



**Administrative Monetary Penalty  
Sanction administrative pécuniaire**

**Notice of Violation / Avis d'infraction**

**REFERENCE NUMBER / N° DE RÉFÉRENCE:**

AMP-002-2022

**Information for Pipeline Company/Third Party/Individuals**

**Information pour la société pipelinrière / une tierce partie / un particulier:**

|                                 |                                       |  |
|---------------------------------|---------------------------------------|--|
| <b>Name / Nom:</b>              | Trans-Northern Pipelines Inc.         | <b>TOTAL PENALTY AMOUNT / MONTANT<br/>TOTAL DES PÉNALITÉS:</b>         |
| <b>Contact / Contactez:</b>     | Jane Keast                            |  |
| <b>Title / Titre:</b>           | President and Chief Executive Officer | <b>Date of Notice / Date de l'avis:</b>                                |
| <b>Address / Adresse:</b>       | 310-45 Vogell Road                    | February 16, 2022  |
| <b>City / Ville:</b>            | Richmond Hill                         | <b>Regulatory Instrument # /<br/>N° de l'instrument réglementaire:</b> |
| <b>Province / State / Etat:</b> | Ontario, L4B 3P6                      |  |
| <b>Telephone / Téléphone:</b>   | ██████████                            |  |
| <b>Email / Courriel:</b>        | ██████████                            |  |
|                                 |                                       | OC-3, AO-1-OC-3, AO-2-OC-3   |

On / Le May 18, 2021 (date violation was detected / date infraction avait été constatée)

**Trans-Northern Pipelines Inc.**

Was observed to be in violation of a CER regulatory requirement. This violation is subject to an administrative monetary penalty, as outlined below.

A commis une infraction aux exigences réglementaire de la RCE, sujet à la sanction administrative pécuniaire ci-dessous.

**Section One – Violation Details / Renseignements sur l'infraction**

|   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> <b>Single-day violation / Infraction d'un jour</b> <b>Date of Violation / Date d'infraction:</b> May 18, 2021   |  |   |
| <input type="checkbox"/> <b>Multi-day Violation/ Infraction multi-journée:</b> (from / du): [Date] (to / au): [Date]  |  |   |
| <b>Total Number of Days /<br/>Nombre total de jours:</b> 1  | <b>Has compliance been<br/>achieved? La situation<br/>est-elle rétablie?</b> | <input checked="" type="checkbox"/> Yes / Oui <input type="checkbox"/> No / Non<br><br>If no, a subsequent NOV may be issued. Si non, un autre avis d'infraction pourrait être envoyé |
| <b>Location of Violation /<br/>Lieu de l'infraction:</b> Trans-Northern Pipelines Inc.'s Mirabel Metering Station, Mirabel QC   |  |   |
| <b>Short Form Description of Violation / Description abrégée de l'infraction</b><br>(Refer to Schedule 1 of the AMP Regulations / Voir l'annexe 1 du Règlement)   |  |   |
| <b>Act or Regulation/Section:</b><br><br><i>Canadian Energy Regulator Onshore Pipeline Regulations, section 45.1 "If a company proposes to decommission a pipeline or part of one, the company shall submit an application for the decommissioning to the Commission". (Type B)</i> |  |   |

- Contravention of an Order or decision made under the Act (ss. 2(2) of the AMP Regulations) / Dérogation à une ordonnance ou à une décision rendue sous le régime de la Loi (paragraphe 2(2) de Règlement sur les sanctions administratives pécuniaires)
- Failure to comply with a term or condition of any certificate, licence, permit, leave or exemption granted under the Act (ss. 2(3) of the AMP Regulations) / Manquement à une condition d'un certificat, d'une licence, d'un permis, d'une autorisation ou d'une exemption accordé sous le régime de la Loi (paragraphe 2(3) du Règlement sur les sanctions administratives pécuniaires)

Not applicable

## Section Two – Relevant Facts / Faits saillants

*Briefly describe reasonable grounds to believe a violation has occurred / Décrire brièvement les motifs raisonnables de croire qu'une infraction a été commise.*

### Executive Summary:

Trans-Northern Pipelines Inc. (TNPI) is the certificate holder of Canada Energy Regulator (CER) authorization Certificate OC-3, as amended, to operate approximately 800 kilometers of pipeline which transports refined products between Montréal and Toronto. The original line was built in 1952.

