



File 9720-A000-7-2
14 July 2003

Oil and Gas Exploration and Production Companies
Operating in Northwest Territories and Nunavut

Spill Reporting Protocol for Upstream Oil and Gas Operations in the Northwest Territories and Nunavut Regulated by the National Energy Board

Protocol Purpose and Effective Date

A revised upstream oil and gas spill reporting protocol (Protocol) is intended:

- 1) to more closely align spill reporting requirements with reporting requirements of other jurisdictions such as the territorial governments;
- 2) to focus spill notification and follow-up on spills that have potential to be an imminent threat to the environment; and
- 3) to minimize the number of spill reports of low volume and areal extent that can be immediately and adequately dealt with by the operator and have minimal or no potential to be a threat to the environment.

Effective 15 July 2003, the new Spill Reporting Protocol for Upstream Oil and Gas Operations in the Northwest Territories and Nunavut will apply to exploratory and development oil and gas drilling and production operations¹.

Protocol Highlights

The Upstream Oil and Gas Spill Reporting Protocol will:

- Apply to companies authorized to carry on drilling or production activities in the Northwest Territories and Nunavut and who meet the conditions set out in the Protocol;
- Apply to spills where either the NEB or Indian and Northern Affairs Canada (INAC) would be designated as lead agency as per the NWT Spills Working Agreement²;

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¹ Existing reporting protocols, such as for Imperial Oil Resources Ltd.'s Norman Wells facility and operations, would not be affected by this new protocol.

² See attached Table 1A of the Northwest Territories/Nunavut Spills Working Agreement.

- Establish that the triggers for immediately reportable spills meet *the Canada Oil and Gas Operations Act (COGOA) and Regulations* and, be consistent with the reporting triggers in the Nunavut and Northwest Territories *Spill Contingency Planning and Reporting Regulations*³; and
- Require that each operator have, and implement, an approved spill contingency plan.

Immediately Reportable Spills

For the purpose of the Protocol, an “immediately reportable spill” is defined as a release of a substance that is likely to be an imminent environmental or human health hazard or meets or exceeds the volumes in Schedule 1.

Minor Spills

All other releases, for which there is no loss of control, are not considered immediately reportable spills and can be handled as part of ongoing operations and maintenance, i.e., immediately cleaned up. However, an on-site record shall be maintained for all releases, whether or not reported.

Please review the attached and if you wish to take advantage of this protocol, please contact me at (403) 292-6614.

Original Signed by

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Environmental Assessment Officer

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³ The Territories reference *Transportation of Dangerous Goods (TDG) Act and Regulations* for reportable quantities. The same quantities are intended for the Spill Reporting Protocol for those releases not addressed by the TDG or Regulations.

APPENDIX A

Terms and Conditions For Implementing the Spill Reporting Protocol For Upstream Oil and Gas Operations

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|----|---|--|
| 1. | Applies only to upstream projects in a single geographic area, i.e., well drilling programs or production operations including flowlines and pipelines. The Protocol does not apply to upstream geological or geophysical operations. | UPSTREAM
WELL DRILLING
OR PRODUCTION
OPERATIONS |
| 2. | Applies to spills for which the National Energy Board (NEB) or Indian and Northern Affairs Canada (INAC) would be designated as the Lead Agency under the Northwest Territories/Nunavut Spills Working Agreement. | LEAD AGENCY |
| 3. | This Spill Reporting Protocol does not apply to spills for which the Government of the Northwest Territories (GNWT), Government of Nunavut (GNU), Environment Canada Environmental Protection Branch (EPB), Canadian Coast Guard (CCG), or Inuvialuit Land Administration would be designated as the Lead Agency under the Northwest Territories/Nunavut Spills Working Agreement. | NON-
APPLICABLE
SPILLS |
| 4. | Immediately reportable spills include releases as per Schedule 1 , and releases of substances of lesser volumes that are <u>likely</u> to be an imminent environmental or human health hazard or where an operator is uncertain if a release is reportable. | IMMEDIATELY
REPORTABLE
SPILLS |
| 5. | An on-site record shall be kept of all minor spills and immediately reportable spills and be available for inspectors upon request, including the INAC Inspector prior to Land Use Permit closure. | ON-SITE
RECORD OF ALL
SPILLS |
| 6. | Operator, i.e., the company or individual who holds an authorization for the project, must have a spill contingency plan approved by the NEB or INAC, i.e., signatories to the Northwest Territories/Nunavut Spills Agreement. | SPILL
CONTINGENCY
PLAN |
| 7. | Spill contingency plan must meet the appropriate regulatory requirements and/or spill contingency planning guidelines, including procedures to clean up minor spills and ensure environmental protection. | |
| 8. | Appropriate field spill kits, as indicated in the spill contingency plan, must accompany each crew and/or mobile equipment and/or vehicle. | |
| 9. | Contractors and sub contractors for the Operator must abide by the Protocol and the spill contingency plan. All spills or releases, whether by the Operator, contractors or sub-contractors, remain the liability of the Proponent or Operator. | LIABILITY |

