



Canada Energy
Regulator

Régie de l'énergie
du Canada

2021-22 Annual Report of the Canada Energy Regulator



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Note:

The 2021-22 Annual Report of the Canada Energy Regulator is one of two Annual Report documents that summarize the Canada Energy Regulator’s achievements of the past year. To learn more about the adjudicative work of the Canada Energy Regulator, please see the 2021-22 Annual Report of the Commission of the Canada Energy Regulator.

Message from the Chairperson

The Canada Energy Regulator (CER) regulates federal infrastructure to ensure the safe and efficient delivery of energy to Canada and the world. It has been tasked to deliver an energy regulatory system that inspires trust and public confidence on the part of Canadians. The CER does this through robust communications, transparency, collaboration, and inclusive engagement.

The CER's Board of Directors is responsible for governance of the Regulator and sets the strategic direction of the organization. The Board of Directors Annual Report for 2021-22 is an overview of the CER's activities of the past year, which included the significant achievement of the Board's approval of the CER's first three-year Strategic Plan in April 2021.

The Strategic Plan benefited from the input of the [CER's Commission](#) and [Indigenous Advisory Committee \(IAC\)](#). This Plan outlines the CER's bold mission and vision, and four interconnected strategic priorities; it is the CER's blueprint for building a modern and more effective regulatory system founded on the legislation that established the CER – the [Canadian Energy Regulator Act](#) (CER Act). During 2021-22, the CER has effectively delivered on its mandate, with safety at the core, and made substantial progress on each of the new strategic priorities: Trust and Confidence; Reconciliation; Data and Digital Innovation; and Competitiveness.

The Board of Directors is particularly proud of the relationships built, and work to date, with the IAC. Established in August 2020, the IAC has a key focus: to advise the CER on building a renewed relationship with the Indigenous peoples of Canada. The IAC's nine members are leaders at the local, regional, and national level, reflecting the diversity of First Nations, Métis Nation, and Inuit communities, languages, genders, geographies, and skills and expertise. Operating at a strategic level, the IAC works directly with the Board of Directors as an integral part of the CER's governance structure. The advice of the IAC has had a profound impact on the Board, strengthening our own work and thinking as well as is making tangible impacts on the organization itself.



We were fortunate to welcome three new Directors to the Board in 2021. Karen Leibovici, Karim Mahmud, and François Tanguay, bring extensive experience and expertise to the CER and enhance the Board's ability to provide effective, strategic oversight to the organization. I would also like to acknowledge the extraordinary contributions to the organization of Alain Jolicoeur, one of the initial Directors of the CER and previously a Member of the National Energy Board. Mr. Jolicoeur resigned from the CER's Board of Directors in early 2022, and he will be truly missed.

In a year when Canadians continued to be challenged by the ongoing global pandemic, the Board commends the herculean efforts of the CER's staff to remain agile, innovate and deliver results for Canadians.

On behalf of my Board of Directors colleagues, I respectfully submit the Canada Energy Regulator's 2021-22 Annual Report to the Honourable Jonathan Wilkinson, Minister of Natural Resources.

Original signed by

Cassie J. Doyle,
Chairperson
Board of Directors of the Canada Energy Regulator

Message from the Chief Executive Officer

The CER regulates infrastructure to ensure the safe and efficient delivery of energy to Canada and the world, protect the environment, recognize, and respect the rights of the Indigenous peoples of Canada, and provide timely and relevant energy information and analysis. Our staff accomplishes this through their robust safety and environmental oversight, support for our Commission's adjudication processes, engaging meaningfully with Canadians and Indigenous peoples, and keeping Canadians informed of the constantly evolving energy information landscape.

As we deliver on our mandate, safety remains steadfastly at the core of what we do. With the COVID-19 pandemic continuing to impact the lives of Canadians this past year, that meant taking additional precautions both for our staff and the communities where our regulated infrastructure is present. We continued to successfully deliver virtual hearings and undertake comprehensive inspections. During the historic floods in British Columbia (BC), our staff were on the ground to ensure the facilities we regulate stayed safe.

In December 2021, the CER released [Canada's Energy Future 2021: Energy Supply and Demand Projections to 2050](#) (Canada's Energy Future 2021 report), a report that has been informing the energy conversation at Canada's boardroom tables and dinner tables. This report explores how new technologies and climate policies will impact Canadian energy consumption and production trends over the next 30 years. We are going even further with our next iteration. Our staff is hard at work expanding our analysis to include modeling consistent with Canada's commitment to achieving net-zero emissions by 2050.

We have continued to make progress towards transforming the way we work with Indigenous peoples. We have invested significantly in enhancements to our approach to Crown consultation and accommodation and will continue to do so. Our work towards the implementation of the United Nations Declaration on the Rights of Indigenous Peoples (UN Declaration) within our mandate continues to evolve. With the advice of the IAC and working with



the Indigenous Advisory and Monitoring Committees (IAMC) for the Line 3 and Trans Mountain Expansion Project (TMEP), we are building a new relationship with Indigenous peoples. Our work to recruit, retain and promote more Indigenous employees, including a bridging program for Indigenous Monitors, is also key to improving how we discharge our mandate while ensuring the respect for the rights of Indigenous peoples.

Over the past year, the CER launched a review of the *Onshore Pipeline Regulations* (OPR), our primary "rulebook" for onshore pipelines. We are conducting a comprehensive review to update the OPR, building on years of learnings and incorporating feedback received from Indigenous peoples, regulated companies, landowners, and other stakeholders. This significant effort will further modernize our regulatory framework.

Our organization has adapted and delivered strong results. We are fortunate to be supported by talented staff in data, finance, human resources, facilities, and all other areas of our internal operations, who provide the daily support to enable delivery of our regulatory mandate. Work has been ongoing to launch a Hybrid Workplace Pilot early in the new fiscal year, alongside significant efforts to modernize other aspects of our internal operations.

When I joined the CER, I shared my personal and professional commitment to diversity and inclusion with all staff. All Canadians should see themselves reflected at all levels of the public service. A diverse workforce will allow us to capitalize on broader perspectives and expertise to improve how we work as a regulator. This year, the CER delivered its *Diversity and Belonging Roadmap* to help address issues of discrimination and inequitable workplace experiences. This Roadmap outlines the tangible actions we are taking and the further actions required to get us where we need to be, and I am confident that we will continue on the right path together.

I would like to thank every member of the CER team for their hard work and commitment over the past year, the Board for its strategic direction and oversight, and the IAC for its transformative advice. The CER is working daily to be a regulator that holds the trust and confidence of Canadians. We are evolving to meet the changing needs of Canadians and the energy system, while holding those we regulate to the highest standards of safety, and the protection of rights and the environment. While I am incredibly proud of all that the CER achieved in 2021-22, I am more excited for what we will achieve together in the coming year.

Original signed by

Gitane De Silva
Chief Executive Officer
Canada Energy Regulator

Message from the Indigenous Advisory Committee Chairperson

It is an honour to Chair the CER's [Indigenous Advisory Committee \(IAC\)](#). The IAC operates at a strategic level, working directly with the CER's Board of Directors (Board) as an integral part of the CER's governance structure and advising the CER on how it can build a new relationship with Indigenous peoples.

A significant part of our early work has been establishing the right foundation: building strong relationships between the IAC, Board and CER leadership, and the foundation for the IAC, which reflects governance best practices and Indigenous guiding principles.

The IAC and Board had earlier co-endorsed the IAC's founding [Terms of Reference](#) and this year, co-endorsed an ambitious [three-year IAC work plan](#) that identifies five work priorities for 2021-2024: relationships and governance; the UN Declaration; cultural competency and change management; Indigenous peoples' involvement in regulatory oversight; and Crown consultation and accommodation.

In March 2022, the first annual [IAC Progress and Impact Report](#) (IAC Report) was published. It describes where and how the IAC is impacting the work of the CER and charts progress against the IAC's work plan. A particular highlight for me is the work of the IAC and the Board on implementing the UN Declaration within the CER's mandate. This is at an early stage and will be a multiyear effort, but collectively we have begun, with support from CER staff, to co-develop a CER Statement on Reconciliation that will discuss how specific articles of the UN Declaration intersect with the CER's mandate.



The IAC's advice has resulted in a CER Strategic Plan that includes clear commitments and concrete initiatives to build strong and respectful relationships with Indigenous peoples. Tangible impacts in the day-to-day operations of the CER are also beginning to happen because of the IAC's advice. For example, the IAC's advice has directly influenced the CER's Crown consultation and accommodation approach, and the engagement process for the recently initiated, comprehensive review of the *Onshore Pipeline Regulations* (OPR).

The CER and the IAC are just getting started. More work is required to ensure the CER effectively implements the advice received by the IAC to bring about the systemic and transformational change required to fundamentally alter and improve how it carries out its mandate. We are learning from each other; finding ways to integrate Indigenous perspectives and worldviews into the oversight of CER-regulated energy infrastructure, throughout the lifecycle.

With earnestness and humility, I look forward with anticipation to all that we will accomplish ahead – together.

Original signed by

Tribal Chief Tyrone McNeil
Chairperson
Indigenous Advisory Committee



CER Overview

Governance

Board of Directors (Board)

The [Board](#) is responsible for governance of the CER, including providing strategic advice and direction. The Board's oversight is focused on results and outcomes.

Chief Executive Officer (CEO)

The [CEO](#) is responsible for the management and daily operations and affairs of the organization, including the supervision of its employees and their work, and has the responsibilities of a deputy head.

Commission of the CER (Commission)

The [Commission](#) is responsible for making independent adjudicative decisions and recommendations pursuant to the CER Act and other legislation. The Commission is part of the CER and, although its adjudicative role is independent, it contributes to the overall effective delivery of the CER's mandate.

Indigenous Advisory Committee (IAC)

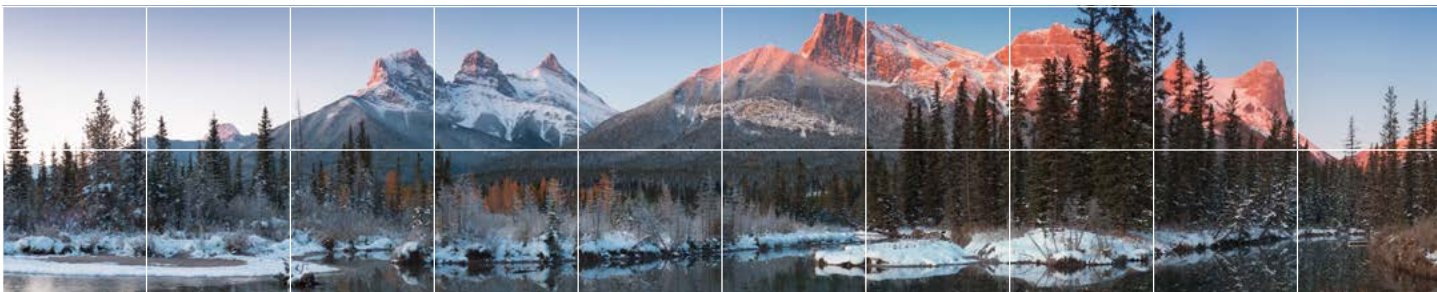
The [IAC](#) provides broad and strategic advice directly to the Board that is focused on how the CER can build new relationships with Indigenous peoples.

Context

The CER regulates federal infrastructure to ensure safe and efficient delivery of energy to Canada and the world, protecting the environment, recognizing, and respecting the rights of the Indigenous peoples, and providing timely and relevant energy information and analysis.

