NEB approved rates.

## P.3 Financial Statements

### Filing Requirements

1. Provide the current annual report to shareholders for the regulated entity. If the regulated entity is part of a larger corporate structure, also provide the current corporate annual report to shareholders.
2. Provide the financial statements for the base year for the regulated entity, segmented from published financial statements if the regulated entity is part of a larger corporate structure, and provide, where necessary:
  - an explanation of the major assumptions used to prepare the financial statements of the regulated entity; and
  - a statement regarding the consistency of application of accounting principles to the regulated entity.

### Guidance

The annual report and financial statements should:

- identify similarities and differences between the financial policies applied to the regulated entity and those applied to the corporation;
- identify possible instances of cross-subsidization;
- provide an understanding of the policies of the corporation; and
- assist in testing the reasonableness of the operating results for the regulated activities.

## P.4 Cost of Capital

### Filing Requirements

1. **Invested Capital:** The application shall describe the applicant's sources of capital, including outstanding balances for each class of capital on a yearly basis, invested in the system's rate base and plant under construction for the past five years and the year(s) covered by the application. The application shall also describe all relevant attributes for each class and issuance of capital, including, but not limited to:
  - cost;
  - covenants;
  - embedded options, including call, put, or convertibility features;
  - seniority; and
  - voting/ non-voting features.
2. **Methodology/Techniques/Methods/Models:** The application shall include a description of the methodology used to estimate cost of capital and overall return, as well as all the techniques/methods/models within it, including:
  - justification for the methodology and techniques/methods/models chosen;

- description of, and justification for, underlying assumptions and principles;
  - implications of using the methodology and techniques/methods/models; and
  - description of alternative methodologies and techniques/methods/models considered or utilized, and how and why these alternatives were or were not incorporated in the analysis.
3. **Data Supporting Methodology:** The application shall include a rationale for the specifically chosen data used in the estimation of cost of capital. This may include, but is not limited to:
- forecasts;
  - bond yields;
  - risk-free rate;
  - market returns and prices;
  - market risk premiums; and
  - growth rates.
4. **Debt Costs:** The application shall include a description of, and justification for, the proposed treatment of debt costs as part of the return on rate base. The application shall also describe in detail, with supporting schedules, how debt costs to be recovered during the year(s) covered by the application were calculated.
5. **Business Risk:** The application shall include a detailed assessment of the applicant's business risks including market, supply, competitive, operating, and regulatory risks.
6. **Financial Risk:** The application shall include a description of, and justification for, how the applicant has considered financial risk in estimating cost of capital, and in establishing the applied-for rate of return and capital structure (if applicable). The application should also describe alternative ways of considering financial risk and how and why these alternatives were or were not incorporated.
7. **Regulated Assets:** The application shall include a high-level assessment of how the cost of capital for the facilities subject to the application is impacted by other assets and liabilities of the applicant or of the applicant's parent company<sup>13</sup> (if applicable), taking the stand-alone principle into account. The application shall include the following :
- a high-level schedule reconciling the balance sheet of the facilities subject to the application with the consolidated balance sheet of the applicant or applicant's parent company;
  - an explanation of this reconciliation, detailing the allocation of equity and debt; and

---

<sup>13</sup> Throughout the Cost of Capital section of the *Filing Manual*, the expression "parent company" is meant broadly, so as to encompass situations where the applicant may have one or more parent or a hierarchy of parents.

- an interpretation of the impact of this information on the applicant's cost of capital and access to capital markets.
8. **Comparable Companies or Assets:** When comparable companies or assets are relied upon to estimate cost of capital, the application shall contain a discussion of business risks including market, supply, competitive, operating, and regulatory risks faced by these individual comparable companies or assets, and a description of any adjustment(s) made or considered to optimize comparability. More specifically, the application shall include:
    - justification for the selection of comparable companies used in the analysis;
    - description of comparables' business structure and legal structure and related impact on cost of capital estimations;
    - justification for the relative weight assigned to the results of each comparable company or asset;
    - discussion of the business risk faced by comparable companies or assets, including discussion of unregulated business activities; and
    - discussion of the financial risk faced by comparable companies or assets.
  9. **Data from Other Countries:** Where an application utilizes financial data from countries other than Canada, the application shall include an assessment of the resulting impacts of using this data as opposed to data from Canada, including, but not limited to, impacts from any differences in tax regimes, currencies, securities exchanges, regulatory risk or systematic risks. The application should also assess whether and how adjustments should be made to the data from these other countries.
  10. **Financial Statements:** The application shall include the applicant's most recent audited financial statements and notes, or, if not available, those of the applicant's parent company.
  11. **Credit Rating:** The application shall include the applicant's two most recent credit rating reports issued from each recognized rating agency, including those issued by DBRS, Moody's, Standard & Poor's, and Fitch. If not available for the applicant, the application shall include those reports of the applicant's parent company.
  12. **Historical Returns and Capital Structure:** The application shall include a description and summary schedule (where appropriate), for the past five years, of:
    - the applicant's actual balances for each class of capital, and resulting actual capital structures;
    - actual returns;
    - assumptions used to determine these actual returns;
    - allowed return(s) and deemed capital structure(s);
    - explanations of any variances between allowed and actual returns; and
    - explanations of any variances between deemed and actual capital structure(s).



13. **Capital Issuances:** The application shall include a description, for the past five years, of any debt, equity, and other capital issuances, their net/gross proceeds, and description of their use.
14. **Summary Schedule:** The application shall include a summary schedule for the year(s) covered by the application, showing the requested rates of return for each class of capital (if applicable), deemed capital structure (if applicable) and derivation of the return on rate base.
15. **Fair Return Standard:** The application shall explicitly demonstrate how the applied-for total return on capital meets all requirements of the fair return standard by describing the extent to which the applied-for return:
  - is comparable to the return available from the application of the invested capital to other enterprises of like risk (the comparable investment requirement);
  - enables the financial integrity of the regulated enterprise to be maintained (the financial integrity requirement); and
  - permits incremental capital to be attracted to the enterprise on reasonable terms and conditions (the capital attraction requirement).

## P.5 Tolls and Tariffs

### Filing Requirements

1. Provide a concise description of the regulated pipeline system and operations, including a system map showing any toll zones or delivery areas.
2. Describe the applied-for toll design and explain any changes in the toll design from that previously approved by the NEB, including:
  - a description of the classes or types of services offered;
  - the method used to allocate costs to major pipeline functions and to classify costs between fixed and variable costs;
  - details of the cost allocation units used to derive the proposed test year tolls;
  - the method used to allocate costs to toll zones or areas, customers and classes or types of service, and the details and bases for such allocations; and
  - for oil pipelines, supporting information and calculations to illustrate the determination of toll differentials for each product type or charges for special services.
3. Provide a comparative schedule of test year revenues for each class or type of service under the existing and the proposed tolls.
4. Describe requested tariff revisions together with the rationale for the revisions with schedules comparing the proposed changes to existing tariff sheets.

## Guidance

Include sufficient information to allow the NEB to assess whether the proposed tolls are just and reasonable and not unjustly discriminatory. The application should also include evidence that the proposed tolls are designed to recover the requested revenue requirement, including funding required for abandonment.

For a pipeline company with a complex toll design, include sufficient information to fully explain the toll design for the test year, with a focus on changes from that previously approved by the NEB. Provide detailed information and schedules to explain:

- the allocation units used in the toll design, including contract and throughput volumes for each customer and class of service where appropriate; and
- the methods used to allocate costs to various customers, toll zones and delivery areas.

### Next Steps....

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.

## P.6 Regulation of the Traffic, Tolls and Tariffs of Group 2 Companies

Any pipeline company regulated by the Board which is not a Group 1 company is considered to be a Group 2 company. The following companies are designated as Group 1 companies:

### Natural Gas

Alliance Pipeline Ltd.  
 Foothills Pipe Lines Ltd.  
 Gazoduc Trans Québec & Maritimes Inc.  
 Maritimes & Northeast Pipeline Management Ltd.  
 NOVA Gas Transmission Ltd.  
 TransCanada PipeLines Limited  
 Westcoast Energy Inc.

### Oil and Products

Enbridge Pipelines Inc.  
 Enbridge Pipelines (NW) Inc.  
 Kinder Morgan Cochin ULC  
 Trans Mountain Pipeline ULC  
 Trans-Northern Pipelines Inc.  
 TransCanada Keystone Pipeline GP Ltd.

All other pipeline companies regulated by the Board are Group 2 companies for traffic, tolls, tariff and financial regulation.

### *Tolls and Tariffs*

The financial regulation of Group 2 companies is normally carried out on a complaint basis, with a consequent reduction in financial reporting requirements.

Group 2 companies are not normally required to provide the detailed information to support a tariff filing required of Group 1 companies. The Board regulates the traffic, tolls and tariffs of Group 2 companies on a complaint basis. Group 2 companies are required to include in their tariffs the following explanatory note:

The tolls of the Company are regulated by the National Energy Board on a complaint basis. The Company is required to make copies of tariffs and supporting financial information readily available to interested persons. Persons who cannot resolve traffic, toll and tariff issues with the Company may file a complaint with the Board. In the absence of a complaint, the Board does not normally undertake a detailed examination of the Company's tolls.

It is the responsibility of a Group 2 company to provide its shippers and interested parties with sufficient information to enable them to determine whether a complaint is warranted. Upon receipt of a written complaint, an application under Part IV of the Act or on its own initiative, the Board may decide to examine a toll and to make the toll interim, pending completion of this examination. In this circumstance, the Board may request additional information including some or all of the information required of Group 1 companies as specified in sections P.1 through P.5 in Guide P of the Board's *Filing Manual*.

### ***Accounting Requirements and Financial Reporting***

The Board has exempted all Group 2 companies from the requirement to keep their books of account pursuant to the code of accounts prescribed in the G/OPUAR. The Board only requires that Group 2 companies maintain separate books of account in Canada in a manner consistent with generally accepted accounting principles and file audited financial statements within 120 days after the end of each fiscal year. Such statements should provide details of revenue and costs associated with the regulated pipeline. Where a Group 2 company operates a joint venture pipeline, it is required to disclose in its audited financial statements its beneficial share of revenue and costs associated with the regulated pipeline and to file a gross operating statement for the joint venture pipeline indicating whether, and if so by whom, this statement has been audited.

In some instances, the Board has granted relief from the requirement to file financial statements. These instances have primarily concerned small shipper-owned pipelines with no direct dealings with third parties. A Group 2 company may apply for similar relief explaining the particular circumstances which would justify an exemption from this requirement.

The Board has exempted Group 2 companies from the *Toll Information Regulations*. The Board does not require Group 2 companies to provide periodic financial information, such as quarterly surveillance reports, for the purpose of monitoring the financial performance of these companies. As circumstances dictate, the Board may perform an audit of the company's records.

Whether they charge tolls or not, Group 2 companies are required to report to the NEB on funding for abandonment. See Chapter 7: Referenced Documents, Abandonment Funding and Planning for future guidance on details of pipe location, abandonment plans and cost estimates, as well as Collection Period.

## **P.7 Abandonment Costs**

As of 1 January 2015 NEB-regulated pipeline companies must have a mechanism in place that will provide adequate funds to pay for pipeline abandonment. Pipeline companies must establish a trust or provide a letter of credit issued by a bank listed in Schedule 1 of the *Bank Act*, or a surety bond supplied by a surety company regulated by the Office of Superintendent of Finance Institutions. A model trust agreement, letter of credit and surety bond can be found in the MH-001-2013 Reasons for Decision.

A company's application should include any changes related to abandonment funding. Provide a discussion and justification of these changes, including any changes related to the total cost estimated for abandonment, the manner which the funds will be set-aside, and how the funds are to be collected, including the pace of collecting funds.

Companies are encouraged to consult Chapter 7: Referenced Documents, Abandonment Funding and Planning, to learn more about the principles, estimation methods, filing formats and other expectations regarding funding abandonment.

## **Guide Q – EXPORT AND IMPORT AUTHORIZATIONS (PART VI OF NEB ACT AND PART VI REGULATIONS)**

### **Introduction**

Section 117 of the NEB Act authorizes the Board to issue licences for the exportation or importation of oil or gas. The *National Energy Board Act Part VI (Oil and Gas) Regulations* (Part VI Regulations) set out the information to be filed for licences and provides for the issuance of orders for the exportation or importation of gas and exportation of oil.

The Part VI Regulations are being reviewed and updated by the Board. Please see the Board's Interim Memorandum of Guidance Concerning Oil and Gas Export Applications and Gas Import Applications under Part VI of the *National Energy Board Act*, dated 11 July 2012, (<http://www.neb-one.gc.ca/bts/ctr/gnnb/xprtsndmprt/ntrmmmrndm-eng.pdf>) and the NEB Consultation: Oil and Gas Exports and Imports, dated 20 September 2012, (<http://www.neb-one.gc.ca/bts/ctr/gnnb/xprtsndmprt/archive/2012-09-20nbl-eng.html>) for more information.

This guide describes the filing requirements for natural gas (including LNG) export licence applications. Filing requirements for other types of export and import applications will be issued at a later date.<sup>14</sup>

### **Filing Requirements**

Provide:

1. The source and volume of gas to be exported.
2. A description of gas supplies, including Canadian gas supply, expected to be available to the Canadian market (including underlying assumptions) over the requested licence term.
3. A description of expected gas requirements (demand) for Canada (including underlying assumptions) over the requested license term.
4. The implications of the proposed export volumes on the ability of Canadians to meet their gas requirements.

---

<sup>14</sup> Please call 403-292-4800, if you require further assistance.

**Further Guidance:**

The onus is on the Applicant to demonstrate that the criterion in section 118 of the NEB Act is met. The filing requirements, by their very nature, are not prescriptive and can be met in a variety of ways, including quantitatively or qualitatively. In meeting the filing requirements, the Applicant may want to consider:

- trends in Canadian gas demand and supply and the availability of the sources of gas to Canadians.
- available gas supply from the United States and other global sources.
- past trends in gas discoveries and whether, in the Applicant's opinion, these trends can be extrapolated into the future and why.
- the expected technological improvements in resource assessment and innovations.

For additional guidance, please see the Board's [Reasons for Decision](#) respecting the LNG Canada Development Inc. application for a licence to export LNG, issued on 4 February 2013.

## **Guide R – TRANSFER OF OWNERSHIP, LEASE OR AMALGAMATION (NEB ACT PARAGRAPH 74(1)(a),(b) AND (c))**

An application filed pursuant to paragraph 74(1)(a), (b), or (c) is usually followed by one or more of the following applications:

- review or amend an NEB decision, pursuant to section 21 of the NEB Act;
- leave to open, pursuant to section 47 of the NEB Act;
- addition to or modification of facilities, pursuant to sections 52 or 58 of the NEB Act; or
- tolls and tariffs, pursuant to Part IV of the NEB Act.

Leave of the Board is required under paragraphs 74(1)(a) and/or (b) of the NEB Act if a company intends to sell, purchase, transfer or lease pipeline facilities or assets that **are** regulated by the Board, or that **would be regulated** by the Board after the transaction.

