

Bulletin 2020-24

November 16, 2020

Invitation for Feedback on Proposed Changes to the *Pipeline Rules*

We are seeking feedback on proposed changes to the *Pipeline Rules*. The rules are made by the AER under the authority of the *Pipeline Act*. The rules were last reviewed and updated in 2005.

The changes include modernizing them to align with the latest safety and integrity management standards set by the Canadian Standards Association, reducing the environmental footprint of pipelines, reducing administrative burden on pipeline operators, and aligning the rules with [pipeline safety recommendations](#) made by the Auditor General in 2015.

To provide feedback, review the below summary of proposed changes, complete the comment form on the AER website, and email it to [PipelineRuleUpdate2020@aer.ca](mailto:PipelineRuleUpdate2020@ aer.ca) or mail it to the Alberta Energy Regulator, Suite 1000, 250 – 5 Street SW, Calgary, Alberta T2P OR4. Feedback will be accepted through Friday, January 15, 2021. All feedback received will be reviewed and may be used in finalizing changes to the rules. Changes to the rules are subject to final review and approval by the Government of Alberta. A release date for the updated rules has not been set.

Personal information provided with comments will be collected, used, and disclosed in accordance with the Freedom of Information and Protection of Privacy Act. The AER may use your personal contact information for follow-up communication related to your feedback.

Summary of Proposed Changes

- Defined the term *mechanical damage*. All mechanical damage would have to be reported, even if that damage did not result in a reportable leak or rupture.
- Section 11.1, Design for Maintenance, Inspection and Purging: All new pipelines would have to accommodate the passage of pigs, with some exemptions.
- Section 20, Minimum Earth Cover: This section has been reorganized for clarity. Additional guidance has been added around existing pipelines that may not meet minimum cover requirements or that may need to consider adequacy of existing cover.
- Section 21, Surface Pipelines: New requirements allowing temporary surface pipelines for the transfer of alternative water will be described in *Directive 077* and potentially licensed through *Directive 056*.
- Part 3, Pressure Testing (starting at section 23): The types of tests have been newly defined for clarity. Refer to proposed definitions provided for *qualification test*, *requalification test*, and *service test*.
- Part 4, Integrity Management and Safety and Loss Management (starting section 39): In alignment with the *Canadian Standards Association Z662: 19 Oil & Gas Pipeline Systems (CSA Z662)*, companies must have a Safety and Loss Management System (SLMS) and Integrity Management Programs (IMPs) per Clause 3 and Clause 10, which is supported by additional requirements and guidance in Annex A and Annex N (non-mandatory). Annex N was previously made mandatory in *Directive 077* in 2011. Both Annex A and N are mandatory in the rules. The proposed changes incorporate principles from SLMS and IMP and are risk-based and outcome-focused.

Based on these proposed changes, many prescriptive and duplicate requirements are being removed throughout the rules in favour of criteria to be developed by the licensee through its SLMS and IMP.

- Part 5, Ground Disturbance (starting at section 52): Clarification and additional guidance for conducting hand excavations and exposing existing pipelines to be crossed with trenchless installation techniques.
- Part 10, Discontinuance, Abandonment, Removal or Resumption:
 - Inactive pipelines will have up to 24 months rather than 12 months to discontinue, abandon, or resume a pipeline (based on certain conditions).

- If a licensee intends to discontinue or abandon a pipeline system, they would be able to do so without the removal of underground tie-ins, subject to stated requirements.
- Overall exemption clause added to allow the regulator to build additional programs related to abandonment, such as the area-based closure program.
- Conducting removal activities would follow the same process as discontinuation and abandonment processes.