



# Federal Regulatory Framework for the Alaska Highway Gas Pipeline Project

Regulatory Workshop  
Whitehorse, Yukon  
November 30 & December 1, 2011



Northern Pipeline Agency  
Administration du pipe-line  
du Nord

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# Northern Pipeline Agency (NPA) Presentation

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- Part 1:
  - Explain the NPA & its Operating Environment
  
- Part 2:
  - Outline the Project's Federal Regulatory Framework
  
- Part 3:
  - Set out Next Steps



# Part 1

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- The Northern Pipeline Agency (NPA) & its operating environment:
  - What is the NPA?
  - How does it operate?
  - Why are we here today?



# Why was the NPA created?

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1976

Foothills' National Energy Board (NEB) application for Alaska Highway Gas Pipeline (AHGP) submitted

1977

Canada & US sign treaty – ***Agreement on Principles Applicable to a Northern Natural Gas Pipeline***

1978

***Northern Pipeline Act*** (NPAct) passed:

- ❑ created Northern Pipeline Agency
- ❑ implemented Canada-US treaty
- ❑ deemed issued NEBAct Certificates of Public Convenience and Necessity, along with Terms and Conditions



# What are the NPA Responsibilities?

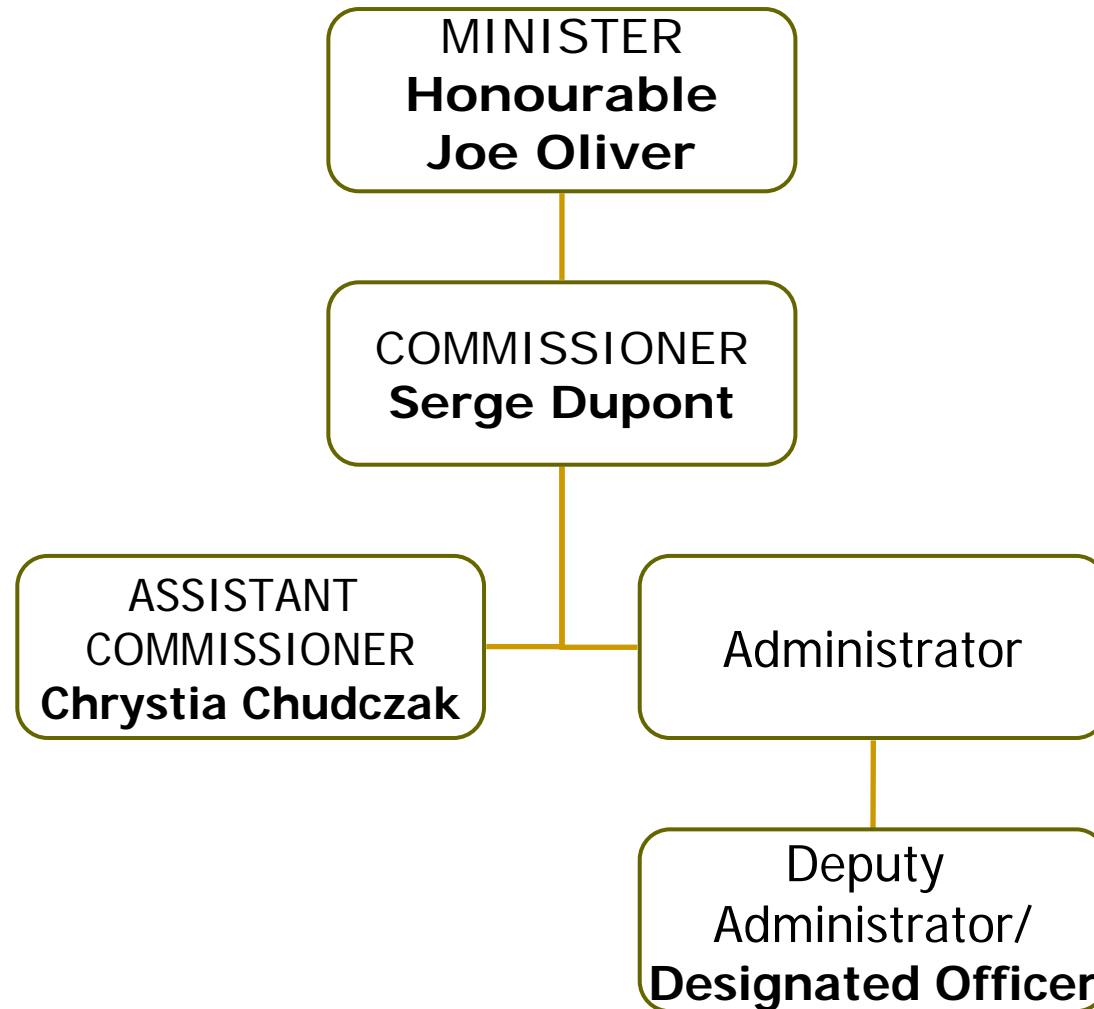
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- ❑ On behalf of the Government of Canada, acts as a “single-window” regulator managing obligations under the Act:
  - Facilitates efficient & expeditious planning & construction of Alaska Highway Gas Pipeline Project (AHGP)
  - Takes into account local, regional & Aboriginal interests
  - Consults & coordinates with provinces, Yukon & NWT
  - Coordinates with the Government of the United States
  - Maximizes social & economic benefits from construction & operation, including employment
  - Advances national economic & energy interests & maximize industrial benefits with Canadian participation
  
