



INSPECTION OFFICER ORDER NO. MJS – 001 - 2026

IN THE MATTER OF THE CANADIAN ENERGY REGULATOR ACT, AN ORDER UNDER SECTION 109

Neels Nurseries is a land user in the process of acquiring a property located at 5887 Kamp Road, Agassiz, British Columbia (the Site). Federally regulated facilities owned by Westcoast Energy Inc. (Westcoast) are located on the property.

On 27 April 2026, Westcoast reported an alleged contravention of the Damage Prevention Regulations (DPRs), (DPR2026-073). On 29 April 2026, the undersigned Canada Energy Regulator (CER) Inspection Officer visited the Site. The CER Inspection Officer has determined that additional measures are required to mitigate the hazards to the safety of persons or damage to property or the environment and issues this Order to Neels Nurseries on 05 May 2026.

RELEVANT FACTS

The following are the relevant facts relating to relating to the issuance of this Order:

1. On 28 April 2026, Westcoast reported an alleged unauthorized ground disturbance at the site to the Canada Energy Regulator (DPR2026-073). According to Westcoast's preliminary report, a neighbour reported to the Westcoast gas control, that they observed vehicle crossings and ground disturbance activity occurring within the prescribed area of Westcoast's pipeline right of way. The report indicated that the activity was observed on 26 April 2026 and that there was potential for the ground disturbance activities to have contacted the pipelines, given the depth of the work and the existing depth of cover. At the time of reporting, Westcoast indicated via the unauthorized activity report that further investigation, including hand digging, was planned to determine whether contact with the pipelines had occurred.
2. On 29 April 2026, the undersigned Canada Energy Regulator (CER) Inspection Officer visited the Site to assess the alleged contraventions.
3. The CER Inspection Officer observed wooden rig mats at the location. Westcoast confirmed they had previously installed wooden rig mats at the Site to indicate that it was a location where agricultural activities could impair the safety of the pipeline
4. The Neels Nurseries representative stated that the work was completed without a "one-call" notification to request locates, and without Westcoast's written authorization for ground disturbance or vehicle crossings over the pipeline.
5. Neels Nurseries stated that it was in the process of acquiring the land and its staff was unaware of the issues and restrictions on the property.

6. Westcoast implemented immediate measures, including locating and marking the pipeline, measuring the depth of cover across the farmed portion of the right of way, and delineating a restricted area where work is not to proceed until further notice.
7. Neels Nurseries has plans to change the land at the Site into a tree farm that will have several seasonal workers. For these reasons, procedures outlining how to work safely around pipelines would be appropriate.

The following provisions of the Act and/or Regulations are alleged to have been contravened:

Activity that Causes a Ground Disturbance

1. *Canadian Energy Regulator Pipeline Damage Prevention Regulation – Authorizations (DPR-A)*

10 (1) For the purposes of subsection 335(1) of the Act, any activity — in an area other than an offshore area — that would cause a ground disturbance within the prescribed area, other than an activity referred to in section 11, is authorized if the person that intends to engage in the activity

- (a) obtains the pipeline company's written consent.
- (b) makes a locate request in accordance with section 3; and
- (c) obtains from the pipeline company the information that is referred to in paragraphs 6(1)(a) and (c) of the Canadian Energy Regulator Pipeline Damage Prevention Regulations Obligations of Pipeline Companies (DPR-O)

10 (3) Any person that is engaged in an activity that causes a ground disturbance within the prescribed area must comply with the following measures:

- (a) ensure that the activity is carried out in accordance with the technical details that are set out in the person's request for consent and that have been accepted by the pipeline company, as well as with the conditions set out in the pipeline company's consent, including the conditions respecting directional drilling or the use of explosives;
- (d) comply with the instructions of the pipeline company's authorized field representative regarding the procedures that are to be followed during the activity and that relate to the pipeline's safety and security;

12 Subject to section 13 and for the purposes of paragraph 335(2)(a) of the Act, the operation of a vehicle or mobile equipment across a pipeline is authorized if the person that intends to operate the vehicle or mobile equipment across the pipeline obtains the pipeline company's written consent.

13 (1) For the purposes of paragraph 335(2)(a) of the Act, the operation across the pipeline of a vehicle or mobile equipment that is used to perform an agricultural activity is authorized if the following conditions are met:

- o (a) the loaded axle weight and tire pressures of the vehicle or mobile equipment are within the manufacturer's approved limits and operating guidelines; and

- **(b) the point of crossing has not been the subject of a notification under section 7 of the [Canadian Energy Regulator Pipeline Damage Prevention Regulations – Obligations of Pipeline Companies](#). [emphasis added]**

(2) In this section, *agricultural activity* means the production of crops and the raising of animals and includes tillage, plowing, disking, harrowing and pasturing, but does not include the construction of new buildings or impervious areas or the placement of footings, foundations, pilings or posts, including fence posts.

