



Administrative Monetary Penalty / Sanction administrative pécuniaire
NOTICE OF VIOLATION / AVIS D'INFRACTION

REFERENCE NUMBER / N° DE REFERENCE: AMP-002-2015

Information for Pipeline Company / Third Party / Individual:

Information pour la société pipelinère / une tierce partie / un particulier :

Name / Nom :	Enbridge Pipelines Inc.	TOTAL PENALTY AMOUNT / MONTANT TOTAL DES PÉNALITÉS:
Contact / Contactez:	Guy Jarvis	
Title / Titre:	President	\$16,000
Address / Adresse:	425 - 1st Street SW	Date of Notice / Date de l'Avis:
		6 February 2015
		Regulatory Instrument # / N° de l'instrument réglementaire:
		XO-E101-006-2014
City / Ville:	Calgary	
Province / State / État	Alberta	
Telephone / Téléphone:	██████████	
Fax / Télécopieur:	██████████	
E-mail / Courriel:	████████████████████	

On / Le 10 October 2014

Enbridge Pipelines Inc.

was observed to be in violation of a NEB regulatory requirement. This violation is subject to an administrative monetary penalty, as outlined below.

a commis une infraction aux exigences réglementaires de l'ONÉ, sujet à la sanction administrative pécuniaire ci-dessous.

1. VIOLATION DETAILS / RENSEIGNEMENTS SUR L'INFRACTION

Date of Violation / Date d'infraction :		Has compliance been achieved? / La situation est-elle rétablie? <input checked="" type="radio"/> Yes / Oui <input type="radio"/> No / Non If no, a subsequent NoV may be issued. Si non, un autre avis d'infraction pourrait être envoyé.
(from / du): 10 October 2014	(to / au): 10 October 2014	
Total Number of Days / Nombre total de jours: 1		

Location of Violation / Lieu de l'infraction:

e.g. Facility/plant/head office or nearest geographical point or lat/long / ie: usine/siege central/lieu géographique Edmonton to Hardisty Pipeline Project, Alberta

Short Form Description of Violation / Description abrégée de l'infraction (Refer to Schedule 1 of the AMP Regulations) / (Voir l'annexe 1 du Règlement)	Provision and Short-form Description / Disposition et Sommaire
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NEB Act / Loi sur l'ONÉ

Choose an item / Choisir

<input type="checkbox"/>	<i>Contravention of an Order or Decision made under the Act (ss. 2(2) of the AMP Regulations)</i>
<input checked="" type="checkbox"/>	<i>Failure to comply with a term or condition of any certificate, licence, permit, leave or exemption granted under the Act (ss. 2(3) of the AMP Regulations)</i> Condition 2 of XO-E101-006-2014

2. RELEVANT FACTS

Briefly describe reasonable grounds to believe a violation has occurred / Décrire brièvement les motifs raisonnables de croire qu'une infraction a été commise

- On 16 April 2014, the National Energy Board (NEB or Board) issued Certificate OC-062 (Certificate) (A3V9D6) for the Enbridge Pipelines Inc. Edmonton to Hardisty Pipeline Project (Project). Condition 2 of the Certificate states: "Enbridge shall cause the approved Section 52 Facility to be designed, located, constructed and operated in accordance with the specifications, standards, and other information referred to in its Application, and as otherwise agreed to during questioning or in its related submissions."
- From 6-10 October 2014, NEB inspectors conducted an inspection (Inspection) of Enbridge's Edmonton to Hardisty Spread 1 and Spread 2. NEB inspectors identified non-compliances to the NEB OPR sections 4(2), 15 and 54. Inspectors found the pipe specifications of the pipe being installed on mainline construction did not match Schedule A of certificate OC-062 (A3V9D6). The minimum wall thickness in the certificate is stated as 11.8 mm, however inspectors noted the pipe being installed had only a 10.9 mm wall thickness. These changes were implemented without Enbridge requesting approval from the Board. Enbridge had not requested a variance at the time of the Inspection. In response to the non-compliances, Enbridge committed to submitting a Request for Variance to the Board.
- As a result of the Inspection, NEB inspectors issued a Notice of Non-Compliance (NNC) to Enbridge for failure to comply with the OPR and Schedule A of the Certificate in ensuring the pipeline was designed and constructed as approved by the Board (828378).
- On 17 October 2014, Enbridge submitted an application vary Certificate OC-062 requesting modifications to certain Project specifications, including those in respect of pipeline wall thickness (A63599). In its variance application, Enbridge acknowledged its non-compliance with Conditions 1 and 2 of the Certificate regarding wall thickness changes. In accounting for these changes, Enbridge cited refinements to design parameters made in the initial engineering phase of the Project, resulting in modification to the pipe specifications provided in the Project Application.