- ❑ Government of Canada lead for consultations on the AHGP



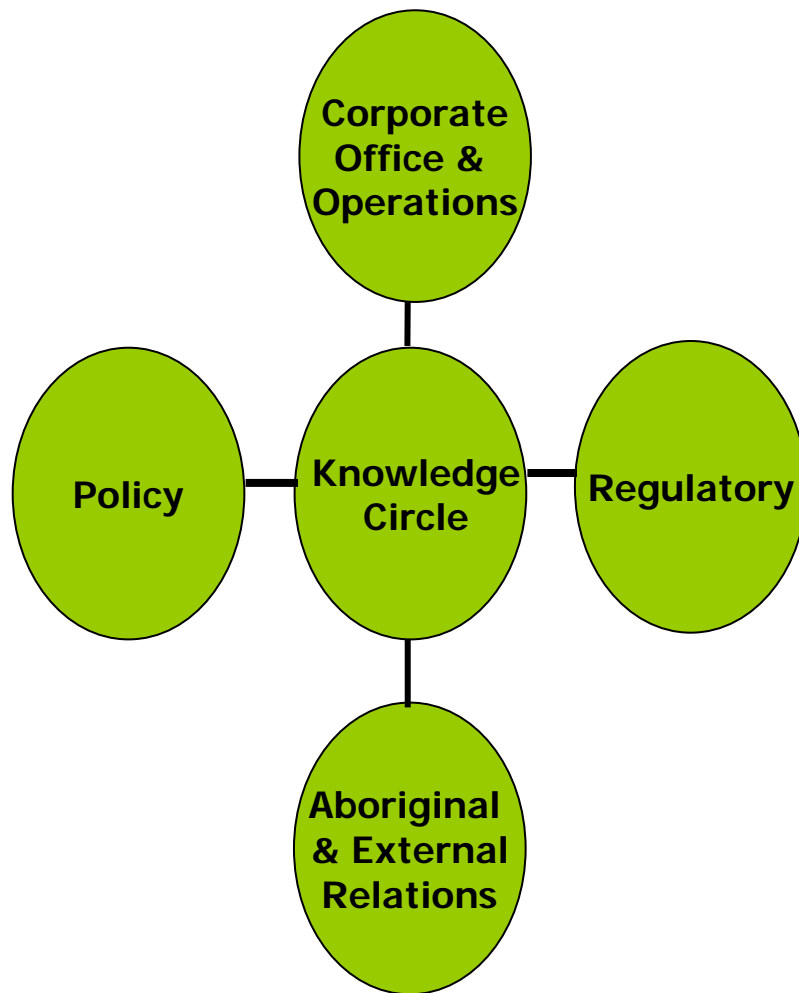
# How the NPA Operates: Governance

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# How the NPA Operates: Business Lines

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- 5 Integrated Business Lines