The word “company” as defined in section 2 of the NEB Act encompasses entities incorporated (or continued and not discontinued) under provincial corporate legislation.

The information that is required for this portion of the application will be made available to the Board from two sources:

- the company divesting the facilities; and
- the company acquiring the facilities.

### **Goal**

The application includes information describing:

- the nature of the transaction that invokes section 74 of the NEB Act and the facilities involved;
- the new owner and operator; and
- the intended use of the facilities as well as any changes in the conditions of service offered.

### **Filing Requirements**

The company divesting of the facilities must provide the following information:

1. Describe the nature of the transaction (i.e., is the transaction a transfer of ownership, lease or amalgamation).
2. Provide a map or maps of the pipeline and the relevant upstream and downstream facilities, and identify any pipeline facility that could become stranded as a result of the transaction.
3. Provide a confirmation that a copy of the records set out in section 10.4 of CSA Z662-11 and section 56(e) to 56(g) of the OPR have been provided to the new owner of the facilities.
4. The estimated cost to abandon the facilities.

The company acquiring the new facilities must provide the following information.

1. Identify the new owner and operator of the pipeline including the appropriate contact information.
2. The original cost of the asset, depreciation and net book value.
3. The purchase price of the asset.
4. Describe the intended long-term use of the facilities.
5. Describe any changes in the conditions of service offered on the pipeline, including the estimated toll impact.
6. If the records set out in section 10.4 of CSA Z662-11 and section 56(e) to 56(g) of OPR do not exist, the applicant is to provide a plan detailing how it will acquire the information/records necessary to maintain and operate the facilities safely.

## **Guidance**

### ***Circumstances of Application***

#### ***NEB Regulated to NEB Regulated***

When the pipeline is already regulated by the Board, an Order or a Certificate of Public Convenience and Necessity would have been issued once the Board had determined that the facilities:

- would be constructed and operated in a safe and an environmentally sound manner; and
- were required for the present and future public convenience and necessity.

As a result, when a transaction involving the sale, conveyance, lease, purchase or amalgamation of an NEB-regulated pipeline is to occur, the Board needs assurance that, notwithstanding any changes in operation or configuration that are expected to occur, it would continue to be in the public interest to operate the facilities.

Both companies involved in the transaction are required to apply to the Board for leave to proceed with the transaction. It is strongly suggested that the companies jointly make the application. Subsequent to receiving leave from the Board to effect the transaction, the companies must notify the Board when the transaction has been completed. At this time, the company acquiring the facilities must apply under section 21 of the NEB Act (see Guide O) to have the existing Order or Certificate amended to reflect the transaction.

If the operation of the pipeline is to be changed, the acquiring company must also meet the requirements of the relevant section(s) of the OPR or PPR and possibly either section 52 or section 58 of the NEB Act.



Group 1<sup>15</sup> pipeline companies not regulated on a complaint basis may be required to apply under Part IV of the NEB Act if tolls and tariffs matters need to be addressed (see Guide P, Tolls and Tariffs).

### ***Non-NEB Regulated to NEB Regulated***

The acquiring company is required to submit the application and should apply concurrently under either section 58 or section 52 of the NEB Act (see Guide A), as if the pipeline was a new facility, for authorization to operate the pipeline. This would provide the Board with the information it requires to approve the pipeline and grant an order or certificate. The company may also be required to apply concurrently under section 47 for leave to open (see Guide T).

### ***NEB Regulated to Non-NEB Regulated***

The company divesting the pipeline is required to submit the application. Information provided in the application should satisfy the Board that the public interest would not be harmed by the transaction. The divesting company should also apply for the revocation or amendment, as appropriate, of the existing certificate or order.

### ***Transaction Details***

If possible, provide:

- the certificate or order numbers for the NEB-regulated pipeline and related facilities; or
- copies of the equivalent documentation issued by the present regulator of the pipeline if not NEB-regulated.

Otherwise, provide the:

- legal name of the pipeline;
- location; and
- complete description of the pipeline and related facilities and the products to be carried.

In addition to providing the information identified above, also provide the:

- proposed date of the transaction;
- method of financing; and
- the operating status of the pipeline.

---

<sup>15</sup> In 1985, for financial regulatory purposes, the Board divided the pipeline companies under its jurisdiction into two groups: Group 1 companies with more extensive systems; and Group 2 companies that operate smaller systems. The decision also stated that Group 2 pipeline companies were to be regulated using the complaint approach. The Board has also decided to use the complaint approach for certain Group 1 pipelines.

Under the complaints approach, the pipeline is responsible for providing shippers and other interested parties with sufficient information to enable them to ascertain whether the tolls are reasonable. Tariffs, once filed with the Board, automatically become effective and are presumed to be just and reasonable unless a complaint is filed and the Board is convinced that it needs to examine the tolls.

### ***New Owner Information***

Provide:

- the complete legal names of the proposed new company owner of the pipeline;
- if the owner is different from the operator, the name of the operator and the relationship between the owner and the operator;
- contact information for both the owner and the operator;
- a copy of the Certificate of Incorporation; and
- verification whether the province of incorporation is different from where the company will be carrying on business for the pipeline.

### ***Maps***

The map or maps should:

- allow the reader to locate the pipeline geographically within a larger region, for example, a province;
- include relevant details of upstream, downstream and surrounding facilities to enable to the Board to understand the relative importance and role of the subject pipeline;
- identify the appropriate regulator if any of the relevant facilities are not NEB-regulated; and
- indicate stranded or potentially stranded facilities.

### ***Long-Term Use***

If the long-term use is different from the present use of the pipeline, the acquiring company should provide a description of plans for the future use of the facility.

### ***Changes***

If there are to be any changes to the condition of service offered by the pipeline:

- include a description of the status of the pipeline, (i.e., whether the pipeline is presently in operation, deactivated or abandoned);
- explain any changes to the type of service, or terms and conditions of service; and
- describe how these changes would affect the operation of the pipeline.

Describe any and all changes to who is financially responsible for liabilities related to the pipeline.

If a toll, tariff or negotiated settlement is presently in effect, describe any changes to the toll or tariff, other than change in ownership. If no toll, tariff or negotiated settlement is presently in effect but third party shippers are anticipated to require service on the pipeline, file a proposed tariff.

Group 1 pipeline companies not regulated on a complaint basis may be required to apply under Part IV of the NEB Act if tolls and tariffs matters need to be addressed (see Guide P, Tolls and Tariffs).

***Abandonment Funding***

Provide:

- the total Abandonment Cost Estimate of the facilities being sold or transferred;
- a proposal by the seller for its existing letter of credit, surety bond or trust for abandonment funding;
- a draft copy of the purchaser's letter of credit, surety bond, or trust agreement for setting-aside abandonment funds;
  - if using a trust to set-aside funds, the dollar amount of abandonment funds that will be in the purchaser's trust upon its establishment;
  - if using a trust, a proposed trustee for the trust, and a description of whether or not the trustee is regulated under the *Trust and Loan Companies Act*;
  - if using a trust, a description of how the purchaser intends to collect, or contribute, funds to the trust, as applicable.

See Chapter 7 Referenced Documents, Abandonment Funding and Planning for documents that describe the requirements for pipeline abandonment cost estimates, set-aside and collection mechanisms and another Board direction regarding abandonment funding.

**Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.

RELEASE 2015-01

## **Guide S – ACCESS ON A PIPELINE (NEB ACT S.71)**

An application pursuant to subsection 71(1) of the NEB Act may request exemption from the requirement that a company operating a pipeline for the transmission of oil shall, according to its powers, without delay and with due care and diligence, receive, transport and deliver all oil offered for transmission by means of its pipeline.

An application pursuant to subsection 71(2) of the NEB Act may request that the NEB require a gas pipeline or pipeline transporting a commodity other than oil to receive, transport and deliver a commodity offered for transmission.

An application pursuant to subsection 71(3) of the NEB Act may request that the NEB require a company operating a pipeline for the transmission of hydrocarbons or any other commodity authorized by a certificate issued under section 52 to provide adequate and suitable facilities for:

- the receiving, transmission and delivering of the hydrocarbons or other commodity offered for transmission by means of its pipeline;
- the storage of the hydrocarbons or other commodity; and
- the junction of its pipeline with other facilities for the transmission of the hydrocarbons or other commodity;

if the Board finds that no undue burden will be placed on the company by requiring the company to do so.

### **Goal**

The application includes information describing:

- the reason for the application; and
- the circumstances and correspondence between parties preceding the application.

### **Filing Requirements**

1. Provide a detailed summary of the circumstances leading to the application.
2. Provide copies of all relevant correspondence between the applicant, the operator of the subject facility and any other parties that may be involved with the application.
3. For applications for an exemption from subsection 71(1), provide evidence that:
  - an open season was held offering all of the capacity to be contracted to anyone interested in shipping; and
  - allowing the exemption is in the public interest.
4. In the case of an application pursuant to subsection 71(3), the applicant should provide a description of the facilities that the pipeline company would need to install, including a cost estimate.

## Guidance

The application should clearly explain what action the applicant would like the Board to take and indicate whether the application raises any associated toll methodology issues. The applicant may provide potential alternative actions and reasons for selecting the requested action.

The application should also clearly explain the applicant's need for the requested service or facilities and include all relevant information that could help the NEB understand the situation that has led to the filing.

A subsection 71(1) application should include copies of all notices of the open season, the timing and method of providing notice, all correspondence between the pipeline and parties interested in contracting with the pipeline and any expressions of interest or concerns regarding the application. The applicant should also provide an indication of the results of the open season and a sample or standard form contract to indicate the arrangements contemplated.

The open season must be conducted in a manner which provides all interested shippers the same opportunity to participate and allows adequate time for their consideration of the issues.

The Board expects that the applicant under subsection 71(2) or (3) would have requested the subject pipeline operator to provide access or adequate and suitable facilities and that request would have been rejected prior to filing an application. The NEB would normally seek comments from the pipeline operator after an application has been filed before determining how to proceed with the application.

For subsection 71(2) or (3) applications, all relevant correspondence between the applicant and the subject pipeline operator should be included so the NEB is aware of the issues that have been discussed. Correspondence with other affected parties should be included where the correspondence would provide clarity and assist the NEB in its decision.

### Next Steps....

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.

## Guide T – LEAVE TO OPEN (NEB ACT s.47)

In accordance with the NEB Act, a company requires permission from the Board before opening a pipeline or a section of pipeline for the transmission of hydrocarbons or any other commodity.

The Board may grant leave under section 47 of the NEB Act if satisfied that the pipeline can be safely opened for transmission.

### **Additional information...**

Pursuant to subsection 58(1) of the NEB Act, the Board may make orders exempting certain facilities from the provisions of section 47.

### **Goal**

An application for leave to open will include information detailing the facilities for which leave is being sought as well as certain test information.

### **Filing Requirements**

1. For leave to open applications for line pipe or a section of line pipe (including new piping for storage tanks), provide:
  - the Board certificate or order number under which the work was carried out;
  - a list of standards, specifications and procedures to and under which the facilities were designed, constructed and tested;
  - a description of the pressure-tested facilities including:
    - the MOP;
    - the location;
    - the piping specifications, including the pipe manufacturer;
    - a schematic of the pressure-tested facilities; and
    - where applicable, the elevation profile of the test section, including the high, low and test point elevations;
  - a summary of continuous pressure and temperature readings over the test period, including:
    - the date of the test;
    - the test medium; and
    - the minimum and maximum allowable test pressures (where applicable, reconcile any significant pressure deviations);
  - a statement that all control and safety devices were or will be inspected and tested for functionality;
  - confirmation that all field joints were non-destructively examined;
  - confirmation that any permits required for the use and disposal of water were obtained;

- test equipment calibration certificates;
  - confirmation that pressure testing was performed under the direct supervision of a company representative;
  - all logs, test charts and other test records, signed and dated by the company representative;
  - confirmation that the test pressure did not fall below 97.5 percent of the minimum strength test pressure; and
  - details regarding any unsuccessful pressure tests, including the cause of the test failure.
2. For a leave to open application for a tank, provide:
- the Board certificate or order under which the work was carried out;
  - a list of standards, specifications and procedures to and under which the facilities were designed, constructed and tested;
  - a statement confirming that post-weld vacuum tests were conducted and deemed acceptable;
  - a statement that hydrostatic testing was completed and found acceptable;
  - a confirmation of the water source and a copy of any permits required for the use and disposal of water, if applicable;
  - a statement confirming that the fire protection facilities were constructed and tested in accordance with CSA Z662;
  - a statement confirming that the containment area or system was built to meet the requirements of CSA Z662;
  - a statement confirming that non-destructive examination of the welds was conducted and found to be acceptable; and
  - a statement that all control and safety devices (e.g., overflow alarms) have been inspected and tested for functionality.

## Guidance

Section AA.1 in Guide AA outlines when the Board expects leave to open applications and pressure testing programs to be filed.

It is recommended that the application contain a signed statement from a professional engineer, indicating the application has been assessed and reviewed.

### Next Steps....

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.



## **Guide U – INFORMATION FILED RESPECTING PLAN, PROFILE, BOOK OF REFERENCE AND NOTICES (NEB ACT S.33 AND S.34)**

### **Goal**

Documentation on the detailed route of the pipeline and notification to potentially affected landowners and others persons regarding the approval process and their rights will be provided in accordance with sections 33 and 34 of the NEB Act.

### **U.1 Plan, Profile, Book of Reference (PPBoR)**

#### **Filing Requirements**

Section 33 of the NEB Act requires:

- 33.** (1) When the Board has issued a certificate, the company shall prepare and submit to the Board a plan, profile and book of reference of the pipeline.
- (2) The plan and profile shall be drawn with such detail as the Board may require.
- (3) The book of reference shall describe the portion of land proposed to be taken in each parcel of land to be traversed, giving the numbers of the parcels, and the area, length and width of the portion of each parcel to be taken, and the names of the owners and occupiers in so far as they can be ascertained.
- (4) The plan, profile and book of reference shall be prepared to the satisfaction of the Board, and the Board may require the company to furnish any further or other information that the Board considers necessary.

In addition, the plan and profile of the project must be drawn to a scale of 1:10 000 or larger and, if appropriate, should show:

1. the proposed route of the pipeline.
2. property boundaries; and
3. the numbers of the parcels of land to be traversed (i.e., legal land descriptions).

#### **Guidance**

When the Board issues a certificate of public convenience and necessity under the NEB Act, the company may provide a draft version of the PPBoR.

Upon receipt of the certificate, the company shall file PPBoRs pursuant to section 33 of the NEB Act for approval pursuant to section 36 of the NEB Act. The applicant may consider using a photomosaic overlay for the final PPBoR. A photomosaic can provide a high level of visual information about the detailed route of the project. The PPBoR will allow landowners and other persons to examine the PPBoR to determine the precise location of the proposed detailed route, the lands that will be crossed, the type of land rights that will be required and the landowners who will be affected.

