

Topic Paper

F. OPR – Management System and Contractor Management Topic Paper

Subtopic 1: Management System Requirements

Objectives for Improvement

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

- the CER’s management system provisions are clear;
- regulated companies implement management systems, processes, and procedures that are adequate and effective;
- companies continually improve their management systems throughout the pipeline lifecycle; and
- companies are clear as to the CER’s requirements regarding their respective integrated management systems, and that the protection programs mentioned in the OPR are part of, and therefore subject to, their integrated management system.

Proposed Options

The CER is considering the following options to meet the objectives. These options include potential amendments to sections 6.1 through 6.6 of the OPR, including but not limited to:

- rewording and/or restructuring some provisions to improve clarity;
- adding new management system components in areas that are absent; and
- requiring companies to keep an up-to-date list of all the policies, processes and procedures referred to in sections 6.1 through 6.6 and programs referred to in section 55 of the OPR.

Response

F1. Are there industry best practices that could inform management system related requirements in sections 6.1 through 6.6? Please be as specific as possible.

To ensure consistency and clarity in management system requirements, alignment with internationally recognized standards is recommended. These include

- ISO 9001 (Quality Management Systems),
- ISO 14001 (Environmental Management Systems),
- ISO 45001 (Occupational Health and Safety Management Systems),
- ISO 31000 (Risk Management), ISO 19600 (Compliance Management Systems), and

- CSA Z662-23 (Oil and Gas Pipeline Systems).

Incorporating the language and structure from these standards into the OPR would promote uniform understanding and implementation across regulated companies.

F2. Are there opportunities to improve alignment of sections 6.1 through 6.6 with applicable management system related requirements from other jurisdictions or technical standards? If yes, please identify the provision(s), explain the issue, and propose a solution.

Yes, there are opportunities to improve alignment. Specifically, the OPR should harmonize its language with relevant clauses and annexes from CSA Z662-23. In its current state, the OPR language can be vague and lacks direct references to specific clause requirements, which creates challenges in interpretation and implementation. Enhanced clarity through cross-referencing would improve consistency and comprehension.

F3. Are there any management system components you wish to see added to the OPR? Please explain.

There should be a clear identification of Core Protection Programs requirements listed in Sections 27 thru 49, with explicit requirements that ensure these programs are aligned with Sections 6.1 through 6.6. While certain programs, such as Emergency Management (Section 32) and Damage Prevention (Section 47.2), are currently referenced, their connection to the core management system clauses is not clearly articulated. This makes it difficult for companies to ensure compliance and effective integration.

F4. Are there any management system provisions in the OPR that require clarification? If yes, please explain the issue, identify the provision, and propose a solution.

Yes. Section 46(1), which addresses Training Programs, lacks detail regarding what constitutes a compliant program and does not specify expectations for documenting and tracking training or competency. Furthermore, Section 46(2) outlines vague requirements for environmental practices and operational activities, but these are not clearly integrated into management system expectations or connected to Core Protection Programs. Additional clarity and integration are needed.

F5. What is your feedback on a new potential requirement for companies to establish and maintain an up-to-date list of all the policies, processes and procedures referred to in sections 6.1 through 6.6?

This proposed requirement is reasonable and should be a standard part of Management System Governance. Maintaining such a list should be straightforward if it is incorporated into a comprehensive program framework.

F6. If establishing and maintaining the list referred to in question #5 is not recommended, what alternatives can companies employ to clearly indicate what processes, procedures, and programs make up their management system?

A concordance table mapping OPR requirement to the company's Safety and Loss Management System (SLMS) structure could be used as an alternative. This list need not be exhaustive; rather, it should serve to identify key processes, policies, and procedures that align with OPR provisions. For ease of maintenance, it is recommended that only the document name and number be listed—excluding revision numbers and dates.

F7. Are there any opportunities to improve scalability of management system requirements? If yes, please identify the provision, explain the issue, and propose a solution.

Yes. Management systems should adopt a top-down hierarchical structure, beginning with an overarching program document that clearly defines the company's management system structure, including its policies, processes, elements, and Core Protection Programs. Individual programs should be linked to this governance framework, and their content should align with—but not duplicate—the overarching management system documentation.

F8. Are there any other additions, deletions, or other changes to the OPR's management system requirements in section 6.1 that would improve the OPR's ability to prevent harm?

No additional changes to Section 6.1 are identified currently.

F9. "Quality assurance program" is used in two contexts in the current OPR, once in relation to the quality assurance program that must be implemented to evaluate the adequacy of the management system in its entirety and specifically for the programs identified in section 55 [see section 6.5(1)(w)] and again in section 15 whereby the company must develop a quality assurance program for the purpose of ensuring that the pipe and components to be used in the pipeline meet the specifications discussed in section 14 of the OPR. Do you find this confusing? If so, what solution would you propose?