- **Values**

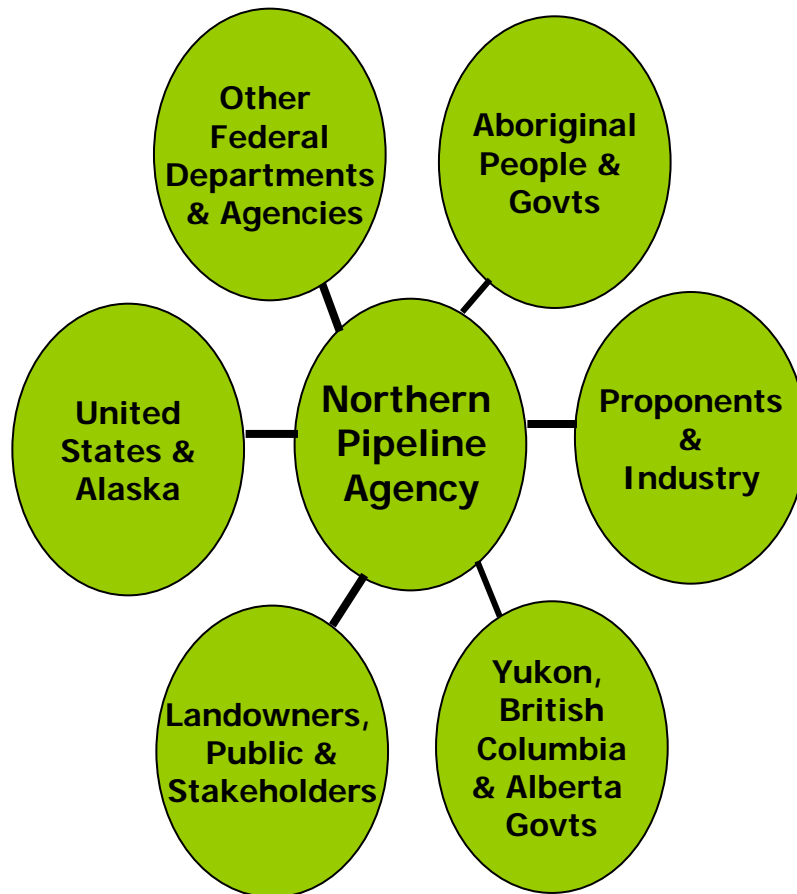
- Effectiveness
- Innovation
- Integrity
- Leadership
- Respect
- Transparency

- **Offices**

- Headquarters – Ottawa
- Regulatory – Calgary
- Regions – Whitehorse; British Columbia



# How the NPA Operates: External Groups



## □ Characteristics

- Variety of groups & people
- Geographically dispersed
- Culturally unique
- International dimension
- Different viewpoints, needs & goals

## □ Goals

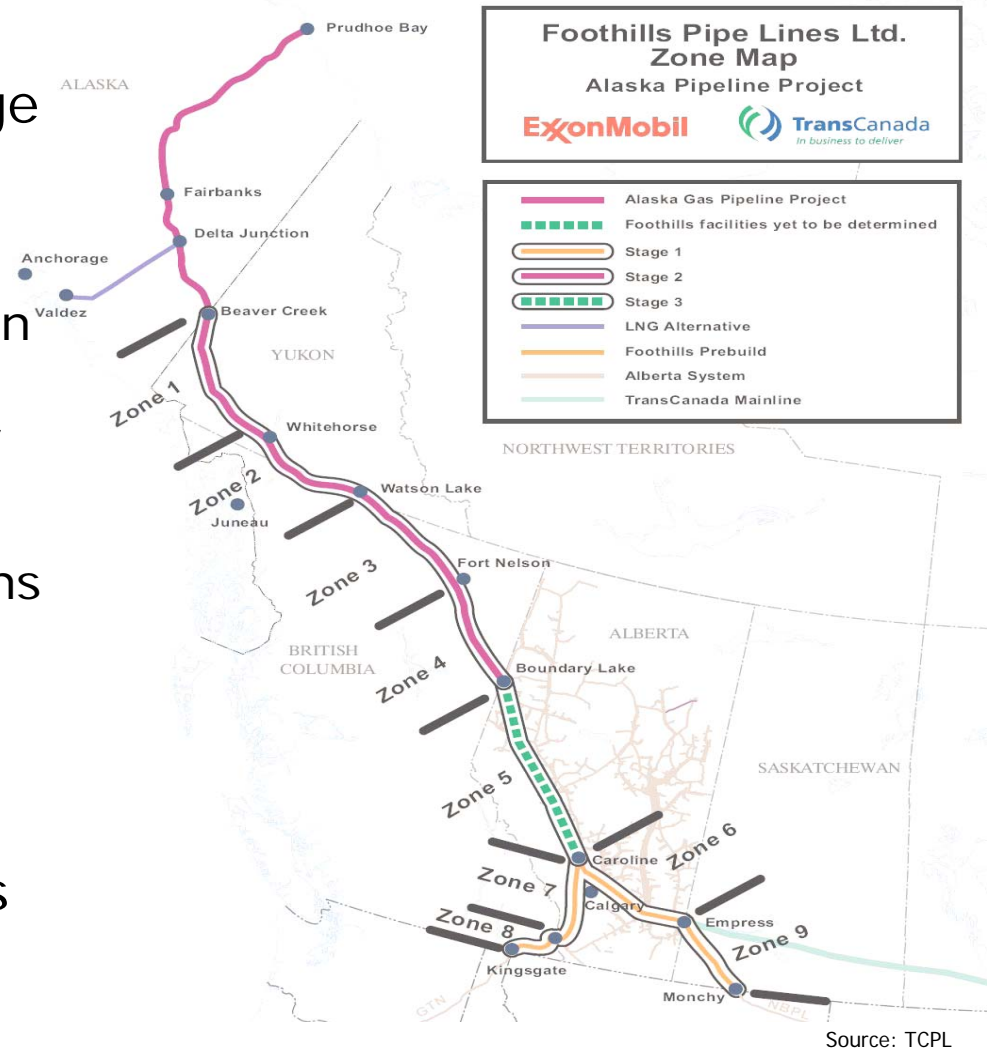
- Ensure voices & views are heard in a public, transparent & respectful way
- Ensure Government meets its duty to consult Aboriginal peoples





