

Regulatory Framework Plan 2025 to 2028





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Regulatory Framework Plan 2025 to 2028

Overview

The Regulatory Framework Plan (the Plan) is a tool produced by the CER that supports planning and communication.

The Plan describes which regulations, guidance material and other regulatory documents we intend to amend or develop over a three-year period and sets out expected timelines for each. The Plan also describes other Regulatory Framework improvements the CER is undertaking, such as:

- development of technical standard documents led by the CER as complementary guidance (e.g., <u>Canadian Standard Association Express Document No. 13:21 Quality assurance requirements for</u> <u>pipe and components</u>);
- development of regulations led by other federal departments with our participation; and
- enterprise improvements such as changes to internal systems or processes in support of the Regulatory Framework (e.g., Regulatory Asset Data Project).

The Plan is updated every year through a review process that is informed by:

- strategic priorities that focus how we do our work and prioritize change;
- evaluation of performance data from across the CER's regulatory programs;
- input from stakeholders and Indigenous Peoples provided during the CER's engagement activities and participation in regulatory proceedings; and
- learnings from other jurisdictions and regulators within Canada and abroad.

Projects appearing in the Plan vary in scope and scale of effort but only those initiatives that are established with formal project plans and clear deliverables for the CER's Regulatory Framework are included in the Plan year to year.

All projects appearing in the Plan align with the strategic priorities identified in the CER's <u>Strategic Plan</u>. Our priorities are the shared lens that focus our work. We anticipate additional projects will be added in future years, as we advance our work to:

- prepare for the future and inform the energy transition;
- advance Reconciliation and implement the United Nations Declaration on the Rights of Indigenous Peoples;
- foster the trust and confidence of Canadians; and
- enhance Canada's global competitiveness through regulatory excellence.

The Plan will be updated at the start of each new fiscal year (spring). Material changes made to the Plan throughout the year (e.g., projects paused or added) may be viewed on the evergreen table for <u>Regulatory</u> <u>Framework Improvements</u>.

We are committed to meaningful and transparent engagement with stakeholders, Indigenous Peoples, and the public on material changes proposed to the CER's Regulatory Framework. See project details and consult the CER website to obtain details of engagement opportunities.

More information may be obtained by calling toll free 1-800-899-1265 or faxing 403-292-5503, sending an email to <u>regulatory.framework@cer-rec.gc.ca</u> or by contacting the project leads directly.

Development of Regulations

Regulations are laws made in support of acts. The Governor in Council, Cabinet Ministers and administrative tribunals like the CER are given authority to make regulations through legislation passed by Parliament.

In accordance with the <u>Cabinet Directive on Regulations</u>, the development of regulations in Canada generally involves:

- Developing policy intent to inform the drafting of the regulations
- Drafting regulations
- Pre-publication in Canada Gazette, Part I
- Public comment period on draft regulations
- Publication in Canada Gazette, Part II

CER-led development of regulations

The Plan includes a number of projects that involve review, improvement and development of CER regulations with an aim to:

- address legal issues;
- enhance regulatory outcomes; and
- make our existing regulatory stock current.

The following regulations are being reviewed, see Annexes for project details:

- Onshore Pipeline Regulations
- Cost Recovery Regulations
- Rules of Practice and Procedure
- Export and Import Regulatory Framework

The following regulations will be developed in future years, after the *Cost Recovery Regulations* are finalized:

• Designated Companies Cost Recovery Regulations

Under section 142 (1) of the *Canada Energy Regulator Act* (CER Act), the CER is mandated to make regulations to recover costs, expenses and damages associated with a pipeline release when a company has been "designated" by the Governor in Council (GIC), appointed by Parliament.

In the event of a pipeline release, the GIC may, on the recommendation of the Minister of Natural Resources, "designate" the responsible company if it does not have or is not likely to have the financial resources necessary to pay the costs, expenses and damages associated with the release; or in instances where it does not comply with a CER Order with respect to the release.

A Regulatory Proposal was published for public comment in 2018, and <u>five letters of comment</u> were received. Further engagement on the Designated Company Cost Recovery Regulations is anticipated to resume pending the development of the CER Cost Recovery Regulations.

CER participation in development of regulations led by Natural Resources Canada

There are several regulations made by the GIC under the CER Act or the *Canada Oil and Gas Operations Act* (COGOA) that are being developed by Natural Resources Canada.

The CER actively participates in the development of these regulations.

The ongoing regulatory initiatives led by Natural Resources Canada are detailed on that department's <u>Forward Regulatory Plan</u>.

