

National Energy
Board



Office national
de l'énergie

File OF-Surv-Compl-C293-01
11 December 2012

Mr. Todd Karry
President
Centra Transmission Holdings Ltd.
1085 Suffield Avenue
Birmingham, MI 48009
U.S.A.
Facsimile 519-652-0428

Dear Mr. Karry:

**Centra Transmission Holdings Ltd. (Centra)
Safety, Pipeline Integrity, Environmental Protection, and
Emergency Management Program Non-Compliances**

As described in its 18 September 2012 letter, the National Energy Board (the Board) has considered a report and recommendations of Board Member Jamie Ballem following his 17 October 2012 meeting with Centra, and subsequent information received from Centra concerning its efforts to comply with Order SG-C293-01-2011 (the Order) and the *Onshore Pipeline Regulations, 1999* (OPR-99).

Centra has apprised the Board of progress made toward achieving compliance with each of the conditions of the Order and with the OPR-99, concerning the adequacy of Centra's programs in the areas of safety, pipeline integrity, environmental protection and emergency management programs.

Centra has had ample opportunity to achieve compliance with the Order. While the Board recognizes that some progress has been made, the Board has decided that additional measures are required to ensure that Centra's pipeline and related facilities are maintained and operated in a manner that protects the public and the environment. The Board expects Centra to meet its compliance objectives through the employment of a management systems approach to program development and implementation.

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The Board has issued to Centra an additional Order, SG-C293-002-2012 with conditions, which is attached.

Should you have any questions, please do not hesitate to contact the undersigned.

Yours truly,



Sheri Young
Secretary of the Board



Attachment

c.c. Mr. Joe Brophy, Vice President, Centra Transmission Holdings Ltd., 2324 Main Street,
London, ON N6P 1A9, Facsimile 519-652-0428



ORDER SG-C293-002-2012

IN THE MATTER OF the *National Energy Board Act*
(the Act) and the regulations made thereunder; and

IN THE MATTER OF non-compliance in the areas of safety,
integrity, environmental protection, and emergency
management by Centra Transmission Holdings Ltd. (Centra),
National Energy Board (Board) File OF-Surv-Compl-C293-01.

BEFORE the Board on 6 December 2012.

WHEREAS the Board regulates the Centra pipeline in Manitoba and Ontario;

AND WHEREAS a meeting was held on 17 October 2012 to assess aspects of Centra's
programs pertaining to safety, integrity, environmental protection and emergency management;

AND WHEREAS the Board finds Centra is not yet compliant with Board Order
SG-C293-01-2011 and has certain deficiencies with respect to its programs in the areas of safety,
integrity, environmental protection and emergency management;

AND WHEREAS the Board is of the view that additional measures must be taken to promote
the operation of the pipeline running through the provinces of Manitoba and Ontario in a manner
that is safe and protects the environment;

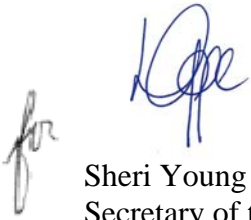
IT IS ORDERED that, pursuant to sections 12 and 48 of the Act, Centra shall operate the
section of pipeline running through Manitoba and Ontario subject to the following conditions:

1. Prior to 31 January 2013, Centra shall submit for approval an updated Emergency
Procedures Manual that meet the expectations of the Board as set out in the "National
Energy Board Management and Protection Program Evaluation and Audit Protocol" and
the requirements of Section 32 of the *Onshore Pipeline Regulations, 1999*.
2. Prior to 31 January 2013, Centra shall file a letter with the Board confirming that it has
implemented safety, integrity, environmental protection and emergency management
Programs as set out in the "National Energy Board Management and Protection Program
Evaluation and Audit Protocol".

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3. Prior to 30 April 2013, Centra shall select an independent auditor or auditors to audit each of its safety, environment, emergency management and integrity programs.
4. Prior to 30 May 2013, Centra shall file for approval, the auditor or auditors' qualifications, audit protocol(s), timelines and audit scope.
5. Prior to 31 July 2013, Centra shall file a letter with the Board confirming that the audit approved by the Board has been completed for its environment, safety, emergency management and integrity programs.
6. Prior to 31 December 2013, Centra shall file for approval, the audit reports and corrective action plans for its environment, safety, emergency management and integrity programs.

NATIONAL ENERGY BOARD

A handwritten signature in blue ink, appearing to read 'Sheri Young', is positioned above the printed name and title.

Sheri Young
Secretary of the Board