# Why Are We Here Today?

- APP going ahead with Stage 2 planning of the AHGP under the NPAct
  - pipeline from Alaska/Yukon border to BC/Alberta border, a distance of over 1550 km
  - October 2012 filing of plans and programs
  
- APP to explain the AHGP project status & next steps



# Part 2

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- The AHGP Project's Federal Regulatory Framework:
  - What is the outcome we want to achieve?
  - What is the context?
  - How will we proceed?



# What is the Outcome We Want to Achieve?

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- Conduct an efficient & effective regulatory review process that:
  - Meets or exceeds modern environmental & socio-economic standards
  - Ensures safe pipeline design & construction
  - Secures maximum socio-economic benefits
  - Contributes to the Government of Canada's duty to consult Aboriginal people
  - Offers opportunities for public engagement & interaction
  - Respects existing federal approvals and commitments



# What is the Context?

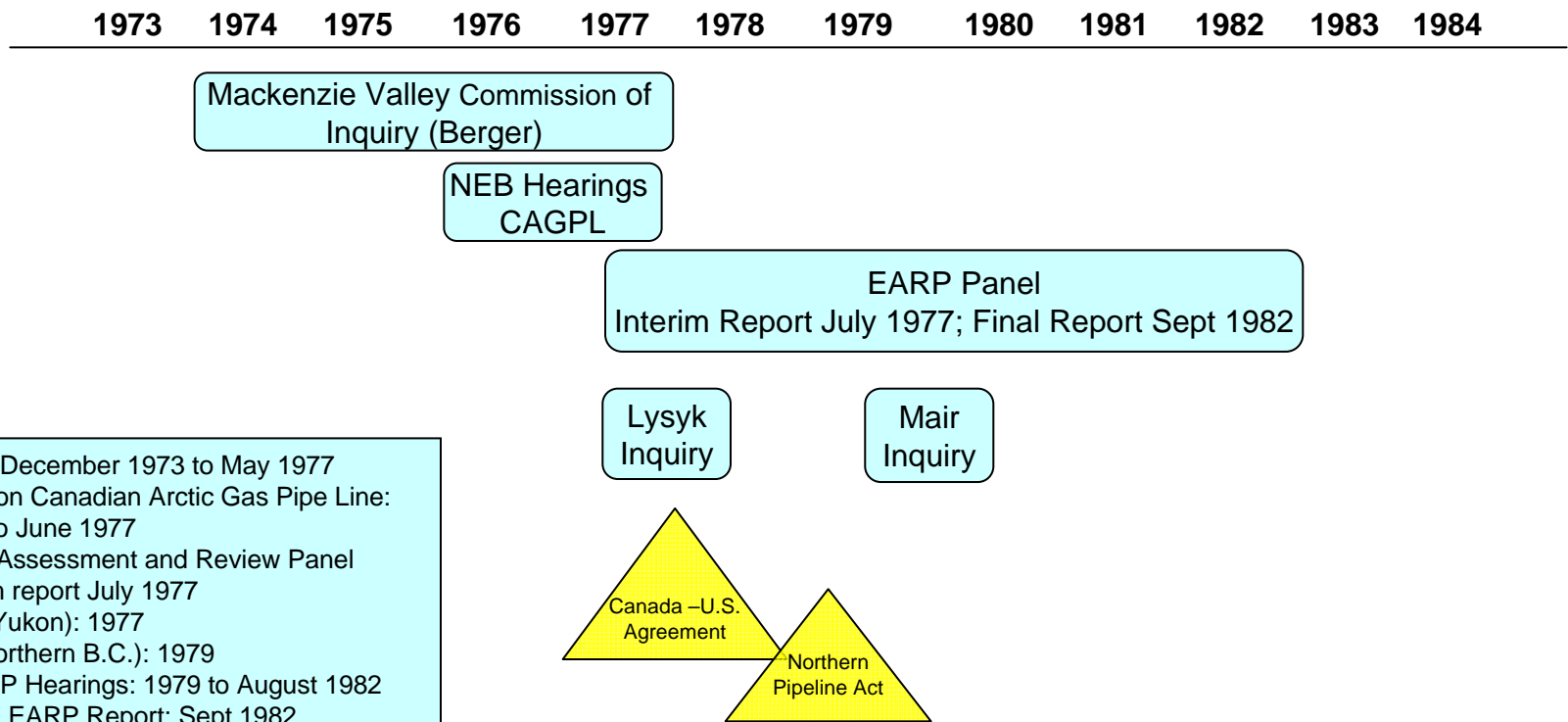
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- The project is the same but the context has changed:
  - Technological advancements
  - Governance (devolution and self-government)
  - Land claims agreements
  - Constitutional amendment s.35
  - Environmental and socioeconomic requirements