Regulatory Development Project	Project Type
Designated Officer Regulations	Development of new regulations
Frontier and Offshore Regulatory Renewal Initiative (FORRI) Framework Regulations – Offshore Oil and Gas Management outside of the Accord Areas	Major update to existing regulations
Indigenous Ministerial Arrangements Regulations	Development of new regulations

Development of Guidance

We produce guidance materials for varying audiences, published in different formats, covering many topics related to the work of the CER but all serve the same essential functions to help people understand how we regulate and guide the actions of those who must comply with our requirements or processes.

We adopt an approach of continual improvement to ensure the quality of guidance materials. Reviews and updates occur in stages, on a periodic basis.

Filing Manuals and Supplemental Filing Guidance

The filing manuals help applicants and interested parties understand what to include in an application to the Commission. The CER has a Filing Manual which details filings for pipelines and an Electricity Filing Manual which details filings for electrical power lines. While it is ultimately the responsibility of the applicant to follow applicable legislation and regulations, these manuals have been developed to provide guidance about the information we expect to see addressed in an application to the Commission.

The Filing Manuals are arranged into Chapters and Guides which align with different types of applications the Commission considers.

The following sections of the filing manuals are being reviewed, see Annexes for project details:

• Guide A: Environmental and Socio-economic Assessment and Lands Information sections of the Filing Manual, along with Electricity Filing Manual: Chapters 6 and 8

The following sections of the Filing Manual (for pipelines) will be updated for clarity purposes (e.g., making consequential changes, updating terms and references, simplifying language, refreshing format etc.):

• Guide R: Transfer of Ownership, Lease or Amalgamation

This guide outlines the information required from regulated companies who enter transactions that alter the nature of responsibilities for their facilities – such as the purchase, sale or lease of assets, or amalgamation of companies. Filing requirements are defined for both parties to a transaction, including providing maps, business and financial information.

The update will address ambiguities that have been noted in portions of the text and incorporate existing best-practices and tools (e.g., templates)into the Filing Manual.

Regulatory Guidance

The following regulatory guidance is being developed or reviewed, see Annexes for project details:

- (New Regulatory Guidance) Contractor Oversight by CER-Regulated Companies
- Review of Remediation Process Guide

Other Regulatory Framework Improvements

These Regulatory Framework projects could impact one or more of our regulatory instruments (i.e., regulatory documents, and guidance), or result in changes to internal systems or processes in support of effective regulatory activity.

The following regulatory improvement initiatives are ongoing, see Annexes for project details:

- Regulatory Asset Data Project
- Rapid Review Process for Negligible-risk and Low-risk Projects

Engagement and Project Timelines

The CER is committed to ensuring that our work, and the decisions we make are informed by diverse input from people across Canada. We encourage those who may be impacted by our decisions and work to get involved.

We are committed to meaningful and transparent engagement with stakeholders, Indigenous Peoples, and the public. Engagement occurs at numerous stages in the process of regulatory development, whether developing regulations or drafting guidance materials.

The Regulatory Framework projects listed in the Plan are subject to change. In particular, the development of regulations is contingent on agencies external to the CER (e.g., Treasury Board of Canada Secretariat or Department of Justice).

The engagement and project timelines appearing in the table below are subject to change. Timelines are estimates, valid as of publication date (July 2025). To obtain up to date details of engagement opportunities:

- consult the <u>CER Consultation and Engagement activities</u> webpages;
- consult <u>CER Dialogue</u> for individual project pages as available;
- subscribe to the <u>CER RSS Regulatory Improvements</u> feed to receive notifications;
- reach out to <u>CER contacts</u> directly;
- inquire at <u>regulatory.framework@cer-rec.gc.ca;</u> or
- Contact Us.

2025-26				2026-27				2027-28				
Project	Spring	Summer	Fall	Winter	Spring	Summer	Fall	Winter	Spring	Summer	Fall	Winter
Contractor Oversight by CER- Regulated Companies		Engage c guidance		Publish								
Cost Recovery Regulations		Inp	out collected	in 2021 and 20)23 is being (considered as	s the CER	explores broad	der aspect	s of cost rec	overy.	
Export and Import Regulatory Framework				Publish in Canada Gazette, Part II								
Filing Manual, Guide R			Publish									
Filing Manual, Guides A.2, A.4 of pipeline FM			Engage on o	draft updates	Publish							
Onshore Pipeline Regulations					Engage on regulatory					Pre-publis Canada G Part I		
Rapid Review Process for Negligible-risk and Low-risk Projects			Project Complete									
Regulatory Asset Data Project			Formal data companies	requests to				Project Complete				
Remediation Process Guide			Engage on o	draft updates		Publish						
Rules of Practice and Procedure				Pre-publish draft in Canada Gazette, Part I	Publish in Canada Gazette, Part II							

Contact Us

More information on Regulatory Framework projects may be obtained by calling toll free 1-800-899-1265, faxing 403-292-5503 or sending an email to <u>regulatory.framework@cer-rec.gc.ca</u>, in addition to contacting the project leads listed below.

