



The Northern Pipeline Agency

- The Northern Pipeline Agency was created by the *Northern Pipeline Act* (the Act) in 1978. The Act gave effect to the 1977 Canada-United States Agreement on Principles Applicable to a Northern Natural Gas Pipeline (the Treaty) and set the terms of reference for the agency with respect to the Foothills Pipe Lines Ltd.'s (Foothills) Alaska Highway Gas Pipeline (the Pipeline).
- The agency's responsibilities under the Act include
 - carrying out Government of Canada responsibilities in relation to the Pipeline and facilitating the efficient and expeditious planning and construction of the Pipeline, taking into account local and regional interests, in particular those of Aboriginal people
 - maximizing the social and economic benefits from the construction and operation of the Pipeline while minimizing any adverse effects on the social and environmental conditions of the areas most directly affected by the Pipeline
- The minister responsible for the Act is the Minister of Natural Resources Canada (NRCan). The Deputy Minister of NRCan is the Commissioner of the agency and is supported by an Assistant Commissioner and other staff in Ottawa, Ontario and Calgary, Alberta.
- The agency was designed to provide a "single window" mechanism for coordination among Canada, the United States, provincial and territorial governments and others.
- In the late 1970s and early 1980s, the agency had more than 100 staff in offices in Ottawa, Ontario, Calgary, Alberta, Whitehorse, Yukon, and Vancouver, British Columbia, and developed detailed terms and conditions for different segments of the pipeline route. It regulated the construction of the "Pre-build" (Stage One) of the Pipeline in southern Alberta, Saskatchewan and southern British Columbia, pursuant to provisions in the Act.
- During the construction of the Pre-build, and pursuant to the terms of the Act, the agency undertook the regulatory responsibilities of some other federal departments in relation to the Pipeline. All of the agency's costs, are recoverable from Foothills under the Act.
- Some National Energy Board (NEB) responsibilities are delegated to the agency through a Designated Officer, who, under the Act, is also a board member. The Designated Officer's role during the Pre-build was to certify plans, profiles and books of reference (PPBoR) and perform certain powers, duties and functions as set out in the Act.



- The Governor in Council can also appoint an Administrator who, during the Pre-build, functioned mainly as a Chief Operating Officer in Calgary, where the main operational office was located. Pursuant to the Act, the Administrator performs such duties as the minister specifies. During the Pre-build stage, the agency had one Administrator and two Deputy Administrators, one of whom was also the Designated Officer.
- When the economics of the project became unfavourable in the 1980s, the agency was reduced to a small staff that maintained regulatory responsibility for expansions to the Pre-build, all of which occurred between 1988 and 1998. The latest expansion brought the Pre-build to full operating capacity, and it currently transports 3.3 billion cubic feet per day (Bcf/d) from Western Canada to American markets.
- Because of the revival of interest in commercializing northern gas, the agency is currently preparing to facilitate and regulate Stage Two of construction, which would run from Prudhoe Bay, Alaska, through Alaska, southern Yukon, and northern British Columbia to a point near Boundary Lake at the British Columbia-Alberta border.

For more information

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