5. From 24 October to 5 December 2014, NEB engineers requested a series of informal Information Requests with Enbridge in order to clarify the requested variances to the original pipeline specifications contained in the Certificate (834091).

6. On 23 January 2015, the Board approved the requested variance of the Certificate and issued Amending Order AO-001-OC-062. The Board advised Enbridge Governor in Council approval would be required to finalize the variance. The Board noted in its letter that timing of the request for variance raised compliance concerns and informed Enbridge the matter would be referred to the Board's Senior Enforcement Officer for separate review.

3. PENALTY CALCULATION / CALCUL DES SANCTIONS

(a) BASELINE PENALTY (Gravity Value = 0) / PÉNALITÉ DE BASE (côte de gravité = 0)

Category / Catégorie	(Type A)	Individual / Personne physique	Any Other Person / Autre Personne
		<input type="checkbox"/> \$1,365	<input type="checkbox"/> \$5,025
	(Type B)	<input type="checkbox"/> \$10,000	<input checked="" type="checkbox"/> \$40,000

[Refer to [AMP Regulations](#), Subsection 4(1) / Voir le [Règlement](#), paragraphe 4(1)]

(b) APPLICABLE GRAVITY VALUE / COTE DE GRAVITE GLOBALE APPLICABLES

[Refer to [AMP Regulations](#), Subsection 4(2) / Voir le [Règlement](#), paragraphe 4(2)]

	Mitigating / Atténuer			Aggravating / Aggravantes		
	-2	-1	0	+1	+2	+3
<input type="checkbox"/> Other violations in previous seven (7) years / Autres infractions au cours des sept (7) années précédentes	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	--
* insert additional information, as required *						
<input type="checkbox"/> Any competitive or economic benefit from violation / Avantages concurrentiels ou économiques découlant de l'infraction	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	--
* insert additional information, as required *						
<input type="checkbox"/> Reasonable efforts to mitigate / reverse violation's effect / Efforts raisonnables déployés pour atténuer ou annuler les effets de l'infraction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	--
* insert additional information, as required *						
<input type="checkbox"/> Negligence on part of person who committed violation / Négligence de la part de la personne ayant commis l'infraction	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	--
* insert additional information, as required *						
<input checked="" type="checkbox"/> Reasonable assistance to Board with respect to violation / Collaboration raisonnable avec l'Office en ce qui a trait à l'infraction	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	--
When Enbridge was notified by NEB inspectors of the non-compliance, Enbridge agreed to submit a request for variance to the Certificate and responded to various information requests from the Board in order to clarify the considerations that went into making the design changes.						
<input checked="" type="checkbox"/> Promptly reported violation to Board / Infraction signalée sans délai à l'Office	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	--
Enbridge failed to report changes to project specifications around wall thickness to the NEB. NEB inspectors noted the non-compliance while conducting a field inspection on 6-10 October 2014.						
<input checked="" type="checkbox"/> Steps taken to prevent reoccurrence of violation / Mesures prises pour prévenir les récidives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	--
Enbridge management has provided an explanation of the events that led to the non-compliance and has committed to developing new						

procedures to in order to prevent a similar reoccurrence. Enbridge has also indicated that a more fulsome review of its compliance tracking process is already underway, which could result in additional process improvements.							
<input type="checkbox"/>	Violation was primarily reporting / record-keeping failure / Infraction reliée principalement à la production de rapports ou à la tenue des dossiers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	--	--	--
* insert additional information, as required *							
<input type="checkbox"/>	Any aggravating factors in relation to risk of harm to people or environment / Facteurs aggravants pouvant causer du tort au public ou à l'environnement	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
* insert additional information, as required *							
(c) TOTAL GRAVITY VALUE / COTE DE GRAVITÉ GLOBALE							-2
(d) DAILY PENALTY / SANCTIONS QUOTIDIENNES (The baseline penalty, adjusted for the final gravity level) (Pénalité de base d'après la côte de gravité)						\$	16,000
(e) NUMBER OF DAYS OF VIOLATION / DURÉE DE L'INFRACTION (If more than one day, then the justification must be provided.) (Si plus d'une journée, prière de justifier.)							1
Notes to explain decision to apply multiple daily penalties, or "Not Applicable" / Notes pour expliquer la décision d'appliquer des pénalités multiples quotidiennes, ou «sans objet» not applicable							
4. TOTAL PENALTY AMOUNT / MONTANT TOTAL DE LA PÉNALITÉ						\$	16,000
Note: The total penalty amount shown is based on the period described in Step 1 above. If compliance has not been achieved, a subsequent Notice of Violation may be issued. Le montant total de la pénalité est calculé d'après la période décrite à l'étape 1 ci-dessus. Si la situation n'a pas été rétablie, un autre avis d'infraction pourrait être envoyé.							
5. DUE DATE (30 days from receipt of Notice of Violation) DATE LIMITE (30 jours à compter de la réception de l'Avis d'infraction)							8 March 2015

Notes

You have the right to make a request for a review of the amount of the penalty or the facts of the violation, or both, within 30 days after the Notice of Violation was received.