In the event the Board approves the PPBoR for a project, the company is required to file the PPBoR with the registrar of deeds in the appropriate land titles or land registry office before carrying out any work in respect of the approved PPBoR.

## **U.2 Section 34 Notices**

When plans, profiles and a book of reference are filed with the Board (pursuant to subsection 33(1) of the NEB Act) a sample notice shall be filed for Board approval prior to service and publication. The notice will meet the requirements of section 34 of the NEB Act, section 50 of the Rules and the additional filing requirements.

### **Filing Requirements**

Section 34 of the NEB Act states:

- 34.** (1) Where a company has prepared and submitted to the Board a plan, profile and book of reference pursuant to subsection 33(1), the company shall, in a manner and in a form to be determined by the Board,
- (a) serve a notice on all owners of lands proposed to be acquired, in so far as they can be ascertained; and
  - (b) publish a notice in at least one issue of a publication, if any, in general circulation within the area in which the lands are situated
- (2) The notices mentioned in subsection (1) shall describe the proposed detailed route of the pipeline, the location of the offices of the Board and the right of the owner and of persons referred to in subsection (4) to make, within the time referred to in subsection (3) or (4), as the case may be, representations to the Board respecting the detailed route of the pipeline.
- (3) Where an owner of lands who has been served with a notice pursuant to subsection (1) wishes to oppose the proposed detailed route of a pipeline, the owner may, within thirty days of being served, file with the Board a written statement setting out the nature of the owner's interest in the proposed detailed route and the grounds for his opposition to that route.
- (4) A person who anticipates that his lands may be adversely affected by the proposed detailed route of a pipeline, other than an owner of lands referred to in subsection (3), may oppose the proposed detailed route by filing with the Board within thirty days following the last publication of the notice referred to in subsection (1) a written statement setting out the nature of that person's interest in those lands and the grounds for the opposition to the proposed detailed route of the pipeline.

Section 50 of the Rules states:

- 50.** (1) Before any notice in respect of a plan, profile and book of reference of a pipeline or an international or interprovincial power line is served or published by an applicant under section 34 of the Act, the applicant shall
- (a) submit to the Board for approval as to form a sample notice for service and a sample notice for publication, both of which shall include a sample description of the proposed detailed route of the pipeline or the international or interprovincial power line that is to be included in each notice; or
  - (b) identify in writing, for the approval of the Board, one or more forms of notices previously approved by the Board that the applicant proposes to serve or publish in relation to the plan, profile and book of reference.
- (2) The submission required under paragraph (1)(a) shall include
- (a) a copy of any map that the applicant proposes to publish; and
  - (b) a list of the titles and the number of issues of the publications in which the applicant proposes to publish the notice.
- (3) Any notice served or published under section 34 of the Act shall not depart in any material respect from the notice approved by the Board under subsection (1).

In addition, the applicant must provide the following information.

1. File a copy of the notice that will be served on landowners. At a minimum, the notice will include:
  - a description of the requirements described within sections 35 to 39 of the NEB Act;
  - a map of the proposed detailed route of the pipeline or powerline;
  - a plan of the lands proposed to be acquired, which:
    - includes reference to legal survey points, if such points are available; and
    - is of a scale sufficient to identify, with reasonable accuracy, the location, dimensions and area of lands in relation to the remaining adjacent lands of the owner, if any.
2. Provide a copy of the notice that will be included in local publications. At a minimum, the notice will include:
  - a description of the requirements described within sections 35 to 39 of the NEB Act;
  - a description of the proposed detailed route of the pipeline;
  - a plan of a scale sufficient to identify, with reasonable accuracy, the location of the proposed detailed route in relation to:
    - topographical features;

- population centres;
  - highways;
  - utilities; and
  - other such prominent local landmarks;
  - a schedule that lists each land parcel that is proposed to be affected by the detailed route and identifies each by its legal description, including as appropriate the:
    - municipal address;
    - parcel number;
    - registered plan number;
    - lot;
    - concession;
    - township;
    - parish;
    - range;
    - county; or
    - other equivalent land divisions, as are sufficient to identify the lands of each such owner;
  - the location within or near the area covered by the plan where the PPBoR for that area are available for public inspection;
3. The list of the publications that will be used will include:
- proposed dates of publication;
  - submission deadlines;
  - frequency (daily, weekly, monthly) of publication; and
  - language of publication (French, English or both).
4. Where the applicant completes the service and publication of notice under section 34 of the NEB Act, it shall forthwith notify the Board in writing of the dates of the last service and publication. The company shall file a tear sheet of the newspapers.

### **Guidance**

After the Board has issued a certificate and the PPBoRs have been filed with the Board pursuant to section 33 of the NEB Act, the company must provide a sample notice, in both English and French, of the proposed section 34 notices, or identify notices previously approved by the Board that the applicant proposes to serve or publish. NEB staff can provide assistance in order to ensure that the notices comply with the NEB Act requirements. Once Board approval has been obtained, the company can serve and publish its section 34 notices.

When publishing notices, consider the availability of English and French newspapers and their respective regional coverage. In the event that newspapers in the region are published in only one official language, publish both the French and English versions side by side in compliance with the *Official Languages Act*.

The Rules require that where an applicant completes the service and publication of any notice under section 34 of the NEB Act, the company shall forthwith notify the Board in writing of the dates of the last service and publication. This allows the Board to determine when the notices were served and published which commences the comment period set out in subsections 34(3) and 34(4) of the NEB Act. The Board will not approve any PPBoR prior to expiry of these timelines.

### ***Detailed Route Hearing***

If an objection is received by the Board pursuant to subsection 34(3) or (4) of the NEB Act, the Board will, pursuant to subsection 35(1) of the NEB Act, order a public hearing be conducted with respect to the detailed route and method and timing of construction of the pipeline.

Following the issuance of a Hearing Order by the Board, consider filing the following information:

- a description of any landowner concerns with respect to the detailed route and the methods and timing of construction of the project; and
- comments on the potential for using the Board's Appropriate Dispute Resolution (ADR) services.

## **U.3 Application to Correct a PPBoR Error (NEB Act s.41)**

### **Goal**

The application includes documentation with respect to the omission, misstatement or error in a registered PPBoR. The documentation will address all land matters related to the request for a permit in order to correct the error.

### **Filing Requirements**

An application pursuant to subsection 41(1) of the NEB Act should include:

- the Order number and date of the original PPBoR approval;
- the nature and description of the error in the PPBoR;
- the accurate information (i.e., related to the plan, profile or book of reference); and
- confirmation that, pursuant to subsection 41(3), copies of the permit will be provided to the offices of the registrars or appropriate land title offices.

### **Guidance**

Section 41 of the NEB Act provides a company with the means to correct an omission, misstatement or error in its registered PPBoR.

Pursuant to subsection 41(2) of the NEB Act, the Board may, at its discretion, issue a permit setting out the nature of the omission, misstatement or error and the correction allowed.

Subsection 41(3) of the NEB Act provides that the permit and supporting documentation are considered to be corrected once registered at the appropriate land titles office.

**Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.

## **Guide V – RIGHT-OF-ENTRY APPLICATION (NEB ACT S.104)**

Where a company does not acquire land required for the pipeline through negotiations with the landowner, it may apply to the Board for a right-of-entry order pursuant to the requirements of section 104 of the NEB Act and section 55 of the Rules.

### **Goal**

The application contains documentation with respect to the right-of-entry process. The documentation addresses all matters related to the request for an immediate right-of-entry order demonstrating that landowners and others persons have been notified and their rights have been protected.

### **Filing Requirements**

Section 104 of the NEB Act states:

- 104.** (1) Subject to subsection (2), the Board may, on application in writing by a company, if the Board considers it proper to do so, issue an order to the company granting it an immediate right to enter any lands on such terms and conditions, if any, as the Board may specify in the order.
- (2) An order under subsection (1) shall not be issued in respect of any lands unless the company making the application for the order satisfies the Board that the owner of the lands has, not less than thirty days and not more than sixty days prior to the date of the application, been served with a notice setting out
- (a) the date the company intends to make its application to the Board under subsection (1);
  - (b) the date the company wishes to enter the lands;
  - (c) the address of the Board to which any objection in writing that the owner might wish to make concerning the issuance of the order may be sent; and
  - (d) a description of the right of the owner to an advance of compensation under section 105 if the order is issued and the amount of the advance that the company is prepared to make.

Section 55 of the Rules states:

- 55** (1) To apply for a right of entry order under section 104 of the Act, a company shall, after serving the owner of the lands with the notice described in subsection 104(2) of the Act, file an application with the Board not less than 30 days and not more than 60 days after the date of service of the notice on the owner.

- (2) The application must be served on the owner of the lands on the same day that the application is filed with the Board.
- (3) The application must contain
  - (a) a copy of the notice described in subsection 104(2) of the Act;
  - (b) evidence that the notice has been served on the owner of the lands
    - (i) not less than 30 days and not more than 60 days prior to filing the application with the Board, and
    - (ii) in accordance with subsection 8(8) or in any manner ordered by the Board under the National Energy Board Substituted Service Regulations;
  - (c) a schedule that is proposed to be made part of the order sought and that contains, in a form suitable for depositing, registering, recording or filing against lands in the land registry or land titles office in which land transactions affecting those lands may be deposited, registered, recorded or filed, a description of
    - (i) the lands in respect of which the order is sought,
    - (ii) the rights, titles or interests applied for in respect of the lands, and
    - (iii) any rights, obligations, restrictions or terms and conditions that are proposed to attach
      - (A) to the rights, titles or interests applied for in respect of the lands,
      - (B) to any remaining interest or interests, or
      - (C) to any adjacent lands of the owner;
  - (d) a current abstract of title to the lands, a certified copy of the certificate of title to the lands or a certified statement of rights registered in the land registers for the lands;
  - (e) a copy of section 56; and
  - (f) evidence that the application, including the information set out in sections (a) to (e), has been served on the owner of the lands.

In addition to the requirements of section 104 of the NEB Act and section 55 of the Rules, applications shall also include the following information.

1. A summary of the land negotiation process conducted between the applicant and the owner of the lands for which a right-of-entry order is sought, including the dates of meetings held between the applicant and the owner of the lands;



2. The date of service of notice on the landowner pursuant to subsection 87(1) of the NEB Act;
3. If applicable, the date of service of notice on the landowner pursuant to section 34 of the NEB Act; and
4. A discussion of outstanding issues and the reason(s) that a voluntary agreement could not be reached.

### **Guidance**

Pursuant to section 56 of the Rules, the landowner may file a written objection with the Board any time after receipt of the notice up to 10 days after the date the company files the right-of-entry application.

In the event the Board approves the right-of-entry order, the order must be deposited in the appropriate land registry or land titles office, pursuant to section 106 of the NEB Act, prior to the company exercising its rights as granted by the right-of-entry order.

The date of service of notice on the landowner pursuant to section 34 of the Act will provide the Board with confirmation that, where the lands that are the subject of the right-of-entry application are required for the detailed route of a project, the landowner was served notice of the filing of the PPBoRs for the detailed route.

#### **Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.



## **Guide W – REQUIREMENTS FOR SUBSTITUTED SERVICE APPLICATIONS**

### **Goal**

Applications filed are complete and contain accurate documentation for substituted service to allow the Board to understand the rationale and all steps taken by the company to attempt to serve a landowner and why the company was not able to do so.

### **Filing Requirements**

Sections 3 to 5 of the National Energy Board Substituted Service Regulations state:

3. (1) Subject to subsection (2), where a company has been unable to effect personal service of a notice on a person after having made reasonable attempts to do so, the Board may, on application by the company, order substituted service of the notice on the person by one or more of the methods referred to in subsection 5(1).
- (2) The Board shall not order substituted service of a notice on a person unless
  - (a) the Board is satisfied that personal service of the notice on the person is impractical in the circumstances; and
  - (b) the information provided in accordance with section 4(c) discloses that there is a reasonable possibility that substituted service of the notice on the person will bring the notice to the attention of that person.
4. An application for an order under section 3 shall be made by filing with the Board five copies of a written application, with evidence by affidavit disclosing
  - (a) the efforts made to effect personal service;
  - (b) the prejudice to any person that would result from further attempts at personal service; and
  - (c) the last known address of the person on whom a notice is required to be served, the address of the residence or place of business of the person or any other place thought to be frequented by the person, the names and addresses of any persons who may be in communication with the person, or any other information respecting where the person might be found.
5. (1) Substituted service of a notice may be effected by one or more of the following methods:
  - (a) leaving the notice with an adult person at the residence or place of business of the person or at any other place thought to be frequented by the person;

- (b) leaving the notice with any other adult person who may be in communication with the person;
- (c) sending the notice by registered mail to the last known address of the person;
- (d) publishing the notice in one or more publications in general circulation in the area where the person was last known to be or is thought to be; or
- (e) any other method that appears to the Board more likely to bring the notice to the attention of the person.

### **Guidance**

This section applies to notices pursuant to sections 34 and 87 and subsection 104(2) of the NEB Act. Where a company is required to effect personal service of a notice on a person and has made reasonable attempts to do so, the company may apply to the Board for approval of substituted service. This may be the case where the whereabouts of a landowner is unknown and the company has made reasonable attempts to locate the landowner. Personal service is defined in the Substituted Service Regulations as any manner permitted by the general rules of practice in the Federal Court of Canada.

#### **Next Steps....**

File the completed application. Applicants are encouraged to include the completed relevant checklists from Appendix I.

---

## **Chapter 6                      Non-Application Information Filings**

---

An applicant must:

- confirm that an information filing is required; and
- identify which Guides within Chapter 6 are applicable (see Figure 2-1) and provide the required information.



## **Guide AA –POST CERTIFICATE OR ORDER REQUIREMENTS**

### **Goal**

Information is provided to validate the applicant's approach to the proposed facility and to facilitate the Board's audit and inspection processes.

### **AA.1 Filing Requirements - Engineering and Technical**

#### **Pipe Joining Program**

1. Two weeks prior to the start of construction, provide a pipe joining program if the proposed project involves:
  - pipe, other than auxiliary systems pipe, carrying any substance other than sweet natural gas, oil or refined products;
  - the joining of any non-routine material;
  - non-routine joining procedures; or
  - a pipe grade higher than 483 Mpa.

#### **Pressure Testing and Leave to Open**

2. Two weeks prior to pressure testing, provide a pressure testing program if exemption has not been granted from section 47 of the NEB Act (i.e., leave to open).
3. One week prior to the start of operations, make an application for leave to open if exemption from section 47 of the NEB Act has not been granted (see Guide T for details).

#### **Construction Safety Manual**

4. Four weeks prior to the start of construction, submit a construction safety manual pursuant to OPR subsection 20(1) and PPR subsection 27(1). Refer to section 1.6 if this manual has been previously filed with the Board.

