



File NO.: 3700-A000

26 May 1995

TO: PIPELINE COMPANIES UNDER NEB JURISDICTION AND INTERESTED PARTIES


RE: MEMORANDUM OF UNDERSTANDING BETWEEN AEUB AND NEB ON PIPELINE INCIDENTS IN ALBERTA

Pipelines in the province of Alberta are regulated by either the National Energy Board (NEB) or the Alberta Energy and Utilities Board (AEUB). The two Boards have recently signed a mutual assistance agreement in respect of response to pipeline incidents and emergencies within the province of Alberta. The attached Memorandum of Understanding (MOU) describes the purpose of the agreement, as well as provisions for response to incidents and emergencies, information exchange, compensation, and consultation.

The MOU is designed to provide a faster and more effective response on behalf of the regulators to monitor and assess a pipeline operator's ability to manage an incident from the standpoint of public safety and the protection of the environment.

Any questions regarding the MOU or its implementation may be directed to Mr. Jake Abes of the NEB at 299-2777.

Yours truly


for: J. S. Richardson
Secretary

Attachment

**MEMORANDUM OF UNDERSTANDING:
GOVERNMENT EMERGENCY RESPONSE
ALBERTA PIPELINE INCIDENTS**

BETWEEN: The Alberta Energy and Utilities Board, and

AND: The National Energy Board.

1. INTRODUCTION

The Alberta Energy and Utilities Board (AEUB) is charged under the Oil and Gas Conservation Act, the Pipeline Act, and the Oil Sands Conservation Act with the responsibility to ensure the control and containment of any accidental release of oil, gas or water from an energy industry-related facility within its jurisdiction. These may include any sour gas release, blows or blow-outs from drilling or servicing operations, oil or salt-water spills, sweet gas releases, high vapour pressure product releases, fires and fatalities related to oil and gas facilities and pipelines. This responsibility is accomplished, in part, by the mandatory notification of any accident, incident or spill by the energy industry to the AEUB, which has the support of expert technical staff and an extensive field network situated throughout Alberta. This allows for a speedy response with a unified command approach to investigations and follow-up.

The National Energy Board (NEB) is charged under the National Energy Board Act with the responsibility to regulate the safe design, construction, operation and abandonment of interprovincial and international oil and gas pipelines; the responsibility to investigate accidents involving those pipelines; the authority to hold a public inquiry into, and make findings as to, the cause of the accident or factors contributing to it; and the power to make recommendations relating to the prevention of similar accidents, and the responsibility to issue orders related to the design, operation and abandonment of pipelines. The NEB is also responsible for ensuring that appropriate emergency response plans are in place for pipelines under its jurisdiction.

2. PURPOSE OF THE MEMORANDUM

This Memorandum outlines a mutual aid agreement between the AEUB and the NEB whereby each agency may provide assistance to the other in respect of pipeline incident investigation and emergency response.

3. RESPONSE TO INCIDENTS AND EMERGENCIES

Where incidents occur on NEB-regulated facilities in Alberta, the AEUB agrees, at the request of the NEB, to provide assistance in respect of any emergency response.

The AEUB's assistance will normally be provided by the AEUB Area Office closest to the incident site. The role of the AEUB field staff will be to monitor and assess the pipeline operator's response in respect of its ability to manage the emergency, ensure the safety of the public, and minimize damage to the environment. The AEUB field staff will provide timely updates to the NEB and, on the basis of its assessment, recommend to the NEB any action that may be required by the operator. The initial response by the AEUB will continue until the hazards at the site are under control or until such time as NEB personnel arrive at the site.

The investigation of the accident and the evaluation of the effectiveness of clean-up and rehabilitation operations will remain the responsibility of the NEB.

Where incidents occur on AEUB-regulated facilities, the NEB agrees, at the request of the AEUB, to provide assistance in respect of any emergency response or investigation.

4. INFORMATION EXCHANGE

Each Board will provide the other with information on relevant facilities under its respective jurisdictions within Alberta, as well as lists of contacts including business and emergency phone numbers. This information will be updated on a regular basis.

The AEUB will bring to the NEB's attention any information, recommendations or concerns noted by the public, industry or staff regarding facilities under the NEB's jurisdiction for its consideration.

The NEB will share with the AEUB non-confidential information in respect of incidents involving pipelines under NEB jurisdiction, that may be of interest to the AEUB.

5. COMPENSATION

Compensation for mutual aid response activity will not generally be a consideration; however, should an incident occur where this is an issue, discussions would follow accordingly to address the matter.

6. CONSULTATION

At least once a year, the appropriate staff of both Boards will meet to discuss their working relationship, investigations in progress and the need to amend this Memorandum. Any proposed changes to legislation which may affect this Memorandum should be brought to the other organization's attention.

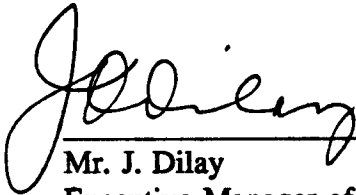
Proposals for changes to this Memorandum may be made at any time and appropriate amendments made as may be agreed upon.

7. LEGAL LIABILITY

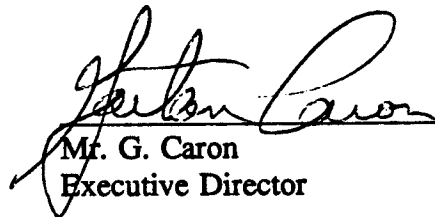
This Memorandum indicates the intentions of the staff of both Boards but does not create a contractual or legal relationship between them.

Signed for and on behalf of the AEUB

Signed for and on behalf of the NEB



Mr. J. Dilay
Executive Manager of Operations



Mr. G. Caron
Executive Director

19 April 1995
Date

13 April 1995
Date