# What is the Context?

## Prior environmental & socio-economic reviews



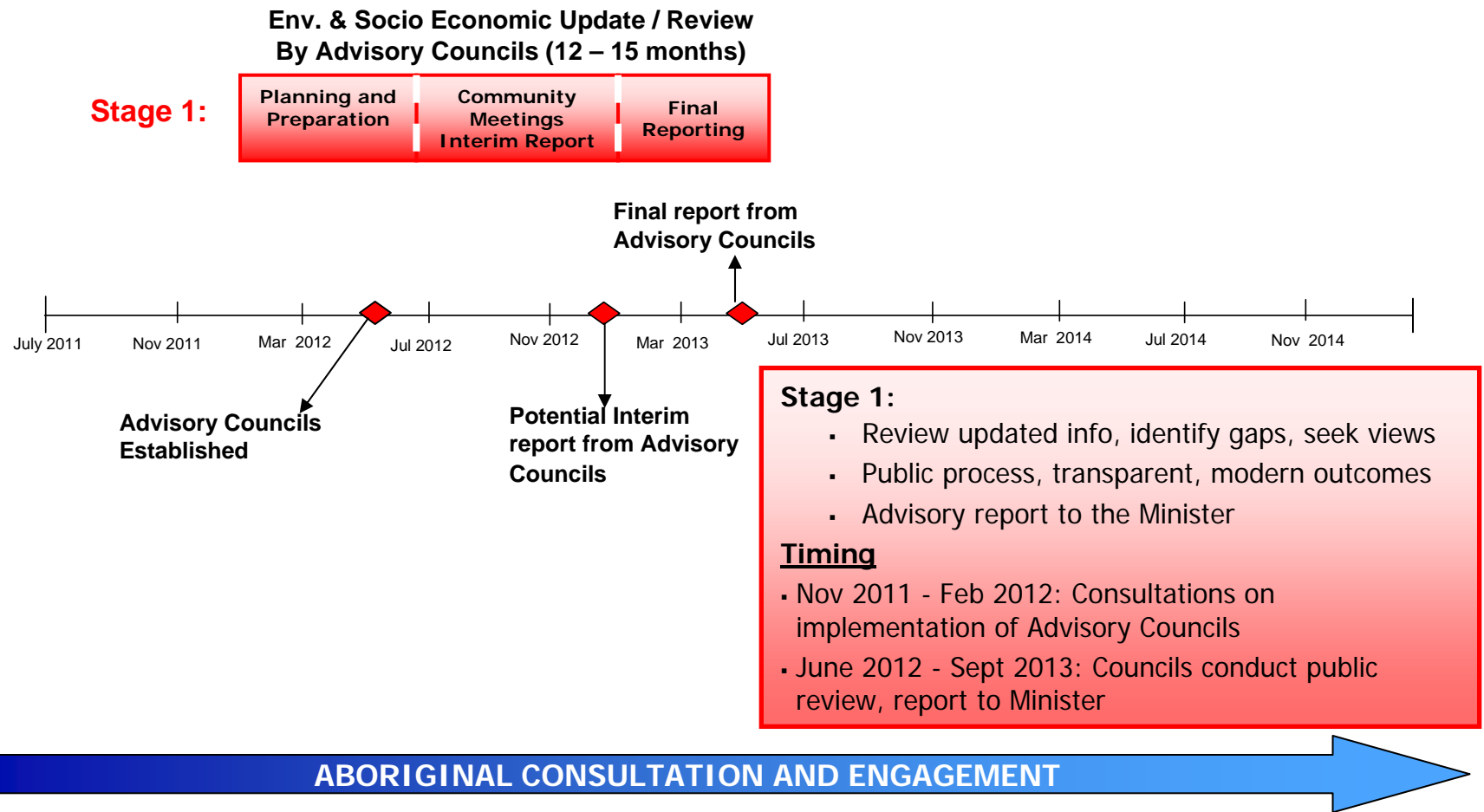
### Notes

- Berger Inquiry: December 1973 to May 1977
- NEB Hearings on Canadian Arctic Gas Pipe Line: October 1975 to June 1977
- Environmental Assessment and Review Panel (EARP): Interim report July 1977
- Lysyk Inquiry (Yukon): 1977
- Mair Inquiry (Northern B.C.): 1979
- Joint NPA-EARP Hearings: 1979 to August 1982
- Release of final EARP Report: Sept 1982

- Canada-U.S. Agreement: September 1977
- Northern Pipeline Act (NPA): April 1978



