



William T. Yardley
Chairman, Board of Directors
Maritime & Northeast Pipeline Management Ltd.

5400 Westheimer Ct.
Houston, TX 77056

MAIL ROOM
SALLE DE COURIER

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NEB/ONE

May 17, 2017

Ms. Sheri Young
Secretary of the Board
National Energy Board
517 10th Avenue SW
Calgary, Alberta T2R 0A8

Dear Ms. Young:

By Facsimile [REDACTED]

Re: **Maritime & Northeast Pipeline Management Ltd. (M&NP)**
Final Audit Report – Investigation and Reporting Incidents and Near Misses
Board File OF-Surv-OpAud-M124-2016-2017 01

On 6 March 2017, the National Energy Board (NEB) issued to M&NP the Final Audit Report on sub-element 4.2 **Investigation and Reporting Incidents and Near Misses** of the NEB Management System and Protection Program Audit Protocol. The NEB directed M&NP to file, for approval, a Corrective Action Plan (CAP) describing the methods and timing for addressing the Non-Compliant findings identified through the audit.

The attached table, titled "**Maritime & Northeast Pipeline Management Ltd. Corrective Action Plan - Revised**" dated 15 May 2017 describes the methods and timing by which M&NP will address the Non-Compliant findings identified through the audit; and supersedes the earlier table, dated 5 April 2017.

Yours sincerely,

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cc:

Att.

Maritimes & Northeast Pipeline Management Ltd. Corrective Action Plan - Revised
NEB Management System and Protection Program Audit of Investigation and Reporting Incidents and Near Misses

15 May 2017

#	NEB Non-Compliance Finding	Proposed Corrective Actions	Responsible Party	Target Completion
1	M&NP internal reporting process is inadequate since it does not require the internal reporting of all unintended gas releases, which is non-compliant with the OPR s. 6.5(1)(r).	<ul style="list-style-type: none"> a. Revise SOP 5-2140 TSB/NEB Incident Reporting procedure to include the internal reporting requirements for all unintended gas releases. b. Consistent with existing procedures, M&NP staff will be notified of changes to procedures via Veriforce which requires staff to confirm that they have read and understood procedure changes. Any questions regarding changes to procedures will be addressed during monthly Area/safety meetings. c. The quarterly Operations Risk Management Committee (ORMC) meeting includes a review of all incidents. This review allows us to assess if gaps exist with the implementation of the incident reporting procedures. Any gaps identified will be addressed. 	[REDACTED]	July 31, 2017
			[REDACTED]	September 29, 2017
			[REDACTED]	March 30, 2018
2	M&NP does not consistently document its corrective and preventive actions for the incidents that M&NP does not consider significant. There is also no documented process for ensuring that all necessary corrective and preventive actions are	<ul style="list-style-type: none"> a. Develop new OMS procedure regarding the development, tracking, and documentation of corrective and preventive actions. 	[REDACTED]	June 30, 2017

#	NEB Non-Compliance Finding	Proposed Corrective Actions	Responsible Party	Target Completion
	implemented for abnormal operations. Therefore, M&NP is non-compliant with the OPR s. 6.5(1)(r).	b. Update OMS documentation to include review of incidents and corrective actions as part of the quarterly Operational Risk Management Committee meeting. This would allow an opportunity to verify that corrective and preventive actions are developed, documented and tracked in the electronic database, and appropriately implemented.	[REDACTED]	June 30, 2017
		c. Program Owners and Area Management will be made aware of new or changed OMS procedures via annual OMS training. Annual OMS training is also conducted for field staff.	[REDACTED]	November 30, 2017
		d. Review and revise, if necessary, SOP 5-2050 to ensure the process for the internal reporting of abnormal operations, along with documenting corrective and preventive actions, is complete.	[REDACTED]	July 31, 2017
		e. Revise the EHS procedure 5.3.385 EHS Incident Learning and Prevention and associated procedures to match current practices for documentation of corrective and preventive actions for all non-significant incidents.	[REDACTED]	June 30, 2017

#	NEB Non-Compliance Finding	Proposed Corrective Actions	Responsible Party	Target Completion
		<p>f. Consistent with existing procedures, M&NP staff will be notified of changes to procedures via Veriforce which requires staff to confirm that they have read and understood procedure changes. Any questions regarding changes to procedures will be addressed during monthly Area/safety meetings.</p> <p>g. The quarterly Operations Risk Management Committee (ORMC) meeting includes a review of all incidents. This review allows us to assess if gaps exist with the implementation of the incident reporting procedures. Any gaps identified will be addressed.</p>	[REDACTED]	September 29, 2017
			[REDACTED]	January 15, 2018
3	M&NP is not consistently following its own procedure 5.3.385-EHS with regards to entering corrective actions for EHS incidents in EPASS, therefore M&NP is non-compliant with the OPR s. 4(2).	See Corrective Action for item 2.	See Corrective Action for Item 2.	See Corrective Action for Item 2.
4	M&NP does not have performance measures for assessing its success in achieving its goals for the prevention of ruptures, liquid and gas releases, fatalities	<p>a. Develop new OMS procedure to support program leads in developing goals, objectives, and targets (GOTs) that will conform to meet NEB requirements.</p>	[REDACTED]	June 30, 2017

#	NEB Non-Compliance Finding	Proposed Corrective Actions	Responsible Party	Target Completion
	and injuries, which is non-compliant with the OPR s. 6.5(1)(b).	b. Program Owners and Area Management will be made aware of new OMS procedure via annual OMS training.	[REDACTED]	November 30, 2017
		c. A new form has been developed to capture the number of ruptures, gas releases, fatalities, injuries, and other performance measures. This data will be reviewed annually for trends, as well as to assess the success of M&NP's programs to prevent the ruptures, liquids and gas releases, fatalities and injuries.	[REDACTED]	June 30, 2017
5	M&NP did not demonstrate that it has established and implemented a process for generating and retaining the records required by CSA Z662-15 Clause 10.4.4.1 and Clause 10.4.4.2, which is non-compliant with the OPR s. 6.5(1)(p).	a. Develop forms to capture the data required by CSA Z662. Update SOP 5-2140 TSB/NEB Incident Reporting to include process for their use, including instructions for capturing the pertinent data in the event of a non-significant incident.	[REDACTED]	July 31, 2017
		b. Consistent with existing procedures, M&NP staff will be notified of changes to procedures via Veriforce which requires staff to confirm that they have read and understood procedure changes. Any questions regarding changes to procedures will be addressed during monthly Area/safety meetings.	[REDACTED]	September 29, 2017

#	NEB Non-Compliance Finding	Proposed Corrective Actions	Responsible Party	Target Completion
		c. The quarterly Operations Risk Management Committee (ORMC) meeting includes a review of all incidents. This review allows us to assess if gaps exist with the implementation of the incident reporting procedures. Any gaps identified will be addressed.	[REDACTED]	March 30, 2018
6	M&NP's Annual Report did not describe the performance of the company in meeting its obligations under the OPR s. 6 and the achievement of its goals, objectives and targets, which is non-compliant with the OPR s. 6.6(1)(a).	Expand the content of the Annual Report to include the material required to meet NEB requirements. Changes will be reflected starting with the Annual Report for 2017.	[REDACTED]	March 31, 2018