



File 3000-A000-24  
21 May, 2004

To: All Oil and Gas Companies under the Jurisdiction of the National Energy Board and Interested Parties

### **Pipeline Security Management**

The events of 11 September 2001, combined with terrorist activity worldwide and recent threats directed at Canada, have prompted the Government of Canada and the National Energy Board (the Board) to take a prudent and expedient approach in addressing the security of Canada's energy infrastructure.

On 6 May 2004, the *Public Safety Act* (Bill C-7) received Royal Assent. Once proclaimed this act will amend the *National Energy Board Act* to explicitly include "security" within the Board's mandate and provide the Board with a clear statutory basis for regulating security of energy infrastructure under its jurisdiction.

In this regard, the Board intends to conduct Pipeline Security Management Assessments (PSMAs) on all Group 1 companies and two Group 2 companies within the next 12 months to gain a better understanding of how Board regulated companies are managing pipeline security, to establish a baseline of current security management programs, and to assist the Board in the development and implementation of security management regulations and guidance, and security related regulatory initiatives. The information obtained by the Board will be kept confidential under the provisions of sections 16 and 17 of the *Access to Information Act*.

These PSMAs will focus on management systems as they pertain to security of companies' operations. This focus will allow regulated companies to retain flexibility in how they manage security while meeting the Board's goals. The Board assessment team will verify applicability, effectiveness and implementation of the programs through selected site visits.

Board staff will be contacting selected companies over the next few months to schedule the PSMAs. If you have any questions please contact Leo Jansen at (403) 299-2777 or Jamie Kereliuk at (403) 299-2793.

Yours truly,

A handwritten signature in black ink, appearing to read 'Mantha', with a long horizontal line extending to the right.

Michel L. Mantha  
Secretary