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Ms. Sheri Young
Secretary of the Board
National Energy Board
444 – 7th Avenue S.W.
Calgary, Alberta
T2P 0X8

Dear Ms. Young:

Re: Draft Safety Culture Framework

We would like to thank the National Energy Board for the opportunity to submit this letter of comment regarding the Draft Safety Culture Framework, on behalf of the Spectra Energy group of companies who own and operate facilities regulated by the National Energy Board.

Spectra Energy Corp (NYSE: SE), a FORTUNE 500 company, is one of North America's premier pipeline and midstream companies. Based in Houston, Texas, the company's operations in the United States and Canada include more than 22,000 miles of natural gas, natural gas liquids, and crude oil pipelines, approximately 305 billion cubic feet (Bcf) of natural gas storage, as well as natural gas gathering and processing, and local distribution operations. The company also has a 50 percent ownership in DCP Midstream, the largest producer of natural gas liquids and the largest natural gas processor in the United States. Spectra Energy has served North American customers and communities for more than a century. The company's longstanding values are recognized through its inclusion in the Dow Jones Sustainability World and North America Indexes and the CDP Global 500 and S&P 500 Climate Disclosure and Performance Leadership Indexes.

The National Energy Board's intent to develop and articulate a safety culture framework is admirable and one Spectra Energy supports in principle. We believe the NEB is in a unique position to provide leadership in the area of safety culture and help other regulators develop their own safety culture frameworks. As such, we are strongly aligned with the responses from the Canadian Energy Pipeline Association (CEPA) and the Canadian Gas Association (CGA). Additionally, we believe that the successful implementation of the final framework is dependent on the following:

- 1) **A full and impartial framework development process with a third party standards organization to ensure both industry and regulators across Canada are engaged as equal partners.**

The Oil and Gas Industry is equally committed to improving the safety and reliability of their assets and would be instrumental in not only improving the framework but in developing guidelines for implementation. There is a long standing tradition of regulators and industry across Canada working together in the spirit of partnership and cooperation, and we hope to see continued regulator and industry partnerships through impartial agencies such as the Canadian Standards Association.

- 2) **Consistency in regulation across Canada.**


The models for regulation vary by region and should be taken into account when developing such a broad framework. To the extent possible, consistency among regulators in their expectations and how they engage the industry across Canada is preferable so as not to impose additional complexity on the industry. Additionally, in many sectors of the natural gas industry, operational and financial regulation is separated. The shared understanding of safety culture should extend not only to operational regulators but to financial regulators as well, to ensure regulators are focusing on both low cost service and operational safety.

- 3) **Defining a "Just Culture"**

The draft Framework defines a Just Culture as one where errors and unsafe acts are not punished if the error was unintentional. Similarly, operational regulators should also demonstrate a just culture towards the companies they regulate. Innocent mistakes by employees of the company should be taken into account during incident investigations. Each company's intent and progress towards advancing a safety culture in their respective organizations should be viewed in a positive context. Regulators should assess the maturity of company cultures in their assessments so both positive factors as well as areas for improvement are identified in regulator audit findings.

Once again, we would like to thank the NEB for the opportunity to review the draft Framework and provide comments. Spectra Energy remains open to participating in the development of the Safety Culture Framework. We appreciate your continued efforts to engage industry stakeholders.

Sincerely,



Don Cameron
VP, EHS and Risk Management