#### **Emergency Procedures Manual**

5. Two weeks prior to the start of operations, submit an emergency procedures manual and any updates that are made to it pursuant to OPR subsection 32(2) and PPR paragraph 35(b) and (c).
  - Refer to Security and Emergency Preparedness and Response Programs, Appendix II to Guidance Notes for the *National Energy Board Processing Plant Regulations*, dated 24 April 2002.
  - Refer to section 1.6 if this manual has been previously filed with the Board. File any updates required to incorporate the current project.

#### **Gas Processing, Sulphur or LNG Plant Facilities**

6. If the proposed project involves gas processing, sulphur or LNG plant facilities, submit a program for the design, operation and abandonment of pressure vessels and pressure piping

at the processing plant pursuant to PPR section 9. Also include provisions for document handling and record retention.

## **AA.2 Filing Requirements - Post Construction Environmental Monitoring Reports**

1. Provide reference information including:
  - the NEB order or certificate and condition number under which the report is being filed;
  - the year of reporting (e.g., 6 month, 1 year);
  - pipeline specifications (e.g., outside diameter of pipe, length of pipe, and product being transported); and
  - a map of the region displaying the location of the pipeline as it was built in relation to provincial, territorial or national boundaries, and the nearest town.
2. Identify on a map, or with reference to a map, the locations of the following, as appropriate, in relation to the location of the pipeline as constructed:
  - sites requiring ongoing monitoring (e.g., steep slopes, erosion-affected areas, areas that have weed problems, specific wildlife habitat, trees, rare plant transplant and donor sites or riparian areas);
  - watercourse crossings, as well as any locations in which offsetting has been completed as required under a *Fisheries Act* Authorization. These locations are also to be provided in an electronic spreadsheet format and should include the name of the pipeline, name of the watercourse, type of watercourse, fish presence, the UTM location including zone in NAD83 datum and the crossing methodology implemented for each crossing;
  - wetlands;
  - access control features;
  - temporary work space boundaries and access roads;
  - planted tree bands;
  - areas of identified landowner concerns such as subsidence or soils issues; and
  - other project-specific sites of importance or interest.
3. Provide a discussion of the effectiveness of mitigation, reclamation, or compensation measures that were committed to and implemented. If measures were not successful, provide a description of what type of remedial measures were applied to accomplish the goals of mitigation or reclamation.
4. Identify the outstanding environmental issues, the plans for their resolution and any discussions held with interested parties regarding the issues.



5. Provide contact names and phone numbers of company representatives should there be questions from NEB staff about the report or future inspections by NEB staff that need to be arranged.

#### **Additional information...**

It is only necessary to address outstanding issues in subsequent reporting years. Once an issue has been reported as being resolved, it no longer needs to be addressed in subsequent reports unless the issue redevelops. Each issue should be demonstrated as being resolved in a report prior to being removed from the list in a subsequent report.

## **Guidance**

### ***Report Content***

These information requirements are intended to guide companies in developing post-construction environmental monitoring reports (post-construction report). Companies are encouraged to submit the listed information in an appropriate format such as:

- text;
- tables;
- diagrams; or
- photographs.

The initial post-construction report, also known as the as-built report, should be the most detailed post-construction report. The as-built report should focus on the issues from construction, and should be used as a building block upon which additional post-construction reports are based. The subsequent post-construction reports should focus on the applied-measures and status of issues since the last post-construction report filing.

Photos can be used throughout the report to give the reader a better understanding of the issues, the state of the RoW, and the comparison between pre- and post-construction conditions.

The locations of specific environmental features and issues should be identified so that NEB or company employees can easily locate areas on the ground. The locations may be marked on the map or may be identified in a list with reference to a map (e.g., alignment sheets). Locators such as latitude and longitude or Universal Transverse Mercator (UTM) coordinates should be used, and may be used in combination with kilometre- or mile-posts for use in flyovers.

The as-built report should discuss the mitigation implemented during construction and reclamation, and should include specific detail on unique or novel mitigation applied. Subsequent post-construction reports should discuss measures implemented since the submission of the previous post-construction report and update the status of issues and the effectiveness of mitigation, as appropriate.

### ***Biophysical and Socio-Economic Elements***

Guidance for specific information that could be provided for biophysical and socio-economic elements is provided in Table AA-1. To determine which biophysical elements should be addressed, refer to Table A-1 in Guide A, section A.2.

Highlight any new or innovative mitigation used and provide an evaluation of its success.

**Table AA-1: Specific Information for Biophysical and Socio-Economic Elements**

<b>Biophysical and Socio-Economic Element</b>	<b>Information</b>
Physical environment	<ul style="list-style-type: none"> <li>• Confirm the mitigation that was applied for issues related to topography, permafrost, or acid-generating rock.</li> <li>• Discuss the results of any monitoring related to these issues.</li> </ul>
Soil and soil productivity	<ul style="list-style-type: none"> <li>• Identify areas where substantial admixing, erosion or compaction has occurred and discuss the mitigation applied.</li> <li>• Discuss any wind and water erosion control measures that were undertaken.</li> <li>• Identify and discuss any contamination encountered, and any proposed remediation.</li> </ul>
Vegetation	<ul style="list-style-type: none"> <li>• Discuss the methods of re-vegetation (e.g., natural recovery or seeding) and where the methods were applied along the RoW.</li> <li>• Evaluate the success of re-vegetation (e.g., percent cover achieved, species diversity and survival of rare plant transplants).</li> <li>• Provide labelled photos including location, date and direction of photo comparing the RoW to surrounding vegetation. Random permanent photo reference points representative of the different habitats and re-vegetation methods along the RoW could be used.</li> <li>• Discuss whether any weeds have been identified, their type and locations, and proposed control measures.</li> <li>• Identify the seed mix(es) used and in which location, and provide copies of seed certificates.</li> <li>• Discuss and compare agricultural productivity on and off the RoW.</li> <li>• Identify areas where remedial seeding is required and discuss plans for this seeding.</li> </ul>
Water quality and quantity	<ul style="list-style-type: none"> <li>• Identify watercourse crossing construction method(s) used in the field.</li> <li>• Provide locations of temporary structures and confirm temporary structures have been removed (e.g., bridges or sediment fences).</li> <li>• Provide labelled photos for sensitive crossings, such as fish bearing streams, or those streams that may affect public health such as community watershed crossings. Photos should include upstream, downstream, left-bank, right-bank, pre-construction and post-construction views if possible.</li> <li>• Discuss the results of any water quality or quantity monitoring that occurred during the project.</li> </ul>
Fish and fish habitat	<ul style="list-style-type: none"> <li>• Further to the information provided for “Water Quality and Quantity”, describe mitigation that was applied at each fish bearing watercourse as well as any <i>Fisheries Act</i> Authorization offsetting measures implemented.</li> <li>• Identify the location of sensitive sites identified during construction (e.g., spawning sites) and discuss the mitigation used at these sites as well as the residual effects.</li> </ul>
Wetlands	<ul style="list-style-type: none"> <li>• Identify and discuss the specific crossing method and mitigation measures applied at each wetland.</li> <li>• Discuss the removal or maintenance of permanent or semi-permanent access structures to ensure proper drainage and flow through the wetlands.</li> </ul>

<b>Biophysical and Socio-Economic Element</b>	<b>Information</b>
Wildlife and wildlife habitat	<ul style="list-style-type: none"> <li>Identify the location of sensitive sites identified during construction or through the application process (e.g., denning sites or evidence of nesting).</li> <li>Discuss the impacts to these sites that occur from construction and associated mitigation measures.</li> </ul>
Species at Risk or Species of Special Status	<ul style="list-style-type: none"> <li>Identify and discuss any Species at Risk or Species of Special Status observed in the project area during project activities.</li> <li>Describe the mitigation that was applied with respect to Species at Risk or Species of Special Status.</li> </ul>
Air quality	<ul style="list-style-type: none"> <li>Confirm the mitigation that was applied with respect to air quality.</li> <li>Discuss the results of any monitoring related to air quality.</li> </ul>
Acoustic environment	<ul style="list-style-type: none"> <li>Confirm the mitigation that was applied with respect to noise.</li> <li>Discuss the results of any monitoring related to noise.</li> </ul>
Heritage resources	<ul style="list-style-type: none"> <li>Discuss heritage sites that were previously known sites or identified during construction and the mitigation applied during construction to protect them.</li> </ul>
Navigation and navigation safety	<ul style="list-style-type: none"> <li>Discuss any project effects on navigation and navigation safety along the right-of-way and the mitigation which has been implemented.</li> </ul>

### *Summary Tables - Examples*

Table AA-2 is an example of a summary table of outstanding issues. Table AA-3 is an example of a summary table of discussions with interested parties about outstanding issues.

**Table AA-2: Example of a Summary Table of Outstanding Issues**

<b>Biophysical Element</b>	<b>Location</b>	<b>Outstanding Issue</b>	<b>Potential Adverse Environmental Effect</b>	<b>Proposed Action and Schedule</b>
Watercourse	Big Hill Creek (latitude and longitude, UTM)	Creek bank erosion	Input of fine sediments to water column affecting fish reproduction	Install silt fence, June 20XX
Vegetation	John Doe's Farm (legal land location, and latitude and longitude or UTM)	Soil compaction	Poor root penetration resulting in poor growth	Deep rip the land, June 20XX

**Table AA-3: Example of a Summary Table of Discussions Regarding Outstanding Issues**

<b>Biophysical Element</b>	<b>Location</b>	<b>Contact Information and Results of Discussion</b>
Watercourse	Big Hill Creek (latitude and longitude, UTM)	Contacted Jane Smith from Alberta Environment (phone xxx xxx-xxxx) on 15 March 20xx. Ms. Smith was satisfied with the proposed action to address the creek bank erosion.

Vegetation	John Doe's Farm (legal land location, and latitude and longitude or UTM)	Met with John Doe on 24 November 20xx to discuss compaction. Mr. Doe was not entirely convinced of the effectiveness of the mitigation approach suggested, but agreed that it is a good first step. He would like to see the results of the change in compaction of the soil prior to determining whether he will be satisfied with the approach.
------------	--	---

## Guide BB – FINANCIAL SURVEILLANCE REPORTS (TOLL INFORMATION REGULATIONS)

The *Toll Information Regulations* require pipeline companies that charge tolls to file quarterly surveillance reports and traffic data.

### Goal

The reports contain information which enables the Board to monitor a pipeline's financial performance and the basis for calculating tolls and to monitor the results for each company over time. Interested parties such as shippers may also monitor these reports as they are publically available on the Board's website.

## BB.1 FINANCIAL SURVEILLANCE REPORTING REQUIREMENTS FOR GROUP 1 COMPANIES

### Filing Requirements

1. Unless the Board otherwise directs or section 8 applies, a Group 1 pipeline company shall file the information set out in requirements 2 to 7.
2. All companies shall file their quarterly surveillance reports in the format set out in Schedules 1 to 3 of this Guide.
3. A company shall file its surveillance report:
  - for the first three quarters of each year, no later than 45 days after the quarter; and
  - for the year-end report, no later than 60 days after the quarter.
4. An interim surveillance report shall be filed when the tolls of a pipeline company are set as interim and replaced with a report based on final tolls as soon as they are made final by the Board.
5. Provide an explanation for all variances as described in the following table:

**Table BB-1: Variance Reporting Thresholds for Group 1 Companies Filing Guide BB.1 Surveillance Reports**

Items in Guide BB Surveillance Reports Requiring Variance Explanations	Annual Revenue of a Group 1 Company		
	Less than \$200 Million	\$200 million to \$500 million	Greater than \$500 million
Annual revenue variance by each service or tariff no. making up more than 10% of total annual revenue	\$1 million or greater*	\$5 million or greater	\$10 million or greater
Variances for each of: operations, maintenance and administration, depreciation, financial charges, integrity spending, income taxes	\$500,000 or greater	\$3 million or greater	\$5 million or greater
Rate base variance (year-over-year change)	\$3 million or greater	\$10 million or greater	\$20 million or greater

\*For this revenue category a variance explanation for the total revenue rather than for individual services and tariffs is acceptable.

6. Provide details of related-company transactions over \$100,000.
7. File in the year-end report, five years of time-series data on the actual and approved rates of return on common equity and the actual and approved rates of return on rate base.
8. Notwithstanding filing requirements included in its negotiated settlement, a Group 1 pipeline company regulated under an incentive type settlement may negotiate filing requirements other than those specified in requirements 2 to 7 with its shippers and stakeholders, so long as:
  - the reports include the following base level information:
    - income statement, including revenues and expenses broken down by major categories;
    - details of deferral account balances (if applicable);
    - rate of return on common equity and on total capital;
    - rate base information, if applicable, broken down by major categories; if not applicable, gross and net plant in service, broken down by major categories;
    - traffic data as described in subsection BB.2;
    - details on incentive sharing mechanisms; and
    - details of all related-company transactions over \$100,000
  - the reports are submitted at least annually for all information, except traffic data, which shall be submitted quarterly; and
  - the reports are not suspended during periods of interim tolls.

### **Guidance**

Related-company transactions would include all transactions with affiliates and other related companies that are not at arms' length.

The company may file performance measures that it considers may be useful to the Board.

The Board may publish the data filed pursuant to this section and section BB.2 from time to time.

## **BB.2 TRAFFIC DATA**

### **Filing Requirements**

1. A company shall file its traffic data for the first three quarters of each year, no later than 45 days after the quarter and for the year-end report, no later than 60 days after the quarter.
  - Data must be provided in machine readable format (e.g., .csv or .xls files);
  - Ten years of historical data must be provided initially (i.e., one-time); and
  - Five years of historical data must be provided with each year-end filing.
2. The company shall file data for key points on its system.

- The number of reporting points will vary on the system. A “bullet line” may report data at only one point while more complex systems may report at more than ten points.
  - Key points may be determined in consultation with Board staff and the company shall provide the Board with latitude and longitude coordinates for each key point.
3. Companies shall report the capacity of the system at each key point and explain the reason for any deviations from the nameplate capacity of the pipeline.
  4. Gas pipelines shall report the daily volume of gas flowed (with imports and exports reported separately; not netted) in cubic metres and GJ for key points on the system.
  5. Oil pipelines shall report the following monthly data:
    - For key points on the system volume in cubic metres of oil flowed by product (e.g., synthetic oil, condensate, blended bitumen, domestic light, domestic heavy, imported light, imported heavy, refined petroleum products, natural gas liquids);
    - Density in kilograms per cubic metre at 15 degrees Celsius for the system; and
    - Total monthly nominations in cubic metres and apportionment data.

### **BB.3 FINANCIAL SURVEILLANCE REPORTING FOR GROUP 2 COMPANIES**

The Board has exempted Group 2 companies from the *Toll Information Regulations*. The Board does not generally require Group 2 companies to provide periodic financial information, such as quarterly surveillance reports, for the purpose of monitoring the financial performance of these companies. As circumstances dictate, the Board may perform an audit of a company’s records.

(See section P.6 – Regulation of the Traffic, Tolls and Tariffs of Group 2 Companies in Guide P for a discussion of financial reporting.)