There are references to the National Energy Board (NEB or Board) and CER throughout this document. The CER replaced the NEB, its predecessor organization, on 28 August 2019 when the *Canadian Energy Regulator Act* (CER Act) came into force.

TNPI's Mirabel Metering Station (Mirabel Station) is a CER-regulated facility. Order M0-01-2005, a Board Order authorizing the deactivation of Mirabel Lateral and Mirabel Station, requires the station to be maintained in a deactivated state.

There are two violations which will be described in this Notice of Violation. The first is the primary violation (related to the allegation), that TNPI conducted decommissioning activities without having submitted an application for the decommissioning to the Commission of the Canada Energy Regulator (Commission) as required pursuant to section 45.1 of the *Canadian Energy Regulator Onshore Pipeline Regulations* (OPR). The second contributory violation relates to the first and demonstrates further evidence for the first violation, as TNPI was not maintaining the Mirabel Station as a deactivated facility as required pursuant to Board Order MO-01-2005.

**Primary Violation:** section 45.1 of the OPR: Failure to submit an application to decommission a pipeline to the Commission:

As observed by a CER Inspection Officer (IO) on 18 May 2021 (with details below), the Mirabel Station had permanently ceased operations as per the definition for "decommission" as set out in Section 1 of the OPR<sup>1</sup>, without the approval of the Commission, as required pursuant to section 45.1 of the OPR, which states:

*"If a company proposes to decommission a pipeline or part of one, the company shall submit an application for the decommissioning to the Commission".*

TNPI did not apply to the (then) Board to decommission the Mirabel Station as required pursuant to this section of the OPR. As an alternative means to ensure compliance with Section 45.1 of the OPR and Board Order, MO-01-2005, TNPI could have utilized the process outlined in the *Exemption Order for Decommissioning Projects under the Canadian Energy Regulator Onshore Pipeline Regulations and National Energy Board Processing Plant Regulations* (Exemption Order XO/XG-100-2008) but did not do so.

<sup>1</sup> **decommission** means to permanently cease operation such that the cessation does not result in the discontinuance of service. (désaffectation)

CER compliance verification activities at the deactivated Mirabel Lateral Pipeline and the Mirabel Station identified that TNPI had performed some *decommissioning* activities at the Mirabel Station, such as the removal of buildings and a sump tank in 2008 and 2011.

*Second contributory violation: TNPI was not maintaining the Mirabel Station as a deactivated facility for which it was required pursuant to Board Order MO-01-2005.*

CER IOs, on 3 November 2020 and 18 May 2021, observed that the status of the pipeline and related surface equipment, above ground pipelines, and pipeline related facilities at the Mirabel Station did not meet the operation and maintenance requirements of the CER for a deactivated facility as per Board Order MO-01-2005 and section 4(1)(d) of the OPR, necessitating compliance with the applicable clauses of CSA Z662. The IOs observed non-compliances to the requirements under CSA Z662 for the maintenance and management of deactivated facilities at the Mirabel Station, specifically in relation to: perimeter protection measures, intrusion and detection systems, external and internal corrosion controls for piping exposed to the atmosphere, inspection of such piping, maintenance of cathodic protection, vegetation control, and environmental effects (aesthetics, protection of vegetation and wildlife).

#### **Relevant Facts:**

On 16 December 2004, the Board received an application from TNPI pursuant to Section 44 of the OPR to *deactivate* the Mirabel Lateral Pipeline and the Mirabel Station (the Project).

On 12 January 2005, the Board issued Order MO-01-2005 approving the deactivation of the Mirabel Lateral and the Mirabel Station as part of the Project.

On 29 April 2005, pursuant to Condition 3 of the Board Order, TNPI filed a letter to the Board confirming all the activities associated with the deactivation of the Mirabel Lateral and Mirabel Station were completed in compliance with all applicable conditions.

*Second Contributory Violation: TNPI was not maintaining the Mirabel Station as a deactivated facility for which it was required to do pursuant to Board Order MO-01-2005:*

On 3 November 2020, CER IOs conducted inspection CV2021-270 of the Mirabel Station and identified multiple non-compliances related to environmental, safety and security hazards at the site. Overall, the Mirabel Station was unkept and was not adequately maintained by TNPI. Fencing was in disrepair and the gate was open, allowing people and/or wildlife to come in and out of the Station freely; creating potential safety and security risks. Mirabel Station signage was broken, faded and illegible. Overgrown vegetation and weeds were pervasive, and waste, including broken glass, was observed by CER IOs. The Mirabel Station pipeline coating was corroded, and caps/seals were missing from the aboveground piping at various places. Gas was observed (audibly) to be escaping from a broken nipple in the aboveground piping. A monitoring well was observed with its cap off and holes in the ground up to 1m deep were left open, uncovered and with no signage.