Project	Project Type	Estimated Completion	CER Contact
Contractor Oversight by CER-Regulated Companies	Development of new regulatory guidance	2025	Tess Evenson Research and Innovation, System Operations 403-836-6693 tess.evenson@cer-rec.gc.ca
Rapid Review Process for Negligible-risk and Low-risk Projects	Enterprise improvement project	2026	Usha Mulukutla Facilities Adjudication West, Energy Adjudication 403-809-1478 usha.mulukutla@cer-rec.gc.ca
Regulatory Asset Data Project	Enterprise improvement project	2026	Carson Bannon Research and Innovation, System Operations 403-837-9213 <u>carson.bannon@cer-rec.gc.ca</u>
Review of Cost Recovery Regulations	Regulatory review of existing regulations	2028	Rumu Sen Regulatory Policy, System Operations 403-390-6177 <u>rumu.sen@cer-rec.gc.ca</u>
Review of Export and Import Regulatory Framework	Regulatory review of existing regulations	2026	Jenni Low Regulatory Policy, System Operations 403-607-3857 jenni.low@cer-rec.gc.ca
Review of Filing Manual Guide A, Section 2 of pipeline FM and Chapter 6 of electricity FM: Environmental and Socio-economic Assessment; Guide A, Section 4: Lands Information and Chapter 8 of electricity FM	Regulatory review of existing filing guidance	2026	Don Logan Regulatory Policy, System Operations 403-606-0573 don.logan@cer-rec.gc.ca

Project	Project Type	Estimated Completion	CER Contact
Review of Filing Manual, Guide R: Transfer of Ownership, Lease or Amalgamation	Technical updates to existing filing guidance	2025	Michael Van Appelen Tolls and Tariffs Adjudication, Energy Adjudication 403-470-4837 <u>michael.vanappelen@cer-rec.gc.ca</u>
Review of Onshore Pipeline Regulations	Regulatory review of existing regulations	2028	Don Logan Regulatory Policy, System Operations 403-606-0573 don.logan@cer-rec.gc.ca
Review of Remediation Process Guide	Regulatory review of existing regulatory guidance	2026	Adele Houston Field Operations, Environmental Protection 403-829-1993 adele.houston@cer-rec.gc.ca
Review of Rules of Practice and Procedure	Regulatory review of existing regulations	2026	Rumu Sen Regulatory Policy, System Operations 403-390-6177 rumu.sen@cer-rec.gc.ca

Annex 1: Review of Onshore Pipeline Regulations

Background

The <u>Onshore Pipeline Regulations</u> (OPR) are made under the <u>Canadian Energy Regulator Act</u> (CER Act). The OPR is the CER's principal regulation for the physical (vs. financial) oversight of oil, gas and commodity pipelines that cross a national, provincial or territorial border.

The OPR provides for safety, security and environmental protection outcomes and includes management system requirements for regulated companies. Companies are responsible for meeting the requirements of the OPR throughout the entire lifecycle of their facilities, from design, through to construction, operation and abandonment.

Project Details

The CER is conducting a comprehensive review of the OPR to update the regulations. The project is referenced on the CER website as the OPR Review.

The review of the OPR includes updates for alignment with the CER Act and represents part of how we will deliver our commitments to enhance competitiveness and regulatory excellence and transform the way the CER and its regulated companies work with Indigenous Peoples across the lifecycle of regulated facilities.

In June 2023, the Department of Justice published the Government of Canada's <u>Action Plan</u> to achieve the objectives of the United Nations Declaration on the Rights of Indigenous Peoples (UN Declaration), and to identify measures needed to ensure federal laws are consistent with the UN Declaration. The Action Plan provides a roadmap of actions Canada needs to take in partnership with Indigenous Peoples to implement the principles and rights set out in the UN Declaration and to further advance reconciliation in a tangible way.

Measure 34 of the Action Plan explicitly references the review of the OPR.

The review will address all areas of the OPR and related regulatory documents and guidance, as needed (e.g., Guidance Notes for the OPR, the Filing Manual, Online Event Reporting Guidelines, Remediation Process Guide, Audit Protocol, Operations and Maintenance Activities on Pipelines – Requirements and Guidance Notes, and the Decommissioning Streamlining Order and Guidance Notes).