# How We Will Proceed: The Federal Framework – 2 Stages



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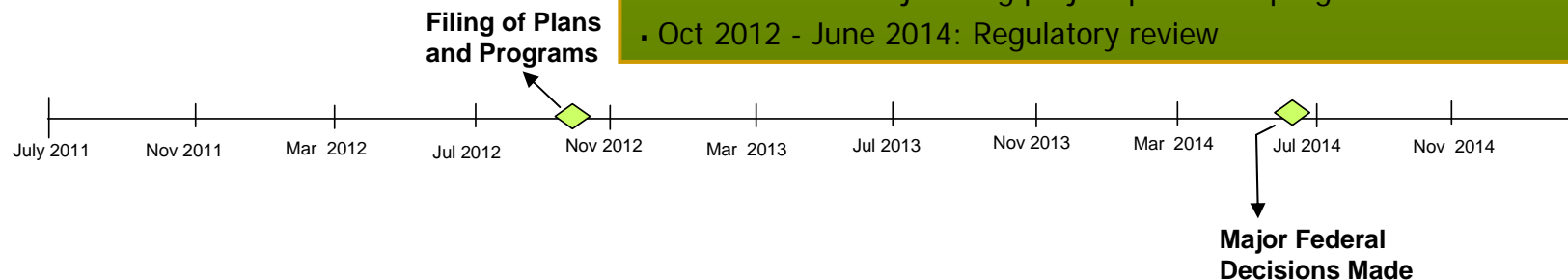
# How We Will Proceed: The Federal Framework – 2 Stages

## Stage 2:

- Review by DO and others of regulatory filings
- Consideration of Advisory Council reports
- Similar to regulatory phase of any post-certificate pipeline

## Timing

- Nov 2011 - Sept 2012: Regulatory planning; possible appointment of DO
- October 2012: Major filing project plans and programs
- Oct 2012 - June 2014: Regulatory review