### **BB.4 INTEGRITY SPENDING**

#### **Filing Requirements**

Effective 1 March 2017, the Board requires each Group 1 pipeline company to file with the Board actual expenditure information made under the pipeline company’s integrity management program. The required information is described below:

**Facilities included:** As defined under “pipeline” in section 2 of the NEB Act and shall include hydrocarbon processing plants subject to the PPR.

**Integrity Spending:** The actual annual capital expenditures and actual annual operating expenditures made under each pipeline company’s integrity management program as mandated by the OPR and the PPR.

**Historical Integrity Spending data:** Integrity Spending separated into capital and operating components for each calendar year from 2012 to 2016 to be filed with the Board by 1 March 2017.

**Integrity Spending data filing requirements for 2017 and later years:** Integrity Spending for each calendar year for each pipeline company, which shall be filed with the Board no later than 60 days after the close of the calendar year as part of the year-end quarterly surveillance report filing.

**Integrity expenditure categories:** Integrity Spending must be provided and separated into total capital and total operating expenditures. To the extent possible, additional categorizations should be provided, as illustrated by Schedules 4 and 5. For instance, subject to a Group 1 pipeline company's available records, a Group 1 pipeline company might identify capital and operating components of their Integrity Spending by the following broad categories:

- i) Program management: Expenditures may include program development, implementation and improvement, records management, program audits, data collection and analysis, and risk assessment.
- ii) Surveillance, condition monitoring and integrity hazard assessment: Expenditures in this category may include right of way surveys, corrosion monitoring and control surveys, in-line inspections, and geotechnical and water crossing surveys.
- iii) Mitigation and remediation: Expenditures in this category may include preventative actions, the repair and replacement of pipeline systems and processing plants. Both planned and unplanned expenditures should be included.
- iv) Other expenditures: Any expenditures not captured in the above categories.



**SCHEDULE 1****Guide BB****INCOME SUMMARY**

(For \_\_\_\_ Months Ended \_\_\_\_\_ 20xx)

<b>Particulars</b>	<b>NEB Accounts</b>	<b>Year-to- Date Actual</b>	<b>Updated Annual Forecast</b>	<b>NEB Decision or Initial Forecast</b>	<b>Variance Col. (d) - (e)</b>
(a)	(b)	(c)	(d)	(e)	(f)
<b>Revenues</b>					
Transportation Revenue					
(by class of service)					
Other Revenue					
<b>Total Revenue</b>					
<b>Operating Expenses</b>					
Salaries & Wages					
Fuel & Power					
Other Operating & Maintenance					
Depreciation & Amortization					
Income Taxes					
Taxes Other than Income					
NEB Cost Recovery					
Others (please specify)					
<b>Total Operating Expenses</b>					
<b>Operating Income</b>					
Less:					
Financial Charges					
Preferred Share Dividends					
Others (please specify)					
<b>Equity Return</b>					
<b>Rate of Return on Rate Base</b>					
<b>Rate of Return on Common Equity</b>					

**SCHEDULE 2**  
**Guide BB**

**AVERAGE RATE BASE**  
**(For \_\_\_\_ Months Ended \_\_\_\_\_ 20xx)**

<b>Particulars</b>	<b>Year-to- Date Actual</b>	<b>Updated Annual Forecast</b>	<b>NEB Decision or Initial Forecast</b>	<b>Variance Col. (c) - (d)</b>
(a)	(b)	( c )	(d)	(e)
<b>Plant in Service</b>				
Net Plant				
Contributions in Aid of Construction				
Total Plant				
<b>Working Capital</b>				
Cash				
Materials and Supplies				
Transmission Line Pack				
Prepayments and Deposits				
Other (please specify)				
Total Working Capital				
<b>Deferrels</b>				
List of Deferrals (if applicable)				
Total Deferrals				
<b>Total Average Rate Base</b>				

**SCHEDULE 3**  
**Guide BB**

**DEFERRAL ACCOUNTS**  
(For \_\_\_\_ Months Ended \_\_\_\_\_ 20xx)

<b>Particulars</b>	<b>Year-to- Date Actual</b>	<b>Forecast for Year</b>
(a)	(b)	( c )
List of deferral accounts (please specify)		
Total Deferrals		

**SCHEDULE 4**  
**Guide BB**

**HISTORICAL ANNUAL INTEGRITY SPENDING (\$)**

<b>Actual Annual Expenditures</b>	<b>2012</b>	<b>2013</b>	<b>Year 2014</b>	<b>2015</b>	<b>2016</b>
(a)	(b)	( c )	(d)	(e)	(f)
<b>Operating</b>					
Program Management					
Surveillance, Condition Monitoring and Integrity Hazard Assessment					
Mitigation and Remediation					
Other Expenditures					
Total Operating					
<b>Capital</b>					
Program Management					
Surveillance, Condition Monitoring and Integrity Hazard Assessment					
Mitigation and Remediation					
Other Expenditures					
Total Capital					

Note: Separation into historical expenditures categories expected only to the extent available

**SCHEDULE 5**  
**Guide BB**

**INTEGRITY SPENDING FOR 2017 TO LATER YEARS (\$)**  
**(For 12 Months Ended December 31st 20xx)**

<b>Integrity Expenditures Categories</b> (a)	<b>Actual Annual Expenditures</b>	
	<b>Operating</b> (b)	<b>Capital</b> ( c )
Program Management		
Surveillance, Condition Monitoring and Integrity Hazard Assessment		
Mitigation and Remediation		
Other Expenditures		
Total Integrity Spending		



## Guide CC –IMPORT AND EXPORT REPORTING REGULATION REQUIREMENTS

The *National Energy Board Export and Import Reporting Regulations* (Reporting Regulations) require that on or before the last day of each month, the holder of a licence or order for the exportation or importation of gas, propane, butanes, ethane, refined petroleum products or crude oil submit a report to the Board summarizing the previous month's activities.

This information is used, in aggregate, to:

- monitor the flow of natural gas volumes, costs and prices through various export points and issue monthly reports for use by external parties;
- monitor the flow of ethane and record export prices;
- monitor the flow of propane and butanes, record prices and issue monthly reports for use by external parties; and
- monitor the flow of crude oil and refined petroleum products, record prices and issue monthly reports for use by external parties.

### Additional information...

All individual filings are kept confidential and are not available to other parties.

## CC.1 Gas other than Propane, Butanes and Ethane Reporting

### Goal

The filing includes information with respect to inter-provincial and international natural gas movements, by volume and prices.

### Filing Requirements

Section 4 of the Reporting Regulations states:

4. Subject to sections 5 and 6, every holder of a licence or an order for the exportation, importation, exportation for subsequent importation or importation for subsequent exportation of gas shall submit to the Board, on or before the last day of each month, a return for the previous month that contains, for each licence or order, the following information set out by point of exportation or importation:
  - (a) the licence number or order number;
  - (b) the total quantity exported or imported;
  - (c) the highest quantity exported or imported in any one day during the month;
  - (d) the average heating value of the gas exported or imported;

- (e) the value or price, at the international border, of all gas exported or imported, expressed in Canadian currency;
- (f) the name of the export customer of the gas exported or the name of the seller of the gas imported;
- (g) the province in which the gas was produced for all gas exported and the country and state in which the gas was produced for all gas imported;
- (h) the transportation costs associated with the gas exported;
- (i) whether the exportation or importation of gas was firm or interruptible;
- (j) the geographical region within a country of destination to which gas was exported or within Canada for gas that was imported; and
- (k) the name and telephone number of the person who prepared the return.

## **CC.2 Propane and Butanes Reporting**

### **Goal**

The filing includes information with respect to international propane and butane movement, by volume and prices.

### **Filing Requirements**

Section 5 of the Reporting Regulations state:

5. Every holder of a licence or an order for the exportation of propane or butanes shall submit to the Board, on or before the last day of each month, a return for the previous month that contains, for each licence and order, the following information:
  - (a) the licence number or order number;
  - (b) the total quantity exported;
  - (c) the export price of the propane and butanes at the point of loading or injection into a pipeline, expressed in Canadian currency;
  - (d) the province where the exportation occurs;
  - (e) the country to which the propane or butanes were exported and the destination within the importing country;
  - (f) the mode of transport used in the exportation;
  - (g) information respecting
    - (i) the opening and closing inventory levels of the propane and butanes,
    - (ii) the supply sources of the propane and butanes,



- (iii) the final disposition of the propane and butanes, and
- (iv) inter-provincial transfers of the propane and butanes; and
- (h) the name and telephone number of the person who prepared the return.

### **CC.3 Ethane Reporting**

#### **Goal**

The filing includes information with respect to international ethane movement, by volume and prices.

#### **Filing Requirements**

Section 6 of the Reporting Regulations state:

6. Every holder of a licence or an order for the exportation of ethane shall submit to the Board, on or before the last day of each month, a return for the previous month that contains, for each licence and order, the following information:
  - (a) the licence number or order number;
  - (b) the province where the exportation occurs;
  - (c) the total quantity exported;
  - (d) the total revenue generated by the exportation calculated at the point of loading or injection into a pipeline, expressed in Canadian currency;
  - (e) the destination of the exportation of the ethane;
  - (f) the mode of transport used in the exportation of the ethane; and
  - (g) the name and telephone number of the person who prepared the return.

### **CC.4 Oil Reporting**

#### **Goal**

The filing includes information with respect to international crude oil and petroleum products movement, by volume and prices.

#### **Filing Requirements**

Section 7 of the Reporting Regulations state:

7. Every holder of a licence or an order for the exportation of oil shall submit to the Board, on or before the last day of each month, a return for the previous month that contains, for each licence and order, the following information:
  - (a) the licence number or order number;

- (b) in the case of oil other than refined petroleum products,
  - (i) the crude oil stream exported,
  - (ii) the consignee and destination of the oil within the importing country,
  - (iii) the total quantity exported,
  - (iv) the mode of transport used in the exportation,
  - (v) the point of sale,
  - (vi) the export price of the oil at the point of sale, expressed in Canadian currency, and
  - (vii) the marine freight cost of the cost, insurance and freight (CIF) sales, expressed in Canadian currency;
- (c) in the case of refined petroleum products,
  - (i) the type of petroleum product exported,
  - (ii) the total quantity exported, expressed in cubic metres,
  - (iii) the export price at the point of loading or injection into a pipeline, expressed in Canadian currency,
  - (iv) the province where the exportation occurs,
  - (v) the mode of transport used in the exportation, and
  - (vi) the country to which the products were exported and the destination within the importing country; and
- (d) the name and telephone number of the person who prepared the return.

### **Guidance**

Section 3 of the Reporting Regulations states:

3. A copy of each return required to be submitted to the Board pursuant to these Regulations shall be kept by the person submitting the return for a period of three years from the month to which the return relates.

Monthly reports are a mandatory condition of any order or licence that may be issued in respect of the import or export of natural gas, ethane, propane, butanes, refined petroleum products or crude oil.

---

## Chapter 7                      Referenced Documents

---

- *National Energy Board Act*
- *National Energy Board Rules of Practice and Procedure, 1995*
- *National Energy Board Onshore Pipeline Regulations*
- *National Energy Board Processing Plant Regulations*
- *National Energy Board Act Part VI (Oil and Gas) Regulations*
- *National Energy Board Substituted Service Regulations*
- *National Energy Board Export and Import Reporting Regulations*
- *National Energy Board Damage Prevention Regulations - Authorizations*
- *National Energy Board Cost Recovery Regulations*
- *Section 58 Streamlining Order XG/XO-100-2012*, dated 1 August 2012
- Order MO-CO-3-96 – Exemption of Commodity Pipelines from the OPR
- Guidelines for Negotiated Settlements of Traffic, Tolls and Tariffs, dated 12 June 2002
- National Energy Board Pre-Application Meetings Guidance Notes, dated 4 December 2008
- Electronic Filing - Memorandum of Guidance, dated 21 March 2002
- *Filers Guide to Electronic Submission*
- Investigative Digs and Related Pipeline Repairs/Replacements, dated 2 December 2002
- Security and Emergency Preparedness and Response Programs, Appendix II to Guidance Notes for the *National Energy Board Processing Plant Regulations*, dated 24 April 2002
- Upstream Jurisdictional Issues, dated 17 September 1999
- *In the Matter of an Application under the National Energy Board Act of Review of Natural Gas Surplus Determination Procedures* (July 1987), No. GHR-1-87 (NEB)
- *In the Matter of an Application under the National Energy Board Act of Proposed Changes to the Application of the Market-Based Procedure* (May 1992), No. GHW-1-91 (NEB)
- NEB [\*Information for Proposed Pipeline or Power Line Projects that Do Not Involve a Hearing\*](#)
- NEB [\*Information for Proposed Pipeline of Power Line Projects that Involve a Hearing\*](#)
- NEB [\*Landowner Guide\*](#), (previously Pipeline Regulations in Canada: A Guide for Landowners and the Public)

- Pipeline Abandonment, A Discussion Paper on Technical and Environmental Issues, dated November 1996
- *Canadian Environmental Assessment Act, 2012* (go to the web site at [www.ceaa-acee.gc.ca](http://www.ceaa-acee.gc.ca) for access to guidance documents)
- *Official Languages Act*
- Canadian Standards Association Standard Z662, *Oil and Gas Pipeline Systems*

### **Abandonment Funding and Planning**

- May 2009, Reasons for Decision RH-002-2008, Land Matter Consultation Initiative Stream 3 Pipeline Abandonment – Financial Issues ([A21835](#), English [A1J9R9](#)) / français [A1J9S0](#)) Contains relevant principles, a preliminary Base Case and the 5-year Action Plan
- 4 March 2010, Base Case Revisions Revisions to Preliminary Base Case Assumptions ([A24600](#), English [A1S0C1](#) / français [A1S0C2](#)) Contains further detail on cost definitions and on collection periods and expected earnings on set-aside funds. Also contains details on filing formats
- 21 December 2010, Unit Costs [A27778](#) (Letter: English [A1W9T1](#) / français [A1W9T2](#)) (Amended Table A-3: English [A1W9T3](#) / français [A1W9T4](#)) Contains estimates of individual cost components derived through discussions with industry
- 7 March 2011, Letter in response to CEPA (English [A1W9T1](#) / français [A1Y0H4](#)) The letter amended one deadline for Group 1 pipeline companies, to allow more time for consultation with landowners
- 1 June 2012, Letter to All Parties – RH-2-2008 Five Year Action Plan – Timelines for Remaining Steps (English [A2T8C7](#) / français [A2T8C8](#))
- February 2013, Reasons for Decision MH-001-2012, *Applications filed in November 2011 for approval of preliminary cost estimates for abandonment cost funding* (English [A3F4F3](#) / français [A3F4F4](#))
- 14 February 2013 Board Letter to Group 2 Companies on Abandonment Cost Estimates (English [A3F4F6](#) / français [A3F4F7](#))
- May 2014, Reasons for Decision MH-001-2013, *Applications for approval of set-aside and collection mechanisms for abandonment cost funding*, (English [A3X4G5](#)/ français [A3X4G4](#)) Contains Model Trust Agreement, Model Letter of Credit, and Model Surety Bond
- National Energy Board Decisions on Compliance with Reasons for Decision MH-001-2013 – Companies filing Trusts (Filings ID:A64904)

---

## **Appendix 1                      Filing Manual Checklists**

---

The filing requirements included in this manual have been summarized in the following checklists. The Board encourages applicants to complete all the relevant checklists and include them as part of the application. The Board may consider making the inclusion of the checklists mandatory in the future.