The new regulation-making authority in the CER Act for human and organizational factors, which is related to safety improvement, will also be addressed.

In broad terms, our objectives for the OPR Review are to deliver regulations that:

- support the highest level of safety, security and environmental protection
- advance Reconciliation with Indigenous Peoples;
- address transparency and inclusive participation;
- provide for predictable and timely oversight; and
- encourage innovation.

Engagement

The CER is making use of the <u>CER Dialogue</u> online platform to engage on the OPR Review. Interested parties are encouraged to subscribe to the project page to receive updates. Engagement materials and submissions received during regulatory consultation will be posted to <u>CER Dialogue/OPR</u>.

The CER conducted the first phase of engagement, from January through June 2022, with a <u>Discussion</u> <u>Paper</u> and engagement sessions. In total, 97 submissions were received – 76 from Indigenous Nations and communities, 12 from interested parties, and 9 from industry. In April 2023, a <u>What We Heard</u> <u>report</u> providing a high-level summary of input received and all submissions was published.

The CER launched phase two of engagement in June 2024, focused on specific issues, including those identified in the first phase of engagement.

The CER released a series of thematic papers and hosted topic-specific workshops between August 2024 and March 2025. These included workshops with industry, a workshop with subject matter experts on heritage resource protection (e.g., cultural sites), and CER technical support to municipality-led and indigenous-led workshops.

The feedback period for phase two of engagement closed on 31 March 2025. In total, 110 submissions were received – 37 from Indigenous Nations and communities, 60 from interested parties, and 13 from industry.

A summary report for the second phase of engagement, along with the written feedback submitted, will be posted the <u>CER Dialogue/OPR</u> webpage. Feedback received will inform the draft regulatory proposal and third phase of engagement, anticipated to begin in spring 2026.

Funding has been made available to support Indigenous Nations wanting to participate in the OPR Review, to engage with community members and submit written feedback. See <u>Open Government</u> for proactive disclosure of CER grants and contributions awards.

Information on further engagement, including funding opportunities, will appear on the <u>CER</u> <u>Consultation and Engagement Activities</u> and the <u>CER Dialogue/OPR</u> webpages.

Project Timeline

The review of the OPR was first included in the <u>CER Forward Regulatory Plan</u> in January 2020. We estimate publication of updated regulations and related guidance to occur in 2028.

Contact Us

The CER welcomes feedback on the content of the Regulatory Framework at any time, please email: <u>regulatory.framework@cer-rec.gc.ca</u>

For enquiries on the OPR Review and information on engagement please email: opr-rpt@cer-rec.gc.ca

Don Logan Regulatory Policy, System Operations 403-606-0573 don.logan@cer-rec.gc.ca

Annex 2: Review of Cost Recovery Regulations

Background

The <u>Cost Recovery Regulations</u> (CRR) are made under the CER Act. Section 87 of the CER Act provides that regulations may be made with approval of Treasury Board, for recovering all or a portion of costs attributable to the CER's mandate.

The CRR sets out the manner of calculating fees, levies or charges for CER regulated companies and their payment to the Regulator.

Project Details

The review of the CRR includes updates to align with the CER Act and to support Canada's competitiveness. Regulatory development and analysis are under way to:

- expand cost recovery to allow the CER to recover costs directly from all applicants who are not already regulated by the CER, including those whose applications are denied or withdrawn; and
- reevaluate fixed levies for small and intermediate companies.

The proposed cost recovery framework aims to:

- achieve fair and equitable cost allocation;
- simplify the method of cost recovery and its administration;
- make costs predictable for industry;
- ensure cost recovery mechanisms can respond to change; and
- provide some flexibility in the application of methodologies.

Engagement

A project working group (PWG) was formed with members from the CER's standing Cost Recovery Liaison Committee (CRLC). The CRLC is comprised of representatives from CER regulated companies and industry associations representing those regulated companies.

In fall 2020, a workshop was conducted to gather initial feedback from the CRLC PWG on the elements and methodology for the cost recovery framework.

In November 2021, a <u>Regulatory Proposal</u>, supported by <u>Frequently Asked Questions</u>, was released on the CER and Consulting with Canadians websites to seek written feedback on proposed amendments. Letters of comment may be viewed on the <u>Cost Recovery Regulations webpage</u>.

In fall 2023, an options paper on the methodology for the cost recovery framework was shared with the CRLC PWG with a follow-up workshop to gather additional feedback from the group.

The CER is currently exploring broader aspects of cost recovery beyond the recovery mechanism. Once the CER is ready to proceed with external engagement, stakeholders will be provided an opportunity for input.