## Stage 2:

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>- Planning, preparation</li> <li>- Pre-filed reports</li> <li>- Review past reports</li> </ul> | <ul style="list-style-type: none"> <li>- Review T&amp;Cs</li> <li>- Review final filings</li> <li>- Issue technical Orders</li> </ul> |
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**NPA Regulatory Review**  
Minister, Designated Officer, others (18-20 months)

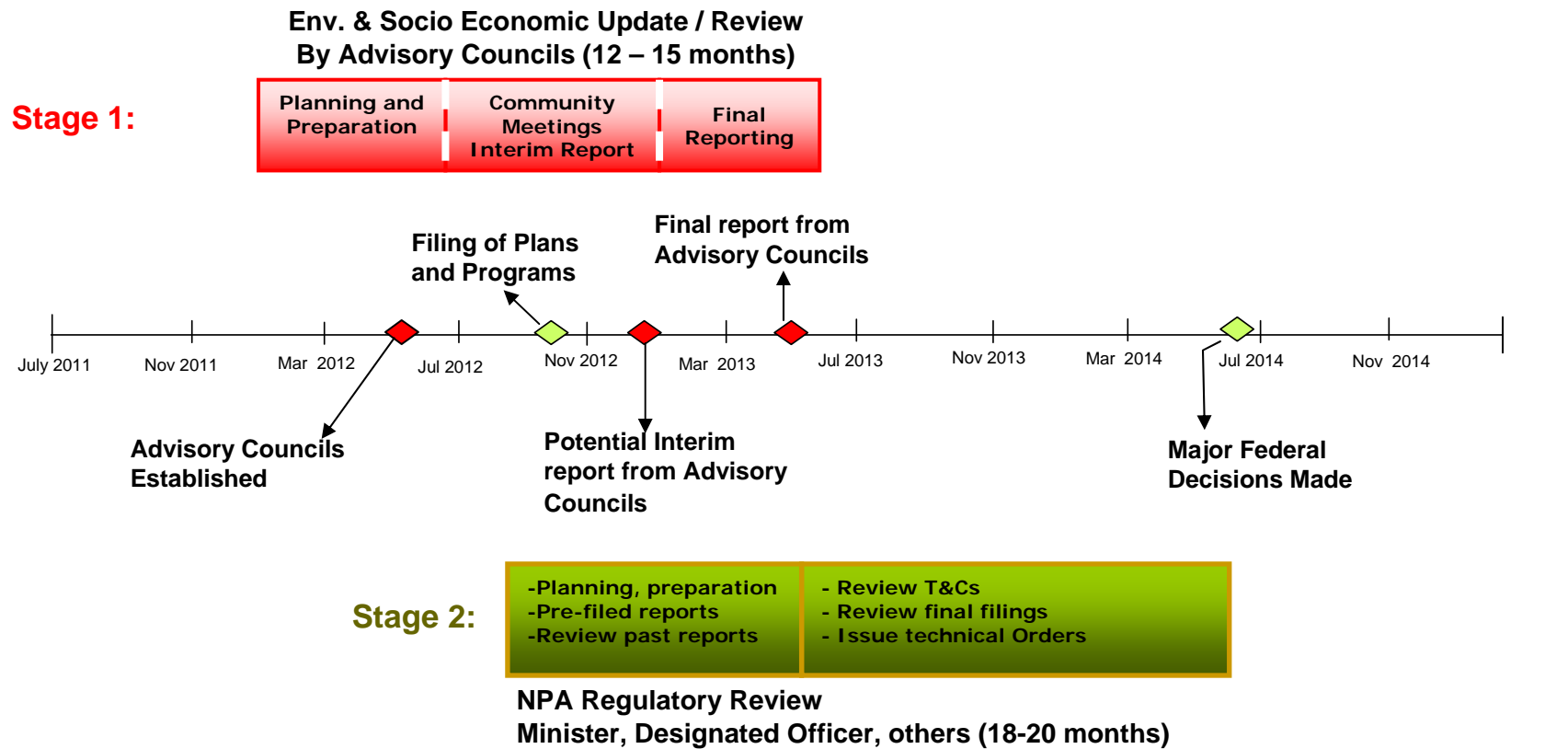
**ABORIGINAL CONSULTATION AND ENGAGEMENT**



