



September 25, 2013

Sheri Young  
Secretary of the Board  
Part VI Export and Import Consultations  
Attention: Suchaet Bhardwaj  
National Energy Board  
444 Seventh Avenue SW  
Calgary AB T2P 0X8

Dear Ms. Young:

**Re: Proposed changes to the National Energy Board Export and Import Regulatory Framework**

Thank you for your letter of August 29, 2013 requesting comments on proposed amendments to the *National Energy Board Act Part VI (Oil and Gas) Regulations*, the *National Energy Board Export and Import Reporting Regulations* and the *Toll Information Regulations*. The Ministry of Natural Gas Development (formerly, Ministry of Energy, Mines and Natural Gas) welcomes the opportunity to provide input into streamlining regulation of hydrocarbon exports and imports.

The Ministry offers the following general comments in regards to proposed changes to the *National Energy Board Act Part VI (Oil and Gas) Regulations*:

**Licence for energy imports into Canada.**

The current licence requirement for natural gas imports ensures that information is available to the Board to assess market dynamics with respect to understanding regional domestic supply. This information supports assessment of changes in supply and demand, understanding of natural gas flows in North America and global flows of liquefied natural gas. With the elimination of import licences, an alternative public means of tracking and documenting import flows will be important to ensure the capture of data in an accurate and timely manner to adequately assess national and regional domestic supply/demand balances.

**Terms and Conditions on licences – daily quantities.**

The proposed amendments remove requirements for companies to report maximum daily quantities in licence applications and it also removes the ability of the regulator to stipulate a daily quantity in the conditions of a licence. The amendments should ensure there is flexibility in the regulation which would allow the Board to stipulate a daily quantity in the conditions of a licence should it be needed to prevent potential short term supply impacts to domestic markets.

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## **Section 12 - application information**

The liquefied natural gas export industry is a new industry to British Columbia. As a new industry with the potential to change market dynamics in the region, the amendments to the regulations should ensure the ability of the Board to require any information it may need for assessing natural gas supply dynamics and potential impacts to local markets. The following information, which has been removed from Section 12 by the proposed amendments, should be included in requirements for an export licence application:

- 12(a)(iv) the points of exportation of the gas from Canada;
- 12(b)(i) a summary of the quantities of gas under contract to or owned by the applicant;
- 12(c) information respecting the applicant's export gas market serviced by the export licence, and
- 12(e) description of transportation pertaining to exportation, including movement of gas in and outside of Canada.

Thank you again for the opportunity to comment.

Yours truly,

*Original signed*

Michelle Schwabe  
Director, Regulatory Policy Development  
Policy and Royalty Branch