Expected Results

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



Canada Energy Regulator – A Clear Path Forward

The CER has a clear path forward – with a bold Vision and priorities that focus the future direction of our organization. The CER’s commitment to safety and oversight is unwavering. It is the reason why the organization exists. The CER’s four interconnected Strategic Priorities reflect areas of cross-organizational focus to help us better deliver on our Mission and reach our Vision. These priorities are [Trust and Confidence](#), [Reconciliation](#), [Competitiveness and Data](#) and [Digital Innovation](#).

The following is an update on the [Strategic Plan & Strategic Priorities Implementation Plans](#).

Trust and Confidence

The CER is committed to delivering a regulatory system that Canadians trust. The organization will earn that trust and the confidence of Canadians by being transparent, working collaboratively and being responsive to what it hears from stakeholders and Indigenous peoples. As the CER continues to improve and move forward in its work, it is committed to sharing its progress in an open and transparent manner. Also having the trust and confidence of its own staff is critical to an empowered workforce. The CER is examining its own workplace practices to ensure that it is building a culture that is diverse and inclusive, where all staff feel valued and respected. In 2021-22, the CER undertook several initiatives in support of its Trust and Confidence Strategic Priority, including:

- **Improving how the CER communicates:** The CER engaged a third-party communications firm to conduct an independent, comprehensive, and actionable review of its communications program and organizational practices. The CER developed a plan in response to the assessment and recommendations are being implemented with many of them already complete.
- **Fostering an engaged, inclusive, and empowered workforce:** The CER developed and implemented a *Future of the Workforce Plan*. The goal of this plan is to create a safe and more flexible, supportive, and inclusive workplace during and after the pandemic. All key steps to prepare our workplaces and workforce for launch of a six-month pilot were completed by end of March 2022. The CER also developed a *Diversity and Belonging Roadmap* which outlines recommended actions for the organization. Recommendations stemming from the Roadmap have been explicitly incorporated into the year two and three strategic priority deliverables.
- **Enhancing the CER’s engagement with Canadians:** According to Public Opinion Research conducted from 19 January to 10 February 2022, Canadians’ overall confidence in the CER was up slightly over previous years, particularly among those familiar with the CER’s work.

Reconciliation

The CER is committed to the ongoing process of [Reconciliation](#) with Indigenous peoples and will continue to take meaningful actions in this direction. The organization's efforts in advancing Reconciliation are supported by the tools found in the CER Act as well as a renewal of the CER's relationship with Indigenous peoples – which is based on the recognition of rights, respect, co-operation, and partnership.

Changing how the organization works with Indigenous peoples is fundamental to the CER's Reconciliation Strategic Priority; this renewed approach includes a commitment to implement the [UN Declaration](#), as well as the related [Calls to Action of the Truth and Reconciliation Commission](#).

In 2021-22, the CER undertook several initiatives in support of Reconciliation, including:

- **Working towards implementation of the UN Declaration within the CER's mandate:** The CER has begun to conduct its analysis of what implementation of the UN Declaration will mean for the organization, and what approaches may be taken towards implementation within the CER's mandate. The CER's work in relation to the UN Declaration is separate, but very much aligned with the efforts of the broader Government in this area, including through its work under the *United Nations Declaration on the Rights of Indigenous Peoples Act*.

This is a multiyear initiative for the CER. While at an early stage, the CER's work to date has included support to the Board and IAC in their co-development of a Statement on what Reconciliation means to the CER and the principles and values that will guide the CER in its Reconciliation journey. The IAC and Board have also begun to discuss how specific articles of the UN Declaration intersect with the CER's mandate. Co-development between the IAC and the Board sets a leadership example of what Reconciliation can look like for the CER. In addition, the CER is contributing to the development of the [Federal Indigenous Knowledge Policy Framework initiative](#) (led by the Impact Assessment Agency of Canada).

- **Evolving the CER's approach to Crown consultation:** The CER enhanced its ability to support Crown consultation activities beyond the Commission's process. The Commission's process for adjudication of matters is the primary forum for consultation with Indigenous peoples. The CER also now has the responsibility of being the Crown Consultation Coordinator, that undertakes and coordinates consultation activities to support and complement the consultation taking place in the Commission process.



- **Delivering on commitments made to the IAMCs:**

The CER continues to advance its work with the IAMC-TMX and IAMC-Line 3, including work on joint monitoring activities. The CER alongside the IAMC-TMX is expanding on the Community Profiles portal (internal) as an initiative that provides a mobile tool for IAMC Indigenous Monitors to access community information relevant to inspection areas. This helps to connect Indigenous Monitors with local resources to identify specific Indigenous community issues or interests that could be relevant to Indigenous Monitors' work on the TMEP. The CER is moving forward on change initiatives in response to advice from the IAMC-Line 3 Caucus and the Manitoba Metis Federation. This will improve Indigenous peoples' involvement in the CER's regulatory oversight through Indigenous Monitoring initiatives and engagement of Indigenous peoples in regulatory framework improvements, such as the OPR Review.

- **Advancing an Indigenous Procurement Strategy:**

The CER's research and analysis phase for the Indigenous Procurement Strategy is complete, and the draft strategy, recommendations, and action plan have been developed.

- **Improving the Indigenous cultural competency of the organization:**

The CER is working on its Indigenous Recruitment, Retention, and Advancement Strategy that will establish priorities and actions that cultivate an Indigenous inclusive workforce focused on attracting, retaining, and promoting Indigenous employees. The CER is also building an Indigenous Cultural Competency Framework and Change Management Strategy that will enable it to transform how it welcomes and works with Indigenous peoples.



Competitiveness

The CER Act clearly outlines the ambition for the CER's regulatory system to enhance Canada's global competitiveness. The CER delivered on that commitment by moving forward with improvements to the predictability, transparency, and efficiency of its regulatory processes.

In 2021-22, the CER undertook several initiatives in support of Competitiveness, including:

- **Developing an Ongoing Engagement Structure:** The CER recognized the need to create a permanent engagement structure with industry to support open and transparent dialogue. The goal is to track and report on the progress of initiatives and receive feedback. Initial consultation on the idea with regulated companies was positive, and work is underway to launch the first steps of the approach to develop the permanent engagement structure.
- **Examining the CER's role in hydrogen regulation:** The CER continues to explore, prepare, and understand its regulatory role within new emerging energy commodities, such as hydrogen. The CER has engaged with all levels of government and energy regulators domestically and internationally, industry associations, industry, and other stakeholders to understand the rapidly evolving hydrogen market and provide appropriate advice to policymakers.
- **Exploring the CER's role in Environmental, Social, and Governance (ESG):** The CER undertook a project to explore and understand its role within the ESG arena. The organization will continue to share ESG-related information through energy information publications during the upcoming fiscal year.
- **Clarifying regulatory requirements:** Clarity regarding regulatory processes and evolving requirements is key to enhancing competitiveness. The organization clarified its regulatory requirements through improvement of and updates to the [CER Filing Manual](#) for decommissioning and abandonment applications. Draft updates have been released for public comment, including sections related to supply and markets, confidentiality, and variance applications.
- **Contributing to Canada's energy transition dialogue:** The CER continues to provide Canadians, Indigenous people, and decision-makers with relevant energy information to help inform Canada's energy transition to a low-carbon economy. In the Canada's Energy Future 2021 report released in December 2021, the CER introduced six net-zero electricity scenarios as part of its long-term energy supply and demand outlook.

Data and Digital Innovation

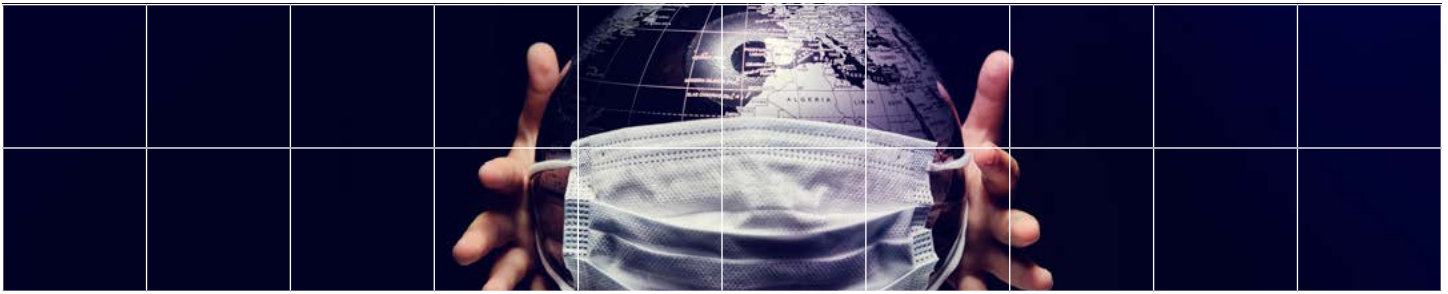
The CER is creating a data and digital innovation culture and systems to effectively deliver its mandate and allow for improved public access, use, and analysis of accurate data. This will enhance the CER's energy information, in addition to helping with meaningful participation and informing decision-making creating more opportunities for digital engagement. It will also lead to a better understanding of who the CER is and what it does.

The CER supports its people to increase data skills enterprise-wide to accelerate data and digital innovation across the organization. In 2021-22, the CER undertook several initiatives in support of Data and Digital Innovation, including:

- **Delivering skills training and tools to increase data competencies and use across the CER:** The CER implemented advanced data training programs to upskill staff in a wide range of data specializations. Additionally, in March 2022, the CER created a Data Community of Practice to foster enterprise-wide innovation and established a Skills Inventory.



- **Establishing and building the data foundation (data and tools) to enable analytics, decision making, and public participation.** The CER continued data mining and structuring regulatory documents to make CER data more searchable and usable for research, analysis, and decision making. The organization released several new products and tools to improve the accessibility of our adjudication processes to facilitate engagement with the public. This included creating the new [Participation Portal](#) and the new application dashboard that simplifies the public's ability to understand our timelines and find appropriate information and templates. The CER also developed BERDI (Biophysical, Economic, Regional Data & Information), a tool to provide broader internal access to data contained in Environmental and Socio-Economic Assessments. The CER made improvements to its Operations Regulatory Compliance Application (ORCA) to input, use, and share data more easily. The [Energy Futures 2021 Visualization](#) transformed complex material into visual platforms such as infographics and visualizations to make the content easier to understand.
- **Establishing and building the integrated data and information systems for the CER and external parties:** The CER developed a regulatory filing solution for applicants renewing Import/Export Orders. This solution automates and streamlines routine administrative applications and rule-based analysis to achieve enterprise-wide efficiencies. The organization also created and launched an External Application Dashboard so hearing participants can easily access information about any hearing schedule and regulatory documents. It was launched for the [NorthRiver Midstream – NEBC Connector Project](#). Finally, the CER delivered a Participation Portal providing a more accessible way for public comments and participation in project assessments.



CER Pandemic Response

The COVID-19 pandemic continued to impact the world in fiscal 2021-22.

For the [CER](#), this meant that most of its staff continued to work from their homes. When the COVID-19 cases lowered and restrictions started to lift, some staff returned to the office. However, following multiple pandemic waves, almost all staff returned to working from home. A core group of staff requiring access to equipment and facilities continued to work from the office following strict protocols and we are so appreciative of their efforts and commitment. The CER follows [federal guidance](#) as a federally-regulated workplace, limiting in-person meetings and travel to protect staff, Indigenous peoples, and the public.