On 26 November 2020, CER IOs issued a Notice of Non-Compliance (NNC) pursuant to section 4(1)(d) of the OPR and CSA Z662, (which stipulates requirements for maintenance and management of deactivated facilities in Clauses 10.15.1.2, 10.2.4, and 10.2.5.). The main corrective action identified was for TNPI to submit a plan to come into compliance with the OPR and CSA Z662 requirements, namely to:

1. manage potential hazards to people and wildlife in the area (CSA Z662, Clause 10.2.4); and
2. manage the security of the Pipeline (CSA Z662, Clause 10.2.5).

On 15 December 2020, this non-compliance matter at the Mirabel Station was referred to CER Enforcement for further investigation.

On 14 December 2020 and 8 January 2021, TNPI provided responses to CER IOs which outlined corrective actions taken to address non-compliances in relation to CV2021-270. TNPI's response met the specific

corrective actions the CER IOs had stipulated in the NNC, which were to address the immediate potential hazards to people and the environment at the Mirabel Station. The NNC was subsequently closed by the CER IOs.

On 24 March 2021, CER Enforcement staff sent an Information Request (IR) to TNPI regarding the non-compliances identified in CV2021-270, requesting information regarding the inadequate maintenance observed at the Mirabel Station.

As part of TNPI's 23 April 2021 response to this IR, the company provided the following information:

2008 – Evidence of damage to the fence and security concerns were identified. Due to the security concerns, TNPI contacted ADM<sup>2</sup> and requested approval to demolish the buildings located on MB (Mirabel Station), which approval was obtained. The buildings were demolished and the fence repaired.

2011 – The sump tank located on MB was removed.

TNPI applied to ADM and Transport Canada to remove the 2 buildings in question in 2008.

The IR response also contained photos showing the pre- and post-removal of two buildings on the site, which demonstrates decommissioning activities were conducted.

On 18 May 2021, a CER IO conducted follow-up Inspection CV2122-164 at the Mirabel Station. Field observations at the Mirabel Station identified several non-compliances which had not been rectified by the corrective actions associated with CV2021-270 NNC #1. Notably, the CER IO observed that Mirabel Station was not being maintained in accordance with CSA Z662 Clause 10 requirements for deactivated pipelines.

The CER IO concluded that the Mirabel Station was out of compliance with the requirements to be maintained in a deactivated state as per as per Board Order MO-01-2005 and section 4(1)(d) of the OPR requiring compliance with the applicable clauses of CSA Z662. Deactivated facilities are required to be maintained at the same standard as operating facilities as per CSA Z662, and this facility did not meet that standard for the following: perimeter protection measures, intrusion and detection systems, external and internal corrosion controls for piping exposed to the atmosphere, inspection of such piping, maintenance of cathodic protection, vegetation control, environmental effects (aesthetics, protection of vegetation and wildlife).

*Primary Violation: section 45.1 of the OPR: Failure to submit an application to decommission a pipeline to the Commission:*

As observed by a CER IO on 18 May 2021, the Mirabel Station had permanently ceased operations pursuant to the definition for “decommission” as set out in Section 1 of the OPR, without the approval of the Commission, as required pursuant to section 45.1 of the OPR, which states:

*“If a company proposes to decommission a pipeline or part of one, the company shall submit an application for the decommissioning to the Commission.”*

TNPI did not apply to the Board to decommission the Mirabel Station as required pursuant to section 45.1 of the OPR.

As an alternative means to ensure compliance with Section 45.1 of the OPR and Board Order, MO-01-2005, TNPI could have utilized the process outlined in the *Exemption Order for Decommissioning Projects under the Canadian Energy Regulator Onshore Pipeline Regulations and National Energy Board Processing Plant Regulations* (Exemption Order XO/XG-100-2008<sup>3</sup>) but did not do so.