**Using these checklists alone does not constitute a complete application**

### Chapter 3 – Common Information Requirements

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
<b>3.1 Action Sought by Applicant</b>			
1.	Requirements of s.15 of the Rules.		
<b>3.2 Application or Project Purpose</b>			
1.	Purpose of the proposed project.		
<b>3.4 Consultation</b>			
<b>3.4.1 Policies and Goals of Consultation</b>			
1.	The corporate policy or vision.		
2.	The principles and goals of consultation for the project.		
3.	A copy of the Aboriginal consultation policy and copies of policies and principles for collecting traditional use information, if available.		
<b>3.4.2 Designing Project-Specific Consultation Activities</b>			
1.	The description of the consultation activities and the factors that influenced the design.		
<b>3.4.3 Implementing Project-Specific Consultation Activities</b>			
1.	The outcomes of the consultation program for the project.		
<b>3.4.4 Justification for Not Undertaking Consultation Activities</b>			
1.	The application provides justification for why the applicant has determined that consultation activities were not required for the project.		
<b>3.5 Notification of Commercial Third Parties</b>			
1.	Confirm that third parties were notified.		
2.	Details regarding the concerns of third parties.		
3.	List the self-identified interested third parties and confirm they have been notified.		
4.	If notification of third parties is considered unnecessary, an explanation to this effect.		

## Chapter 4 – Sections 4.1 and 4.2: Common Requirements for Physical Projects

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
<b>4.1 Description of the Project</b>			
1.	The project components, activities and related undertakings.		
2.	The project location and criteria used to determine the route or site.		
3.	How and when the project will be carried out.		
4.	Description of any facilities, to be constructed by others, required to accommodate the proposed facilities.		
5.	An estimate of the total capital costs and incremental operating costs, and changes to abandonment cost estimates.		
6.	The expected in-service date.		
<b>4.2 Economic Feasibility, Alternatives and Justification</b>			
<b>4.2.1 Economic Feasibility</b>			
1.	Describe the economic feasibility of the project.		
<b>4.2.2 Alternatives</b>			
1.	Describe the need for the project, other economically-feasible alternatives to the project examined, along with the rationale for selecting the applied for project over these other possible options.		
2.	Describe and justify the selection of the proposed route and site including a comparison of the options evaluated using appropriate selection criteria.		
3.	Describe the rationale for the chosen design and construction methods. Where appropriate, describe any alternative designs and methods evaluated and explain why these other options were eliminated.		
<b>4.2.3 Justification</b>			
1.	Provide a justification for the proposed project		

**Guide A – A.1 Engineering**

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
<b>A.1.1 Engineering Design Details</b>			
1.	Fluid type and chemical composition.		
2.	Line pipe specifications.		
3.	Pigging facilities specifications.		
4.	Compressor or pump facilities specifications.		
5.	Pressure regulating or metering facilities specifications.		
6.	Liquid tank specifications, or other commodity storage facilities.		
7.	New control system facilities specifications.		
8.	Gas processing, sulphur or LNG plant facilities specifications.		
9.	Technical description of other facilities not mentioned above.		
10.	Building dimensions and uses.		
11.	If project is a new system that is a critical source of energy supply, a description of the impact to the new system capabilities following loss of critical component.		
<b>A.1.2 Engineering Design Principles</b>			
1.	Confirmation project activities will follow the requirements of the latest version of CSA Z662.		
2.	Provide a statement indicating which Annex is being used and for what purpose		
3.	Statement confirming compliance with OPR or PPR.		
4.	Listing of all primary codes and standards, including version and date of issue.		
5.	Confirmation that the project will comply with company manuals and confirm manuals comply with OPR/PPR and codes and standards.		
6.	Any portion of the project a non-hydrocarbon commodity pipeline system? Provide a QA program to ensure the materials are appropriate for their intended service.		



Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
7.	If facility subject to conditions not addressed in CSA Z662: <ul style="list-style-type: none"> <li>• Written statement by qualified professional engineer</li> <li>• Description of the designs and measures required to safeguard the pipeline</li> </ul>		
8.	If directional drilling involved: <ul style="list-style-type: none"> <li>• Preliminary feasibility report</li> <li>• Description of the contingency plan</li> </ul>		
9.	If new materials are involved, provide material supply chain information, in tabular format.		
10.	If reuse of material is involved, provide an engineering assessment in accordance with CSA Z662 that indicates its suitability for the intended service.		
<b>A.1.3 Onshore Pipeline Regulations</b>			
1.	Designs, specifications programs, manuals, procedures, measures or plans for which no standard is set out in the OPR or PPR.		
2.	A quality assurance program if project non-routine or incorporates unique challenges due to geographical location.		
3.	If welding performed on a liquid-filled pipeline that has a carbon equivalent of 0.50% or greater and is a permanent installation: <ul style="list-style-type: none"> <li>• Welding specifications and procedures</li> <li>• Results of procedure qualification tests</li> </ul>		

**Guide A – A.2 Environment and Socio-Economic Assessment**

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
<b>A.2.5 Description of the Environmental and Socio-Economic Setting</b>			
1.	Identify and describe the current biophysical and socio-economic setting of each element ( <i>i.e.</i> , baseline information) in the area where the project is to be carried out.		
2.	Describe which biophysical or socio-economic elements in the study area are of ecological, economic or human importance and require more detailed analysis taking into account the results of consultation (see Table A-1 for examples). Where circumstances require more detailed information in an ESA, see: <ul style="list-style-type: none"> <li>i. Table A-2 – Filing Requirements for Biophysical Elements; or</li> <li>ii. Table A-3 – Filing Requirements for Socio-Economic Elements.</li> </ul>		
3.	Provide supporting evidence ( <i>e.g.</i> , references to scientific literature, field studies, local and traditional knowledge, previous environmental assessment and monitoring reports) for: <ul style="list-style-type: none"> <li>• information and data collected;</li> <li>• analysis completed;</li> <li>• conclusions reached; and</li> <li>• the extent of professional judgment or experience relied upon in meeting these information requirements, and the rationale for that extent of reliance.</li> </ul>		
4.	Describe and substantiate the methods used for any surveys, such as those pertaining to wildlife, fisheries, plants, species at risk or species of special status, soils, heritage resources or traditional land use, and for establishing the baseline setting for the atmospheric and acoustic environment.		
5.	Applicants must consult with other expert federal, provincial or territorial departments and other relevant authorities on requirements for baseline information and methods.		

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
<b>A.2.6 Effects Assessment</b>			
<b>Identification and Analysis of Effects</b>			
1.	Describe the methods used to predict the effects of the project on the biophysical and socio-economic elements, and the effects of the environment on the project.		
2.	Predict the effects associated with the proposed project, including those that could be caused by construction, operations, decommissioning or abandonment, as well as accidents and malfunctions. Also include effects the environment could have on the project. For those biophysical and socio-economic elements or their valued components that require further analysis (see Table A-1), provide the detailed information outlined in Tables A-2 and A-3.		
<b>Mitigation Measures for Effects</b>			
1.	Describe the standard and project specific mitigation measures and their adequacy for addressing the project effects, or clearly reference specific sections of company manuals that provide mitigation measures. Ensure that referenced manuals are current and filed with the NEB.		
2.	Ensure that commitments about mitigative measures will be communicated to field staff for implementation through an Environmental Protection Plan (EP Plan).		
3.	Describe plans and measures to address potential effects of accidents and malfunctions during construction and operation of the project.		
<b>Evaluation of Significance</b>			
1.	After taking into account any appropriate mitigation measures, identify any remaining residual effects from the project.		
2.	Describe the methods and criteria used to determine the significance of adverse effects, including defining the point at which any particular effect on a valued component is considered "significant".		
3.	Evaluate the significance of residual adverse environmental and socio-economic effects against the defined criteria.		

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
4.	Evaluate the likelihood of significant residual adverse environmental and socio-economic effects occurring and substantiate the conclusions made.		
<b>A.2.7 Cumulative Effects Assessment</b>			
<b>Scoping and Analysis of Cumulative Effects</b>			
1.	Identify the valued components for which residual effects are predicted, and describe and justify the methods used to predict any residual effects.		
2.	For each valued component where residual effects have been identified, describe and justify the spatial and temporal boundaries used to assess the potential cumulative effects.		
3.	Identify other physical works or activities that have been or will be carried out within the identified spatial and temporal boundaries for the cumulative effects assessment.		
4.	Identify whether the effects of those physical works or activities that have been or will be carried out would be likely to produce effects on the valued components within the identified spatial and temporal boundaries.		
5.	Where other physical works or activities may affect the valued components for which residual effects from the applicant's proposed project are predicted, continue the cumulative effects assessment, as follows: <ul style="list-style-type: none"> <li>Consider the various components, phases and activities associated with the applicant's project that could interact with other physical work or activities.</li> <li>Provide a description of the extent of the cumulative effects on valued components.</li> <li>Where professional knowledge or experience is cited, explain the extent to which professional knowledge or experience was relied upon and justify how the resulting conclusions or decisions were reached.</li> </ul>		
<b>Mitigation Measures for Cumulative Effects</b>			
1.	Describe the general and specific mitigation measures, beyond project-		

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
	specific mitigation already considered, that are technically and economically feasible to address any cumulative effects.		
<b>Applicant's Evaluation of Significance of Cumulative Effects</b>			
1.	After taking into account any appropriate mitigation measures for cumulative effects, identify any remaining residual cumulative effects.		
2.	Describe the methods and criteria used to determine the significance of remaining adverse cumulative effects, including defining the point at which each identified cumulative effect on a valued component is considered "significant".		
3.	Evaluate the significance of adverse residual cumulative effects against the defined criteria.		
4.	Evaluate the likelihood of significant, residual adverse cumulative environmental and socio-economic effects occurring and substantiate the conclusions made.		
<b>A.2.8 Inspection, Monitoring and Follow-up</b>			
1.	Describe inspections plans to ensure compliance with biophysical and socio-economic commitments, consistent with sections 48, 53, and 54 of the OPR.		
2.	Describe the surveillance and monitoring program for the protection of the pipeline, the public and the environment, as required by Section 39 of the OPR.		
3.	Consider any particular elements in the Application that are of greater concern and evaluate the need for a more in-depth monitoring program for those elements.		
4.	For CEAA designated projects, identify which elements and monitoring procedures would constitute follow-up under the CEAA 2012.		
<b>Table A-1 Circumstances and Interactions Requiring Detailed Biophysical and Socio-Economic Information</b>			
Physical & meteorological environment			
Soil and soil productivity			
Vegetation			
Water quality and quantity			

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
	Fish and fish habitat, including any <i>Fisheries Act</i> Authorization offsetting measures required		
	Wetlands		
	Wildlife and wildlife habitat		
	Species at Risk or Species of Special Status and related habitat		
	Air emissions		
	Greenhouse gas (GHG) emissions		
	Acoustic environment		
	Human occupancy and resource use		
	Heritage resources		
	Navigation and navigation safety		
	Traditional land and resource use		
	Social and cultural well-being		
	Human health and aesthetics		
	Infrastructure and services		
	Employment and economy		

**Guide A – A.3 Economics and Financing**

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
<b>A.3.1 Supply</b>			
1.	A description of each commodity.		
2.	A discussion of all potential supply sources.		
3.	Forecast of productive capacity over the economic life of the facility.		
4.	For pipelines with contracted capacity, a discussion of the contractual arrangements underpinning supply.		
<b>A.3.2 Transportation Matters</b>			
<b>Pipeline Capacity</b>			
1.	In the case of expansion provide: <ul style="list-style-type: none"> <li>Pipeline capacity before and after and size of increment</li> <li>Justification that size of expansion is appropriate</li> </ul>		
2.	In case of new pipeline, justification that size of expansion is appropriate given available supply.		
<b>Throughput</b>			
1.	For pipelines with contracted capacity, information on contractual arrangements.		
2.	For non-contract carrier pipelines, forecast of annual throughput volumes by commodity type, receipt location and delivery destination over facility life.		
3.	If project results in an increase in throughput: <ul style="list-style-type: none"> <li>theoretical and sustainable capabilities of the existing and proposed facilities versus the forecasted requirements</li> <li>flow formulae and flow calculations used to determine the capabilities of the proposed facilities and the underlying assumptions and parameters</li> </ul>		
4.	If more than one type of commodity transported, a discussion pertaining to segregation of commodities including potential contamination issues or cost impacts.		

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
<b>A.3.3 Markets</b>			
1.	Provide an analysis of the market in which each commodity is expected to be used or consumed.		
2.	Provide a discussion of the physical capability of upstream and downstream facilities to accept the incremental volumes that would be received and delivered.		
<b>A.3.4 Financing and Financial Resources</b>			
1.	Evidence that the applicant has the ability to finance the proposed facilities.		
2.	Evidence that the applicant can manage the potential costs associated with the risks and liabilities that arise during construction and operation, including a significant incident involving a product release.		
3.	Estimated toll impact for the first full year that facilities are expected to be in service.		
4.	Confirmation that shippers have been apprised of the project and toll impact, their concerns and plans to address them.		
5.	Information on abandonment costs and the set-aside and collection of them.		
6.	Additional toll details for applications with significant toll impacts.		
<b>A.3.5 Non-NEB Regulatory Approvals</b>			
1.	Confirm that all non-NEB regulatory approvals required to allow the applicant to meet its construction schedule, planned in-service date and to allow the facilities to be used and useful are or will be in place.		
2.	If any of the approvals referred to in #1 may be delayed, describe the status of those approval(s) and provide an estimation of when the approval is anticipated.		



## Guide A – A.4 Lands Information

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
<b>A.4.1 Land Areas</b>			
1.	<ul style="list-style-type: none"> <li>Width of right-of-way and locations of any changes to width</li> <li>Locations and dimensions of known temporary work space and drawings of typical dimensions</li> <li>Locations and dimensions of any new lands for facilities</li> </ul>		
<b>A.4.2 Land Rights</b>			
1.	The type of lands rights proposed to be acquired for the project.		
2.	The relative proportions of land ownership along the route of the project.		
3.	Any existing land rights that will be required for the project.		
<b>A.4.3 Lands Acquisition Process</b>			
1.	The process for acquiring lands.		
2.	The timing of acquisition and current status.		
3.	The status of service of section 87(1) notices.		
<b>A.4.4 Land Acquisition Agreements</b>			
1.	A sample copy of each form of agreement proposed to be used pursuant to section 86(2) of the NEB Act.		
2.	A sample copy of any proposed fee simple, work space, access or other land agreement.		
<b>A.4.5 Section 87 Notices</b>			
1.	A sample copy of the notice proposed to be served on all landowners pursuant to section 87(1) of the NEB Act.		
2.	Confirmation that all notices include a copy of Pipeline Regulation in Canada: A Guide for Landowners and the Public.		
<b>A.4.6 Section 58 Application to Address a Complaint</b>			
1.	The details of the complaint and describe how the proposed work will address the complaint.		