Even with the pandemic's uncertainty, CER staff continued to get the job done, reviewing applications, engaging with Indigenous peoples and stakeholders, and compiling, analyzing, and publishing energy trends. Oversight of energy projects and existing infrastructure evolved and adapted as required. Using learnings from the previous pandemic year, CER staff established new procedures for how to safely conduct inspections, compliance verification activities, and emergency response activities. These measures helped ensure the public, and workers were protected from the hazard of COVID-19. The CER also implemented a vaccination policy for its staff and developed a Vaccination Attestation Tracking System where employees could verify their vaccination status (in accordance with direction from the Government of Canada). The CER also verified that regulated companies followed strict COVID-19 protocols to manage risks to workers and nearby communities. As the CER navigated this second year in the pandemic, all actions were carried out without compromising safety or environmental protection.



The CER is aware that Indigenous communities in Canada face increased challenges and risks associated with the COVID-19 pandemic and took extra measures to work with Indigenous leaders and communities in light of pandemic-related concerns. The CER continued to meet virtually with Indigenous communities. The CER also used communication methods that worked for Indigenous communities and proved flexible for the circumstances to meaningfully consult Indigenous communities during this time.

As the world starts to emerge from the pandemic, the CER has prepared to pilot a hybrid workplace model, harnessing some of the individual and collective lessons learned over the past two years. Whatever the future of work looks like, Canadians can be assured that the CER will never compromise safety and the excellence of its services to the public, regulated companies, and Indigenous communities.



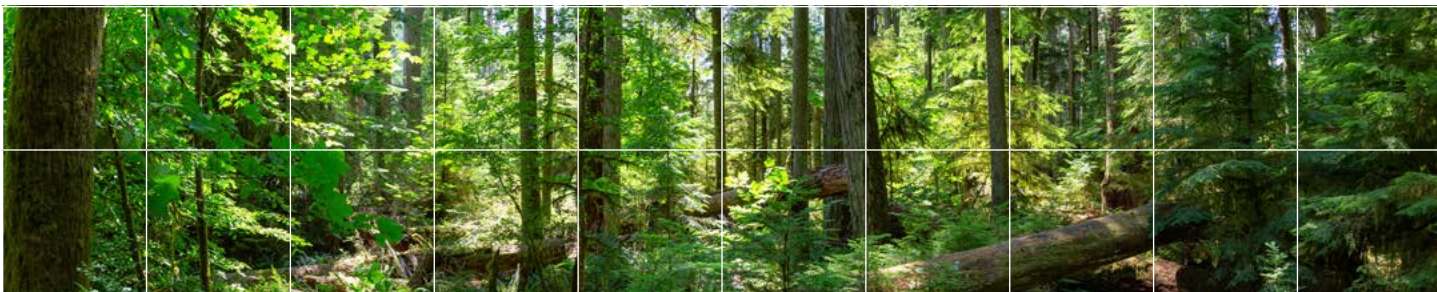
CER Response to 2021 British Columbia Floods

On 14 November 2021, extreme weather impacted the Lower Mainland and interior of BC; floods washed over homes, businesses, and communities. CER-regulated facilities were among the infrastructure impacted. Over several weeks, Trans Mountain Corporation (Trans Mountain) and Enbridge Pipelines Ltd. (Enbridge) reported numerous exposures of pipeline infrastructure and implemented precautionary shutdowns.

Experts from across the organization focused on the response to the [flooding in BC](#) to ensure the safety and protection of the public, workers, Indigenous communities, and the environment. A Crisis Management Team and a Virtual Emergency Operations Centre were established, and a Field Response Team was deployed for 17 days to oversee company actions.

The IAMC-TMX played a significant role in the BC flood response, with IAMC Indigenous Monitors onsite with CER Inspection Officers.

CER staff worked closely with Trans Mountain and Enbridge to ensure the safe return of the operating lines to full service. There were no injuries, releases, or other significant impacts to federally regulated infrastructure attributed to the BC Floods.



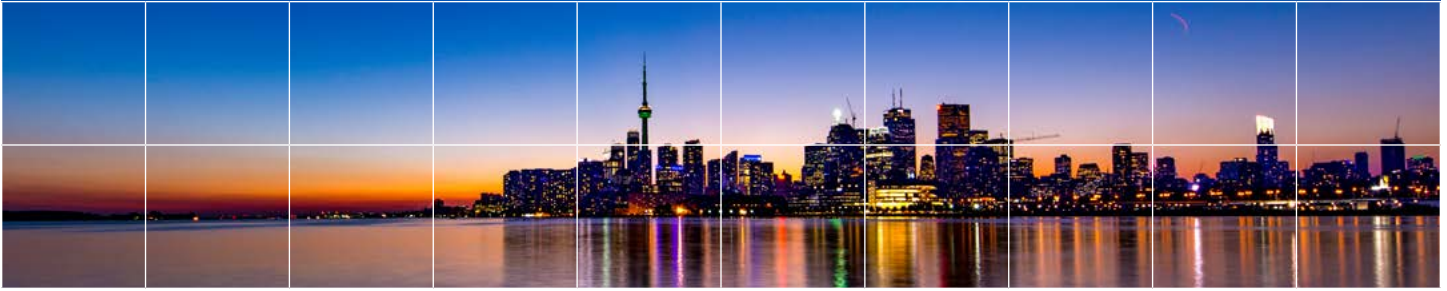
IAC Progress to Date

The CER's IAC launched in August 2020 to provide broad and strategic advice to the Board on how to build a renewed relationship with First Nations, the Métis Nation, and Inuit communities. The first year and a half of the IAC's work focused on building the committee's foundation: developing relationships between the IAC, CER Board of Directors, CEO, and senior staff; influencing the Strategic Plan of the CER and co-endorsing a robust three-year work plan.

The IAC's advice has had a significant impact on the strategic direction of the CER, and its recommendations are helping advance Reconciliation within the CER's mandate. For example, the IAC and Board have begun to co-develop a CER Statement on Reconciliation, with the support of CER staff. Furthermore, the IAC's advice has directly influenced the CER's Crown consultation and accommodation approach, and the engagement approach for the recently initiated comprehensive review of the OPR.

In March 2022, the first annual [IAC Progress and Impact Report](#) was released, covering August 2020 through March 2022. The Report describes how the IAC has influenced the strategic direction of the CER, building strong relationships with the Board of Directors and CER staff, working towards implementing the UN Declaration within the CER's mandate and changing the way the CER regulates.

More work is required to ensure the advice received from the IAC is effectively implemented towards systemic and transformational change in the way the CER does its work – regulating pipelines, power lines, and offshore renewable infrastructure in Canada. The CER will continue to learn from the IAC about how it can incorporate Indigenous perspectives into every level of the organization and its work.



What the CER Regulates: Energy in Canada

Energy plays a central role in everyone's life. From the food we eat to the homes we live in, to the clothes we wear, everything requires energy.

In 2020, the energy sector¹ made up 8.1 per cent, or \$168 billion, of Canada's Gross Domestic Product. The energy sector directly employed 293,000 jobs of the national workforce and [total employment](#) – including indirect jobs – was estimated at 4.7 per cent (or 845,500 jobs). Energy products made up 18 per cent of Canada's total 2020 exports and were [valued at \\$95.1 billion](#).

The CER regulates over 81,000²km of pipeline. If a pipeline system crosses provincial or international boundaries, it is regulated by the CER. If a pipeline system is contained within a province, it is generally under the jurisdiction of a provincial regulator.

The CER also regulates 85 operating international power lines that total 1,482² km in length. Those transmission lines transport power generated mostly from renewable sources.

Additionally, the CER regulates pipeline tolls and tariffs, energy exports, natural gas imports, oil and gas exploration and drilling in certain northern and offshore areas of Canada as well as offshore renewable energy.

Canada remains a land with immense natural resources – and that is a great advantage for Canadians – both today and for decades to come.



- ¹ For the purposes of these statistics, the energy sector is generally considered to include oil and gas extraction; coal mining; uranium mining; electric power generation, transmission and distribution; pipeline transportation; natural gas distribution; biofuels production; petroleum refineries; and support activities for oil and gas extraction.
- ² This includes abandoned, decommissioned, and operating pipelines. The number of kilometers of pipelines are based on various factors such as data quality, pipeline status, and received applications. Pipeline lengths can change when higher quality data is received, or when operators buy or sell pipelines into or out of the CER's jurisdiction.



Core Responsibilities: What we achieved

Safety and Environment Oversight

The CER works for Canadians to keep energy moving safely and efficiently through the country's pipelines and powerlines. The organization carries out this function by setting and enforcing regulatory expectations for companies over the full lifecycle - construction, operation, and abandonment - of federally regulated energy infrastructure.

The CER enforces some of the strictest safety and environmental standards in the world, and its oversight goes beyond simply compliance. The organization promotes best practices to reduce the potential for harm, adopting new technologies and innovative approaches to improve the effectiveness and efficiency of a company's management system to prevent harm. Regulated companies are required to have emergency management programs, including a robust continuing education program for the police, fire departments, medical facilities, other agencies, and people who live or work near the pipeline. These companies are also expected to engage with all people living and working near pipelines, including Indigenous peoples, the public, contractors, landowners, and municipalities, to promote safe work practices and actions they can take to prevent damage to pipelines.

The CER's Commitment

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

The CER's commitment to keeping people safe is at the core of who it is and the work it does. Regulated companies are required to anticipate, manage, and mitigate any potential harm to safety and the environment that may occur through the full lifecycle of their energy facilities.



Performance Results Summary – Safety and Environment Oversight

Performance Measure	Target	Results 2019-20	Results 2020-21	Results 2021-22
Number of serious injuries and fatalities related to regulated infrastructure.	0	7 ³	12	22 ⁴
Number of incidents related to regulated infrastructure that harm the environment.	0	2	7 ⁴	20 ⁵
Percentage of unauthorized activities on regulated infrastructure that involve repeat violators	<15%	12%	11% ⁵	10%

Compliance Verification Activities

Preventing harm is the foundation of how the CER keeps people safe and protects the environment.

The CER aims to achieve zero incidents, meaning there is no harm to people or the environment on the energy infrastructure it regulates. The CER follows a risk-based approach in planning and conducting compliance verification activities (CVA) and when the activities of regulated companies have the potential to pose greater harm to people or the environment, the CER focuses increased oversight through engagement, inspections, investigations, audits, and enforcement, when necessary.

In addition to CVAs, the CER provides oversight in other ways such as:

- Analyzing the root causes of incidents to ensure appropriate corrective or preventive actions are identified.
- Examining documents related to conditions of authorizations to verify that companies are taking the necessary steps to comply with these conditions.
- Responding to emergencies when they happen to verify that companies are protecting the safety of people and minimizing environmental damage.
- Reviewing Operations & Maintenance notifications as part of ongoing oversight of operating facilities.
- Reviewing Notices of Contamination to oversee companies' management of contamination and remediation activities.

In 2021-22, the CER conducted 239 CVAs, which included:

107
Inspections



18
Emergency
Response Exercises

30
Implementation
Assessment Meetings

6
Management System
Audit Reports

60
Information
Exchange Meetings

16
Compliance
Screening Meetings

2
Manual Reviews

3 The CER reports from a live database environment and includes all events reported during the fiscal year. As regulated companies report more information on an event or data is validated by CER staff, the status of an event may change from reportable to not reportable or vice versa.

4 There was a 42 per cent increase in incidents reported, with the majority related to the floods in BC.

5 This increase is related to the increase in construction activity. Approximately 65 per cent of the events occurred during construction, most of these were related to releases of sediment or drilling mud. The CER continues to implement several oversight activities to mitigate risks, including targeted meetings with specific companies and adjustments to Compliance plans as incidents come in.