2. *Canadian Energy Regulator Act (CER Act)*

335(1) It is prohibited for any person to construct a facility across, on, along or under a pipeline or engage in an activity that causes a ground disturbance within the prescribed area unless the construction or activity is authorized or required by the orders made under subsection (3) or (4) or regulations made under subsections (5) or (6) and done in accordance with them.

Duty to Inform

3. *Canadian Energy Regulator Pipeline Damage Prevention Regulation – Authorizations (DPR-A)*

4 Any person that intends to construct a facility across, on, along or under a pipeline, engage in an activity that would cause a ground disturbance within a prescribed area or operate a vehicle or mobile equipment across a pipeline must, before the construction, activity or operation is to start, inform all persons working on their behalf, including employees, contractors and subcontractors, of their obligations under these Regulations.

MEASURES TO BE TAKEN

Where the Inspection Officer has reasonable grounds to believe that there is or is likely to be a contravention of Parts 2 to 5 or section 335 of the CER Act, or for a purpose referred to in subsection 102(2) CER Act, the Inspection Officer may, by Order, direct a person to

- (a) stop doing something that is in contravention of this Part or any of Parts 3 to 5 or section 335 or cause it to be stopped;*
- (b) take any measure that is necessary in order to comply with this Part or any of Parts 3 to 5 or section 335 or mitigate the effects of non-compliance;*
- (c) stop doing something that may cause a hazard to the safety or security of persons, or damage to property or the environment or cause it to be stopped; or*
- (d) take any measure that is necessary to prevent or mitigate the hazard to the safety or security of persons or damage to property or the environment.*

The CER Inspection Officer has determined that additional measures from Neels Nurseries are necessary to prevent harm to people and the environment. Neels Nurseries will be operating a new tree farm on the property that will require ground disturbance and vehicle crossings near the pipeline.

Neels Nurseries is ORDERED pursuant to subsections 109(1) and 109(2) of the CER Act to:

- Take measures specified below under Specified Measures as per paragraphs (b) and (d) above
- Stop doing something as specified below under Specified Measures as per paragraphs (a) and (c) above
- Suspend work associated with a facility, including a regulated facility, abandoned facility or ground disturbance, until the hazardous or detrimental situation has been remedied to the satisfaction of an Inspection Officer or until this order is stayed or rescinded.

SPECIFIED MEASURES

1. Neels Nursery must develop and implement a written safety procedure that must include the following:
 - a) Vehicle or mobile equipment may cross at specific locations within the pipeline right-of-way where section 13 of the DPR-A is met. If section 13 of the DPR-A is not met, Neels Nursery must obtain Westcoast's written consent in advance of crossing.
 - b) Making a locate request in the following manner at least three working days before the day on which the construction or activity is to start:
 - i. to a one-call centre if the intended construction or activity is within an area where a one-call centre exists; or
 - ii. to the pipeline company directly if the intended construction or activity is not within an area where a one-call centre exists.
 - c) Obtaining the pipeline company's written consent before commencing work as per s.10(1)(a) of the DPR-A;
 - d) Obtain and communicate written safety information from the company including an explanation of locate markings as per s.10(1)(c) of the DPR-A;
 - e) Ensuring that the pipeline company representative is on-site when required by the conditions of the consent;
 - f) Ensuring Neels Nursery employees and contractors understand and comply with the conditions set out in the consent, including when a company inspector is required on-site; and
2. Neels Nursery must submit a written description to the CER of how Neels Nursery will ensure that the procedure is fully implemented within its operations, such as the timeline and method for its communication and training staff and contractors on this procedure.
3. Neels Nursery shall provide the above safety procedure and written implementation plan to the CER on or before **8 June 2026**.

EFFECTIVE DATE OF THE ORDER

This Inspection Officer Order takes effect immediately on 05 May 2026 at the time of delivery of this Order to the Company to whom it is directed. Nothing in this Order shall be construed as reducing, increasing, or otherwise affecting what may be required of the Company to whom it is directed to comply with all applicable legislative or legal requirements.

COMPLIANCE WITH THIS INSPECTION OFFICER ORDER IS MANDATORY

Failure to comply with an Inspection Officer Order issued under section 109 of the CER Act is an offence under section 112 of the CER Act that reads, in part (1) Every person who contravenes subsection 103(4) or fails to comply with an order under section 109 is guilty of an offence and is liable

- (a) on conviction on indictment, to a fine of not more than \$1,000,000 or to imprisonment for a term of not more than five years or to both; or
- (b) on summary conviction, to a fine of not more than \$100,000 or to imprisonment for a term of not more than one year or to both.

Inspection Officer	05 May 2026	
	Date	
	REDACTED	REDACTED
	IO Designation Number	Signature
	210-517 10 Ave SW, Calgary AB T2R 0A8	

Please note that:

1. In compliance with the CER's Enforcement Policy, this Order will be posted on the CER's website.
2. All submissions to the CER in response to the Order are to be provided within the CER Operations Regulatory Compliance Application (ORCA) quoting the associated CVA #, Inspection Officer Order #, and any specific measure with which the submission is associated. In addition, the Company is requested to send a copy of any response provided in the ORCA to the Inspection Officer via email.