Information on future engagement opportunities will appear on the <u>CER Consultation and Engagement</u> <u>Activities</u> webpages.

Project Timeline

The review of the CRR was first included in the <u>CER Forward Regulatory Plan</u> in April 2019. We estimate publication of updated regulations to occur in 2028.

Contact Us

The CER welcomes feedback on the content of the Regulatory Framework at any time, please email: <u>regulatory.framework@cer-rec.gc.ca</u>

For enquiries on the CRR Review and information on engagement, please email: <u>costrecoveryregulations@cer-rec.gc.ca</u>

Rumu Sen Regulatory Policy, System Operations 403-390-6177 rumu.sen@cer-rec.gc.ca

Annex 3: Review of Rules of Practice and Procedure

Background

The <u>National Energy Board Rules of Practice and Procedure, 1995</u> (the Rules) govern the procedures to be followed during Commission hearings at the Canada Energy Regulator (CER), previously the National Energy Board. They set out the mechanisms for complaints, the conduct of public hearings, and determine the manner in which applications are to be reviewed. The Rules are made by the Commission under the CER Act (s. 35).

Project Details

A comprehensive update to the Rules is needed to align with the CER Act, which came into force in 2019, to reflect the CER's new governance structure, and to formalize the

practices, processes and terminology which have evolved in the years since the Rules were first in effect. In broad terms, our objective for the Rules review is to deliver regulations that:

- align with the CER Act, including the objectives outlined in the Act's preamble, such as the commitment to Reconciliation;
- enhance competitiveness through predictable and timely processes; and
- modernize practices and procedures.

Engagement

The CER is making use of the <u>CER Dialogue</u> online platform to engage on the Rules Review. Interested parties are encouraged to subscribe to the project page to receive updates. Engagement materials and submissions received during regulatory consultation will be posted to <u>CER</u>. <u>Dialogue/Rules</u>.

The CER launched engagement in fall 2024 with a <u>Discussion Paper</u> on proposed changes to the Rules released for comment. Additionally, three virtual engagement sessions for interested parties were held in November 2024, with a total of 90 participants.

The feedback period for engagement closed on 31 January 2025. In total, 56 submissions were received – 41 from Indigenous Nations, groups and communities, 7 from interested parties, and 8 from industry. Submitted feedback may be viewed on <u>CER Dialogue/Rules</u>. Input received will inform proposed regulations to be pre-published in the Canada Gazette, Part I in winter 2025/2026.

Funding was made available to support Indigenous Nations wanting to participate in the Rules Review, to engage with community members and submit written feedback. See <u>Open Government</u> for proactive disclosure of CER grants and contributions awards.

Information on further engagement, including funding opportunities, will appear on the <u>CER Consultation and Engagement Activities</u> and the <u>CER Dialogue/Rules</u> webpages.

Project Timeline

The review of the Rules was added to the <u>CER Forward Regulatory Plan</u> in April 2023. We estimate that publication of updated regulations will occur in 2026.

Contact Us

The CER welcomes feedback on the content of the Regulatory Framework at any time, please email: regulatory.framework@cer-rec.gc.ca

Rumu Sen Regulatory Policy, System Operations 403-390-6177 <u>rumu.sen@cer-rec.gc.ca</u>

Annex 4: Review of Export and Import Regulatory Framework

Background

Four existing regulations and associated guidance constitute the CER's Export and Import Regulatory Framework (EIRF). These provide the CER with critical information necessary to assess export and import applications and to understand the functioning of energy markets in Canada.

- The <u>Part VI (Oil and Gas) Regulations</u> list the information that applicants for hydrocarbon orders and licenses must provide to the CER, and the terms and conditions that the CER may impose on orders and licenses.
- The <u>Electricity Regulations</u> list the information that applicants for international power line permits and electricity export permits must provide to the CER, and the terms and conditions the CER may impose on permits.
- The Export and Import Reporting Regulations list the information that holders of export or import orders, licenses and permits must regularly report to the CER.
- The <u>Toll Information Regulations</u> require pipeline companies that charge tolls to submit certain information (e.g., capital, traffic, revenues, and expenses) to the CER on a regular basis.

Project Details

These regulations require updates due to legislative changes passed in 2012 and with the CER Act in 2019. We are also making changes to these regulations in order to align with the names, terms and regulation making authorities in the CER Act.

The proposed regulations aim to:

- enhance clarity;
- ensure coherence of the CER Regulatory Framework; and
- simplify requirements for businesses involved in the export and import of oil, gas, or electricity.