Indigenous Monitoring

The CER is committed to advancing Reconciliation with Indigenous peoples and finding new ways to include Indigenous peoples in the oversight of federally regulated infrastructure. The organization continues to increase the involvement of Indigenous Monitors in its compliance activities, which builds trust and confidence with Indigenous peoples, while simultaneously strengthening its environment and safety oversight. To further enhance its oversight, the CER established an Indigenous Monitor Bridging Program, which provided opportunities for Indigenous Monitors to join the CER as Regulatory Compliance Officers and train to become designated Inspection Officers.

In 2021-22:

- Compliance with conditions attached to facility authorizations was 99 percent
- 2309 active conditions
- 1858 post-approval documents were filed with the CER and Commission
- 484 Operations & Maintenance notifications were reviewed as part of ongoing oversight of operating facilities



100th CVA Completed with IAMC Monitors for the Trans Mountain Expansion Project (TMEP)

The CER completed its 100th CVA with IAMC Monitors for TMEP. This is an exceptional milestone for IAMC-TMX and the CER. The CER's compliance verification activities were informed by the IAMC-TMX and through collaboration with Indigenous Monitors. A key area of focus this year of the Indigenous Monitoring Program was on Sites of Indigenous Significance (SIS) along pipeline routes. The CER worked closely with the IAMC-TMX and Indigenous Monitors to address considerations related to the confidentiality of SIS locations and potential project impacts on these sites. Multiple workshops were held to redefine how SIS should be protected and how companies should engage with affected communities. As a result, the TMEP has improved processes and transparency with respect to chance finds.

CER's NOVA Gas Transmission Ltd. Indigenous Monitoring Program

The first phase of the [CER's Indigenous Monitoring Program](#) continued to move forward, establishing contracts to enable the participation of Indigenous Monitors in safety and environmental compliance and oversight activities for the NGTL System.

The CER launched the second phase of its Indigenous Monitoring Program in the second half of 2021, initiating a Request for Interest (RFI) in October 2021 and a Request for Standing Offers (RFSO) process in January 2022. The RFI was distributed to 86 Indigenous communities to engage communities, gauge interest in participating in the program, and provide information on the CER's procurement process. The RFSO process was launched in January 2022 to secure Indigenous Monitor services, enabling Indigenous Monitors to join CER Inspection Officers on an expanded list of NGTL projects, including the [Edson Mainline Expansion Project](#) and [North Corridor Expansion Project](#).

Developing Community Profiles tool

Stemming from a request, from the IAMC-TMX, CER staff collaborated with Indigenous Partnerships Office of Natural Resources Canada (NRCCan) as co-federal lead and Indigenous communities to develop the Community Profiles tool for CER Inspection Officers and IAMC Indigenous Monitors to access community information relevant to inspection areas remotely. This helps to connect Indigenous Monitors with local resources that can identify specific Indigenous community issues or interests that could be relevant to their work.

Remediation Oversight

The CER's remediation oversight is in year two of its three-year plan. Significant progress has been made to date, including completing reviews of 379 of 490 Notices of Contamination, 66 of 66 Remedial Action Plans, three of six Risk Management Plans, and nine of 31 Closure reports. The CER completed an internal report on provincial requirements for contaminated sites management. This report will inform the CER's conversations with other regulators regarding contaminated sites oversight and potential shared oversight agreements.



Safety Culture

The CER has made a commitment to building an understanding of what safety culture is and how companies can improve theirs. This past year the CER published an external facing [Safety Culture Learning Portal](#) that covers guidance on assessments, learning moments, an updated CER Safety Culture Statement, annual survey results, and the results of two CER hosted industry workshops. The CER also sponsored a [Canadian Standards Association Express document on Human & Organizational Factors](#). The document was released for public comment, which ended December, and is currently in its final publishing stage.

Financial Oversight

Financial oversight activities included one completed audit and review of Abandonment and Financial Resources annual filings and audited financial statements. In 2021-22, one financial regulatory audit was completed, and one financial regulatory audit commenced, which is presently underway. The absolute liability limits (A.L.L.) audit was completed and examined the calculations for nine pipeline companies regarding their Financial Resource Requirements to confirm they have been calculated correctly in accordance with the [Pipeline Financial Requirements Guidelines](#). The audit resulted in one finding for Trans-Northern Pipelines Inc., which is currently part of another process before the CER. A second focused financial regulatory audit was started at the end of December and involved companies' practices and procedures related to abandonment and collection mechanisms such as trusts. This audit is ongoing as of the end of March. [Appendix E](#) provides more information related to financial regulatory audits.

Response to Minell Pipeline Limited Rupture in McAuley, Manitoba

On 5 October 2021, a property owner was performing agricultural activities and contacted a natural gas pipeline causing a rupture. The pipeline was shut down, valves closed, the line isolated, and gas vented.

The company activated its Emergency Operations Centre and established an Incident Command Post, that documented the cause of the damage, assessed the damage, and developed a repair plan. The CER activated its Virtual Emergency Operations Centre and deployed staff to the site. The company was able to complete repairs and safely return the line to service.

The [Transportation Safety Board \(TSB\)](#) investigated the rupture to determine the cause and contributing factors related to this occurrence. In response to the incident, the CER, working collaboratively with the TSB, issued [Safety Advisory SA 2022-01 Depth of Cover in Agricultural Areas](#) in April 2022 to prevent further incidents related to agricultural work and federally-regulated infrastructure.

Safety Advisories are periodically issued to inform the pipeline, oil, and gas industries of an identified safety or environmental concern to prevent similar incidents. A Safety Advisory highlights CER regulatory requirements and conveys the CER's expectation that regulated companies take appropriate action to mitigate any potential impacts to people or the environment.



OPR Review

The CER is undertaking the first-ever [comprehensive review of its principal regulation for the oversight of pipelines](#), the OPR. The review includes updates to align the OPR with the CER Act and represents how the CER will deliver on commitments to enhance Canada's global competitiveness. It also represents how the CER will transform the way it and its regulated companies will work with Indigenous peoples across the lifecycle of regulated facilities. Reconciliation is a prominent theme within the review, building on important work completed previously with the CER's Indigenous partners, including the IAMCs.

In December 2021, the CER launched the first phase of engagement for the OPR Review and worked with Indigenous peoples, regulated companies, and interested stakeholders across Canada to gather feedback on approaches for engagement and to test key themes for improvement.

The CER developed a [Discussion Paper](#) to identify possible areas of change and to focus on early engagement activity. This Paper outlines questions for input, which will assist with future policy and regulation development. Topics addressed in it include lessons learned, Reconciliation with Indigenous peoples, engagement and inclusive participation, global competitiveness, safety and environmental protection, and implementation.

With the help of the [Impact Assessment Agency of Canada](#), funding was made available to support the participation of Indigenous peoples in the first phase of the OPR Review for the Discussion Paper. There was an unprecedented level of interest from Indigenous peoples, with over 90 applications for funding from Indigenous peoples and communities across Canada.

Input received from this phase will be summarized in a "What We Heard" report. This report is expected to be released sometime Winter 2022-23 and will be available on the CER's OPR Review [webpage](#). This input will also inform the next phase of the review.

Construction Oversight of the Trans Mountain Expansion Project (TMEP) and Nova Gas Transmission Ltd. (NGTL) Projects

TMEP

In 2021-22, construction activities on the TMEP continued across all spreads and work areas, including at terminals, pump stations, and the Burnaby Tunnel. The company's activities, and the CER's oversight of the TMEP, were carried out against the backdrop of the ongoing COVID-19 pandemic, an unprecedented wildfire season in the summer, and the extreme weather event causing flooding in BC. The CER's oversight was conducted with due consideration to the public health orders in both Alberta and BC and the company's construction schedule. The CER's Inspection Officers were considered essential employees, therefore not impacted by travel restrictions within and across BC, which meant they could continue conducting inspections.

The CER undertook 50 CVAs on TMEP, specifically this fiscal, including inspections, emergency response exercises, and compliance meetings. Review of project condition compliance filings continued throughout the year.

Over the year, a series of incidents occurred on the TMEP, including several serious injuries and adverse environmental effects. In addition to the BC flood event, heavy rainfall flooded the worksite and equipment at a Coquihalla River watercourse crossing. In all cases, the CER actively followed up on the company's investigations of these incidents and acted where necessary. In August, the CER issued an [Inspection Officer Order](#) (subsequently amended) to Trans Mountain. The measures in the Inspection Officer Order were satisfied on 16 August and 2 September, allowing work to resume.

The CER will continue to hold the company accountable for fulfilling the conditions of the Project and for meeting its regulatory obligations and commitments.

To learn more about regulatory approvals for TMEP, see the 2021-22 Annual Report of the Commission of the Canada Energy Regulator.

NGTL

Construction activity on [NGTL's 2021 System Expansion Project](#) (NGTL 2021) continued throughout 2021-22. The company's activities and the CER's oversight were carried out during successive waves of the pandemic and in consideration of local and Alberta public health measures.

The CER conducted 19 CVAs on NGTL 2021 specifically, including inspections, emergency response exercises, and compliance meetings. Indigenous Monitors participated in 14 of those CVAs on the project.

Engagement on NGTL

The CER began meeting with Indigenous peoples and communities affected by newly approved NGTL projects to support timely information sharing and issue resolution. By developing these relationships proactively, the CER hopes to build their trust and confidence through early identification and resolution of issues and by familiarizing the communities with the roles and responsibilities of the CER during pipeline construction and operations.

The CER also organized several technical sessions with stakeholders and Indigenous peoples affected by newly approved NGTL projects, including NGTL 2021, Edson Mainline Expansion Project, and North Corridor Expansion Project. The goal of these sessions was to encourage two-way dialogue with these groups and increase their awareness of the roles and responsibilities of the CER during pipeline construction and operations.

Energy Adjudication

The CER's mandate includes making decisions or providing recommendations to the Governor in Council (GIC) on applications and environmental assessments through predictable and timely processes. These applications relate to pipelines and facilities, international power lines, tolls and tariffs, energy exports and imports, oil and gas exploration and drilling in certain northern and offshore areas of Canada, and future offshore renewable energy projects. Decisions and recommendations use fair and inclusive processes, supported by the CER's provision of participant funding, land matters complaint resolution services, and supporting Crown consultation. When a project has reached the end of its useful life, the CER reviews abandonment applications to ensure that energy projects are abandoned in a safe and environmentally responsible manner.

The Commission has several responsibilities, including making decisions on tolls and tariff applications and applications for pipelines under 40 km. Applications for pipelines greater than 40 km would require GIC approval based on a Commission recommendation. Any project that proposes more than 75 km of new right-of-way would require an integrated review process led by the Impact Assessment Agency of Canada. For more information on Commission decisions and recommendations, please see the [CER website](#).

The CER ensures that its decisions are informed by the best possible evidence and diverse input from people across Canada.

While the Commission carries out its responsibilities independently, it is part of the CER and contributes to the overall delivery of the CER mandate. The Commission may impose or recommend certain conditions be attached to project approvals. Conditions range from those for environmental protection, engagement with Indigenous peoples, emergency management, or matters related to safety and engineering. The CER Act outlines the way energy projects are assessed by the Commission. The legislation focuses on early engagement and meaningful participation, particularly with Indigenous peoples, in project assessments and includes the mandatory consideration of Indigenous knowledge and a project's potential impacts on the rights of Indigenous peoples.

For further details on adjudicative decisions and recommendations to the GIC from the CER, please see the 2021-22 Annual Report of the Commission of the Canada Energy Regulator.

