Transparency & Measureable Metrics

Canadian Energy Pipeline Association

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Who is CEPA?

The **Canadian Energy Pipeline Association** (CEPA) represents Canada’s transmission pipeline companies who operate about 130,000 kilometres of pipeline in Canada and the United States.

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**VISION**

A safe, socially and environmentally sustainable energy pipeline industry for Canadians.

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**MISSION**

Continually enhance the operating excellence, business environment and recognized responsibility of the Canadian energy transmission pipeline industry through leadership and credible engagement between member companies, governments, the public and stakeholders.
CEPA members

- Access Pipeline Inc.
- Alliance Pipeline Ltd.
- ATCO Pipelines
- Enbridge Pipelines Inc.
- Inter Pipeline Ltd.
- Kinder Morgan Canada
- Pembina Pipeline Corporation
- Plains Midstream Canada
- Spectra Energy
- TransCanada Pipelines Limited
- TransGas Limited
- Trans-Northern Pipelines Inc.
Canadian Crude Oil Facts*
- Production: 3.7 million barrels/day
- Exports: 2.8 million barrels/day
- Value of Exports: $81.0 billion
*2014
Canadian Natural Gas Facts*
- Production: 14.7 billion cubic feet/day
- Exports 7.4 billion cubic feet/day
- Value of Exports: $15.7 billion

*2014
## Context and challenges

<table>
<thead>
<tr>
<th>Post major incidents; negative publicity</th>
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<tbody>
<tr>
<td>Access to information... Accurate?</td>
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<td>Growing lack of social acceptance of oil &amp; gas</td>
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<td>Climate change challenges</td>
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<td>Perception of inadequate oversight/ regulation</td>
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<td>Pressure on policy makers and regulators</td>
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<td>Industry lacks public trust and credibility</td>
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<td>Increasing activism by stakeholders</td>
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<td>Decreased risk tolerance</td>
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<td>Well-funded opposition</td>
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**Trust & Transparency — critical cornerstones**

- **CREDIBILITY** = Technical competence/expertise
- **RELIABILITY** = Perceptions of dependability, consistency and predictability
- **INTIMACY** = Closeness and depth of the relationship/mutual understanding
- **SELF-INTEREST** = Perceived or real: focus on personal gain/power/glory

\[ TRUST = CREDIBILITY + RELIABILITY + INTIMACY \]
Transparency

A lack of transparency results in distrust and a deep sense of insecurity.

Dalai Lama
Metrics – Understanding Performance

- Operating Context
- Different Jurisdictions
- Differing Definitions:
  - Serious Incidents
  - Significant Incidents
  - Incidents

How do we improve understanding
Metrics – Understanding Performance
Transparency, Clarity & Simplicity

Major Initiatives Underway:

1. Integrity First – Performance & Transparency
2. Safety Culture – Industry Benchmark
3. CEPA About Pipelines Map
4. 2015 Performance Report – Incident Reporting
5. Pipeline Safety Trust – Common Metrics
6. Royal Society of Canada – Oil on Water
7. Emergency Response Plans
CEPA Integrity First

Focus on Improving Member’s Performance

- 99.999% - Safely delivered...great, but not good enough
- Condition of membership
- Performance Based - minimum level of performance required
- Third-party verification
  - Clear protocol and credible approach to third party verification of member self-assessments

MINDSET – THE GOAL IS BEYOND COMPLIANCE
CEPA Integrity First

INDUSTRY-LED PROGRAM
Goal is Beyond Compliance

PRIORITIES
- Worker safety
- Damage prevention
- Emergency management
- Pipeline integrity
- Control room management
- Public awareness

PRIORITIES
- Land management
- Air emissions
- Water impacts
- Wildlife
- Noise

PRIORITIES
- Land use and access
- Economic benefits
- Aboriginal relations
- Workforce

Ensuring safe communities and workplaces
Minimizing the impact on the environment and biodiversity throughout every phase of pipeline operations
Creating lasting social and economic benefits to communities, regions and countries where we operate

Self-Assessments Completed – Protocols under development
Safety culture

‘Regulation, rules and checklists alone will not promote our best performance – Safety Culture is of paramount importance.’

‘We do not compete on Safety’

• Predicated on National Energy Board Safety Culture framework
• Surveyed ALL CEPA member company employees
• 90 per cent response rate across 12 members (over 11,000 employees)
• Analysis and transparent sharing of findings to follow
Baseline for Benchmarking, Learning & Accountability

Summary View

Detail Analysis

Strength / Weaknesses

Gap Analysis
About Pipelines Map

Attributes Currently Displayed:

• Operating company
• Facilities
• Location of the pipeline
• Liquids / gas
• Regulatory agency

Note: Incident Data is planned to follow
Performance transparency

Committed to safety.
Committed to Canadians.

Number of right-of-way incidents per 1,000 kilometres

- Natural gas incidents per 1,000 kilometres
- Liquids incidents per 1,000 kilometres

2015 Pipeline Industry Performance Report

| aboutpipelines.com |
Incident reporting

Liquids pipelines spill volumes

The majority of liquids pipelines spills between 2010 and 2014 were small in volume (less than 8 cubic metres or 50 barrels). The single largest spill, which occurred in 2011, accounted for more than 70 per cent of the total volume spilled, and the three largest spills accounted for more than 80 per cent of the five-year total. #PipelinePerformance
Pipeline Safety Trust

Key performance indicators (KPIs)

• Engage with the Pipeline Safety Trust - independent study to develop meaningful, understandable metrics

• Goal: understand what members of the Canadian public want to know in regards to indicators & collaborate with regulators to adopt common approaches
Royal Society of Canada study

“The behaviour and environmental impacts of crude oil released into aqueous environments”
Emergency Response Plan

“Making public, principles for the publication of Emergency Response Plans as a critical component of Public confidence”
Transparency & Measurable Metrics

Transparency Leads to Accountability & Trust

Simplicity & Clarity lead to Understanding & Confidence

Measurable Metrics will help us all