Engagement

The CER is making use of the <u>CER Dialogue</u> online platform to engage on the Export and Import Regulatory Framework. Interested parties are encouraged to subscribe to the project page to receive updates. Engagement materials and submissions received during regulatory consultation have been posted to <u>CER Dialogue/EIRF</u>.

Proposed regulations were pre-published in the <u>Canada Gazette</u>, <u>Part I</u>. The feedback period for engagement closed on 28 January 2025. In total, 9 submissions were received. Submitted feedback may be viewed on the <u>CER Dialogue/EIRF</u> webpage.

Further information on the proposed regulations will appear on the <u>CER Consultation and Engagement</u> <u>Activities</u> and on the <u>CER Dialogue/EIRF</u> webpages.

Project Timeline

The review of the export and import regulations was first included in the <u>CER Forward Regulatory Plan</u> in April 2014. Proposed amendments to the EIRF were developed in 2014, after consultation with stakeholders. The proposed amendments were put on hold due to a federal election and the anticipated legislative changes resulting from the Government of Canada's Environmental and Regulatory Reviews, launched in 2016 culminating in the introduction of the CER Act in 2019.

We estimate publication of the new regulations to occur in 2026.

Contact Us

The CER welcomes feedback on the content of the Regulatory Framework at any time, please email: <u>regulatory.framework@cer-rec.gc.ca</u>

Jenni Low Regulatory Policy, System Operations 403-607-3857 jenni.low@cer-rec.gc.ca

Annex 5: Review of filing guidance – Filing Manual Guide A, Section 2: Environmental and Socio-Economic Assessment, and Section 4: Lands Information

Background

<u>Guide A</u> of the Filing Manual (for pipelines) establishes the information required by companies who propose projects that involve constructing or modifying facilities that require an application under the CER Act – such as, pipelines or tanks and reservoirs, pumps and compressors, and interstation communication systems etc.

The Commission must satisfy itself, or make recommendations to the Governor in Council, that the facilities are and will be required for the present and future public convenience and necessity.

The Commission considers information relating to engineering aspect of the facility, the lands, economic and financial matters, any public interest as well as environmental considerations relating to biophysical and human socio-economic aspects, over the life of the project.

Biophysical features include any aspect of land, water, or air, and any plants, animals, or other biota that use those environments or depend on them. Socio-economic considerations may include any biophysical features used by humans for food, shelter, cultural activity, or economic activity, or any features that may affect human health, well-being, or any other values or rights. Detailed examples are provided in <u>Table A-1</u> of the Filing Manual.

Section 2 of Guide A (Guide A.2) describes the CER's responsibilities and process for environmental and socio-economic assessments, including the assessment of impacts to the rights of Indigenous Peoples. Section 4 of Guide A (Guide A.4) defines the information the CER requires on the lands along a proposed project area, including a description of land rights and processes for entering into land agreements with rights holders.

The Commission's objectives for environmental and socio-economic assessment and review of land matters, are that:

- the potential effects of a project receive thorough consideration before any project is allowed to proceed;
- the residual effects of the project, including the cumulative effects, are not significant; and
- there is an opportunity for meaningful public participation and the participation of Indigenous Peoples.

Project Details

The CER is conducting a comprehensive review of Guide A.2, as it pertains to environment and socioeconomic assessment and Guide A.4, as it pertains to land matters (ESA Review). The ESA Review will include parallel draft updates for the Electricity Filing Manual. The Commission's assessment processes, and decision reports are often dominated by topics covered by the ESA and Lands sections of the Filing Manual. Clear guidance in the Filing Manual helps to avoid:

- the need for additional technical information and processes during assessments;
- project conditions to address elements not contained in the application; and
- lack of clarity and predictability in regulatory processes.

The ESA Review project will help provide clear expectations for industry. This does not necessarily mean additional filing requirements, as the objective will be to help applicants provide the Commission with the right information the first time.

In June 2023, the Department of Justice published the Government of Canada's <u>Action Plan</u> to achieve the objectives of the UN Declaration on the Rights of Indigenous Peoples (UN Declaration), and to identify measures needed to ensure federal laws are consistent with the UN Declaration. The Action Plan provides a roadmap of actions Canada needs to take in partnership with Indigenous Peoples to implement the principles and rights set out in the UN Declaration and to further advance reconciliation in a tangible way.

Measure 34 of the Action Plan explicitly references the review of the OPR and Filing Manuals.

Engagement

The ESA Review is informed by ongoing regulatory development on the OPR Review and aims to address, ahead of updated regulations not estimated to occur until 2028, the known issues that have been raised during early engagement on the OPR Review.

A <u>What We Heard report</u>, providing a high-level summary of input received on the OPR Review, and all submissions was released to the <u>CER Dialogue/OPR</u> webpage.