Yes, the dual use of the term "quality assurance program" creates confusion. To address this, separate language and clauses should be used to distinguish between quality assurance of the management system—focused on continuous improvement—and quality assurance related to engineering materials. The latter should be addressed under a dedicated subsection within Engineering and Construction requirements and should clearly reference CSA Z662 for alignment and clarity.

F10. The CER has heard that some companies are unclear about how the programs referenced throughout the OPR align with management systems or are subject to the company's management system. If it is unclear how they align, what would you propose as a solution?

The OPR should explicitly identify Core Protection Programs and state that the requirements of Sections 6.1 through 6.5 apply to them. Currently, Sections 27 through 49 mix governance and technical requirements, which makes it difficult to understand how individual programs should integrate with a company's overarching management system. For example, Section 40 on Integrity Management Programs (IMP) introduces high-level requirements, while Section 41(1) abruptly narrows the focus to a single CSA technical clause. Reference to Annex N of CSA Z662, which provides a detailed and systematic approach to IMPs, would greatly improve clarity.

F11. The CER has also heard that some feel a disconnect exists between the outcomes of early engagement in the Filing Manual and the design of management systems and protection programs in the OPR. If such a disconnect exists, what would you propose as a solution?

In our view, the outcomes of early engagement and the design of a company's management system do not need to be directly connected. A company's management system should already be fully developed and implemented prior to any project-specific early engagement activities. It serves as a standing framework for how the organization manages risk, maintains compliance, and achieves continual improvement across all operations—not just those associated with new projects.

Early engagement, as outlined in the CER Filing Manual, is a project-specific activity focused on gathering input from stakeholders, including Indigenous Peoples, landowners, and local communities. These interactions inform the project design and application, but they are not intended to modify or influence the company's core management system or its protection programs, which are broader in scope and long-term in application.

Therefore, while companies may use existing management system processes—such as risk identification, communication, or record-keeping—to manage early engagement activities, there should be no regulatory expectation that early engagement outcomes be directly integrated into the structure or content of the management system itself.

If the CER seeks to clarify the relationship between early engagement and management systems, we recommend distinguishing clearly between ongoing operational governance (via the management system) and project-specific regulatory requirements (as outlined in the Filing Manual), rather than attempting to align or merge the two.

Subtopic 2: Management of Contractors Providing Services and/or Products Across the Pipeline Lifecycle

Objectives for Improvement

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

- understand CER contractor management requirements; and
- strengthen company management of contractors providing services and/or products across the pipeline lifecycle.

Proposed Options

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

- adding an explicit requirement for a contractor management process within the OPR management system provisions; and
- developing technical guidance to articulate CER requirements related to contractor management.

Response

F12. What are the elements of an effective contractor management process? For example, one commenter provided the following list in their Phase I engagement submission:

- a) Capability assessment and selection criteria
- b) Leadership and cultural factors considerations
- c) Orientation and training requirements
- d) Boundaries of authority and responsibilities
- e) Provision of monitoring and oversight
- f) Contingency planning and incident response
- g) Monitoring of contractor safety and environmental performance
- h) Auditing of contractor's management systems
- i) Contractor evaluation

The elements listed—such as capability assessment, leadership and culture considerations, orientation and training, clear delineation of responsibilities, oversight provisions, contingency planning, performance monitoring, audits, and evaluations—provide a strong foundation for developing an effective contractor management system. These elements, when systematically implemented, contribute significantly to managing risk and ensuring accountability across the pipeline lifecycle.

F13. Should the list identified in question #1 be considered as a framework for a potential regulatory amendment and/or associated technical guidance? Are there additional elements that should be included?

Yes, the list should serve as a basis for a regulatory framework. Currently, the OPR lacks clarity on what is required for contractor management. The framework should be expanded to include references to relevant OPR requirements and should align with the language used in Sections 6.1 through 6.5. The requirements should be provided through Guidance documents and ensure that it is scalable to smaller companies and projects.

F14. What guidance is needed to support contractor management provisions in the OPR? Please be as detailed as possible in terms of the nature and content of required guidance (e.g., specific topics, processes, procedures, or other practical tools that might be useful).

Guidance should include a defined framework that aligns with the overarching management system structure in Sections 6.1 through 6.5. This guidance should outline specific processes, responsibilities, and expectations for contractor oversight, including selection, training, competency assessment, and ongoing performance evaluation.

F15. What is your feedback regarding how the CER verifies compliance with contractor management requirements today and in the future (e.g., potential oversight activities, assessment criteria, performance measures for all programs described in OPR section 55)?

Currently, there is confusion around the requirements and expectations for contractor management, particularly due to the diverse nature of contractor roles. More detailed guidance is needed to address varying contractor functions—such as engineering services versus construction contractors—which require different approaches to competency assessment and compliance verification. Improved clarity on performance measures and oversight activities would enhance regulatory compliance and operational integrity.