

June 29, 2022

Ref: 116720

Dan Barghshoon Canada Energy Regulator

Email opr-rpt@cer-rec.gc.ca

Dear Dan Barghshoon:

RE: Response to Onshore Pipeline Regulations Review Discussion Paper (January 2022)

Thank you for providing the Oil and Gas Division of the Government of British Columbia's (B.C.) Ministry of Energy, Mines and Low Carbon Innovation the opportunity to review the *Onshore Pipeline Regulations Review - Discussion Paper*, issued in January 2022. We submit to the Canada Energy Regulator (CER) by way of response to the paper the following key points, organized into the themes of the discussion paper itself. Staff from the B.C. Oil and Gas Commission (the Commission) have also kindly provided input that is integrated into this response.

Section 1: OPR – Lessons Learned

The Commission is the energy regulator responsible for B.C.'s major intra-provincial pipelines. The Commission's approach to pipeline review and approval is both risk-focused and systematic, using the robust Canadian Standards Association (CSA) Z662 as an underpinning to the regulatory standards. B.C.'s regulatory approach leverages the legislative structure in place for pipeline oversight, an approach which allows nimble updating and changes when necessary.

The Onshore Pipeline Regulations (OPR) are not structured in a similar manner. The CER may want to consider that to accomplish the requirements outlined in the discussion paper – of having a management system that is clear, understood by all, readily applicable and proactive in its ability to anticipate issues and adjust course – the way by which changes can be made to the regulations may also need to be included as a subject of the OPR review.

Section 2: Reconciliation with Indigenous Peoples

The Government of B.C. passed the *Declaration on the Rights of Indigenous Peoples Act* (Declaration Act) on November 28, 2019. Consistent with the Truth and Reconciliation Commission's Call to Action #43, the Declaration Act establishes a framework for implementing the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and marks a critical step forward on our path to reconciliation. B.C. supports the CER in its stated desire to work with Indigenous peoples to determine meaningful inclusion in project review and decisions. This includes, being open to including Indigenous knowledge and participation in the entire lifecycle process of pipelines. The CER is encouraged to continue in-depth consultation with Indigenous peoples, especially those in B.C., so to collaboratively determine the best path forward. This may include the topics outlined in the discussion paper of how to work with industry partners, improve communication and engagement requirements, incorporate Indigenous knowledge, and ensure Indigenous peoples' involvement in pipeline oversight.

Section 3: Engagement and Inclusive Participation

In B.C., the Commission maintains a commitment to nurture strong ties between industry and community members who live and work near pipelines. Site reclamation continues to be a topic highlighted in communications and engagement opportunities. Gender-based analysis plus (GBA+) is incorporated into the policies and processes, including relationship building, by the Commission.

Regarding the use of a GBA+ lens by those implementing the OPR, the CER may consider releasing regular research that helps proponents, decision makers and those affected by decisions understand the equity characteristics of impacted populations. For example:

- How many women work in this industry directly? How many indirectly?
- How many of these women are also the primary income earners for their families?
- How many of these women self-identify as Indigenous?
- Are any newcomers to Canada affected by the project?
- What languages are spoken in their homes?

An improved understanding of the characteristics of the identities of local populations may facilitate communication, the design of job opportunities, as well as highlight other considerations, such as training needs and the ramifications of disturbances to land access.

Section 4: Global Competitiveness

On the topic of global competitiveness, B.C. supports the goals of the CER in enhancing "competitiveness by building a system that enable decisions to be made in a predictable and timely manner, providing certainty to investors and stakeholders, driving innovation and enabling the implementation of sound projects that create jobs for Canadians" (from page 7 of the discussion paper). We would add that economic development opportunities for communities, including Indigenous ones, should also be a consideration.

Additionally, it is important for B.C., that pipeline regulations facilitate innovation and the adoption of new technologies, especially those that enable the elimination of greenhouse gas emissions and include transporting other products such as hydrogen. We support the CER's ongoing conversations with industry on determining how to make the regulatory process more streamlined in allowing for these improvements or changes to pipelines.

Section 5: Safety and Environmental Protection

It is under the topic of safety and environmental protection that the Province reiterates the importance of using standardized code systems, such as CSA Z662. With this as the base, the Commission has been able to further enhance its approach to risk management by allowing for deeper dives on risk-based issues in an ongoing, continuous improvement manner. The use of nationally accredited standards is fundamental in supporting high standards of performance from industry participants for the full lifecycle of pipelines.

Section 6: Implementation Objectives

B.C.'s approach to compliance for its pipeline regulatory regime is based upon two-way, open communication with industry. Trust building has been a focus of the Commission so to avoid compliance hesitancy and ensure there are no delays in critical compliance work. The Commission's allowance for compliance accountability to sit at the risk-owner level has been a huge factor in its ability to quickly respond to urgent issues. A flatter decision making model facilitates efficient and timely decision making, one that is solutions-focused rather than punitive. Industry has responded by approaching the Commission with a collaborative mindset and a willingness to enter conversations about high-risk activities. They know that education and solutions are the Commission's primary focus, rather than reproach and reprimand.

B.C. looks to be engaged by the CER in the development of technical guidance going forward. We encourage the CER to consider as much alignment as possible with our provincial systems and the standards of CSA Z662, adopting them directly if feasible.

We also look forward to understanding how your engagement with partners and stakeholders influences the design and implementation of the OPR. Once again, thank you for this opportunity to participate in the review process.

Sincerely yours,



Executive Director