



MEDIA STATEMENT

CEPA concerned by uncertainties in proposed regulatory reform legislation

February 8, 2018

The Canadian Energy Pipeline Association (CEPA) is beginning its review of the proposed environmental and regulatory review legislation that was announced today by the federal government. CEPA was thoroughly engaged throughout a year-and-a-half of robust consultations. These are sweeping changes to the way Canada reviews and regulates natural resource projects, including pipelines.

Throughout the consultation process, CEPA clearly and consistently emphasized three key priorities:

1. New legislation must ensure processes provide certainty to proponents. They must be fair, transparent, coordinated, clear, efficient, based on science, and overseen by the best-placed regulator.
2. Individual project reviews are not the proper venue to address broader public policy issues, such as Canada's ability to meet its commitments in respect to climate change.
3. One project, one review.

CEPA member companies that propose to invest in pipeline projects in Canada need a regulatory system that promotes clarity and efficiency. There is serious risk that companies will invest their capital in other jurisdictions if faced with unacceptable uncertainty, costs and delays. CEPA is concerned that the changes announced today may not achieve the level of certainty required for Canada to be a competitive jurisdiction for investment.

CEPA and its members will conduct a thorough analysis of the proposed legislation. However, early reviews indicate both opportunities and challenges:

Opportunities

- CEPA is pleased to see a commitment to legislated timelines. Companies that are looking to build pipelines must have predictable processes and clear deadlines.
- The government's commitment to a "One project. One assessment" process is also encouraging. Avoiding duplication through the approval and regulatory process is critical.
- Changes to the governance of the National Energy Board, with the creation of the Canadian Energy Regulator.

Challenges

- CEPA is very concerned with the scope of the proposed new Impact Assessment process. From the outset, CEPA has stated that individual project reviews are not the appropriate place to resolve broad policy issues, such as climate change, which should be part of a Pan-Canadian Framework. Including these policy issues adds a new element of subjectivity that could continue to politicize the assessment process.
- Many questions remain regarding the details of the reforms and how exactly they will be implemented. While the industry is pleased to have an opportunity to further consult on these changes, today's announcement adds uncertainty for CEPA's members.



It is absolutely critical that the regulatory reform initiatives announced today do not add to the significant obstacles already facing our energy industry. Our country's ability to be competitive now, and in the future, depends on finding an appropriate balance between environment and economic objectives.

CEPA is committed to continuing to work closely with the federal government as it determines how to implement the changes outlined in the legislation.

Please attribute this statement to the Canadian Energy Pipeline Association.

Chris Bloomer, CEPA President and CEO, is available for interviews this afternoon.

Telephone interviews:

*Chris will be conducting telephone interviews via conference call at **1:15 p.m.** Please use the dial-in information below.*

*Dial-in number: 1-866-834-7685
Access code: 221-8750#*

On-camera interviews:

On-camera availabilities with Chris Bloomer will be scheduled separately. Please let me know if you'd like to schedule a time.

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