If you do not pay the penalty nor request a review within the prescribed period, you are considered to have committed the violation and you are liable for the penalty set out in the Notice of Violation. The penalty is due on the date indicated above.

The unpaid penalty amount is a debt due to the Crown and may be recovered by collection procedures stipulated in the [Financial Administration Act](#).

The information regarding the violation may be posted on the NEB website:

- a) 30 days from the date this Notice of Violation was received
- or;
- b) upon issuing a decision following a Request for Review.

To Make Payment:

You may remit your fee payment by Electronic Funds Transfer (EFT) or by cheque payable to the order of Receiver General for Canada.

EFT payments can be arranged by contacting the Director of Financial Services, Monday to Friday, from 09:00 to 16:00 Mountain Time:

Telephone: 403-606-0779 / 800-899-1265

Fax: 403-292-5503 / 877-288-8803

Cheques should be made out to the "Receiver General for Canada" and mailed to:

National Energy Board
Attention: Finance
Centre 10, 517 – 10th Avenue SW
Calgary, Alberta
T2R 0A8

Your completed *Payment* form should be enclosed with your payment.

Vous disposez de 30 jours après la signification de l'Avis d'infraction pour demander une révision du montant de la pénalité, ou les faits rapportés, ou les deux.

Si les sanctions ne sont pas acquittées et qu'aucune révision n'est demandée, vous êtes considérés comme coupable de l'infraction et vous devez payer les sanctions précisées dans l'Avis d'infraction. Les sanctions sont payables à la date indiquée ci-dessus.

Un défaut de paiement constitue une créance envers l'Etat et peut être recouvré en utilisant tous les recours prévus dans la [Loi sur la gestion des finances publiques](#).

L'information concernant l'infraction pourrait également être affichée sur le site Web de l'ONE:

- a) 30 jours après la date de réception de l'Avis;
- b) dès qu'une décision a été rendue à la suite d'une Demande de Révision.

Paiement:

Vous pouvez payer le montant dû par transfert électronique de fonds (TEF) ou par chèque établi à l'ordre du Receveur général du Canada.

Pour se prévaloir du service de transfert électronique, communiquer par téléphone avec le Directeur, Service des finances, du lundi au vendredi, de 9 h à 16 h, heure des Rocheuses :

Telephone: 403-606-0779/ 800-899-1265

Telec. : 403-292-5503/877-288-8803

Les chèques doivent être établis à l'ordre du Receveur général du Canada et postés à l'adresse suivante:

Office national de l'énergie
Service des finances
Centre 10, 517 – 10e Avenue S.-O.
Calgary (Alberta)
T2R 0A8

Le formulaire de *paiement* dûment rempli doit accompagner le paiement.

To Request a Review

Pursuant to the NEB Act, Section 144, you may file a request for a review of this Notice of Violation by the Board.

The date of filing is the date on which the document is received, as indicated by the date on an e-mail submission or the stamped on the document by a NEB employee.

If you elect to make a request for a review, complete and submit the attached *Request for Review* form to:

Administrative Monetary Penalty - Reviews
National Energy Board
Centre 10, 517 – 10th Avenue SW
Calgary, Alberta
T2R 0A8

For more information on reviews, please see the Administrative Monetary Penalties Process Guide available on the NEB's [website](#).

If you have any questions regarding this matter, please contact the undersigned.

Sincerely,

Demander de révision

En vertu de l'article 144 de la Loi sur l'ONE, vous pouvez présenter à l'Office une *Demande de révision* de cet Avis l'infraction.

La date du dépôt correspond à la date de réception du document, qui apparaît sur l'envoi électronique ou le timbre apposé sur le document par un employé de l'ONE.

Si vous voulez demander une révision, veuillez remplir et soumettre le formulaire de Demande de révision à l'adresse suivante :

Sanction administrative pécuniaire - Révision
Office national de l'énergie
Centre 10, 517 – 10e Avenue S.-O.
Calgary (Alberta)
T2R 0A8

Pour de plus amples informations sur le processus de révision, prière de consulter le Guide sur le processus relatif aux sanctions administratives pécuniaires sur le [site Web](#).

Pour toute question à ce sujet, veuillez communiquer avec la personne soussignée.

Sincères salutations,

Robert Steedman

Designated Officer
Administrative Monetary Penalties

Fonctionnaire désigné
Sanctions administratives pécuniaires

403-299-3178