



canadian energy pipeline association
association canadienne de pipelines d'énergie

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April 16, 2020

RE: Pipeline Rules Rewrite Project

Dear Jenny Miller,

The Canadian Energy Pipeline Association (CEPA) appreciates the opportunity to comment on the Alberta Energy Regulator's (AER) Pipeline Rules Rewrite Project. CEPA represents Canada's transmission pipeline companies who operate approximately 121,000 kilometres of pipeline in Canada and 14,000 kilometres in the United States. CEPA members move approximately 1.2 billion barrels of liquid petroleum products and 5.4 trillion cubic feet of natural gas each year.

Overall, CEPA is supportive of the AER's intent to create efficiency and certainty through regulatory changes. As such, CEPA and its members have provided specific feedback for consideration in the attached document.

As always, CEPA looks forward to continued engagement on this matter. Please do not hesitate to contact the undersigned if you have any questions or require clarification regarding any of the comments made above.

Yours sincerely,

Kai Horsfield
Manager, Policy and Regulatory



Pipeline Rules Reform Project – CEPA Feedback

AER Requested Feedback					
Pipeline Rules Section	Source (Sub-Element)	Theme	Issue	AER Possible Solution/Recommendation	CEPA Feedback/Recommendation
7(1) – Amend	AER	Safety and loss management systems and integrity management programs	The existing section 7 is out of date and does not reflect current expectations regarding operations and integrity management.	Amend requirements in 7(1) (O&M manuals, IMP manuals) with the requirements for licensees to have an Integrity Management Program and a Safety and Loss Management System in accordance with CSA Z662 and annexes A and N.	CEPA requests the AER provide clarity as to what constitutes a “manual.” Specifically, does “manual” include electronic forms as opposed to hard copies?
New	AER	New pipelines sour service	The Regulator and licensees spend considerable resources trying to qualify upstream non-sour pipelines for sour service often without complete confidence and with significant rework costs incurred.	New requirement(s) that licensees shall design and construct all new upstream (to be further defined) pipelines in accordance with sour gas service requirements in accordance with CSA Z662.	CEPA is concerned with the language being considered. The wording “the most stringent requirements of the CSA Z662 for sour service” suggested at the March 9, 2020, AER session is extreme. The AER will be inundated by non-routine applications and the cost on projects would be and increase of 20%. CEPA recommends at the very least this should be tempered with an exemption provision.
New	AER	Accommodation of Piggings	Failures can occur from ineffective corrosion mitigation when a licensee’s integrity management	New requirement that all new pipelines are to be designed and constructed to be able to accommodate maintenance and inspection piggings.	CEPA recommends including an exemption for limited service pipelines and those that transport benign substances.



			program indicates corrosion control is necessary but pigging systems are not available.		
20 – Amend	AER	Minimum earth cover	Earth cover for water crossings are not risk based or in alignment with <i>Water Act</i> .	Amend Section to allow for performance-based maintenance of cover, to allow for cover adjustments based on operating status and construction date of the pipelines, and to be in alignment with <i>Water Act</i> .	<p>In CEPA’s view a risk-based approach is critical in the context of the legacy pipelines (that were built according to the standard of the day), which depth of cover has been reduced over the period of time. Otherwise industry will bear unnecessary regulatory burden to self- disclose erosion of depth of cover that may be very low risk depending on the location and may normally merit close monitoring only. A licensee would specify in its IMS/Integrity Management Program criteria for the risk assessment (e.g. erosion of the depth cover in the vicinity of a municipality or watercourse is always a high risk). With respect to riverbed scour depth for new construction, compliance with the <i>Water Act</i>, and Code of Practice for pipelines and telecommunications lines crossing waterbodies is mandatory.</p> <p>In other words, CEPA recommends that pipelines installed in accordance with the <i>Water Act</i> and after promulgation of the <i>Water</i></p>



					Act, be allowed to have depth of cover during their operational life managed in accordance with the IMP, Z662, and the Pipeline Rules defaults.
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Additional CEPA Feedback				
Pipeline Rules Section	Source (Sub-Element)	Theme	Issue	CEPA Feedback/Recommendation
19	Materials and Design	Modifications due to highway, road or railway	Section 19 treats load-bearing structures the same as thicker wall pipe, however these are not the same in practice. If companies must upgrade a pipeline with thicker pipe, it is generally not as difficult or costly to extend it the full width of the right-of-way (ROW). Extended installation of load-bearing structures can be difficult and costly and can prevent inspection of the pipeline.	CEPA requests the AER consider less stringent wording such as stating that the load-bearing structure must be extended the entire width of the ROW or as close as practicable. At minimum CSA Z662 Clause 4.12.3.1(c) would apply, which reads: "The design requirements are applied to the pipeline for a minimum distance of 7m beyond the travelled surface of the road, measured at right angles to the centerline of the travelled surface".
58	Ground Disturbance	Ground disturbance in absence of pipeline ROW	Existing pipeline ROW's are often small enough that the pipeline is within 5m of the edge of the ROW.	CEPA requests the AER consider extending Section 58 to apply to all pipelines and not just in the absence of a ROW.
66	Ground Disturbance	Vehicles crossing pipeline	Section 66(a) allows some very large farming equipment to cross existing pipelines.	There is currently no requirement to notify the operator of any large farming equipment crossing a ROW. CEPA members are unclear on the potential impact of this equipment crossing and there is potential for adverse effect over a ROW and request that the AER consider what this impact could be and what could be done to mitigate. CEPA recommends having further discussion on this point to ensure the