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<sup>2</sup> ADM – Aéroports de Montréal

<sup>3</sup> *Exemption Order for Decommissioning Projects under the Onshore Pipeline Regulation and National Energy Board Processing Plant Regulations* (Exemption Order XO/XG-100-2008)

On 25 May 2021, TNPI verbally indicated to a CER IO that the company was working towards a *decommissioning* project and was still in the planning stages. On 1 June 2021, TNPI committed in an email to “*have the above ground equipment removed using the site decommissioning exemption by December 31, 2021...For clarity, all equipment or structures with an above-to-below ground interface will remain and will be removed as part of the remediation project, this includes all concrete bases and all underground infrastructure.*” TNPI committed to come into compliance with the terms of Board Order MO-01-2005 by 31 December 2021.

Inspection Officer Order (IOO) LMR-001-2021 was issued by the CER to TNPI on 8 June 2021 to formalize this commitment. As part of IOO LMR-001-2021, TNPI was ordered to:

No later than 31 August 2021,

- A. Provide notice to the undersigned CER Inspection Officer including the Decommissioning Project description and scope of work TNPI will be using to determine if they are eligible to proceed pursuant to Exemption Order XO/XG-100-2008 (Decommissioning Streamlining Order).

OR

- B. File with the Commission an application pursuant to section 45.1 of the OPR for the Decommissioning Project.

If (a), then:

- i. Fourteen (14) days prior to the commencement of the Decommissioning Project, provide the Construction Schedule, the Site-Specific Environmental Protection Plan, as well as the Site-Specific Safety Plan for the Decommissioning Project<sup>4</sup>; and
- ii. Complete the Decommissioning Project and associated activities in accordance with the Decommissioning Streamlining Order in the fourth quarter of the 2021 calendar year and no later than 31 December 2021.

### **Conclusion:**

The facts as outlined above demonstrate that:

Trans-Northern Pipelines Inc. is in violation of Section 45.1 of the OPR. My reasonable grounds for belief can be summarized as follows:

- 1. Board Order MO-01-2005 required TNPI to maintain the Mirabel Station as a *deactivated facility*;
- 2. On 23 April 2021, the Mirabel Station was observed by CER IO to have permanently ceased operations, pursuant to the definition of “decommission” as set out in Section 1 of the OPR, without the approval of the Commission, as required pursuant to section 45.1 of the OPR. TNPI did not apply to the Board to decommission Mirabel Station as required pursuant to Section 45.1 of the OPR nor did TNPI utilize Exemption Order XO/XG-100-2008.

Further reasonable and supporting grounds for this belief are as follows:

- 3. As of the dates of inspection CV2021-270 on 3 November 2020 and CV2122-164 on 18 May 2021, the status of the pipeline and related surface equipment, above ground pipelines, and pipeline related facilities at the Mirabel Station did not meet the operation and maintenance requirements of the CER (pursuant to section 4(1)(d) of the OPR and CSA Z662) for a deactivated facility, which is what TNPI was authorized to be operating and maintaining pursuant to Board Order MO-01-2005.
- 4. The two separate CER inspections on 3 November 2020 and on 18 May 2021, demonstrated a lack of maintenance of the level required for deactivated facilities (as compared to a lesser level required for a *decommissioned* facility) which led to unmanaged and unmitigated environmental, safety and security hazards at the site.

<sup>4</sup> Provided by TNPI via email on 7 October 2021.

5. TNPI provided the CER with the information that they had demolished buildings in 2008 and removed a sump tank in 2011, both of which are decommissioning activities and are not consistent with the requirement for the Mirabel Station to remain in a deactivated state.

Section 45.1 of the OPR is listed in the *Administrative Monetary Penalty Regulations (National Energy Board)*, Schedule 1, and is therefore subject to an AMP for failure to submit an application for decommissioning as prescribed, a Type B violation.

While the CER investigation notes multiple individual non-compliances of the various decommissioning and deactivated facility maintenance requirements in the OPR, as the AMP Officer designated by the CER's Chief Executive Officer to issue notices of violation, I have discretion about if and when to issue such notices. I am mindful, in exercising this discretion, of the purpose of the CER Act's administrative monetary penalty scheme, which is to promote compliance, and not to punish. As a result, I am only issuing this specific Notice of Violation.

I believe that Trans-Northern Pipelines Inc. was in violation of Section 45.1 of the OPR and hereby issue this Notice of Violation.

