

National Energy  
Board



Office national  
de l'énergie

# National Energy Board Fact Sheet

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## What is the National Energy Board?

The National Energy Board (NEB) is an independent federal agency established in 1959.

The NEB has quasi-judicial powers, with the rights and privileges of a superior court, established by the *National Energy Board Act* (NEB Act), and its decisions are all enforceable in law. For major applications and inquiries, the NEB holds public hearings at which parties must submit evidence into the public record and decisions must be based on the evidence submitted.

The National Energy Board does not create or debate federal energy policy. The Parliament of Canada and the elected officials therein have that mandate. The only way the NEB participates in the government's energy policy is if it is asked to provide expert opinion on energy matters that are subsequently used by the government in setting energy policy.

## What is the NEB's mandate?

The NEB's purpose is to promote safety and security, environmental protection and efficient energy infrastructure and markets in the Canadian public interest within the mandate set by Parliament in the regulation of pipelines, energy development and trade.

The NEB's main responsibilities include regulating the construction and operation of interprovincial and international oil and gas pipelines, international power lines and designated interprovincial power lines. The NEB also regulates the tolls and tariffs for pipelines under its jurisdiction. With respect to the specific energy commodities, the NEB regulates the export of natural gas, oil, natural gas liquids (NGLs) and electricity, and the import of natural gas. In an advisory function, the NEB publishes periodic assessments to inform Canadians on trends, events and issues which may affect Canadian energy markets. Additionally, the NEB regulates oil and gas exploration and development on frontier lands and offshore areas not covered by provincial or federal management agreements.

The NEB's regulatory oversight extends over 71,000 kilometres of pipeline that crisscross most of our country, and approximately 1,400 kilometres of international power lines.

## How does the NEB operate?

Applications are made to the NEB for any of the activities that the NEB regulates. After an application is submitted, the NEB will review it and determine whether a hearing is required and if so, whether it is to be a written or an oral hearing. A hearing will typically be held for certain types of applications, such as for new interprovincial or international pipelines over 40 kilometres in length (these are known as s. 52 facility applications or Part III applications, referring to the section and part of the NEB Act under which they are submitted).

To convene a hearing, the NEB issues a Hearing Order providing details on the hearing process, including how persons who are directly affected or who have relevant information or expertise can participate and the deadline to apply to participate. Further information is available on the NEB's website via *The Public Hearing Process* page. Applications filed under s. 58 or Part IV of the NEB Act do not automatically trigger a public hearing.

The NEB's involvement in a project does not end with an approval. The NEB can attach any number of conditions to project approvals which it then monitors and enforces throughout the lifecycle of the project, from approval to abandonment.

## What does the NEB consider when reviewing an application?

During the review of an application, the NEB considers all information that is relevant to the question of whether or not the application should be approved as it relates to the NEB's mandate and jurisdiction. For an application where a Hearing Order is issued, the NEB will typically include a List of Issues outlining what the NEB will consider.

## How does the NEB protect the environment and ensure public safety of NEB-regulated projects?

### *Environmental Assessment*

Since its inception in 1959, the NEB has always considered the environment when making regulatory decisions. The NEB's environmental responsibility includes ensuring environmental protection during planning, construction, operation and abandonment of facilities within its jurisdiction.

The NEB has approximately 50 Environment, Socio-Economic, Lands and Engagement Specialists deployed to teams throughout the organization. These specialists conduct environmental and socio-economic assessments, environmental inspections, audits of environmental management systems, lands administration and landowner complaint resolution.

Under the NEB Act, the NEB is required to consider matters of public interest as they may be affected by the granting of an application. The NEB has a mandate for environmental protection as a component of the public interest and conducts environmental assessments as appropriate for each application. The NEB has been conducting environmental assessments under the *Canadian Environmental Assessment Act* since it came into force in 1995, as well as under the new *Canadian Environmental Assessment Act, 2012* (CEA Act 2012) which provides an additional mechanism to ensure that projects receive appropriate levels of assessment before they proceed. The CEA Act 2012 sets out uniform requirements for environmental assessments by all federal government departments and agencies. As a “responsible authority” under the CEA Act 2012, the NEB ensures that appropriate environmental assessments are conducted for projects under its jurisdiction, according to standards prescribed by the legislation.

## *Environmental Protection & Safety*

If a project is approved, the NEB expects the company to continue to protect the environment, public health and safety. The NEB confirms this by auditing and inspecting the company’s construction activities, maintenance and monitoring procedures during the operation of the pipeline and its procedures during abandonment.

The NEB’s environmental responsibility includes ensuring environmental protection during the planning, construction, operation and abandonment of energy projects within its jurisdiction. When making its decisions, the NEB may take into consideration environmental concerns related to air, land and water pollution, disturbance of renewable and non-renewable resources, the integrity of natural habitats, the disruption of land and resource use, and the protection of landowner rights.

Safety and environmental protection are of paramount importance to the NEB. As an independent federal regulator, the NEB promotes safety and security, environmental protection and economic efficiency in the Canadian public interest within the mandate set by the Parliament of Canada.

The NEB is responsible for ensuring companies meet regulations on the safety of employees, public and environment as they may be affected by the design, construction, operation, maintenance and abandonment of a pipeline or international power line. The NEB works with the Canadian Standards Association to establish safety regulations and technical standards for federally regulated pipelines.

Additionally, through an agreement between the NEB and Human Resources and Social Development Canada, certain NEB staff members have been designated as Safety Officers for the occupational health and safety of pipeline company field staff. These health and safety duties are usually combined with other construction site and facility inspections.

To confirm that engineering, safety and environmental requirements are met, the NEB audits and inspects the construction and operation of pipelines. Since February 1987, NEB inspectors have also been responsible for enforcing Part II of the *Canada Labour Code*, applying to the occupational safety and health of pipeline workers in the field.

The NEB shares responsibility with the Transportation Safety Board (TSB) for incident investigation. The NEB investigates pipeline incidents to determine whether its regulations have been followed and if those regulations may need to be changed. The TSB investigates the cause and contributing factors. The NEB also monitors excavation activity by third parties near pipelines to ensure compliance with existing regulations.

The NEB holds companies accountable for results in the public interest using a rigorous compliance monitoring and enforcement program, which includes compliance audits and the inspection of construction and operating facilities. When a violation or an unsafe condition is detected, the NEB expects immediate correction and an assessment of the root causes in order to prevent the issue from happening again. Failure to address a violation or unsafe condition can result in further NEB sanction, such as suspension of operation.

### *What happens if there is a release?*

The NEB's focus is on preventing accidents from happening in the first place. The NEB expects regulated companies to strive for zero spills or releases. However, should an incident occur, the NEB's top priority is the safety and security of people as well as the protection of the environment.

Each regulated company must maintain an up-to-date emergency procedure manual outlining the company emergency management procedures to be followed during an incident. The procedures must address emergency management, environmental protection, and worker and public safety. This plan must be on file with the NEB and the TSB.

Companies are responsible for reporting the incident to the TSB and the NEB and for implementing their emergency response plan. The NEB then initiates its incident response procedures, which may include activation of its Emergency Operations Centre where appropriate.

The NEB will verify that a company conducts an adequate and appropriate clean-up and remediation of any environmental effects resulting from the incident.

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## Contact Information

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