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# How We Will Proceed: The Federal Framework – 2 Stages



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## Stage 2: Regulatory Process

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- Two parts:
  - Regulatory decision making
  - Compliance monitoring



# Stage 2: Regulatory Process

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## Regulatory decision making

- Ministerial Decisions
  - Review of Plans
  - Approval of use of Yukon Easement for pipeline construction
  
- Designated Officer Decisions
  - Updated Terms & Conditions
  - Review of Plans and Programs
  
- Authorizations under other Federal Legislation
  - Review of Applications and other submissions



# Stage 2: Regulatory Process

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## Compliance monitoring

- Designated Officer has broad authority:
  - Request additional reports to be submitted
  - Issue Orders for non-compliance
  
- Staff presence in field during construction
  
- Setting of fines and other enforcement action deemed necessary
  
- Agency is responsible until one year following completion of construction



# Part 3

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- Next Steps:
  - What are the key decisions?
  - What are the key dates?
  - How can you get involved?



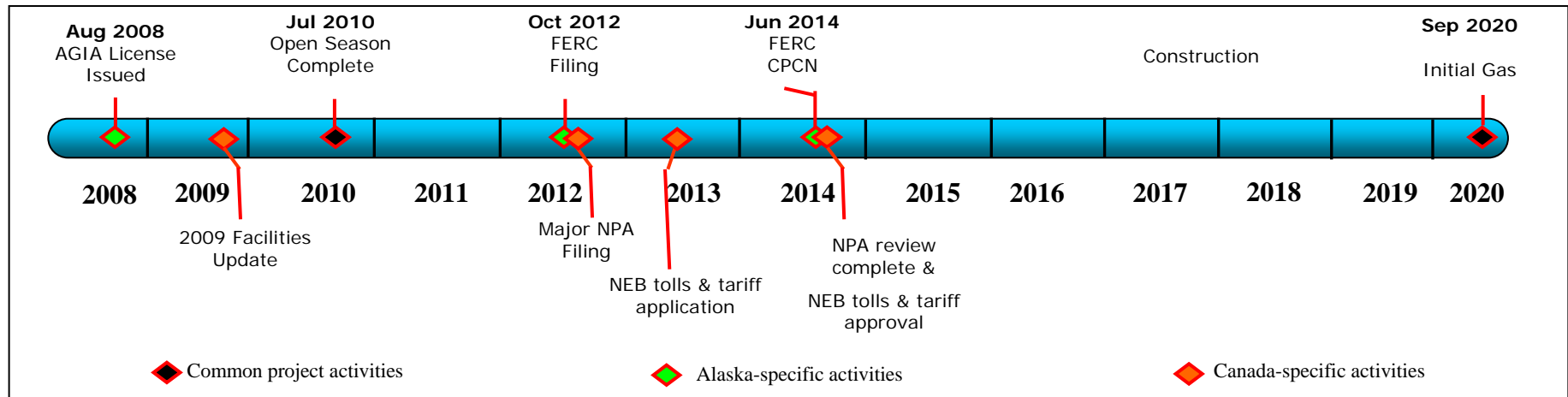
# What are the key decisions?

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- Yukon easement amendment
- Updated BC and new Yukon environmental and socio-economic terms and conditions
- Pipeline specifications and design
- Use of the Yukon easement for pipeline construction
- Environmental plans and programs
- Socio-economic plans and programs (incl. labour, procurement)
- Finalization of route in northern BC and any modifications to location of pipe in Yukon easement
- Major water-course crossings



# What are the key dates?



Graphic from TCPL.

- Consultation on implementation of Advisory Councils (Nov 2011-Feb 2012)
- Public review process with Advisory Councils (June 2012- Sept 2013)
- Receive plans and program filings from company (October 2012)
- Undertake regulatory review process (Oct 2012 - June 2014)
- If project proceeds, pre-construction commences (2015)



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# How can you get involved?

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Activity	Timeline
Consultation on amendment to the Easement Agreement	May 2011 – December 2011
Consultations on implementing Advisory Councils	November 2011 – February 2012
Consultations and engagement within socio-economic and environmental public review by Advisory Councils	June 2012 – September 2013
Consultations during regulatory review process	October 2012 – June 2014
Capacity funding is available to support Aboriginal consultations	



# Our Contact Information:

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