The CER's Commitment

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



Performance Results Summary – Energy Adjudication

Performance Measure	Target	Results 2019-20	Results 2020-21	Results 2021-22
Percentage of adjudication decisions overturned on judicial appeal related to procedural fairness.	0%	0%	0%	0%
Percentage of adjudication decisions and recommendations that are made within legislated time limits and service standards.	100%	100%	97% -Time Limits 100% -Service Standards	100% -Time Limits 80% -Service Standards
Percentage of surveyed participants who indicate that adjudication processes are transparent.	75%	79%	80%	89%
Percentage of surveyed participant funding recipients who agree that participant funding enabled their participation in an adjudication process.	90%	100%	100%	94%

Tolls and Tariff Applications

The Commission adjudicated several tolls and tariff applications, including the [Enbridge Application for Canadian Mainline Contract Service](#), [NGTL's Firm Transportation – Linked North Montney Service](#), [Secure Energy's Application for Transmission Service on the Westspur Pipeline](#), [Campus Energy's Application for Approval of Tolls and Terms and Conditions of service for the Suffield Pipeline System](#), and [Canadian Natural Resources Ltd's Application for Access and Tolls](#).

The Enbridge Application for Canadian Mainline Contract Service was the first time a major, existing Canadian oil pipeline applied to switch a large portion of its capacity to long-term contracts without a major proposed project. It also included a unique hearing process, with 39 Intervenor participants, where oral cross-examination was completed in a virtual environment. The Commission denied Enbridge's application to enter long-term contracts on the Canadian Mainline pipeline for 90 per cent of the system's capacity. The Commission noted that the proposal would have caused a foundational shift in oil transportation, leaving less than 20 per cent of total pipeline capacity out of Western Canada for monthly oil shipments.

In December 2021, the CER commenced the 2021 Set-Aside and Collection Mechanisms and Abandonment Cost Estimates Review.

Crown Consultation

The ongoing process of Reconciliation is reflected in the CER's approach to [Crown consultation](#) in its adjudication of energy projects. The CER's Crown Consultation Coordinator activities are conducted in a way that is consistent with the Crown's obligations and commitments, including by the UN Declaration, the Calls to Action of the [Truth and Reconciliation Commission](#), and the [Principles respecting the Government of Canada's relationship with Indigenous Peoples](#).

Throughout 2021-22, the CER continued to develop and enhance its approach to Crown consultation. The Commission's hearing process is the primary forum for consultation with Indigenous communities. The CER conducts separate yet integrated consultation activities to complement and enhance Indigenous peoples' involvement. Many learnings have been gained by initiating the model and feedback from Indigenous communities, the Board, IAC, and Commission.

There were several firsts in 2021-22 for the CER in terms of Crown consultation, including:

- the first Crown submission in an adjudicative process before the Commission for the TMEP West Alternative Route;
- the first two section 183 applications were received in which Crown consultation activities are being led by the CER: NGTL West Path 2023 Delivery Project and NorthRiver Midstream's NEBC Connector Project; and
- the first occasion where the CER responded to information requests from Indigenous intervenors in relation to a Crown consultation submission.

The CER's Crown Consultation Coordinator met with 21 Indigenous communities for the West Path 2023 Delivery Project throughout 2021-22 to engage in two-way dialogue on potential impacts of the applied-for Project on the rights and interests of Indigenous peoples. This work continues into the 2022-23 fiscal year as Crown consultations on the project shift to supporting the GIC decision on the Project. For [NorthRiver Midstream's NEBC Connector Project](#), Crown consultations in 2021-22 focused on building relationships with the 35 Indigenous communities on the Crown list. The Crown Consultation Coordinator continues to consult with Indigenous communities, and its consultation activities will support and complement the consultation taking place during the Commission's hearing process.

The CER also expanded its Crown consultation networks with other federal authorities, such as [Environment and Climate Change Canada](#) and [Crown-Indigenous Relations and Northern Affairs Canada](#), to enable a whole-of-government response to impacts on Indigenous communities. This included building relationships with key operational contacts from federal authorities to support Crown consultation for the [NGTL West Path 2023 Delivery Project](#) and NorthRiver Midstream's NEBC Connector Project and raising cross-cutting policy issues at the Impact Assessment Committees.

Participant Funding Program

The [Participant Funding Program \(PFP\)](#) facilitates the participation of all eligible Intervenor in public hearings, as well as Indigenous peoples during early engagement and those involved in Crown Consultation Coordinator activities during the Commission's hearing process. In March 2021, the CER updated the PFP Terms and Conditions to allow funding for Northern hearings and Crown consultation activities. It also enabled grants for low-risk funding like early engagement and allowed 15 per cent administration costs for Indigenous recipients. In December 2021, the funding maximums were revised to meet evolving needs to participate in new hearing types and Crown consultation activities.

These changes to the PFP are making an impact. One recipient stated:

"Funding program is great. Helps the Nation participate, and the staff have been awesome. It is nice to see the flexibility in the [Contribution Agreement] as well to shift budget priorities around. Keep up the good work!"

When surveyed, 98 per cent of recipients were satisfied with PFP service. This past fiscal year 92 per cent of funding was paid, and 94 per cent of new awards went to Indigenous peoples who were involved as intervenors before the Commission and/or in Crown Consultation Coordinator activities.

Filing Manual Updates

[Updates to the CER's technical requirements](#) as set out in the CER's [Filing Manual](#) have been initiated, including allowing for a public comment period for each section of technical updates. Updated sections for abandonment and decommissioning have been finalized, and several other sections relating to supply and markets, confidentiality, and variance applications have been published for comment periods. Ongoing technical updates will occur throughout 2022 and 2023.

Application Dashboards

Application Dashboards were developed as a product on the CER's project-specific websites for public hearings, including the [NEBC Connector Project](#). This new product is helping hearing participants gain greater visibility on the hearing process timeline, understand what steps to expect and what they need to do during those hearing steps, and easily access key information to effectively participate and share their views and evidence. Future iterations will link directly to relevant hearing documents and digital maps.



Energy Information

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

The CER plays a vital role in conveying timely and relevant information to Canadians and is at the forefront of energy markets monitoring and analysis. Staff supports regulatory hearings on pipeline projects in Canada, models Canada’s energy supply and demand projections, and provides Canadians with reports and analysis to help make informed choices on energy matters.

The CER’s Commitment

- Canadians can access and use energy information for knowledge, research, or decision-making.
- Canadians have opportunities to collaborate and provide feedback on CER information products.

The increasing pace of change in Canadian and global energy markets and climate policy suggest that the need for up-to-date analysis on energy trends is greater than ever, and the CER is up for meeting this challenge.



Performance Results Summary – Energy Information

Performance Measure ⁶	Target	Results 2021-22
Evidence that Canadians access and use CER Energy Information products and specialized expertise, including community-specific information, for knowledge, research, or decision-making.	Narrative	Canadians have used CER publications in a variety of knowledge areas, including energy, policy, and healthcare. In the past year, topics related to emissions, renewables, and energy security have been the most cited or accessed.
Number of opportunities that Canadians have to collaborate and provide feedback on energy information products.	85	85

6 New indicator effective end of year fiscal 2021-22, as such year over year comparison not available.

Informing Canada's Energy Conversation

The CER produces neutral and fact-based energy analysis to inform the energy conversation in Canada. Providing access to relevant, accurate, and timely energy data and information supports the public dialogue on energy issues and decision-making by Canadians, governments, industry, and other stakeholders.

Higher profile energy analysis that the CER released in 2021-22 included the [Canada's Energy Future 2021 report](#) and new information products on CER-regulated facilities.

The Canada's Energy Future 2021 report is the CER's long-term energy supply and demand outlook. There was extensive engagement in developing this report, and it benefited from input and advice from non-governmental organizations, academics, expertise in other levels of governments and industry. This past year, the CER introduced net-zero modelling for electricity. The organization did this by examining six electricity scenarios in a zero-emission world. The report generated considerable dialogue in the media, on social media, and with energy experts about the future of energy in Canada. Following the release of Energy Futures 2021, the Honourable Jonathan Wilkinson, the Minister of Natural Resources and the Minister responsible for the CER, wrote [a letter](#) to the Chairperson of the CER's Board, Cassie Doyle, requesting the CER undertake an analysis of fully modelled scenarios of supply and demand for all energy commodities consistent with Canada achieving net-zero emissions by 2050. She welcomed the opportunity and confirmed (See her complete [response](#)) the next Canada's Energy Future report would include this new information.

The CER continues to invest in compiling and releasing data on the safety, environmental, and economic performance of the pipelines and powerlines it regulates. This data is released in various formats to reach a broad range of people, from open data files to interactive visualizations. Core to this effort is the [Pipeline Profiles web portal](#) – a “one-stop-shop” for detailed information and regularly updated data on significant oil and natural gas pipelines regulated by the CER.

The CER works collaboratively to provide the energy information that the public and industry demand in order to make informed decisions.

Over the 2021-22 fiscal year, several important new features were added to the Pipeline Profiles. For example, two new dashboards appeared in the Safety and Environment section of each Pipeline Profile, providing summary statistics and visualizations on contaminated sites and remediation and operations and maintenance activities. In addition, a new profile was introduced for Enbridge's Line 9 pipeline. With the introduction of this new profile, the Pipeline Profiles now provide comprehensive data on 92 per cent of the pipeline kilometres regulated by the CER.

In June, the CER released [Canada's Pipeline System 2021](#), which provided an overview of Canada's major pipeline transportation systems for three energy commodities: crude oil, natural gas, and natural gas liquids. It explored recent commodity market trends, pipeline capacity and utilization levels, and the CER's economic regulation of pipelines.

During the 2021-22 fiscal year, the CER's Energy Information products, reports, and statistics included:

- 29 new online energy information products;
- 12 Reports and 17 Market Snapshots;
- More than 1.3 million energy information web page views;
- 132 information request responses;
- 85 collaborative engagements with energy stakeholders; and
- 135 citations of energy and pipeline information sourced as a reference in major online publications.

Increasing Collaboration – Broadening the CER’s Reach

Policymakers, regulators, and stakeholders need high quality energy information to enable Canada’s transition to a low carbon economy. For that reason, the CER worked to develop deeper connections and broader collaboration with stakeholders and partners in 2021-22.

The organization worked with other departments and agencies within the Government of Canada, provincial governments, and domestic and international institutions to increase CER energy information expertise’s scope and reach to improve the Canadian energy information landscape.

The CER works with the [Canadian Centre for Energy Information \(CCEI\)](#) to simplify access for seekers and users of Canada’s energy data. CCEI is a partnership between [Statistics Canada](#) and [NRCan](#), in collaboration with Environment and Climate Change Canada and the CER.

In June 2021, the CER and Statistics Canada jointly published [“Canadian Crude Oil Exports: A 30 Year Review.”](#) This retrospective combined data from both departments to highlight factors that influenced Canadian crude oil exports trends. It also showcased impacts on the Canadian balance of trade, crude oil production, and industry investment.

In January 2022, a [Memorandum of Understanding between the CER and Transport Canada](#) was signed as part of the CCEI strategy to unite reputable government data programs for data-informed decisions.



Engagement

Engagement is integral to the CER's regulatory effectiveness, shaping its programs, and delivering on its strategic priorities. CER is focused on delivering an engagement model that emphasizes building relationships, listening to Canadians, and sharing information to collaboratively identify and address issues while improving the way the organization works.

This interactive two-way dialogue and the information it generates assists the CER and partners in making better decisions and recommendations to support safety and environmental protection, regulatory efficiency, economic competitiveness, energy literacy, and transparency across every aspect of its work.

The CER is also making efforts to engage earlier than in the past to effectively incorporate the input it receives in the planning phases of projects and initiatives.

The CER's Commitment

- Input provided by Indigenous peoples and stakeholders will influence the CER's decisions and work.
- Indigenous peoples and stakeholders provide feedback that engagement with the CER is meaningful.