### Section Three – Penalty Calculation / Calcul des sanctions

| <b>A) Baseline Penalty (Gravity Level = 0) / Pénalité de base (côte de gravité = 0)</b><br><i>Refer to AMP Regulations, Subsection 4(1) / Voir le Règlement, paragraphe 4(1))</i>   |                                   |  |                              |    |                                  |                                     |                                     |    |
|---|-----------------------------------|--|------------------------------|----|----------------------------------|-------------------------------------|-------------------------------------|----|
| Category / Catégorie  | Individual / Personne physique    | Any Other Person / Autre Personne            |                              |    |                                  |                                     |                                     |    |
| Type A  | <input type="checkbox"/> \$1,365  | <input type="checkbox"/> \$5,025             |                              |    |                                  |                                     |                                     |    |
| Type B  | <input type="checkbox"/> \$10,000 | <input checked="" type="checkbox"/> \$40,000 |                              |    |                                  |                                     |                                     |    |
| <b>B) Applicable Gravity Value / Côte de gravité globale applicables</b><br><i>(Refer to AMP Regulations, Subsection 4(2) / Voir le Règlement, paragraphe 4(2))</i>   |                                   |  | <b>Gravity Level</b>         |    |                                  |                                     |                                     |    |
|   |                                   |  | <b>Mitigating / Attenuer</b> |    | <b>Aggravating / Aggravantes</b> |                                     |                                     |    |
|   |                                   |  | -2                           | -1 | 0                                | +1                                  | +2                                  | +3 |
| <input checked="" type="checkbox"/> Other violations in previous seven (7) years / Autres infractions au cours des sept (7) années précédentes  |                                   |  | --                           | -- | <input type="checkbox"/>         | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | -- |
| 1. AMP-001-2021 Failure to have an adequate Environmental Protection Program, particularly related to contaminated sites, as required by section 48 of the <i>Canadian Energy Regulator Onshore Pipeline Regulations</i>  |                                   |  |                              |    |                                  |                                     |                                     |    |
| 2. AMP-001-2020 Failure to contract for services as prescribed pursuant to s. 29 <i>Canadian Energy Regulator Onshore Pipeline Regulations</i>  |                                   |  |                              |    |                                  |                                     |                                     |    |
| 3. AMP-001-2018 Contravention of a Board Order re: Overpressure of the Montreal Feeder System   |                                   |  |                              |    |                                  |                                     |                                     |    |
| <input type="checkbox"/> Any competitive or economic benefit from violation / Avantages concurrentiels ou économiques découlant de l'infraction   |                                   |  | --                           | -- | <input type="checkbox"/>         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | -- |
| TNPI was not maintaining the Mirabel Station as a <i>deactivated facility</i> for which it was required to do pursuant to Board Order MO-01-2005. In 2018, a broken gate and perimeter fence was identified as part of a routine patrol. Repairs were deferred due to (i) planned future remediation work and (ii) TNPI asserted that the facility was located within a secure ADM facility. There is a quantifiable economic benefit to not incurring costs to conduct maintenance activities; for example, creating and maintaining perimeter security, and in deferring decommissioning costs. |                                   |  |                              |    |                                  |                                     |                                     |    |