**Guide B – Abandonment Funding and Applications to Abandon**

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
<b>B.1 Engineering</b>			
1.	Confirm abandonment activities will follow the requirements of the latest version of CSA Z662.		
2.	<ul style="list-style-type: none"> <li>A complete description of facilities being abandoned.</li> <li>An assessment of the potential safety hazards related to facility abandonment and mitigative actions planned to reduce such hazards</li> <li>A plan outlining how the facility will be prepared for abandonment and how it will be monitored, if necessary</li> </ul>		
<b>B.2 Environment and Socio-Economic Assessment</b>			
	ESA (or environmental and socio-economic assessment)		
1.	The different ecological settings found at the project location and different land uses in place.		
2.	Identify the ecological settings (identified in 1) in which each of the project components to be abandoned is located.		
3.	<p>Methods to be used to cleanup any contamination found at the project component sites and:</p> <ul style="list-style-type: none"> <li>The amount of contamination that exists</li> <li>Special handling techniques that will be used</li> <li>Regulatory requirements to be followed for cleanup and disposal.</li> </ul>		
4.	<p>For each project component:</p> <ul style="list-style-type: none"> <li>how and when it will be abandoned</li> <li>how the environment will be reclaimed</li> <li>how the abandonment is appropriate for the ecological setting where it is located.</li> </ul>		
5.	Use of appropriate level of detail to allow regulators, public and others to understand what is being proposed.		

6.	The regulatory requirements for reclamation and remediation and how these requirements will be met.		
7.	Identify historical spills and releases on the area to be abandoned.		
<b>B.3 Economics and Finance</b>			
1.	Details of the costs associated with proposed abandonment, including estimated costs for post-abandonment monitoring and contingency.		
2.	Confirmation that funding is and will be available to finance the proposed abandonment, and post-abandonment activities.		
3.	Original book cost and accumulated depreciation to retirement date.		
4.	Accounting details including details of whether retirement is ordinary or extraordinary.		
<b>B.4 Lands Information</b>			
1.	Describe the location and the dimensions of the existing RoW and facility lands that would be affected by the abandonment.		
2.	Map or site plan of the pipeline or facility.		
3.	Locations and dimensions of temporary workspace required.		
4.	Describe any easement proposed to be acquired for the abandonment, including the location and dimensions of the easement		
5.	<p>Provide a record of public consultation activities that have been undertaken for the abandonment, including a description of:</p> <ul style="list-style-type: none"> <li>all discussions with landowners regarding the easement</li> <li>summary of any issues or concerns identified by the landowner regarding the easement, surrendering of the easement, or the lands proposed to be acquired</li> <li>how the applicant proposes to address any concerns or issues raised by potentially affected people or landowners, or an explanation as to why no further action is required.</li> </ul>		
6.	Provide the details of any reclamation plans developed in consultation with landowners affected by the proposed		

	abandonment.		
7.	<p>In the event that any easement will be surrendered:</p> <ul style="list-style-type: none"><li>• Identify the lands where easement will be surrendered</li><li>• Describe the contingency plans that will be put in place to protect the landowner should subsequent land issues arise following the abandonment of the facility and surrender of the easement</li><li>• File evidence to demonstrate that affected landowners have been advised of the proposed abandonment and that if the Board approves the abandonment, the Board will no longer have jurisdiction over the pipeline</li></ul>		

**Guide C – Protection of Pipelines from Ground Disturbance, Facility Construction, Crossings and Mining Operations (NEB Act s.112 and s.81)**

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
<b>C.1 Gound Disturbance, Facility Construction and Crossings Near Pipelines (NEB Act s.112, DPR – Authorizations)</b>			
1.	For an application to construct a facility across, on, along or under a pipeline: <ul style="list-style-type: none"> <li>• purpose and location of the proposed facility</li> <li>• description of the proposed facility</li> <li>• rationale for seeking approval from the Board</li> </ul>		
2.	For an application to conduct an activity causing a ground disturbance in the prescribed area (a strip of land measured 30 m perpendicularly on each side from the centreline of the pipe): <ul style="list-style-type: none"> <li>• purpose and location of the activity</li> <li>• description of the activity(s) resulting in a ground disturbance; and</li> <li>• rationale for seeking approval from the Board</li> </ul>		
3.	ESA (environmental and socio-economic assessment)		
4.	For an application to operate a vehicle or mobile equipment across a pipeline: <ul style="list-style-type: none"> <li>• purpose and location of the activity</li> <li>• description of the vehicle and/or equipment</li> <li>• rationale for seeking approval from the Board</li> </ul>		
5.	For an application to direct the owner of a facility to reconstruct, alter or remove the facility: <ul style="list-style-type: none"> <li>• purpose and location of the facility</li> <li>• purpose for the reconstruction, alteration or removal of the facility</li> <li>• rationale for seeking approval from the Board</li> </ul>		
<b>C.2 Protection of Pipelines from Mining Operations (NEB Act s.81)</b>			
1.	Plan and profile for the portion of the pipeline affected.		

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
2.	ESA (or environmental and socio-economic assessment)		
3.	Information and details respecting proposed operations: <ul style="list-style-type: none"> <li>project title and contact information for company, contractors and subcontractors</li> <li>name and contact information of the pipeline company</li> <li>legal description of the lands to be affected</li> <li>map indicating the location of the pipeline</li> <li>statement certifying that the pipeline company and the NEB will be contacted at least 72 hours prior to conducting the project</li> </ul>		
4.	If crossing a pipeline: <ul style="list-style-type: none"> <li>proposed crossing date</li> <li>evidence that an approved crossing agreement is in place</li> </ul>		
5.	If the application is for a seismic program or involves explosives: <ul style="list-style-type: none"> <li>type of seismic program</li> <li>plat of the seismic program</li> <li>identify the source</li> <li>size of the dynamite charge</li> <li>confirmation that the program will be conducted in accordance with all applicable regulations</li> </ul>		

## Guide D – Deviations

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
<b>D.1 Lands</b>			
1.	Order number and date of the approval of original PPBoRs.		
2.	PPBoR drawing showing approved route and proposed deviation.		
3.	PPBoR drawing showing location of the proposed deviated, changed or altered route.		
4.	Starting and ending points of the deviation.		
5.	Map indicating location of deviation in relation to approved detailed route and certificated route.		
6.	Description of any new lands required including status of acquisition and service of subsection 87(1) notices.		
7.	Concerns expressed by landowners affected, how the company proposes to address concerns and date response provided or evidence that the affected landowners consent.		
8.	<p>For an exemption from the provisions of section 45:</p> <ul style="list-style-type: none"> <li>• order number and date of the approval of original PPBoRs</li> <li>• starting and ending points of the deviation</li> <li>• maximum distance of deviation from centre line</li> <li>• PPBoR drawing showing approved route and proposed deviation</li> <li>• map indicating location of deviation in relation to approved detailed route and certificated route</li> <li>• description of any new lands required</li> <li>• concerns expressed by landowners affected, how the company proposes to address concerns and date response provided</li> <li>• evidence that the affected landowners consent</li> </ul>		

<b>D.2 Environment and Socio-Economic Assessment</b>			
1.	How the effects have been considered in an ESA by the NEB.		
2.	If the environmental and socio-economic effects have not been addressed, provide requirements in Guide A, section A.2.		



## Guide E – Change in Class Locations

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
1.	<p>Submit a plan which:</p> <ul style="list-style-type: none"><li>identifies what changes in circumstances have occurred</li><li>identifies potential concerns resulting from the change in circumstances</li><li>describes the mitigative actions where applicable, to address potential concerns</li></ul>		

**Guide F – Change of Service or Increase in Maximum Operating Pressure**

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
<b>F.1 Engineering</b>			
1.	Confirm project activities will follow the requirements of the latest version of CSA Z662.		
2.	Provide details of the current and proposed state of service.		
3.	Provide an engineering assessment in accordance with CSA Z662 demonstrating the integrity of the pipeline system and its suitability for the proposed service, and identifying the updates and revisions which will be incorporated into the Integrity Management Program.		
<b>F.2 Environment and Socio-Economic Assessment</b>			
1.	How the effects have already been considered in an ESA by the NEB.		
2.	If the environmental and socio-economic effects have not been addressed, provide requirements in Guide A, section A.2.		
<b>F.3 Economics</b>			
1.	Necessary economic information in Guide A, section A.3.		

**Guide G – Deactivation**

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
<b>G.1 Engineering</b>			
1.	Describe the rationale for the deactivation and the measures to be or were employed for the deactivation to maintain the integrity of the pipeline and protect the public and the environment.		
2.	Provide a schedule for the deactivations.		
3.	Describe the activities associated with the deactivations.		
4.	Provide an estimate of the costs associated with the deactivation.		
5.	Confirm project activities will follow the requirements of the latest version of CSA Z662.		
6.	Provide details of the ongoing monitoring of the deactivated pipeline or a section of it to verify that the public and the environment are continually protected.		
<b>G.2 Environment and Socio-Economic Assessment</b>			
1.	How the environmental and socio-economic effects have already been considered in an ESA by the NEB.		
2.	If the environmental and socio-economic effects have not been addressed, provide requirements in Guide A, section A.2.		
<b>G.3 Economics</b>			
1.	Necessary economic information in Guide A, section A.3.		

**Guide H – Reactivation**

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
<b>H.1 Engineering</b>			
1.	Describe the rationale for the reactivation and the measures to be employed for the reactivation.		
2.	Provide a schedule for the reactivations.		
3.	Describe the activities associated with the reactivations.		
4.	Describe the operating conditions under which the reactivated facility will operate.		
5.	Provide an engineering assessment in accordance with CSA Z662 demonstrating the integrity of the pipeline system and its suitability for the proposed service, and identifying the updates and revisions which will be incorporated in to the Integrity Management Program		
6.	Provide an estimate of the costs associated with the reactivations.		
7.	Confirm reactivation activities will follow the requirements of the latest version of CSA Z662.		
<b>H.2 Environment and Socio-Economic Assessment</b>			
1.	How the effects have already been considered in an ESA by the NEB.		
2.	If the environmental and socio-economic effects have not been addressed, provide requirements in Guide A, section A.2.		
<b>H.3 Economics</b>			
1.	Necessary economic information in Guide A, section A.3.		

## Guide I – Processing Plants: Deactivation and Reactivation

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
<b>I.1 Filing Requirements - Deactivation</b>			
<b>I.1.1 Engineering</b>			
1.	Explain the reasons for the deactivation or the cessation of operations and the procedures used or to be used in the deactivation.		
2.	Provide the date the processing plant was or will be removed from service.		
3.	Describe the provisions for the management of change.		
4.	Describe the general condition of equipment to be deactivated.		
5.	Describe the means of isolation.		
6.	Describe the instrumentation status.		
7.	Provide the lay-up conditions.		
8.	Describe the inspection and testing requirements during deactivation.		
9.	Describe the intent of future equipment use, if any.		
<b>I.1.2 Environment and Socio-Economic Assessment</b>			
1.	How the effects have already been considered in an ESA by the NEB.		
2.	If the environmental and socio-economic effects have not been addressed, provide requirements in Guide A, section A.2.		
<b>I.1.3 Economics</b>			
1.	Necessary economic information in Guide A, section A.3.		
<b>I.2 Filing Requirements – Reactivation</b>			
<b>I.2.1 Engineering</b>			
1.	Explain the reasons for the reactivation or the resumption of operations and the procedures to be used in the reactivation.		
2.	Provide the date the processing plant will be returned to service.		
3.	Describe the provisions for the management of change.		
4.	Describe the general condition of equipment to be reactivated.		

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
5.	Describe the instrumentation status.		
6.	Provide the lay-up conditions.		
7.	Describe the inspection and testing requirements prior to reactivation.		
<b>I.2.2 Environment and Socio-Economic Assessment</b>			
1.	Describe how the effects have already been considered in an ESA by the NEB.		
2.	If the environmental and socio-economic effects have not been addressed, provide requirements in Guide A, section A.2.		
<b>I.2.3 Economics</b>			
1.	Necessary economic information in Guide A, section A.3.		

## Guide K – Decommissioning

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
<b>K.1 General Requirements</b>			
1.	Provide a complete description of the facilities being decommissioned. This should include a description of any adjacent facilities that are impediments to allowing the facility to be abandoned.		
2.	An application for abandonment must be filed for all NEB-regulated facilities when they have reached their end of life, including associated decommissioned facilities. Therefore companies should demonstrate that they are planning for eventual abandonment of decommissioned facilities by providing the anticipated timing of abandonment activities (as best known at this time) for each facility being decommissioned as well as any measures taken to prepare for this eventual abandonment.		
<b>K.2 Engineering</b>			
Pipeline:			
1.	<p>Provide details to confirm the pipeline is going to be:</p> <ul style="list-style-type: none"> <li>emptied of service fluids</li> <li>purged or appropriately cleaned or both in a manner that leaves no mobile materials remaining in the pipeline;</li> <li>physically separated from any in-service piping;</li> <li>capped, plugged, or otherwise effectively sealed;</li> <li>left without any internal pressure;</li> <li>left in a state where road, railway or utility crossings are not at risk of disturbance due to settlement;</li> <li>equipped with signage; and</li> <li>monitored as appropriate for subsidence and to maintain adequate cover for existing and future land use.</li> </ul> <p><b>Note:</b> Pipelines containing liners or constructed of polymeric pipe may require repeat purging and maintenance to accommodate out gassing of hydrocarbon or H<sub>2</sub>S. See CSA Z662 clause 13.2.8.6.</p>		

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
Surface Equipment:			
2.	<p>Provide details on the removal of pipeline related surface equipment.</p> <ul style="list-style-type: none"> <li>describe equipment to be removed to pipeline depth, except where surface equipment is within an existing surface facility that is in continuing operation, or is required for the operation of any other remaining pipelines.</li> </ul> <p>Examples of such equipment could be, but are not limited to: pipeline risers, liner vent piping, casing vents, underground vault vents or valve extenders, inspection bell holes, and cathodic protection rectifiers, test posts, or anode wiring, storage tanks and associated piping and equipment.</p> <ul style="list-style-type: none"> <li>describe how above ground pipelines and all related surface equipment are to be decommissioned except where they are part of or within an existing surface facility that is in continuing operation, or is required for the operation of any other remaining pipelines.</li> </ul>		
Facilities:			
3.	<p>Provide details on decommissioning of pipeline related facilities such as compressors and pump stations unless they are still part of an operating site. Disposition of associated piping, supports and foundations shall also be described.</p>		
Underground Components:			
4.	<p>Provide details on the decommissioning of underground vaults and closed-top pits. Discuss the decommissioning of any underground tanks in relation to requirements in API 1604.</p>		
Records:			
5.	<p>Describe the records that are to be maintained of all pipeline components and facilities that are to be decommissioned.</p>		



Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
<b>K.3 Environment and Socio-Economic</b>			
1.	Describe the ecological setting and current land use of the project footprint as well as adjacent areas.		
2.	Describe any known areas of contamination in the project areas as well as historical, ongoing or planned remediation activities associated with those sites. Describe any regulatory requirements for the reclamation and remediation of these sites and how these requirements will be met.		
3.	Provide an Environmental and Socio-Economic Assessment.		
4.	<p>For decommissioning projects that are located outside of lands owned or leased by the applicant, provide a monitoring plan outlining how the decommissioned facility will be monitored for the period of time between decommissioning and abandonment. This plan should include:</p> <ul style="list-style-type: none"> <li>• a description of the baseline data that has been collected or obtained for future monitoring results to be measured against. Baseline data should be of sufficient scale, scope and intensity to meet project monitoring requirements.</li> <li>• a description of how soils, vegetation establishment, invasive weeds, wetland hydrology and surface and ground water quality will be monitored.</li> <li>• contingency plans for the discovery of soil and water contamination, loss of depth of cover, or extreme weather events affecting the integrity of the decommissioned facilities.</li> <li>• input from interested parties. Any comments from stakeholders should be considered and, where appropriate, incorporated into the plan.</li> </ul>		
5.	<p>For decommissioning projects that are located outside of lands owned or leased by the applicant, provide an explanation of how natural regeneration of the project footprint in forested areas or native prairie have been considered in the planning for decommissioning. This should include:</p> <ul style="list-style-type: none"> <li>• a discussion of whether or not non-</li> </ul>		

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
	<p>agricultural lands will be allowed to naturally re-vegetate while the facility is in a decommissioned state.</p> <ul style="list-style-type: none"> <li>a discussion of any limitations that this would have on the ability to monitor the facilities. A discussion of whether allowing re-vegetation of the project footprint would limit future physical abandonment choices) i.e., pipeline removal vs. abandonment in place). And if so, how that has been factored into decommissioning planning.</li> </ul>		
<b>K.4 Economics</b>			
1.	Provide details of the costs associated within the proposed decommissioning.		
2.	Confirm that funding is and will be available to finance the proposed decommissioning project.		
3.	<p>Where the pipeline has or is likely in future to have third party shippers, provide:</p> <ul style="list-style-type: none"> <li>information on the original book cost of the facilities and accumulated depreciation to the retirement date.</li> <li>explain any impact on remaining ratebase, providing accounting details as outlined in the <i>Gas Pipeline Uniform Accounting Regulations</i> (GPUAR) or <i>Oil Pipeline Uniform Accounting Regulations</i> (OPUAR), including details of whether the retirement is ordinary or extraordinary.</li> </ul>		
4.	<p>Explain the impact on the company's abandonment funding program or verify that the decommissioning does not impact it. For example, explain:</p> <ul style="list-style-type: none"> <li>any resulting changes to the abandonment cost estimate for the system, or to the estimated timing of abandonment for various segments;</li> <li>any resulting changes to the plans to fund future abandonment costs.</li> </ul>		
<b>K.5 Lands Information</b>			
1.	Describe the location and the dimensions of the existing RoW or facility lands that would be affected by		

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
	the decommissioning activities.		
2.	Provide a map or site plan of the facilities to be decommissioned.		
3.	Identify the locations and dimensions of temporary workspace required for decommissioning activities.		
4.	<p>Provide a record of public consultation activities that have been undertaken for the affected landowners, including a description of:</p> <ul style="list-style-type: none"> <li>• all discussions with landowners regarding the proposed decommissioning activities;</li> <li>• summary of any issues or concerns identified by the landowner; and</li> <li>• how the applicant proposes to address any concerns or issues raised by potentially affected people or landowners, or an explanation as to why no further action is required.</li> </ul>		
5.	Provide a plan for how consultation with affected people or landowners will be conducted during the period of time between decommissioning and abandonment.		
<b>K.6 Consultation</b>			
1.	The Board expects applicants will consider consultation for all projects. Please refer to Chapter 3.3 of the NEB's Filing Manual for additional information. Sharing contamination remediation plans, if any, with landowners, stakeholders – refer to Abandonment Guide B. 2.		

## Guide O – Review, Rehearing or Variance Applications

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
1.	Meet the requirements of section 44 of the Rules.		
2.	Where the application is to vary an order, certificate, licence or permit, include the reason the variation is required and all information necessary to support the change proposed, including the information required by the relevant <i>Filing Manual</i> Guide		

**Guide P – Tolls and Tariffs**

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
<b>P.1 Cost of Service</b>			
1.	Description of steps taken with parties to discuss issues and attempts to reach negotiated settlement.		
2.	Summary schedule of total cost of service, with amounts for the base, current and test years and year-to-year changes for following cost components: <ul style="list-style-type: none"> <li>operating, maintenance &amp; administrative</li> <li>transmission by others</li> <li>depreciation and amortization of plant</li> <li>income taxes</li> <li>taxes other than income taxes</li> <li>miscellaneous revenues</li> <li>return on rate base</li> <li>deferred items</li> <li>other items</li> </ul>		
3.	Analysis of each cost component listed above, by major cost category, with explanations for significant year-to-year changes.  Allocations between regulated and non-regulated entities must include gross costs, allocated costs, the methodology used and rationale.		
4.	Schedules to show derivation of monthly deferral account balances, including carrying charges and which amounts are actual and which are estimated.		
5.	Schedule reconciling additions to plant accounts with additions to income tax CCA for base, current and test years.		
6.	Schedule detailing changes in the deferred tax balance for base, current and test years.		
7.	Provide the estimated total cost to abandon, as well as the Collection Period over which revenue will be accumulated.		
<b>P.2 Rate Base</b>			
1.	Detailed schedules for rate base with assumptions and calculations for additions, retirements, cash working capital.		

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
<b>P.3 Financial Statements</b>			
1.	Current annual report to shareholders. Current corporate annual report of parent if applicable.		
2.	Financial statements for base year plus explanation of major assumptions used to prepare statements.		
<b>P.4 Cost of Capital</b>			
1.	Establish the applicant's sources of capital invested in rate base, construction work in progress and gas plant under construction, and the justification for the cost rates which the applicant is seeking to include in its cost of service.		
2.	A summary schedule for the current and test years, based on 13-point or 24-point averages, showing the applicant's projected outstanding common equity and rates of return thereon, projected outstanding balances and related projected weighted average cost for each other class of capital and derivation of the overall rates of return.		
3.	An analysis of the weighted average cost of debt capital for the test year showing the projected cost of each debt issue, including borrowings from financial institutions and a supporting schedule for each debt issue.		
4.	For any unfunded debt: <ul style="list-style-type: none"> <li>A description of the applicant's plans to finance it, including details of the timing, size and type of each issue</li> <li>Evidence supporting the projected cost rate in the applicant's financing plan, the projected short-term debt rate and the spread implied in the applicant's projected unfunded debt rate.</li> </ul>		
5.	Independent forecasts for the test year of yields on 10 and 30 year long-term Government of Canada bonds and Treasury Bills with a detailed discussion of the degree of reliance the applicant has placed on them in making its forecasts.		
6.	Applicant's most recent bond rating reports issued by the Canadian Bond Rating Service, the Dominion Bond Rating Service, Standard and Poor's and Moody's for purposes of assessing the applicant's debt.		
7.	An analysis of the weighted average cost of preferred share capital for the test year		

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
	showing the projected cost of each issue and a supporting schedule for each issue.		
8.	A detailed calculation of the 13-point or 24-point average amount of common equity projected for the test year.		
9.	A schedule in tabular form for each issue of common shares in the last five fiscal years.		
10.	A schedule in tabular form with respect to common equity of the applicant for each of the last five fiscal years.		
11.	Where an application is to establish or change capital structure, include a detailed discussion of business risks including market, supply, operating and physical and regulatory and political risks.		
12.	<p>If a significant part of the applicant's capital is obtained from an affiliated company as defined in the Regulations, information with respect to the debt, preferred share and common share capital of that affiliated company, and</p> <ul style="list-style-type: none"> <li>• A copy of the latest prospectus issued by the affiliated company</li> <li>• A chart showing the relationship between the applicant and the affiliated company in terms of share ownership and financial obligations</li> <li>• Information in respect of the affiliated company as listed in requirement 10.</li> </ul>		
13.	Where applicable, a thorough discussion of the extent to which the consolidated capital structure is relevant to the determination of a deemed capital structure for the Board-regulated operations of the pipeline, including supporting information.		
<b>P.5 Tolls and Tariffs</b>			
1.	Concise description of pipeline system & operations, including system map showing toll zones and delivery areas.		
2.	Describe applied-for toll design, with rationale for any proposed changes.		
3.	Comparative schedule of test year revenues for each class/type of service under existing and proposed tolls.		
4.	Describe any tariff revisions with rationale for revisions and comparative schedules showing proposed changes to existing tariff sheets.		

P.6 Abandonment			
1.	Description of any changes related to the total cost estimated for abandonment, the manner in which the funds will be set-aside, and how the funds are to be collected.		



**Guide Q – Export and Import Authorizations**

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
<b>Natural Gas (including LNG) Export License Applications</b>			
1.	The source and volume of gas proposed to be exported.		
2.	Description of gas supplies, including Canadian gas supply, expected to be available to the Canadian market (including underlying assumptions) over the requested licence term.		
3.	Description of expected gas requirements (demand) for Canada (including underlying assumptions) over the requested licence term.		
4.	Implications of the proposed export volumes on the ability of Canadians to meet their gas requirements.		

**Guide R – Transfer of Ownership, Lease or Amalgamation**

<b>Filing #</b>	<b>Filing Requirement</b>	<b>In Application? References</b>	<b>Not in Application? Explanation</b>
<b>Company Divesting of the Facilities</b>			
1.	The nature of the transaction.		
2.	A map of the pipeline and the relevant upstream and downstream facilities, identifying any facility that could become stranded.		
3.	Confirmation that a copy of the records have been provided to the new owners of the facility.		
4.	Estimated cost to abandon the facilities.		
5.	Proposal for the existing set-aside mechanism for abandonment funding which applies to the facilities.		
<b>Company Acquiring the New Facilities</b>			
1.	The new owner and operator of the pipeline including contact information.		
2.	The original cost of the asset, depreciation and net book value.		
3.	The purchase price of the asset.		
4.	The intended long-term use of the facilities.		
5.	Any changes in the conditions of service offered, including estimated toll impact.		
6.	A plan detailing how the applicant will acquire the information/records necessary to maintain and operate the facilities safely.		
7.	Draft copy of the proposed set-aside mechanism (If suing trust, indicate proposed trustee.)		

## Guide S – Access on a Pipeline

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
1.	Provide a detailed summary of the circumstances leading to the application.		
2.	Provide copies of all relevant correspondence between the applicant, the operator of the subject facility and any other parties that may be involved with the application.		
3.	For applications for an exemption from subsection 71(1), provide evidence that: <ul style="list-style-type: none"> <li>• an open season was held offering all of the capacity to be contracted to anyone interested in shipping; and</li> <li>• allowing the exemption is in the public interest</li> </ul>		
4.	In the case of an application pursuant to subsection 71(3), the applicant should provide a description of the facilities that the pipeline company would need to install, including a cost estimate		

## Guide T – Leave to Open

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
<b>For a Pipeline or a Pipeline Section:</b>			
	<ul style="list-style-type: none"> <li>• Board certificate or order under which work was carried out</li> <li>• List of standards, specifications and procedures</li> <li>• Description of the pressure tested facilities</li> <li>• Summary of continuous pressure and temperature readings</li> <li>• Statement that all control and safety devices were or will be tested for functionality</li> <li>• Confirmation that:               <ul style="list-style-type: none"> <li>• required tests were taken and met requirements</li> <li>• all permits were acquired when necessary</li> </ul> </li> <li>• Test equipment calibration certificates</li> <li>• All logs, test charts, etc. are signed and dated by company representative</li> <li>• Details regarding unsuccessful pressure tests, including the cause of failure</li> </ul>		
<b>For a Tank</b>			
	<ul style="list-style-type: none"> <li>• Board certificate or order under which work was carried out</li> <li>• Standards, specifications and procedures</li> <li>• Confirmation that:               <ul style="list-style-type: none"> <li>• required tests were taken and met requirements</li> <li>• all permits were acquired when necessary</li> </ul> </li> <li>• Statement that all control and safety devices were inspected and tested for functionality</li> </ul>		

## Guide U – Information Filed Respecting Plan, Profile, Book of Reference (PPBoR) and Notices

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
<b>U.1 Plan, Profile, Book of Reference</b>			
	PPBoR meets requirements of section 33 of the NEB Act?		
	In addition, the plan and profile of the project drawn to a scale of 1:10 000 or larger, if appropriate, should show: <ul style="list-style-type: none"> <li>the proposed route of the pipeline</li> <li>property boundaries</li> <li>the numbers of the parcels of land to be traversed (i.e., legal land descriptions)</li> </ul>		
<b>U.2 Section 34 Notices</b>			
	Requirements pursuant to section 34 of the NEB Act.		
	Requirements pursuant to section 50 of the Rules.		
1.	File a copy of the notice that will be served on landowners.		
2.	Provide a copy of the notice that will be included in local publications.		
3.	File a list of the publications that will be used.		
4.	Where the applicant completes the service and publication of notice under section 34 of the NEB Act, it shall forthwith notify the Board in writing of the dates of the last service and publication. The company shall file a tear sheet of the newspapers.		
<b>U.3 Application to Correct a PPBoR Error</b>			
1.	Pursuant to subsection 41(1) of the NEB Act, application should include: <ul style="list-style-type: none"> <li>the Order number and date of the original PPBoR approval</li> <li>the nature and description of the error in the PPBoR</li> <li>the accurate information (i.e., related to the plan, profile or book of reference)</li> <li>confirmation that, pursuant to subsection 41(3), copies of the permit will be provided to the offices of the registrars or appropriate land title offices.</li> </ul>		

## Guide V – Right of Entry Applications

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
	Requirements pursuant to section 104 of the NEB Act.		
	Requirements pursuant to section 55 of the Rules.		
1.	A summary of the land negotiation process conducted between the applicant and the owner of the lands for which a right-of-entry order is sought.		
2.	The date of service of notice on the landowner pursuant to subsection 87(1) of the NEB Act.		
3.	If applicable, the date of service of notice on the landowner pursuant to section 34 of the NEB Act.		
4.	A discussion of outstanding issues and the reason(s) that a voluntary agreement could not be reached.		

## Guide W – Requirements for Substituted Service Applications

Filing #	Filing Requirement	In Application? References	Not in Application? Explanation
	Requirements pursuant to sections 3, 4 and 5 of the <i>National Energy Board Substituted Service Regulations</i> .		