Performance Results Summary - Engagement

Performance Measure ⁷	Target	Results 2020-21	Results 2021-22
Evidence that input from Indigenous peoples and stakeholders influence CER's decisions and work.	Narrative	<p>BC Oil and Gas Commission (BCOGC) and the CER finalized a one-year pilot project with the Aboriginal Liaison Program. Each CEO has signed a Service Agreement and CER transferred \$150,000 to BCOGC.</p> <p>The CER's involvement will create new opportunities for collaboration with participating Indigenous communities and provincial agencies as we develop meaningful partnerships and relationships.</p>	<p>Recognizing that the CER's existing participation process could be more accessible, the CER undertook targeted engagement to support the development of an updated Participation Portal.</p> <p>The CER continued to incorporate learnings from work with the IAMCs and engagement with Indigenous peoples broadly. For example, concerns around Sites of Indigenous Significance have driven change within the CER, and regulated companies on how chance finds⁸ of cultural heritage are protected. A new Community Profile Portal was co-developed, and an Indigenous Monitor Bridging program was created.</p>
Percentage of participants in engagement activities who indicate that the engagement was meaningful.	75%	80%	72% ⁹

⁷ New indicators effective end of year fiscal 2020-21.

⁸ Chance finds include any potential cultural heritage objects that are encountered unexpectedly during project implementation.

⁹ Survey results did not achieve target. Feedback indicated a need to allow more time for engagement, greater transparency of how input would be used, and a desire for more two-way dialogue.

Engaging with Indigenous Peoples and Stakeholders

The CER engages with diverse groups of people on decisions that directly affect them. Through the Stakeholder Engagement Program and the Indigenous Engagement Program, the CER helps the whole organization tailor engagement activities to reflect the unique relationships with those impacted by its work, notably Indigenous peoples, landowners, and industry.

While engagement continued to be impacted by the pandemic last year, it was also a year in which the CER took great strides to build the programs, establish relationships, and adapt learnings into its approach.

The CER continued to learn how to deliver engagement differently, in a largely virtual environment. This allowed us to engage more inclusively and more frequently as pandemic restrictions, travel budgets and time do not constrain us.

The CER is committed to exploring ways to improve its approach to engagement planning and execution across the organization. The CER is considering how it can better coordinate engagement to maximize participation from industry, Indigenous peoples, and stakeholders. Improving coordination and planning is a key priority as the CER has heard from participants that they have limited capacity both in terms of budget and resources to contribute to multiple engagement initiatives.

Indigenous Engagement

The work underway with the IAMCs and the IAC represents important steps towards building trust and mutual capacity between the CER and Indigenous Nations and communities impacted by CER-regulated infrastructure. The CER is confident that the enhanced involvement of First Nations, the Métis Nations, and the Inuit will bring meaningful changes to how the CER works.

In addition, the CER is working with the Elders Knowledge Circle through the United way to receive advice on stewardship of public hearing transcripts and audio files of Treaty 7 Nations within the CER's information holdings. Meetings are being held with elders from all five Treaty 7 Nations: the Piikani, Siksika, Kanai, Stoney Nakoda, and the Tsuut'ina to explore best practices and identify approaches that could apply more broadly.

See section [IAC Progress to Date](#) to learn more about how the CER's Indigenous engagement benefitted from the support of the IAC.

See section [Indigenous Monitoring](#) to learn more about how the CER is advancing Reconciliation and finding new ways to include Indigenous peoples in its oversight activities.



Stakeholder Engagement

The CER is undertaking a review of the [Cost Recovery Regulations](#). The review includes updates for alignment with the CER Act and represents part of how we will deliver our commitments to enhance Canada's global competitiveness. The CER released a Regulatory Proposal on the CER and Consulting with Canadians websites to seek feedback on proposed amendments for the *Cost Recovery Regulations*. The proposed amendments included changes to the allocation for recovering costs from small, intermediate, and large oil and gas pipelines as well as a methodology to recover costs from project applicants who are not currently regulated by the CER and for project applications that are denied and withdrawn. Feedback received was posted on the CER website and generally indicated a preference to maintain the existing methodology for cost allocation when compared to the proposed changes. A second round of engagement on an updated Regulatory Proposal is planned for Q4 2022-23.

In November 2021, the CER held a virtual Damage Prevention Workshop with approximately 150 people in attendance from 36 different companies. The workshop focused on the Damage Prevention Regulations contravention data and using that data to inform and improve Damage Prevention programs and CER enforcement.

The [Land Matters Group Advisory Committee](#) (LMG AC) continued to advance the three strategic issues identified in the LMG AC work plan: landowner engagement, company access to properties and damages. In addition, the quarterly newsletter has grown by providing readers with more in-depth lands related information.





What the Future Holds

What does the future hold for the CER?

In 2022-23, the CER will focus on executing year two of its [Strategic Plan](#) and delivering on its Core Responsibilities. As the CER advances its Strategic Plan, the organization will openly share its progress with Canadians – demonstrating what is being done, what more needs to be done, and the path forward.

The Strategic Plan continues to guide the CER’s work with a bold vision and priorities for the future of our organization. The plan’s strategic priorities are established in four areas and outline the plans for the next fiscal year:

- **Trust and Confidence:** The CER will continue to improve how it communicates with the public, create a more inclusive workplace that fosters inclusion, and enhance its engagement with Canadians and Indigenous peoples.
- **Reconciliation:** The CER will continue to listen to the advice of the IAC, implement the UN Declaration into the CER’s mandate, advance the work of the IAMCs and the CER’s Indigenous Monitoring Program, action its Indigenous Procurement Strategy, and facilitate strategies that will improve the cultural competency of the organization.
- **Competitiveness:** The CER will create more innovations that will include clarity in regulatory requirements, streamlining processes, and new regulatory approaches. The CER also plans to launch its permanent engagement structure, share ESG-related information through energy information publications and further explore its new regulatory role within the realms of hydrogen.
- **Data and Digital Innovation:** The CER will continue to invest in the Data Community of Practice to foster innovation and improve the searchability of regulatory documents. Several other key projects planned for the next year will improve public access, use, and data analysis.

These priorities will be at the forefront of everything we do with the end goal of establishing an energy regulatory system that inspires trust and public confidence on the part of all Canadians.

Appendix A: Biographies

Board of Directors



Cassie Doyle, Chairperson

Cassie Doyle has had a distinguished career in the public service, where she served at the executive level in all three levels of the Government in Canada, including as Deputy Minister of NRCan. She has gained a deep understanding of natural resource and environmental governance and management and has a strong track record of effective partnerships with non-governmental organizations, industry, First Nations, governments and academia. Ms. Doyle was recently the Chair of the Expert Panel on Integrated Natural Resource Management conducted by the Council of Canadian Academies and a Board Member of the Alberta Energy Regulator.



George Vegh, Vice-Chairperson

Mr. Vegh is the Head of McCarthy Tétrault's Toronto energy regulation practice and co-leader of the firm's national energy regulatory practice. George is an Adjunct Professor of energy law and regulation at the Munk School of Global Affairs and Public Policy as well as the University of Toronto Law School. Mr. Vegh was previously General Counsel at the Ontario Energy Board.



Alain Jolicoeur, Director

Alain Jolicoeur has served as a temporary member on the National Energy Board since 2016. He has more than 30 years of experience as an executive in the federal public service, including as the former President of the Canada Border Services Agency. Mr. Jolicoeur holds a Master of International Law and Customs from the University of Canberra, as well as degrees in Physics Engineering and Meteorology. He also holds an Institute of Corporate Directors Certificate from the Rotman School of Management. He resigned from the Board on the 28 February 2022.



Ellen Barry, Director

Ellen Barry is a former Deputy Minister with the Province of New Brunswick. As a career public servant she served as Deputy Minister with the Departments of Tourism & Parks, Wellness, Culture and Sport and the Department of Human Resources. Previous to these assignments, she served as Assistant Deputy Minister in the Department of Natural Resources and Finance. Her public service experience has provided her the opportunity to work extensively with multi-stakeholder groups. Since her retirement, Ms. Barry has worked on consulting assignments in New Brunswick as well as with the Institute of Public Administration (IPAC). She is a graduate of the University of New Brunswick.



Melanie Debassige, Director

Melanie Debassige has over 20 years of experience in Indigenous Economic Development and is a certified corporate director. She is currently employed as the Executive Director of the Ontario First Nations Technical Services Corporation and serves on the Board of Directors of the Ontario Clean Water Agency. She previously served as Chief of Staff for the British Columbia Assembly of First Nations and was an elected official with the M'Chigeeng First Nation. Ms. Debassige holds a Master of Business Administration from Cape Breton University and is a graduate of the Directors Education Program at the Institute of Corporate Directors and Rotman School of Management.



Karim Mahmud, Director

Karim Mahmud has enjoyed a 30-year career as a leading energy lawyer in Canada and overseas. Originally from Alberta, and following law degrees at Oxford and Dalhousie Universities, Mr. Mahmud has practiced in major law firms in Calgary, London, Hong Kong, and Dubai. Most recently, he was partner and Head of Energy & Infrastructure for EMEA for a major international law firm. He has extensive experience in executing major energy, infrastructure, and privatization projects in Canada as well as over 45 countries overseas. This has included structuring innovative Indigenous investment partnerships and sustainable ESG compliant project structures.



François Tanguay, Director

François Tanguay has been involved in environmental work for over 45 years. Co-Founder of Friends of the Earth Québec, he was executive director for Greenpeace Quebec from 1992 to 1997, where his work centered on climate change issues.

Nominated as an administrative judge to the Quebec Energy Board in 1997, M. Tanguay served until 2007. He was then named Chair of the Quebec Energy Efficiency Agency. In 2008, he was asked by the Quebec Minister of Natural Resources to help put up a coalition for the promotion of wood in all sectors of construction. As director and main spokesperson of the Coalition Bois Québec, M. Tanguay worked closely with all levels of decision makers and investors.

M. Tanguay was nominated in July 2011 for a 30-month mandate to Quebec's Special Committee for a Strategic Evaluation Assessment on shale gas. In recent years he has worked on humanitarian projects in South Africa and with Oxfam-Québec in Peru.

Author of essays on environmental issues, including three on ecological housing, M. Tanguay was for five years columnist for the Sherbrooke Record on environmental issues. He has served as advisor to elected officials, private business, and labor unions.



Karen Leibovici, Director

Karen Leibovici's professional background includes personnel management, labour relations and social work. She has over 20 years of combined political and public service experience as a Member of the Legislative Assembly of Alberta and as an Edmonton City Councillor. While on City Council, Ms. Leibovici was involved in numerous key policy issues and led many city-wide initiatives. She served twice on the Edmonton Police Commission and was the Vice Chair of the Civilian Review and Complaint Commission for the RCMP. She was also a Board member of Alberta's Municipal Government Board. In addition, Ms. Leibovici has undertaken leadership positions in other organizations such as President of the Federation of Canadian Municipalities (FCM), Chair of the Green Municipal Fund and President of the Alberta Association of Former MLA's. Ms. Leibovici has a Masters of Social Work Degree and a Post Graduate Diploma in Management.

Chief Executive Officer



Gitane De Silva, CEO

Ms. De Silva became the CEO of the CER in August 2020. Prior to joining the CER, she was a Special Advisor at TransAlta Corporation. She previously served as Alberta's Senior Representative to the United States and as Deputy Minister for Alberta International and Intergovernmental Relations.

Before joining the Alberta Public Service, Ms. De Silva spent 12 years in Canada's Foreign Service as a specialist in Canada-U.S. relations, serving in a variety of roles, including as Consul General of Canada in Chicago and as Counsellor (Environment & Fisheries) at the Canadian Embassy in Washington, D.C. She also served as Deputy Head of Agency at Status of Women Canada.

