



INSPECTION OFFICER ORDER NO. RRW – 001 – 2024

IN THE MATTER OF THE CANADIAN ENERGY REGULATOR ACT, AN ORDER UNDER SECTION 109

Trans Mountain Pipeline ULC (TMC) is a Company conducting work located near Abbotsford, British Columbia.

On or about 27 November 2024 at 11:30 AM the undersigned Canada Energy Regulator Inspection Officer conducted a compliance verification activity (CV2425-351) at Sumas Terminal.

RELEVANT FACTS

The following are the relevant facts relating to the issuance of this Order:

1. CER Inspection Officer (IO) observed contract workers performing tank roof repair on an above-ground storage tank at Sumas Terminal near Abbotsford, British Columbia.
2. Trans Mountain's procedures require that prior to any work being conducted on the tank roof, tank valves on lines connected to the tank are locked and tagged out.
3. Section 2.4, Group Lockout, of Trans Mountain's Lockout/Tagout (LOTO) Code of Practice, Rev. 5.4 (LOTO Procedure), states that individual workers working on an isolated system are required to attach their own personal lock to the lockbox. Additionally, Section 2.2, General Rules, of the LOTO Procedure specifies that "at no time are workers allowed to work under a lockout unless their personal locks have been applied to the key-securing device."
4. Some workers conducting work did not have personal locks as required.
5. Trans Mountain representatives overseeing the work told IOs that the requirement for contract workers to attach their own personal locks to a lockbox was optional and not a requirement of the LOTO Procedure.
6. The lockout was not performed in accordance with documented procedures, as required by the *Canadian Energy Regulator Onshore Pipeline Regulations* 4(1)(d) [CSA Z662-23, 10.5.1.1(a)] and 4(2).
7. There was an unacceptable level of knowledge demonstrated collectively by Trans Mountain representatives regarding the requirement for all workers to place personal locks in accordance with the LOTO Procedure, contravening *Canadian Energy Regulator Onshore Pipeline Regulations* 29(2).
8. The collective misunderstanding of company requirements by representatives at various levels of accountability poses an unreasonable risk to worker safety.

MEASURES TO BE TAKEN

Based on the facts referenced herein, where the Inspection Officer has reasonable grounds to believe that there is or is likely to be a contravention of Parts 2 to 5 or section 335 of the CER

Act, or for a purpose referred to in subsection 102(2) CER Act, the Inspection Officer may, by Order, direct a person to:

- a. stop doing something that is in contravention of Parts 2 to 5 or section 335 or cause it to be stopped;*
- b. take any measure that is necessary in order to comply with Parts 2 to 5 or section 335 or mitigate the effects of non-compliance;*
- c. stop doing something that may cause a hazard to the safety or security of persons, or damage to property or the environment or cause it to be stopped; or*
- d. take any measure that is necessary to prevent or mitigate the hazard to the safety or security of persons or damage to property or the environment.*

TMC is ORDERED pursuant to subsections 109(1) and 109(2) of the CER Act to:

- Take measures specified below under Specified Measures as per paragraphs (b) and (d) above
- Stop doing something as specified below under Specified Measures as per paragraphs (a) and (c) above
- Suspend work associated with a facility, including a regulated facility, abandoned facility or ground disturbance, until the hazardous or detrimental situation has been remedied to the satisfaction of an Inspection Officer or until this order is stayed or rescinded.

SPECIFIED MEASURES

Specified measures:

Trans Mountain Pipeline ULC shall:

1. Immediately review all work currently being performed under lockout on the Trans Mountain pipeline system and safely cease any work that does not conform to the LOTO procedure or take immediate action to restore compliance.
2. Provide a written report to the Inspection Officer detailing the actions taken to address Measure #1, no later than 12:00 PM on 29 November 2024.
3. By 2 December 2024, provide written assurance to the Inspection Officer that all ongoing and planned work across the Trans Mountain system subject to the LOTO Procedure has been reviewed by a competent person for conformance with the procedure. Additionally, submit a report identifying corrective actions taken to restore compliance.
4. By 13 December 2024, submit a report for approval by the Inspection Officer outlining the actions Trans Mountain will take, including timelines, to ensure adequate training and competency of workers responsible for overseeing lockout/tagout work. This includes permit issuers, permit receivers, and individuals tasked with inspecting the work.
5. Until all measures in this order have been satisfied, any changes to Trans Mountain's LOTO Procedure must be submitted to the Inspection Officer for approval, including all Management of Change documentation.



EFFECTIVE DATE OF THE ORDER

This Inspection Officer Order takes effect immediately on 28 November 2024 at the time of delivery of this Order to the Company to whom it is directed. Specified measure 1 was delivered verbally to TMC on 28 November 2024 at 10:52 AM.

Nothing in this Order shall be construed as reducing, increasing, or otherwise affecting what may be required of the Company to whom it is directed to comply with all applicable legislative or legal requirements.

COMPLIANCE WITH THIS INSPECTION OFFICER ORDER IS MANDATORY

Failure to comply with an Inspection Officer Order issued under section 109 of the CER Act is an offence under section 112 of the CER Act.

Inspection Officer	28 November 2024	
	Date	
		
	IO Designation Number	Signature
	210-517 10 Ave SW, Calgary AB T2R 0A8	

Please note that:

- 1. In compliance with the CER's Enforcement Policy, this Order will be posted on the CER's website.*
- 2. All submissions to the CER in response to the Order are to be provided within the CER Operations Regulatory Compliance Application (ORCA) quoting the associated CVA #, Inspection Officer Order #, and any specific measure with which the submission is associated. In addition, the Company is requested to send a copy of any response provided in the ORCA to the Inspection Officer via email.*