Pipeline Licensee Safety and Loss Management Systems

Effective immediately, the Alberta Energy Regulator (AER) is implementing a program to evaluate the effectiveness of pipeline licensees’ safety and loss management systems (SLMSs). The program supports clause 3 of CSA Z662: Oil and Gas Pipeline Systems, which requires pipeline-operating companies to develop and implement a documented SLMS. (The requirements in CSA Z662 are also AER requirements as per section 9 of the Pipeline Rules.)

Under the program, selected licensees will be asked to complete a self-assessment and declaration form to assist the AER in its evaluation of the licensee’s SLMS. The form requests that a pipeline licensee’s senior officer

- demonstrate how the licensee has implemented an effective SLMS and
- declare that you understand and take responsibility for ensuring compliance to regulatory requirements pertaining to pipeline safety.

The form must be reviewed and signed by a senior officer within your company.

The AER will review this information, along with the licensee’s incident record and compliance history, to determine if a more detailed review of a licensee’s SLMS is needed. The AER will then work with the licensee to ensure appropriate corporate SLMS and related integrity management programs are effectively implemented.

Completion of the form is voluntary. However, licensees that do not return the self-assessment and declaration form to the AER, or that submit a poorly completed form, will raise concerns with the AER that an adequate SLMS has not been implemented. This may result in the AER conducting a detailed review of the licensee’s SLMS.

The AER will send a letter to pipeline licensees asking them to complete the self-assessment and declaration form. Licensees will be selected based on the level of risk of their pipeline systems. The form is available on the AER website www.aer.ca.
The SLMS program will complement other work being done at the AER to ensure that a licensee has sufficient resources (financial, technological, and human) competently deployed to ensure pipeline safety. The program focuses on a licensee’s overarching SLMS for all pipelines it operates; it is not intended to review specific segments of pipeline. Such reviews are part of the work regularly done by the AER’s Environmental and Operational Performance staff.

Once the program is implemented and operating, it will be evaluated, and Directive 077: Pipelines – Requirements and Assessment Tools may be updated to make completion of the self-assessment and declaration form mandatory.

The AER understands that pipeline licensees may have questions regarding the program and how to fill out the self-assessment and declaration form, so we have scheduled an information session on May 10, 2017.

Date: Wednesday, May 10, 2017  
Time: 1:30 p.m. – 3:30 p.m.  
Location: Foothills/Twin Peaks Room  
3rd Floor, 250 – 5 Street SW  
Calgary, Alberta T2P 0R4.

Please register through EventBrite using the following link: https://slms2-aer.eventbrite.ca. If required, the AER will schedule another session.

Questions may also be directed to Industry Relations at 403-355-4563 or IndustryRelations@aer.ca.

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