Ms. De Silva has a Bachelor of Arts in International Relations from the University of British Columbia and is a 2013 recipient of the International Alliance for Women (TIAW) World of Difference Award.

Indigenous Advisory Committee



Tribal Chief Tyrone McNeil, Chairperson

Tribal Chief Tyrone McNeil is Stó:lō and a member of Seabird Island Band. He has extensive experience working to advance First Nations languages and education, collaborating with First Nations across the country, and developing agreements and partnerships with government. Tribal Chief McNeil manages a First Nation construction company that employs up to 70 Indigenous people, with expertise in Operational Health and Safety, safety audits, human resources management, operations and budgeting in civil construction and pipeline industries.

Tribal Chief McNeil works closely with the IAMC-TMX, including as a member of several leadership and sub-committees, driving changes to improve practices of regulators to better align with the UN Declaration, and to advance Reconciliation. He holds numerous leadership positions including, President of Stó:lō Tribal Council, President of First Nation Education Steering Committee, Assembly of First Nations Chiefs Committee on Education rep for BC, Chair of Emergency Planning Secretariat, Chair of Seabird College, President of the Sqewqel (Seabird) Development Corporation and Standing Chair of Union of BC Indian Chiefs.

Tribal Chief Tyrone McNeil is an active hunter, fisher and gatherer and looks forward to teaching his four grandchildren as he has been taught and learned.



Kaella-Marie Earle, Vice-Chairperson

Kaella-Marie Earle is an Anishinaabekwe from Wiikwemkoong Unceded Territory and Aroland First Nation. She is currently employed as an EIT at Enbridge Gas Inc. in Engineering Construction, System Improvement where she manages construction of natural gas pipeline projects. She holds an Advanced Diploma in Chemical Engineering Technology from Cambrian College as well as a Bachelor of Chemical Engineering from Laurentian University.

Ms. Earle's career goal is to weave her Indigenous cultural values into her engineering work in a way that will lead the oil and gas industry to a lower carbon energy future. She works toward this as a member of Young Pipeliners Association of Canada where she serves as Co-chair of YPAC's Indigenous Inclusion Committee.

Ms. Earle delivers regular speaking engagements at conferences to advocate for Indigenous people and women in energy and mining, is the Director and Founder of Maamiwi Gibeshiwin Indigenous cultural training and allyship retreat and is a delegate on the NWMO Indigenous Council of Youth and Elders.



Marie Delorme

Dr. Marie Delorme is CEO of the Imagination Group of Companies, an Indigenous corporation comprised of three national entities, each providing services to industry, governments, and Indigenous groups in the areas of brand management, business consulting, and ceremonial tobacco.

Dr. Delorme serves on the publicly traded boards of Canadian Western Bank and Premium Brands Holding, the board of the Donner Canadian Foundation, and the CN Indigenous Advisory Council. Dr. Delorme is a Member of the Order of Canada. She has received the Inspire Award in Business and Commerce; and was named as one of Canada's 100 Most Powerful Women. Other awards include: the University of Calgary Dr. Douglas Cardinal Award; Alberta Chamber of Commerce Business Award of Distinction; Calgary Chamber of Commerce Salute to Excellence Award, and Métis Nation Entrepreneurial Leadership Award.

Dr. Delorme holds a Bachelor of Science degree, a Master of Business Administration from Queen's University, and both a Ph.D. and an Honorary Doctor of Laws from the University of Calgary.



Judy Gingell

Ms. Judy Gingell is an Elder of the Kwanlin Dun First Nation and is from the Gaanaxteidi Raven Clan. She has worked to advance Indigenous rights within the Yukon and across Canada for more than 40 years, playing instrumental leadership roles in self-governance and land claims negotiations with the Government of Canada.

As the first female Chair of the Council of Yukon First Nations, Ms. Gingell facilitated the discussion among Yukon First Nations towards the signing of the Umbrella Final Agreement, a foundation for advances in self-governance. In 1995, she became the first Indigenous Commissioner of the Yukon Territory. Ms. Gingell sits on several Boards, including Yukon University and Aboriginal Peoples Television Network, and serves as Elder Representative on Kwanlin Dun First Nation Council. She is a Member of the Order of Canada and a recipient of the Queen Elizabeth II Diamond Jubilee Medal.



Chief Harvey McLeod

Chief Harvey McLeod is Chief of the Upper Nicola Indian Band, Executive Director for the Interior Salish Employment & Training Society, and has nearly 40 years of executive, political and relationship and partnership development experience.

Chief McLeod sits on several Committees and Boards, including as a Director of the BC Assembly of First Nations, and is one of five Nicola Chiefs currently working with the Province of British Columbia to co-manage the Nicola Watershed. Chief McLeod has been extensively and directly involved in the development and operations of the IAMC-TMX.



Nuka Olsen-Hakongak

Nuka Olsen-Hakongak is a Nunavut Inuk originally from Cambridge Bay who now resides in Iqaluit. Ms. Olsen-Hakongak is currently working through a Juris Doctor Degree with the Nunavut Law Program of the University of Saskatchewan College of Law affiliated with Nunavut Arctic College. She has also worked with Nunavut Tunngavik Incorporated where she focused on legal research and worked closely with senior legal counsel on Article 23 matters. Article 23 of the Nunavut Agreement is to increase Inuit participation in government employment in the Nunavut Settlement Area to a representative level. Prior to that, Ms. Olsen-Hakongak has held roles with the Government of Canada and the Government of Nunavut, and has worked in the fields of social services, community justice, income assistance, and child and youth support.

Ms. Olsen-Hakongak holds a Social Service Worker Diploma and received, as part of that program, the award for Community Involvement and awards for Academic Excellence. She is the Co-President of the Nunavut Law Student Society.



Scott Patles-Richardson

Mr. Scott Patles-Richardson is the founder of Indigenous Financial Solutions, a First Nations-owned company focused on economic development for Indigenous communities across Canada. He has extensive experience advising Indigenous communities, corporate finance, mergers and acquisitions, and has negotiated for First Nation and Métis communities in the area of land claims and Impact Benefit Agreements, specific to energy and resource development projects.

Mr. Patles-Richardson is also the CEO of an Indigenous private-equity fund, Métis Infinity Investments, and is the majority shareholder of Nations Translation Group (NTG) and acts as their Executive Chair. NTG is one of Canada's largest privately-held translation companies and is 100 per cent First Nation owned and controlled with the balance of the shares held by the Little Red River Cree Nation's investment arm. He has previously worked in leadership roles with Ishkonigan Consulting and Mediation, Tribal Council Investment Group of Manitoba, Scotiabank, and Royal Bank of Canada. Mr. Patles-Richardson is a Mi'gmaq citizen from Pabineau First Nation in northern New Brunswick of which he has been active as a key senior advisor.



Chief Matthew T. Peigan

Chief Matthew T. Peigan is Chief of the Pasqua First Nation. Chief Peigan is the youngest of 5 boys to parents Ronald Peigan Sr. and Grace L. Peigan. He was first elected in 1993-2001 and again in 2011, currently serving a fifth consecutive term. Upon his initial election in 1993, Chief Peigan was the youngest serving Chief in Canada at just 26. Chief Peigan has also served as Director of Operations and Housing Coordinator with Pasqua First Nation, and as Flood Claim Lead Negotiator for other First Nations.

Chief Peigan has been very active in engaging with industry as well as in interventions before the CER (formerly National Energy Board), including but not limited to the Energy East Project and Enbridge Line 3 Replacement Project. Chief Peigan is also a member of the IAMC-Line 3 Replacement Project. Chief Peigan is committed to both his home First Nation and to the advancement of all First Nations, and is a strong advocate for environmental, air and water protection measures. Chief Peigan was nominated to sit as a member of the Indigenous Advisory Committee by the Assembly of First Nations.



Marci Riel

Marci Riel is the Senior Director of Energy, Infrastructure and Resource Management at the Manitoba Métis Federation (MMF). The department was created by the Métis government in Manitoba to address the development and management of energy projects and infrastructure constructed on lands utilized by the citizens and harvesters of the Manitoba Métis Community. The amalgamated department also manages the MMF's Resolution 8 engagement and consultation process and lands management files as well as the natural resources and conservation portfolios related to harvesting, environmental assessment, Métis monitoring, forestry, mining, migratory birds, commercial fisheries, wetland restoration, fish and fish habitat, environment and climate change.

Marci is not an elected representative of the Métis Nation. Her role on the IAMC-Line 3 is to best represent the needs of the citizens of the Métis Nation's Manitoba Métis Community and to assist Canada and the CER in better understanding the lifecycle impacts of projects on the collectively held rights, claims and interests of the Métis Nation. Marci holds a Master's Degree in Sociology and prior to joining the MMF in 2011, Marci worked in the field of public safety and crime prevention.

Marci is the mother of two active teenage boys and together with her husband Kevin is proud to be raising the next generation of citizens of the Métis Nation. Marci lives in Winnipeg, Manitoba – in the heart of the Homeland of the Métis Nation – on one of the original Red River lots next to the historic Riel House site.

Appendix B: Financial Overview¹⁰

The CER and its predecessor, the National Energy Board (NEB)¹¹, is funded through parliamentary appropriations with approximately 99 per cent of its costs recovered by the Government of Canada from the industry the CER, and formerly the NEB, regulates. Financial statements are prepared annually and audited by the Office of the Auditor General of Canada. The table below provides an overview of CER financial and human resources, as reported in the public accounts.

Fiscal Year (1 April to 31 March)	Expenditures (Million \$)	Staff (Full-time Equivalents)
2017-18	93.8	481.3
2018-19	108.1	476.5
2019-20 ¹²	98.0	494.0
2020-21	99.83	522.0
2021-22	109.4	558.7

10 Detailed information for fiscal year 2021-22 expenditures and human resources can be found in the CER's 2021-22 Departmental Results Report (DRR). The DRR is expected to be tabled in Parliament in the fall of 2022. Once tabled, the report will be posted on the CER's website.

11 On 28 August 2019, the NEB became the CER.








12 2019-20 results are \$10.1 M less than 2018-19 results primarily due to an exceptional remission of green field levy in 2018-19 related to Northern Gateway Pipeline Limited Partnership (NGPL) project certificates issued but later quashed. NGPL requested the levy be refunded and the Federal Government provided off-cycle funding in 2018-19 to enable the NEB to remit the \$14,710,000 to NGPL on behalf of the Federal Government.








Appendix C: Service Standards Results

Service standards are not set out in legislation, although some of the CER's service standards apply to applications that are also subject to the legislated time limits.

Service standards are established for service delivery so that applicants and participants know what to expect and the CER's performance can be measured and reported. They identify specific delivery targets or timelines for key services.

This year the CER met all [service standards](#) measures except for one – the Non-hearing CER Act section 214 service standard. Twelve out of 16 routine application decisions were decided by the target date (75 per cent); however, the performance measure is 80 per cent. Three of the four decisions that missed the applicable service standard were due to company or third-party filings received late in the process. While achieving strong performance overall, the CER will continue to monitor whether company or third-party actions continue to delay efficient processing of files, and if so, whether actions need to be taken to remedy this issue. In addition, focused efforts will continue to further improve efficient execution of CER adjudicative processes.

