

Topic Paper

A. OPR – Damage Prevention Topic Paper

Objectives for Improvement

The objectives of new requirements will be to help ensure that companies:

- are clear about what a surveillance and monitoring program should contain and aim to accomplish with respect to depth of cover; and
- are able to make a clear connection between the Damage Prevention Regulations and the OPR around agricultural safety as agricultural activities do not require company consent (within an allowable threshold)

Proposed Option

The CER is considering the following option to meet the objectives outlined above:

- Adding a requirement to section 39 of the OPR that the company's surveillance/monitoring program must include depth of cover monitoring for:
 - the purposes of section 7 of the Canadian Energy Regulator Pipeline Damage Prevention Regulations – Obligations of Pipeline Companies (DPR-O) (thus ensuring agricultural safety), and
 - monitoring the areas which may be impacted by hazards and potential hazards related to normal and abnormal weather conditions and land use.

Response

A1. Are there industry best practices, standards or provincial requirements that could inform new OPR requirements regarding depth of cover monitoring or maintenance/minimum earth cover?

Industry best practices, such as those outlined by the Canadian Standards Association (CSA) in CSA Z662, provide guidance on pipeline depth of cover minimums for new construction. Additionally, provincial requirements, like those from the Alberta Energy Regulator (AER), may mandate specific depth-of-cover criteria based on environmental and operational conditions. However, Kingston's view is continued use of a risk-based approach versus the implementation of prescriptive minimum earth cover and monitoring is better because it tailors Kingston's resources to the specific risks and conditions of each pipeline segment, ensuring resources are used effectively.

A2. What are the benefits and implications (e.g., costs) that regulated companies anticipate from incorporating requirements for depth of cover monitoring into the OPR?

Depth of cover monitoring is already addressed through Kingston's ROW monitoring program, making additional requirements in the OPR unnecessary. Introducing prescriptive depth of cover monitoring would offer limited value while diverting financial and personnel resources from other critical areas. Maintaining a risk-based approach remains the most appropriate and effective strategy.

A3. What are the benefits and implications (e.g., costs) that regulated companies anticipate from incorporating requirements for minimum depth of cover into the OPR?

Incorporating a minimum depth of cover into the OPR would be of little benefit and the following implications should be considered:

Increased Initial Costs:

- Companies may incur significant expenses for a comprehensive baseline survey of all existing pipelines, deviating from the current risk-based process, performing depth assessments, and addressing areas where the depth of cover is insufficient.
- Additional costs may arise from modifying or relocating pipelines to comply with the new standards.

Operational Disruptions:

- Implementing depth adjustments may require downtime for pipelines, impacting operations and revenue.
- Additional monitoring and maintenance programs may strain existing resources.

Resource Allocation:

- Financial and personnel resources may need to be diverted from other risk-based safety measures or operational priorities.
- Smaller operators or companies with older infrastructure may face disproportionate burdens.

Environmental and Regulatory Challenges:

- Excavation or restoration work to achieve minimum cover requirements could have temporary environmental impacts or require additional regulatory approvals.

Potential Overlap or Redundancy:

- For companies already employing a risk-based monitoring approach (e.g., ROW monitoring), prescriptive depth requirements may offer limited additional value, leading to inefficiencies in resource allocation.

A4. For regulated companies, would adding a depth of cover monitoring or maintenance/minimum earth cover requirement in the OPR align with current business practices, or substantially change corporate operations?

For regulated companies, adding a prescriptive depth of cover monitoring or minimum earth cover requirement to the OPR would represent a substantial shift from current business practices, particularly for those employing a risk-based approach like ours.

In our case, not all pipelines carry the same level of risk, and we prioritize monitoring and maintenance efforts based on those risk assessments. Depth of cover monitoring is already integrated into our comprehensive monitoring program, allowing us to allocate resources efficiently to areas where risks are higher, rather than applying a uniform standard across all pipelines.

Introducing a blanket requirement for depth of cover monitoring or maintenance would not align with this tailored approach. It would necessitate reallocating financial and personnel resources from other critical risk management activities to comply with a standardized requirement that may not meaningfully enhance safety in all cases. Such a change could lead to inefficiencies and potential disruptions without delivering proportional benefits.

Maintaining a risk-based approach ensures that monitoring and maintenance efforts are focused where they are most needed, supporting safety and operational efficiency while aligning with our established corporate practices.

A5. How can the OPR improve the connection between the company surveillance and monitoring program and the DPR-O requirements and overarching Damage Prevention Program to ensure that depth of cover is adequately managed by pipeline companies?

A guidance document outlining the linkage between the OPR and the DPR-O requirements would be the suitable mechanism to improving the connection between the company surveillance and monitoring program. Potentially a simple statement within the OPR (ie. DPR-O requirements must be followed...) could also improve linkage between the two Regulations.

A6. How can the OPR improve the connection between the definition of ground disturbance (including cultivation) in the CER Act and the overarching Damage Prevention Program to ensure that depth of cover is adequately managed by pipeline companies?

The OPR can strengthen the link between the definition of ground disturbance in the CER Act and the Damage Prevention Program (DPP) by clarifying terms, promoting a risk-based approach, and aligning monitoring practices with identified risks. Clear and consistent definitions of ground disturbance, including cultivation, would ensure better understanding and compliance.

A7. How should the CER be more explicit about requirements for depth of cover monitoring or maintenance? Explain why.

Depth of cover monitoring requirements should be outlined in guidance documentation rather than directly incorporated into the OPR. A risk-based approach to depth of cover management should remain the preferred strategy, allowing companies to assess risks regularly and focus monitoring and maintenance efforts on areas where ground disturbance, environmental factors, or operational activities may compromise pipeline integrity. This approach ensures that resources are allocated efficiently while effectively addressing safety concerns.