

Accountability Profile

JOB TITLE:	Board Member
ORGANIZATION:	National Energy Board
LOCATION:	Calgary, Alberta
PROFILE DATE:	March 2006
GROUP AND LEVEL:	GC-Q6 (salary up to \$168,300)

The National Energy Board (NEB) is recognized as the senior energy regulatory agency in Canada.

The National Energy Board is a court of record, with the powers, rights and privileges of a superior court, established in 1959 by the National Energy Board Act. For major applications and inquiries, the Board holds public hearings at which parties must submit evidence into the public record and decisions must be based on the evidence submitted.

Primary Focus:

As one of nine permanent members of a quasi-judicial tribunal, a Board Member's principal accountability is to take decisions to promote safety, environmental protection and economic efficiency in the Canadian public interest in the area of energy regulation. The Board regulates inter-provincial and international pipelines, international power lines, the export and import of energy, and tolls and tariffs, as well as oil and gas activities on frontier lands.

Specific Accountabilities:

1. Ensures that Canada's energy resources are used effectively and prudently in the interests of Canadians through the approval of appropriate inter-provincial and international energy projects, the subsequent monitoring and regulation of energy facilities, the approval of energy exports, and the establishment of tolls and tariffs (rates for the transport of energy products).
2. Ensures that NEB-regulated energy facilities/infrastructure are constructed and operated in a manner that is safe, and perceived to be safe.
3. Ensures that NEB-regulated facilities are built and operated in a manner that protects the environment and respects the rights of individual stakeholders, such as

landowners (whose property may be impacted, up to and including expropriation, under the NEB Act), energy companies and the general public.

4. Ensures that the NEB meets the evolving energy-related needs of the Canadian public by engaging all types of stakeholders, and maintaining the openness of the NEB application and regulatory processes through NEB regulatory hearings and other forums.
5. Maintains a comprehensive understanding of industry developments, and reviews audits of both the physical operations and economic impact of energy facilities and projects, to ensure the continued relevance of NEB decisions and its regulatory framework.
6. Advises the government on the development and use of energy resources, and on energy markets and international trade, related to the NEB mandate.

Note: The above accountabilities are not listed in any order of priority, as all are considered to be of equal importance

Reporting Relationships:

Report to:

Board Members report to Parliament and work in an autonomous, collegial and yet independent environment, similar to that of a judge in the civil court system. Board decisions are final; only export licences and certificates for new facilities, must be approved by Cabinet. Board decisions are generally subject to appeal only on grounds of law or jurisdiction.

For administrative purposes, Board Members report to the NEB Chairperson.

Direct Reports:

As Members of a quasi-judicial tribunal, Board Members do not have any direct reports, although they are required to lead Project Working Groups.

Dimensions:

Energy Industry Projects: individual projects ranging up to \$5 to 10 billion in capital costs

Tariffs/Tolls under NEB Jurisdiction: \$4.5 billion/year

Landowner Impact: 45,000 km of pipeline in rural and urban settings across Canada

Energy Commodity Exports Subject to NEB Licensing: \$70 billion/year

Economic Impact: The Canadian energy industry represents 6% of overall GDP, 12% of total merchandise exports and employs approximately 290,000 Canadians

Challenges, Issues and Initiatives:

The Canadian energy industry continues to change and evolve, creating new challenges for the NEB in response to such factors as:

- the integration of the industry within a North American context, including deregulation, increased competition, and the “convergence” of energy providers and commodities;
- increasing competition and restructuring within the pipeline industry;
- ageing pipeline infrastructures and potential public safety and environmental issues;
- evolving public interests and concerns regarding environmental impacts for regulated facilities, as well as increasing consideration for landowner and aboriginal rights; and
- development of new supply basins (e.g. Scotian shelf and Arctic gas).

Canadians rely on an efficient natural gas and oil transmission system to safely deliver energy to them throughout the year. Board Member decisions on pipeline tolls and tariffs, new pipeline facilities and exports impact directly on the reliability and efficiency with which natural gas and oil are delivered to Canadian homes, businesses, industrial users and other consumers.

In the electricity industry, the Board’s mandate includes approving the construction of international power lines and the export of electricity. Ongoing changes in the structure of the Canadian electricity industry present a significant challenge. The Board must be fully conversant with the changes and their potential impacts, while continuing to carry out its legislated regulatory obligations.

Due to these significant factors, the nature of regulatory work requires complex decision making, usually involving large amounts of technical evidence and the need to balance the interests and rights of a diverse range of interest groups. Such decision making relies on a thorough knowledge and understanding of the energy industry, as well as professional knowledge of economics, engineering, environmental science, finance and law.

Initiatives where the Board is leading the industry in addressing the above challenges include:

- encouraging negotiated toll settlements
- initiating goal-oriented regulations (e.g. safety management program, environmental management program)

Working Environment and Conditions:

i. Pressures:

Work pressure is an inherent feature of a Board Member's responsibility. Board Members must balance the energy industry applicants' demand for timely decisions with the interests of other stakeholders. In addition, NEB decisions often involve proposals for very large capital expenditures that can have significant pressure impacts. The NEB also handles a large volume of applications (in excess of 900) which further add to work pressures.

ii. Sensory Attention:

Board Members are required to sustain a very high level of sensory attention in assessing evidence submitted to the Board both orally and in written form. There often is a very large amount of evidence presented (in great depth and breadth), covering a wide variety of legal, technical, economic and social areas.

iii. Demands:

NEB Board Members are regularly required to travel to other locations across Canada for hearings or other meetings/investigations. While Board Members are required to reside in Calgary, the duration of hearings (anywhere in Canada) can be several weeks to several months often requiring evening and weekend sessions.

Core Competencies:

i. Conceptual / Innovative Thinking

The incumbent is required to assimilate, interpret and make decisions on large volumes of complex and conflicting information across a broad range of disciplines and bodies of knowledge that relate to numerous Acts and Regulations (notably, NEBA, COGOA, CEAA, and CPRA) unique to the energy industry. On occasion, this involves new and unique issues for which there is no definitive answer and the Member is required to consider innovative or new approaches to resolve or address the issue.

ii. Leadership

The incumbent must demonstrate intellectual leadership in defining the future direction of energy development and in the interpretation and application of energy industry research (e.g. pricing of transportation services through negotiated settlements). Leadership is an implicit competency for this role as Members direct the work of a Project Working Group during a hearing process, and ultimately take decisions, requiring the balancing of divergent interests among various stakeholders.

iii. Flexibility

The incumbent must display significant flexibility, as the challenge of understanding and appreciating different and opposing viewpoints/perspectives with respect to the viability and desirability of various energy projects is always evident. Incumbents must be able to adapt to changes in government policy with respect to energy issues (e.g. deregulation).

iv. Impact and Influence

The incumbent must be continually aware of how NEB policies and decisions affect public interests; must be sensitive to various stakeholder needs/agendas; and must demonstrate strong persuasive abilities. Board decisions always impact, to greater or lesser extent, the energy industry and general public from safety, economic and environmental perspectives.

v. Listening, Understanding and Responding

The incumbent is required to demonstrate an understanding of various stakeholder positions and general energy industry situations, based on accurately hearing and interpreting all forms of written and oral communication. This competency is an obvious aspect of all public hearings, but also extends to interaction with NEB staff. Board Members also interface with senior government officials at federal and provincial levels, business and labour representatives and international organizations (e.g. Federal Energy Regulatory Commission in the U.S.). Written decisions must be clear, concise and well reasoned.