|   |                          |                                     |                                     |                                     |                          |                          |
|---|--------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------|--------------------------|
| <input checked="" type="checkbox"/> Reasonable efforts to mitigate/reverse violation's effect/reverse violation's effect / Efforts raisonnables déployés pour atténuer ou annuler les effets de l'infraction  | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | --                       |
| <p>In November 2020, Inspection CV2021-270 revealed a lack of adequate maintenance as required for a deactivated facility pursuant to Board Order MO-O1-2005. This lack of maintenance to the level required for deactivated facilities led to unmanaged and unmitigated environmental, safety and security hazards at the site. Although a Notice of Non-Compliance was issued, follow-up CER Inspection CV2122-164 in May 2021 identified several non-compliances which had not been rectified by the corrective actions associated with the previous inspection. Notably, the CER IO observed that the Mirabel Station was not being maintained in accordance with CSA Z662 Clause 10 requirements for deactivated pipelines. It was not until after the second inspection on 18 May 2021 that TNPI verbally indicated to the CER IO that the company had begun working towards a decommissioning project.</p> |                          |                                     |                                     |                                     |                          |                          |
| <input checked="" type="checkbox"/> Negligence on part of person who committed violation / Négligence de la part de la personne ayant commis l'infraction   | --                       | --                                  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | --                       |
| <p>TNPI applied to ADM and Transport Canada to conduct the partial decommissioning activities in 2008, so the company was aware that some level of authorization was needed prior to being able to remove their infrastructure from the Mirabel Station. They did not apply to the NEB as required pursuant to Board Order MO-01-2005 or utilize Exemption Order XG-XO-100-2008. Also, the lengthy time period between when the decommissioning activities commenced (2008), and an application or notification to the NEB should have been made, and when it ultimately was (May 2021), some 12+ years later, exacerbates this failure. TNPI also failed to demonstrate due diligence with respect to performing maintenance to the level required for deactivated facilities which led to unmanaged and unmitigated environmental, safety and security hazards at the site.</p>                                 |                          |                                     |                                     |                                     |                          |                          |
| <input checked="" type="checkbox"/> Reasonable assistance to the Board with respect to violation / Collaboration raisonnable avec l'Office en ce qui a trait à l'infraction   | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | --                       |
| <p>TNPI met its regulatory expectations as required by the Inspection Officers.</p>   |                          |                                     |                                     |                                     |                          |                          |
| <input type="checkbox"/> Promptly reported violation to the Board / Infraction signalée sans délai a l'Office   | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/> | --                       |
| <p>Not applicable</p>   |                          |                                     |                                     |                                     |                          |                          |
| <input checked="" type="checkbox"/> Steps taken to prevent reoccurrence of violation / Mesures prises pour prévenir les récidive  | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/> | --                       |
| <p>The CER recognizes that TNPI has done some work on improving their Environmental Protection Program (EPP) / contaminated sites program, of which the Mirabel Station is a part. Some changes have been made to the company's EPP to address gaps. Changes include the hiring of staff, improvements to TNPI's documents, processes and internal oversight. However, many of these improvements were not initiated by the company, rather they were a result of the insistence of the CER staff and of the CER IOO, and made over an unreasonably lengthy timeline.</p>   |                          |                                     |                                     |                                     |                          |                          |
| <input type="checkbox"/> Violation was primarily reporting/record-keeping failure / Infraction reliée principalement à la production de rapports ou à la tenue des dossiers   | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/>            | --                       | --                       |
| <p>Not applicable</p>   |                          |                                     |                                     |                                     |                          |                          |
| <input checked="" type="checkbox"/> Any aggravating factors in relation to risk of harm to people or environment / Facteurs aggravants pouvant causer du tort au public ou à l'environnement  | --                       | --                                  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>The CER requires companies to conduct activities in accordance with regulatory requirements, in part to ensure that the CER is able to provide regulatory oversight over the activities themselves. By not applying to the Commission to decommission this facility pursuant to section 45.1 of the OPR, this hinders the CER's</p>  |                          |                                     |                                     |                                     |                          |                          |

ability to oversee the decommissioning activities and ensure they are conducted in a safe and environmentally sound manner.

TNPI was not maintaining the Mirabel Station as a deactivated facility for which it was required to do pursuant to Board Order MO-01-2005. On 3 November 2020, CER IOs observed that the Mirabel Station sign was broken, faded and illegible. Overgrown vegetation and weeds were pervasive within the station. Waste including broken glass was observed. The pipeline coating was corroded, and caps/seals were missing from the aboveground piping at various places. A monitoring well was observed with its cap off. Holes in the ground up to 1 m deep were left open, uncovered and with no signage. Overall, this station was unkept and did not appear to be maintained in any way by TNPI.

Although TNPI stated in its 23 April 2021 IR response that the station is not accessible to the public, this is inconsistent with the experiences of the CER IOs in both November 2020 and May 2021, as access to the ADM lands were not secured on either occasion. Also, in its 23 April 2021 IR response, TNPI stated that they chose to remove buildings at the Mirabel Station as a means to address ongoing security concerns, including evidence of break-ins on two separate occasions.

