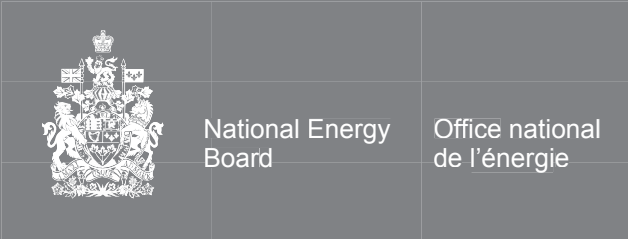


What is the National Energy Board?

The National Energy Board is an independent federal agency that regulates several aspects of Canada's energy industry. Its purpose is to promote safety, environmental protection and economic efficiency in the Canadian public interest while respecting individuals' rights within the mandate set by Parliament in the regulation of pipelines, energy development and trade. The Board's office is located at 444 Seventh Ave. SW, Calgary, Alberta, T2P 0X8, phone 1-800-899-1265 or fax. (403) 292-5503. Visit our Web site at www.neb-one.gc.ca.



PIPELINE DAMAGE PREVENTION

November 2002

Proposed new regulations

The National Energy Board (the Board) is developing new regulations that will eventually govern all activities that could damage a pipeline, including vehicle and mobile equipment crossings. The proposed new regulations (to be called the Damage Prevention Regulations) will apply to pipeline companies as well as a significant number of Canadians that own land crossed by a pipeline or who undertake activities that could damage a pipeline.

The goal of the proposed Damage Prevention Regulations is to ensure that pipelines under the jurisdiction of the Board continue to operate safely and efficiently in a manner that protects and respects the environment and property. Currently, damage prevention is dealt with under the National Energy Board Pipeline Crossing Regulations (Parts 1 and 2). The new Damage Prevention Regulations will replace these existing regulations and will reflect the comments of interested Canadians as well as internationally recognized best practices in a rapidly changing field.

Public consultation process

The Board has begun an extensive public consultation process for the development of the Damage Prevention Regulations. Focus Groups were held in Saint John, New Brunswick and Halifax, Nova Scotia the week of September 16, 2002. That same week, the Board held an open house in New Glasgow, Nova Scotia that was attended by approximately 30 people interested in the proposed Regulations.

An additional focus group was held with members of the Calgary Region Utility Damage Prevention Committee on September 26, 2002.

The Board intends to continue consulting with Canadians by holding focus groups and open houses across Canada. The next open house is planned for Hardisty, Alberta the evening of November 19, 2002 to provide local residents with an opportunity to share their views on the proposed Damage Prevention Regulations.

The details of this Open House are provided below:

Where: Close 2 Home Restaurant When: 5 p.m. to 9 p.m.
4808 48th Avenue November 19, 2002
Hardisty, Alberta

If you are interested in the Board's Damage Prevention Regulations, the Board wants to hear from you. Please contact Ken Paulson at 1-800-899-1265 to share your comments or to discuss any issues or concerns you may have regarding this project. Written submissions are welcome and should be directed to the Secretary of the National Energy Board.

Once we have completed these cross-Canada consultations, the Board will develop text for the proposed Regulations along with companion Guidance Notes. If you are interested in receiving these documents when they become available, please let us know by getting in touch with Mr. Ken Paulson at the National Energy Board.

The Damage Prevention Regulations are expected to become law in 2004. Please take time to share your views on these important regulations.

What should I know?

In May 2002, the Board released a document entitled "**A Conceptual Draft of the Proposed National Energy Board Damage Prevention Regulations & Guidance Notes**". This document contains the framework, concepts and ideas that will eventually form the new regulations.

Some of the key concepts being proposed include:

- elimination of the approval requirement for excavations using power-operated equipment or explosives within 30 metres of a pipeline;
- implementation of easier access to a system where underground facilities can be located on your property by calling a single number ("One Call" centres);
- call before you dig requirements;
- service standards for companies who come out and tell you where underground facilities are located (locators);
- increased involvement in community planning;
- standardized requirements for public awareness programs; and
- enhanced reporting requirements; and fine structure for violations.

Why should I care?

The **Damage Prevention Regulations** will apply to anyone who undertakes an activity that has the potential to damage a pipeline. This includes activities such as:

- driving a vehicle over top a pipeline anywhere other than on a developed roadway;
- installing fencing or other structures where ground disturbance is required on the same property that contains a pipeline;
- any excavation work on property that contains a pipeline (wells, basements, etc.); and
- deep tillage or any other agricultural operations; which may damage the pipeline.

If you own or work on land that contains a pipeline, think about getting involved in the development of these Regulations.

How do I learn more?

To learn more about the Board's proposed **Damage Prevention Regulations**, please contact:

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National Energy Board
444, Seventh Ave. SW
Calgary, Alberta
Telephone: (403) 299-3194

Toll Free: 1-800-899-1265
Email: kpaulson@neb-one.gc.ca
Facsimile: (403) 292-5503

Canada