				requirements are amenable to landowners as well as operators and better understand the need for this addition.
General	General	Electronic Documents	Pipeline Rules require paper or hard copies in several sections; however, industry has moved to electronic documents.	CEPA recommends revising any references to paper or hard copies to allow for electronic copies.
1, 9 - Remove	Regulatory	Definitions, Alteration of Pipelines	Reference to "Regulator Pipeline Base Map."	This requirement seems outdated and CEPA recommends referring to the shapefiles/spatial data.
7 and 43(2)	Pipeline Integrity	Manuals	Manuals, being collections of documented processes and procedures, are not typically printed unless specifically needed.	CEPA recommends removing references to "manuals" and retaining references to documented procedures and/or processes.
20(1)(a) and (b)	Pipeline Integrity	Minimum earth cover	Earth cover within highway/road ROW is less than the current specified amount due to drainage ditch design.	CEPA recommends allowing lesser cover in drainage ditches.
20(1)(c) and 20(3)	Pipeline Integrity	Minimum earth cover	Many pipelines were built prior to 1975 when construction standards and regulatory requirements were not readily known.	CEPA recommends enabling engineering assessments to be used to justify lesser cover based on factors such as land use, anticipated surface loads, etc.
43 and 44	Pipeline Integrity	ROW inspection and additional inspections	Clarity is needed to distinguish pipeline ROW inspections from geohazards inspections.	Amending sections 43 and 44 to recognize that inspection intervals for geohazards (watercourses and slopes) can range from six months to 10 years based on probability of failure assessment that incorporate a number of determining variables would provide additional clarity. Items 43(1)(a) to (e) pertain more to pipeline segments outside geohazards.
44(1)(c)	Pipeline Integrity	Additional inspections	"Gathering" and "transmission" pipelines are not defined in the <i>Pipeline Act</i> nor the Pipeline Rules. CSA Z662-19 only defines these terms in the context of gas service.	CEPA recommends defining "gathering" and "transmission" in order to provide additional clarity.
53 and 54	Pipeline Integrity	Annual inspection/evaluation of	In-line inspections are not typically completed on an annual basis.	CEPA recommends amending Sections 53 and 54 to recognize that in-line



		external/internal corrosion program		inspections, while providing the most accurate and comprehensive assessment of external and internal corrosion along a pipeline, are not completed annually.
Section 76	Damage Prevention	Report of leak, break, contact damage, unauthorized activities	It is possible that unauthorized excavation, construction and vehicular crossings near pipelines have the potential to cause unintended damage.	CEPA encourages the AER to continue to strongly promote and encourage improvements in safe work practices around pipelines by holding persons and companies accountable for safety by addressing underlying issues to prevent line strikes/ damage to pipelines in the future.
57(1) - Amend Notice of Maintenance Activity	Environment	Clarification on requirement to notify of maintenance when working on HVP line	It is unclear whether notification is expected when working on any HVP line or only when the HVP product has a H ₂ S content of 10 moles. It is also unclear if notification is expected when working on any NGL line or only when there is H ₂ S content of 10 moles. It is also unclear what the "Rules" distinction between NGL and HVP are, i.e. Is NGL not an HVP?	CEPA recommends adding further clarity in regard to exactly when notification is required and possibly remove the NGL terminology.
2(2) – Amend Notification – 2(2)	Environment	Clarification on notification	It is unclear if a break occurs if the licensee is required to call the appropriate regional field centre.	CEPA recommends additional wording to add clarity around if the licensee is to call the field centre, EDGE or both.
Part 1, Interpretation / Part 8 (76) Definitions / Part 8 Release of Product	Environment	Clarification on definition of pipeline, and clarification on type of release that requires reporting.	There is likely an opportunity to clarify what "pipeline" is in terms of a leak or a break (active pressure, non-primary appurtenance, valves / minor weathered seepages, or historical evidence) etc. - this may be of benefit as it relates to the duty to report.	CEPA recommends the AER clearly articulate what is reportable as it relates to a pipeline in the definitions section, to detail what a pipeline is referring to, or in the context of Part 8 – Release of Product – what conditions warrant notification for greater clarity.



Section 66 c)	Land/Community /Indigenous	Vehicles crossing pipes	Currently, commercial vehicles under ¾ and private vehicles under ¾ ton are treated differently (commercial vehicles still need an agreement to cross).	From a risk perspective, CEPA is unclear on the difference between commercial and private vehicles, especially since industry does not likely make this distinction. CEPA recommends making the exception universal and not only for private vehicles.
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