All of these aforementioned issues and events demonstrate the creation of risk of harm to people or the environment by TNPI.

|   |                   |
|---|-------------------|
| <b>C) Total Gravity Value / Côte de gravité globale</b><br><i>(adjustments made for gravity values in B) based on mitigating or aggravating factors applied / rajustements apportés aux cotes de gravité en B) en fonction des facteurs atténuants ou aggravants appliqués)</i> | <b>5</b>          |
| <b>D) Daily Penalty / Sanctions quotidiennes</b><br><i>(baseline penalty adjusted for the final gravity level / Pénalité de base d'après la côte de gravité)</i>  | <b>\$ 100,000</b> |
| <b>E) Number of Days of Violation / Durée de l'infraction</b><br><i>(If more than one day, justification must be provided / si plus d'une journée, prière de justifier)</i><br>Not applicable   |                   |
| Notes to explain decision to apply multiple daily penalties, or "Not Applicable" / Notes pour expliquer la décision d'appliquer des pénalités multiples quotidiennes, ou «sans objet».  |                   |
| Not applicable  |                   |

#### Section Four – Total Penalty Amount / Montant total de la pénalité

Note: The total penalty amount shown is based on the period described in section one above. If compliance has not been achieved, a subsequent Notice of Violation may be issued.  
Le montant total des pénalités est calculé d'après la période décrite dans la première section. Si la situation n'a pas été rétablie, un autre avis d'infraction pourrait être envoyé.

|  |                   |
|--|-------------------|
| <b>Total Penalty Amount / Montant total de la pénalité</b> | <b>\$ 100,000</b> |
|--|-------------------|

**Section Five – Due Date / Date limite**

(30 days from receipt of Notice of Violation / 30 jours à compter de la réception de l'Avis d'infraction)

**Due Date / Date limite**

March 18, 2022

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Keith Landra ( [REDACTED] )

Designated Officer pursuant to ss. 116(2) of the CER Act  
Administrative Monetary Penalties

Fonctionnaire désigné sous l'alinéa 116(2) de la LRCE  
Sanctions administratives pécuniaires

## Notes

You have the right to make a request for a review of the amount of the penalty or the facts of the violation, or both, within 30 days after the Notice of Violation was received.

If you do not pay the penalty nor request a review within the prescribed period you are considered to have committed the violation and you are liable for the penalty set out in the Notice of Violation. The penalty is due on the date indicated above.

The unpaid penalty amount is a debt due to the Crown and may be recovered by collection procedures stipulated in the Financial Administration Act.

The information regarding the violation may be posted on the CER website:

- a) 30 days from the date this Notice of Violation was received; or
- b) upon issuing a decision following a Request for Review.

## To Make Payment:

You may remit your fee payment by Electronic Funds Transfer (EFT) or by cheque payable to the order of Receiver General for Canada.

EFT payments can be arranged by contacting the Director of Financial Services, Monday to Friday, from 09:00 to 16:00 Mountain Time:

Telephone: 403-919-4743 / 800 899-1265

Fax: 403-292-5503 / 877-288-8803

**Cheques** should be made out to the Receiver General for Canada and mailed to:

Canada Energy Regulator  
Attention: Finance  
210-517 10 Ave SW  
Calgary AB T2R 0A8

Your completed *Payment* form should be enclosed with your payment.

## Notes

Vous disposez de 30 jours après la signification de l'Avis d'infraction pour demander une révision du montant de la pénalité, ou les faits rapportés, ou les deux.

Si les sanctions ne sont pas acquittées et qu'aucune révision n'est demandée, vous êtes considérés comme coupable de l'infraction et vous devez payer les sanctions précisées dans l'Avis d'infraction. Les sanctions sont payables à la date indiquée ci-dessus.

Un défaut de paiement constitue une créance envers l'Etat et peut être recouvré en utilisant tous les recours prévus dans la Loi sur la gestion des finances publiques.

L'information concernant l'infraction pourrait également être affichée sur le site Web de la RCE:

- a) 30 jours après la date de réception de l'Avis:
- b) dès qu'une décision a été rendue à la suite d'une Demande de révision.

## Paiement:

Vous pouvez payer le montant dû par transfert électronique de fonds (TEF) ou par chèque établi à l'ordre du Receveur général du Canada.

Pour se prévaloir du service de transfert électronique, communiquer par téléphone avec le Directeur, Service des finances, du lundi au vendredi, de 9 h à 16 h, heure des Rocheuses :

Téléphone: 403-919-4743 / 800-899-1265

Télec. : 403-292-5503 / 877-288-8803

**Les chèques** doivent être établis à l'ordre du Receveur général du Canada et postés à l'adresse suivante:

Régie de l'énergie du Canada  
Attention: Finance  
210-517 10 Av SO  
Calgary AB T2R

Le formulaire de *paiement* dûment rempli doit accompagner le paiement.