



INSPECTION OFFICER ORDER NO. JB – 001 – 2024

IN THE MATTER OF THE CANADIAN ENERGY REGULATOR ACT,
AN ORDER UNDER SECTION 109

NOVA GAS TRANSMISSION LTD.

NOVA Gas Transmission Ltd. (NGTL) operates the Grande Prairie Mainline NPS 36 (GPML), which ruptured approximately 40 km northwest of Edson, Alberta. NGTL is a wholly-owned subsidiary of TransCanada Energy (TCE).

On or about 06 May 2024 at 11:00 MST the undersigned Canada Energy Regulator Inspection Officer conducted an incident review of the GPML rupture event (INC2024-025).

RELEVANT FACTS

I, [REDACTED], as a designated CER Inspection Officer (IO) under subsection 102(1) of the *Canadian Energy Regulator Act* (CER Act), believe the following are the relevant facts relating to the issuance of this Order:

1. On 16 April 2024, NGTL reported a rupture and subsequent fire (i.e., loss of containment incident) that occurred at 10:45 AM MST on its 914 mm (NPS 36) GPML natural gas pipeline near Edson, AB (GPS 53.789 latitude, -116.949 longitude).
2. The causes and contributing factors of the GPML rupture have not yet been determined.
3. NGTL has not yet demonstrated that GPML is fit for service at full Maximum Operating Pressure following the rupture.
4. NGTL has implemented self-imposed pressure restrictions (SIPRs) on the GPML segments upstream and downstream of the Emerson compressor station (from the Launcher site Gold Creek B-2 Compressor Station to the Receiver site at Edson Meter Station).
5. The safety margin offered by the SIPRs may be inadequate to account for all the uncertainties and prevent further potential loss of containment incident(s) on the GPML.
6. In a meeting held with the CER on 26 April 2024, TCE disclosed that increasing the current SIPR would not seriously impact the end users of natural gas the pipeline transports.

PROVISIONS OF ACT OR REGULATIONS THAT ARE ALLEGED TO BE CONTRAVENED – AND ARE CONTINUING – OR ARE LIKELY TO BE CONTRAVENED

GENERAL DUTY – REASONABLE CARE

Pursuant to section 94 of the CER Act, the holder of a certificate or permit must take all reasonable care to ensure the safety and security of persons, the safety and security of regulated facilities and abandoned facilities and the protection of property and the environment.

MEASURES TO BE TAKEN

Based on the facts referenced herein, where the Inspection Officer has reasonable grounds to believe that there is or is likely to be a contravention of Parts 2 to 5 or section 335 of the CER Act, or for a purpose referred to in subsection 102(2) CER Act, the Inspection Officer may, by order, direct a person to

- a. stop doing something that is in contravention of Parts 2 to 5 or section 335 or cause it to be stopped;*
- b. take any measure that is necessary in order to comply with Parts 2 to 5 or section 335 or mitigate the effects of non-compliance;*
- c. stop doing something that may cause a hazard to the safety or security of persons, or damage to property or the environment or cause it to be stopped; or*
- d. take any measure that is necessary to prevent or mitigate the hazard to the safety or security of persons or damage to property or the environment.*

NGTL is ORDERED pursuant to subsections 109(1) and 109(2) of the CER Act to:

- Take measures specified below under Specified Measures as per paragraphs (b) and (d) above
- Stop doing something as specified below under Specified Measures as per paragraphs (a) and (c) above
- Suspend work associated with a facility, including a regulated facility, abandoned facility or ground disturbance, until the hazardous or detrimental situation has been remedied to the satisfaction of an Inspection Officer or until this order is stayed or rescinded.

SPECIFIED MEASURES

1. NGTL shall not operate the NPS 36 Grande Prairie Mainline segments (from the Launcher site at Gold Creek B-2 Compressor Station to the Receiver site at Edson Meter Station) at a pressure above 80% of the respective segment 60-day high pressure before the incident or 80 % of the MOP, whichever is lower (Restricted Operating Pressure, or ROPⁱ). The ROP shall remain in place until NGTL has demonstrated to the satisfaction of the IO, through an Engineering Assessment completed per CSA Z662-23 Clause 10.1, that the GPML pipeline is fit for service to safely operate at a pressure higher than the ROP. Engineering Assessments may be filed on a segment-by-segment basis.
2. NGTL shall file with the IO confirmation that it has implemented the ROP as soon as possible after the date of issuance of this Inspection Officer Order.
3. NGTL shall file with the IO, within 10 days after the date of issuance of this Inspection Officer Order, confirmation that the overpressure protection system for the GPML has been set to act at or below the segment specific ROP.

EFFECTIVE DATE OF THE ORDER

This Inspection Officer Order takes effect immediately on 06 May 2024 at the time of delivery of this Order to the Company to whom it is directed. Nothing in this Order shall be construed as reducing, increasing, or otherwise affecting what may be required of the Company to whom it is directed to comply with all applicable legislative or legal requirements.

COMPLIANCE WITH THIS INSPECTION OFFICER ORDER IS MANDATORY

Failure to comply with an Inspection Officer Order issued under section 109 of the CER Act is an offence under section 112 of the CER Act.

	06 May 2024	
	Date	
	[REDACTED]	
Inspection Officer	[REDACTED]	[REDACTED]
	IO Designation Number	Signature
	210 - 517 10 Ave SW Calgary AB T2R 0A8	

Please note that:

1. *In compliance with the CER's Enforcement Policy, this Order will be posted on the CER's website.*
2. *All submissions to the CER in response to the order are to be provided within the CER Operations Regulatory Compliance Application (ORCA) quoting the associated CVA #, Inspection Officer Order #, and any specific measure with which the submission is associated. The Company is requested to send a copy of any response provided in the OERS to the Inspection Officer via email.*

ⁱ [See NEB IA 2018-001 for more details about ROP](#)