



Canada Energy
Regulator

Régie de l'énergie
du Canada

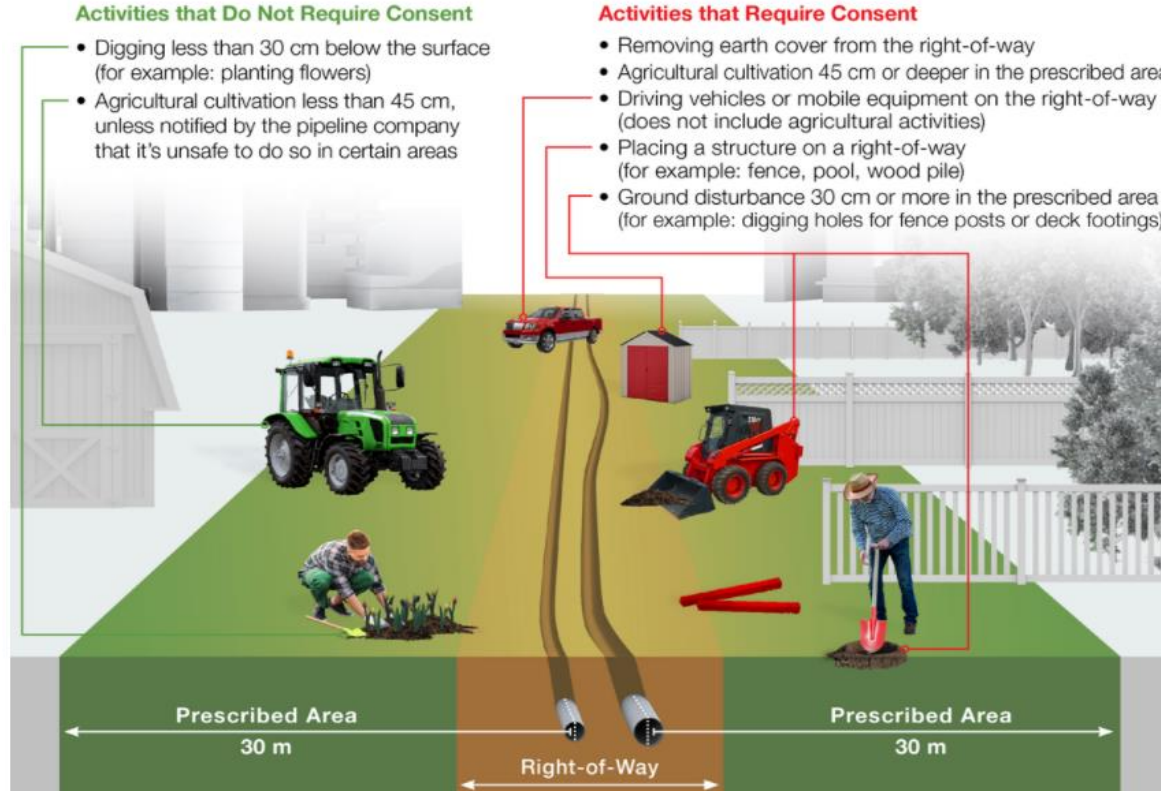
Canada

Damage Prevention and the CER Enforcement Continuum





Damage Prevention is where pipelines and human activities meet



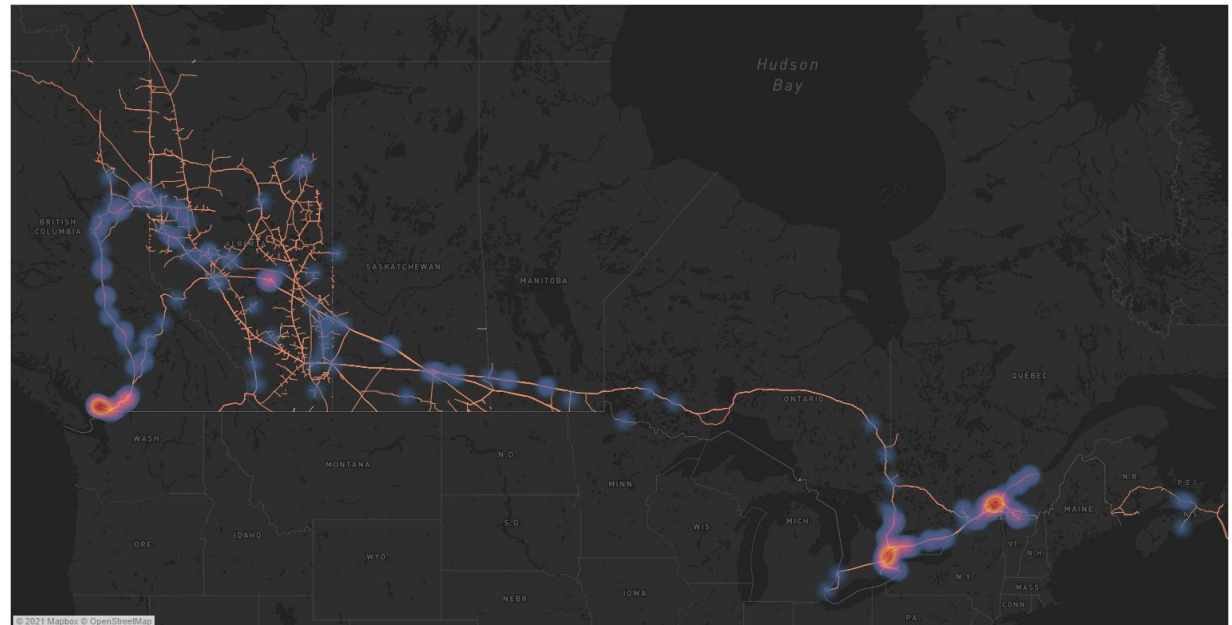


Data and Damage Prevention

All contraventions of the Damage Prevention Regulations must be reported.

Important factors:

- Completeness
- Accuracy
- Timeliness





Data and Damage Prevention

All contraventions of the Damage Prevention Regulations must be reported.

Important factor:

- ***Natural justice***





Compliance & Enforcement Guiding Principles

Goal: prevent harm to people & environment

- Use the most appropriate tool(s) to obtain/promote compliance
- Use an enforcement continuum which includes escalation when required
- Enforcement actions bring companies/contraveners back into compliance and deter future non-compliance
- CER inspection officers are fair, predictable and consistent in the application of the regulations
- CER makes information on compliance and enforcement activities available to the public



Graduated enforcement response model - companies

- Corrected/ Notice of Non-Compliance
- Inspection Officer Order
- Warning Letter
- AMP
- Commission Order
- Revocation or Suspension Authorization
- Prosecution





Graduated enforcement response model – third parties

- Education letter & information package
- Meeting with third party
- Inspection Officer Order
- Warning Letter
- Administrative Monetary Penalty
- Prosecution

Education



Meeting



IO Order



Warning Letter



AMP



Prosecution





Education and Meetings

Education is the first step:

- Starts with pipeline company response to the contravention
- Regulator review/oversight
 - Escalated response if required



Inspection Officer Order (IOO)



Issued to stop a third party activity (Immediate escalated response required)

- Where the activity has high potential to damage the pipe
- The third party disregards safety information
- May require RCMP intervention if danger is imminent

An IOO can also be issued to ensure that the company takes measures to address risks.



Warning Letter



This is an official Enforcement Tool

- Referral to the Enforcement team
- Must have all prior actions well documented



Administrative Monetary Penalties (AMPs) \$\$\$

We may fine 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
- we need to escalate to a higher level of enforcement
- we need to change behavior to prevent an issue from happening again



Prosecution



Companies/persons can be subject to fines, imprisonment, or both if they've been negligent or have intentionally and repeatedly taken actions that have caused or could lead to serious harm.



Enforcement Considerations

Considerations in the Application of Enforcement Tools

- **Nature of the non-compliance**
- **Achieving the desired outcome**
- **Applying consistent enforcement**



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Questions?



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