Standard	Measure	Target	Results
Participant Funding	80% of funding decisions are provided within 30 days of a complete application or application deadline	80%	
Recommendation / Decision following a public hearing	80% of Reasons for Recommendation/Decision completed within 12 weeks following the close of record of a public hearing (all)	80%	
Export/ Import Authorizations	80% of short-term order decisions made within two working days (excludes renewals) of receipt of a complete application	80%	
Electricity Export Permits	80% of decisions released within target following the completion of the Notice of Application/Directions on Procedures period: <ul style="list-style-type: none"> Category A within 40 calendar days Category B within 90 calendar days 	80%	
Landowner Complaints	80% of complaints are resolved or closed by the target date from received date: <ul style="list-style-type: none"> Level 1: within 21 days Level 2: within 180 days 	80%	
	100% of responses with initial course of action to land matter complaints back to initiator within 10 calendar days	100%	
Onshore Pipeline Regulations and Processing Plant Regulations Audits	80% of draft audit reports will be sent to the audited company within 12 weeks of field work completion	80%	

	80% of the final audit reports will be sent to the audited company within 12 weeks of receiving the audited company's comments on the draft report	80%	
Financial Audits	80% of draft financial audit reports will be sent to the audited company within eight weeks of field work completion	80%	
	80% of final financial audit reports will be sent to company within three weeks of receiving the audited company's comments on the draft report	80%	
Non-hearing: CER Act Section 214	80% of decisions released by the target date from the application complete: <ul style="list-style-type: none"> • Category A within 40 calendar days • Category B within 90 calendar days • Category C within 120 calendar days 	80%	
<i>Canada Oil and Gas Operations Act</i> Applications	Decisions are made by target date: <ul style="list-style-type: none"> • 80% within 21 calendar days of receiving complete application to drill or alter condition of a well • 80% within 30 calendar days of receiving complete application for geological or geophysical 	80%	
<i>Canada Petroleum Resources Act</i> Applications	80% of decisions will be made in 90 days from the day that all information is available to complete the evaluation process	80%	
Library Requests	90% of requests responded to within one working day	90%	

Appendix D: Regulations

The CER operates under a variety of acts, regulations, rules and guidance notes. The authority to make regulations, as specified in various sections of the CER Act, may be the GIC, the Minister of NRCan, or the CER.

Note that regulations made pursuant to the *National Energy Board Act* continue to apply until they are repealed or replaced, to the extent that they are consistent with the CER Act.

Regulations that came into force in 2021-22:

Regulation Title	Made by	Date Came into Force	Link
Regulations Amending the Pipeline Financial Requirements Regulations	GIC Pursuant to the <i>CER Act</i> subsections 137(6), 138(7) and 139(3)	10 June 2021	Regulations Amending the Pipeline Financial Requirements Regulations: SOR/2021-134

Information about the CER's planned initiatives to improve the Regulatory Framework can be found on the CER's website under [Regulatory Framework Plan](#).

Appendix E: Audits

Management System Audits

Audits evaluate how a company manages its activities. The CER expects every company it regulates to have management systems and protection programs that are effective and work well. Companies that manage their activities well can better anticipate, prevent, and mitigate issues that can affect safety, security, and the environment.

After an audit is done, a report is made public. The CER expects all companies to consider and review the findings in these reports and use them to improve their management systems.

Management System Audits Conducted in 2021-22:

Auditee	Year of Program	Audit Topic	Documents	Last Updated
Campus Energy Partners Operations Inc.	2021	Annual Report	Audit Report C1017-2021-2022 01 [PDF]	2022-03-11
PKM Cochin ULC	2021	Contaminated Sites Management	Audit Report P801-2021-2022 0101 [PDF]	2022-02-17
Plains Midstream Canada ULC	2021	Contaminated Sites Management	Audit Report P384-2021-2022 0101 [PDF]	2022-02-03
Emera Brunswick Pipeline Company Limited	2021	Annual Report	Audit Report E236-2021-2022 01 [PDF] Audit Closeout Letter	2021-12-07
Kingston Midstream Westspur Limited	2021	Contaminated Site Management	Audit Report K103-2021-2022 01 [PDF]	2021-09-29
Enercapita Energy Ltd.	2020	Annual Report	Audit Report E284-2020-2021 0101 [PDF]	2021-04-13

All operational audit reports and related documents can be found on the CER's website under [Reports on Compliance and Enforcement](#).

Financial Regulatory Audits

The CER considers financial regulatory audits to be an important regulatory tool to ensure compliance with the CER Act, regulations, orders, and decisions, as well as documenting companies' current operations, management systems, procedures and internal controls.

Objectives of financial regulatory audits are:

- To determine whether the company has complied with the CER Act, regulations, decisions, toll orders and other accounting and reporting directives.
- To verify that the financial information contained in various company applications or submissions to the CER agrees with the company's records.
- To examine whether cross-subsidies have occurred.
- To obtain information on the company's current operations, management systems, procedures and internal controls.

In 2021-22, one financial regulatory audit was completed and one financial regulatory audit commenced, which is presently underway. The A.L.L. audit was completed and examined the calculations for nine pipeline companies regarding their Financial Resource Requirements to confirm they have been calculated correctly in accordance with the [Pipeline Financial Requirements Guidelines](#). The audit resulted in one finding for Trans-Northern Pipelines Inc. which is currently part of a further process before the CER.

A second focused financial regulatory audit was started at the end of December and involves companies' practices and procedures related to abandonment and collection mechanisms such as trusts. This audit is ongoing as of the end of March.

All financial regulatory audit reports and related documents can be found on the CER's website under [Financial Regulatory Audit Reports](#).

A.L.L. Company Audits Conducted in 2021-22:

File Number	Date Report Issued	Description	Recipient
C14936	2021-09-15	Focused Financial Regulatory Audit of Years 2019 and 2020	Veresen NGL Pipeline Inc.
C14935	2021-09-15	Focused Financial Regulatory Audit of Years 2019 and 2020	Pine Cliff Energy Ltd. & Pine Cliff Border Pipelines Ltd.
C14934	2021-09-15	Focused Financial Regulatory Audit of Years 2019 and 2020	Pembina Prairie Facilities Ltd.
C14933	2021-09-15	Focused Financial Regulatory Audit of Years 2019 and 2020	Kinder Morgan Utopia (Ltd.)
C14932	2021-09-15	Focused Financial Regulatory Audit of Years 2019 and 2020	Kingston Midstream Westpur Limited
C14931	2021-09-15	Focused Financial Regulatory Audit of Years 2019 and 2020	Enbridge Southern Lights GP Inc. on behalf of Enbridge Southern Lights LP

File Number	Date Report Issued	Description	Recipient
C14930	2021-09-15	Focused Financial Regulatory Audit of Years 2019 and 2020	Canadian-Montana Pipe Line Corporation
C14929	2021-09-15	Focused Financial Regulatory Audit of Years 2019 and 2020	ARC Resources Ltd.
C15735	2021-10-26	Focused Financial Regulatory Audit of Years 2019 and 2020	Trans-Northern Pipelines Inc.

Appendix F: Inspection Officer Orders Issued in 2021-22

CVAs, which include Inspections, are a check at one point in time that a company is meeting requirements in acts, regulations, and conditions of a project's approval, certificate, order, or permit. Inspections focus on one or two areas of a company's operations.

If a situation requires immediate attention to keep people, property, and the environment safe, the CER may decide to issue an Inspection Officer Order. The Order will require a company to complete certain actions by a set date.

Inspection Officer Orders in Effect for 2021-22:

Number	Issued	Recipient	Region/ Facility	Description
SLM-001-2021	2021-11-03	Trans Mountain Pipeline ULC	Surrey, BC	Inadequate erosion and sediment control.
AK-001-2021 (amended) AK-001-2021	2021-10-08	Twin Rivers Paper Company	Edmundson, NB	Failure to demonstrate compliance with certificate condition.
MEL-001-2021	2021-10-09	Manitoba Hydro	McAuley, MB	Company was required to immediately notify affected persons of potential hazards and temporary safety measures for agricultural activities following incident. In addition, the company was required to complete a depth of cover survey for all agricultural lands on the Minell Pipeline right of way.
DRP-002-2021 (Amended)	2021-08-07	Trans Mountain Pipelines	Laidlaw, BC	Failure to demonstrate adequate contractor oversight and compliance with certificate conditions.
LMR-001-2021	2021-06-08	Trans-Northern Pipelines Inc.	Mirabel, Québec	Failure to maintain a facility in accordance with deactivation requirements.
DLB-001-2021	2021-06-18	Trans Mountain Pipeline ULC	Alberta and BC	Contractor oversight during nesting bird restricted period.
BW-001-2021	2021-04-15	Alliance Pipeline Ltd.	Calgary, AB	Not meeting requirements in their Corrective and Preventative Action Plan related to their 2018-19 Integrity Program audit.

All Inspection Officer Orders and related documents can be found on the CER's website under [Reports on Compliance and Enforcement](#).

Appendix G: Warning Letters and Administrative Monetary Penalties

Warning Letters

The CER, on occasion, may decide that it is important that a senior person in a company is aware of the seriousness of an issue. This person can then take action to stop it from happening again. This is accomplished through a Warning Letter.

All warning letters can be found on the CER's website under [Reports on Compliance and Enforcement](#).

There were no Warning Letters issued in 2021-22.

Administrative Monetary Penalties (AMPs)

Both companies and individuals can be issued penalties for actions that are unsafe. The CER may issue a penalty to a company or individual if:

- serious harm has been caused or is likely to happen;
- the nature and severity of the non-compliance is significant;
- need to escalate to a higher level of enforcement; or
- need to change behavior to prevent an issue from happening again.

There were two AMPs issued in the period from 1 April 2021 to 31 March 2022.

Reference Number	Last Updated	Recipient	Region/Facility	Description	Penalty Amount
AMP-001-2022	2022-02-24	Trans Mountain Pipeline ULC	Spread 7B, Trans Mountain Expansion Project	Inadequately implementing management system requirements for establishing and implementing processes, as required by sections 6.5(1)(k) and (q) of the OPR.	\$88,000
AMP-002-2022	2022-03-12	Trans-Northern Pipelines Inc.	Oakville, ON	Section 45.1 of the OPR – “If a company proposes to decommission a pipeline or part of one, the company shall submit an application for the decommissioning to the Commission.”	\$100,000

All warning letters and AMPs can be found on the CER's website under [Reports on Compliance and Enforcement](#).

Appendix H: Abbreviations and Definitions

A.L.L.

Absolute Liability Limits

AMPs

Administrative Monetary Penalties

BERDI

Biophysical, Economic, Regional Data & Information

CCEI

Canadian Centre for Energy Information

CER

Canada Energy Regulator

CER Act

Canadian Energy Regulator Act

CVA

Compliance Verification Activity

ESG

Environment, Social and Governance

GIC

Governor in Council

IAC

Indigenous Advisory Committee

IAMC

Indigenous Advisory and Monitoring Committee

LMG AC

Land Matters Group Advisory Committee

NEB

National Energy Board

NGTL

NOVA Gas Transmission Ltd.

OPR

Canadian Energy Regulator Onshore Pipeline Regulations

ORCA

Operations Regulatory Compliance Application

PFP

Participant Funding Program

RFI

Request for Interest

RFSO

Request for Standing Offers

SIS

Sites of Indigenous Significance

TMEP

Trans Mountain Expansion Project

TSB

Transportation Safety Board

UN Declaration

United Nations Declaration on the Rights of Indigenous Peoples

Core Responsibility

An enduring function or role performed by a department. The intentions of the department with respect to a Core Responsibility are reflected in one or more related Departmental Results that the department seeks to contribute to or influence.

Departmental Results Report

A report on an appropriated department's actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

Performance Measure

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy, or initiative respecting expected results.

Program

Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

Results

An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

Target

A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

To Learn More about the CER

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