On matters relevant to the ESA Review, public feedback received to date on the OPR Review and from other public engagement includes calls for the CER to:

- expand incorporation of Indigenous knowledge into project planning and design, and better define how Indigenous knowledge is to be considered in ESAs;
- collaborate with Indigenous Peoples on criteria to assess impacts to rights;
- use plain and culturally relevant language;
- enhance requirements for early engagement;
- clarify timelines (e.g., Filing Manual to include service standards or process timelines); and
- provide better advance notice of upcoming changes to filing requirements.

The work will continue to incorporate public feedback received through other CER engagement processes, including future phases of engagement for the OPR Review.

Background materials, draft updates, and further information related to the ESA Review, including further engagement and funding opportunities, will appear on the <u>CER Consultation and Engagement</u> <u>Activities</u>, <u>Proposed updates to Filing Manuals</u>, as well as the <u>CER Dialogue/OPR</u> webpages. It is anticipated that draft updates to Filing Manuals will be shared for comment sometime by 2026.

Project Timeline

The ESA review project first appeared in the Regulatory Framework Plan in 2021. We anticipate completion of the project, resulting in publication of new filing guidance in 2026.

Contact Us

The CER welcomes feedback on the content of the Regulatory Framework at any time, please email: regulatory.framework@cer-rec.gc.ca

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Annex 6: New regulatory guidance – Contractor Oversight by CER-Regulated Companies

Background

Construction, operations, maintenance, and decommissioning/abandonment activities at CERregulated workplaces have the potential to place the company's workforce, contractor's workforce, the public, equipment, property and the environment at risk. Regulated companies are required by the <u>Onshore Pipeline Regulations</u> (OPR) to proactively identify, evaluate, and control hazards when undertaking activities.

Companies may use contractors to carry out work, but at all times the CER will look to regulated company to uphold its legal obligations under the OPR.

Project Details

The CER is developing guidance intended to provide clarity on its expectations of regulated companies regarding contractor oversight. This is in response to compliance verification activities (e.g., inspections and audits) that have noted companies have not consistently fulfilled their obligations under the OPR relative to their oversight of contractors and sub-contractors.

The guidance document in development is intended to clarify the CER's expectations regarding contractor oversight in order to improve the performance of CER-regulated companies and enhance the safety of CER-regulated worksites.

Engagement

The project was discussed during a meeting of the <u>Regulated Industry Engagement Group</u> (RIEG), in November 2023. Regulated companies who registered to participate had an opportunity to receive an update from the project working group, have their questions answered and provide input on future engagement to develop the guidance. The input provided by participants to the RIEG has informed further engagement plans.

Draft guidance materials will be shared for comment for a period of 90 days in summer 2025. Details will be posted to <u>CER Consultations and Engagement Activities</u> webpages. In addition, a workshop is being organized with regulated companies for the implementation of the guidance. Interested parties are invited to contact us.

Project Timeline

The project to develop Contractor Oversight Guidance first appeared in the Regulatory Framework Plan in 2024. We anticipate the release of the guidance in early 2026.

Contact Us

The CER welcomes feedback on the content of the Regulatory Framework at any time, please email: regulatory.framework@cer-rec.gc.ca

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Annex 7: Review of regulatory guidance – Remediation Process Guide

Background

The Remediation Process Guide (RPG) is technical guidance providing the framework for regulated companies to demonstrate they are effectively anticipating, preventing, managing and mitigating the adverse effects of contamination related to their facilities, along with how to demonstrate remediation of contamination.

Project Details

The CER periodically updates the RPG as part of our commitment to continuous regulatory improvement and oversight. The current review of the RPG aims to document the evolution of the remediation process by incorporating feedback, data analysis, and new/updated technical information compiled since 2020.

The updated RPG will clarify terminology, improve explanations and examples, incorporate remediation process advancements, reference other updated guidance (e.g., current versions of Filing Manual Guides), and incorporate best practices from other regulators (as applicable), in addition to modernizing the look and feel of the material.

Engagement

The proposed revisions will be posted for comment for 90 days on the CER Dialogue platform in Fall 2025. The input received will be considered and inform final revisions for the current RPG review.

Engagement on remediation and contamination is included in the comprehensive Onshore Pipeline Regulations (OPR) Review project, and the CER will use outcomes of this engagement to inform future comprehensive updates to the RPG.

Project Timeline

The review of the RPG is appearing in the Regulatory Framework Plan for the first time. We anticipate the release of updated guidance in Summer 2026.

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Annex 8: Regulatory Asset Data Project

Background

Regulated companies will be requested to submit to the CER, enhanced information on their physical assets (i.e., pipelines, pumps and compressor stations, meters etc.) which allows us to build a comprehensive picture of all buried and above-ground energy infrastructure, across the geography of our jurisdiction.

Project Details

The Regulatory Asset Data (RAD) project has been established to develop a solution with regulated companies to acquire digital geospatial and physical asset information in a more systematic and streamlined way.

The RAD project is part of our commitment to continual improvement and includes updates to internal systems, processes, and possible updates to the Filing Manual. The end goal of the RAD project is to improve the quality and business value of asset data and geospatial information reported, collected and leveraged to support key CER activities, such as:

- compliance verification;
- general oversight planning and risk modeling;
- emergency management;
- Energy Information and the Pipeline Information Programs, including the CER interactive Pipeline Map; and
- verification of financial assessments, including abandonment cost estimates.

The project entails collaborating with regulated companies to define the digital geospatial and regulatory asset data to be collected.

In broad terms, our objective for the RAD project is to deliver rigorous management of asset data and geospatial information in order to:

- support the highest level of safety, security and environmental protection and
- provide for efficient and timely oversight.

Engagement

The RAD project was addressed during the meeting of the <u>Regulated Industry Engagement Group</u> (RIEG), in May 2023. Regulated companies who had registered to participate had an opportunity to receive an update from the project working group, have their questions answered and provide input.

In January 2024, a project consultation package was shared for comments with all regulated oil and gas companies.

All input received to date will be considered as the project progresses, and we prepare the initial request for data. We anticipated the request for data to be communicated to regulated companies in 2025.

Project Timeline

The RAD project was first included in the CER Regulatory Framework Plan in 2021. We estimate completion by late 2026, when the data has been submitted by regulated companies and fully integrated into CER systems.

Contact Us

The CER welcomes feedback on the content of the Regulatory Framework at any time, please email: regulatory.framework@cer-rec.gc.ca

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Annex 9: Rapid Review Process for Negligible-risk and Low-risk Projects

Background

The CER (formerly the National Energy Board (NEB)) section 58 Streamlining Order (SO) [Filing <u>A43203</u>] was established in 1994 under the NEB Act. The SO provides the Commission's predetermined approval for the construction and operation of certain classes of oil and gas projects regulated under the NEB Act (now addressed by <u>section 214 of the CER Act</u>), where those projects satisfy all the criteria listed in Schedule A of the SO. The Decommissioning Exemption Order (DEO) [XO/XG-100-2008], established in 2008 under the NEB Act, is tied to the SO as it refers to the same criteria contained in Schedule A.

Project Details

The current version of the SO is outdated and refers to old terms, legislation no longer in effect and associated legal requirements. Consequently, the SO is under review along with the processes that underpin it.

A simplified project review process is being explored for negligible and low-risk projects currently addressed by the SO, as well as for activities currently addressed by the DEO. Once the review is complete, and when the new process is established, this may result in cancellation of the 1994 SO and the 2008 DEO.

The Rapid Review Process for Negligible-risk and Low-risk Projects (previously called "Efficiency Project") currently under way involves development of the following:

- simplified adjudication processes for negligible and low-risk applications under section 214 of the CER Act and negligible-risk decommissioning applications;
- qualifying criteria for certain negligible-risk applications; and
- updated filing guidance.

Engagement

The CER is making use of the <u>CER Dialogue</u> online platform to engage on the Rapid Review Project. Interested parties are encouraged to subscribe to the project page to receive updates. Engagement materials and submissions received during engagement are posted to <u>CER Dialogue/Rapid-Review</u>.

A <u>Discussion Paper</u> was released for comment on 9 July 2024 and opportunities were provided for inperson meetings with regulated industry, Indigenous communities, and other stakeholders during the period from July to October 2024. Interested parties were encouraged to contact us. In total, 19 submissions were received – 10 from industry, 5 from Indigenous Nations, regulatory oversight committees and communities, 3 from interested parties, and 1 from other government agencies. Submitted feedback may be viewed on <u>CER Dialogue/Rapid-Review</u>.

Submitted input is being analyzed and considered by the CER for the scope and context of this project. Once complete, a summary of what we heard during the project comment period will be posted to <u>CER Dialogue/Rapid-Review</u>.

Project Timeline

The Rapid Review Project first appeared in the Regulatory Framework Plan in 2024. We anticipate completion of the project, resulting in new direction from the Commission in late 2025.

Contact Us

The CER welcomes feedback on the content of the Regulatory Framework at any time, please email: regulatory.framework@cer-rec.gc.ca

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