Schedule 1 – Immediately Reportable Quantities

TDG Class	Substance	Immediately Reportable Quantities for NWT/NU 24-Hour Spill Reports
1 2.3 2.4 6.2 7 None	Explosives Compressed gas (toxic) Compressed gas (corrosive) Infectious substances Radioactive Unknown substance	Any amount
2.1 2.2	Compressed gas (flammable) Compressed gas (non-corrosive, non-flammable)	Any amount of gas from containers with a capacity greater than 100 L
3.1 3.2 3.3	Flammable liquid	≥ 100 L
4.1 4.2 4.3	Flammable solid Spontaneously combustible solids Water reactant	≥ 25 kg
5.1 9.1	Oxidizing substances Miscellaneous products or substances excluding PCB mixtures	≥ 50 L or 50 kg
5.2 9.2	Organic peroxides Environmentally hazardous	≥ 1 L or 1 kg
6.1 8 9.3	Poisonous substances Corrosive substances Dangerous wastes	≥ 5 L or 5 kg
9.1	PCB mixtures of 5 or more parts per million	≥ 0.5 L or 0.5 kg
None	Other contaminants, e.g., crude oil, drilling fluid, produced water, waste or spent chemicals, used or waste oil, vehicle fluids, wastewater, etc.)	≥ 100 L or 100 kg
None	Sour natural gas (i.e., contains H ₂ S) Sweet natural gas	Uncontrolled release or sustained flow of 10 minutes or more

As well, all releases of harmful substances, regardless of quantity, are immediately reportable where the release:

- is near or into a water body;
- is near or into a designated sensitive environment or sensitive wildlife habitat;
- poses an imminent threat to human health or safety; or
- poses an imminent threat to a listed species at risk or its critical habitat.

Example Scenarios:

1. NEB Lead Agency (assumes spills are under control)

Activity	Spill Location	Quantity & Product Spilled	Spill Reporting
Drilling operation	Drilling lease on Crown land	200 L gel-chem mud	Immediately reportable to the NWT 24-hour Spill Report Line
Drilling operation	Drilling lease on Crown land	2 m ³ sour gas	Immediately reportable to the NWT 24-hour Spill Report Line
Water injection line operation	Pipeline right-of-way on Crown land	150 L produced water from valve	Immediately reportable to the NWT 24-hour Spill Report Line
Drilling operation	Drilling lease on Crown land and into near-by creek	75 L of crude oil	Spill has entered a water body - immediately reportable to the NWT 24-hour Spill Report Line
Drilling operation	Drilling lease on Crown land	50 L oil-based mud	On-site record of spill & clean up.
Drilling operation	Drilling on Crown land	0.5 m ³ sweet gas	On-site record of spill & clean up.
Water injection line operation	Pipeline right-of-way on Crown land	80 L produced water from valve	On-site record of spill & clean up.
Drilling operation	Inside shed for the diesel-generator	100 L of diesel leaks into fully-contained generator shed	Not a spill – diesel did not get into or threaten the environment or human health – no report necessary. However, as an operational upset, the leak would be cleaned up and included on the daily tour sheet.

2. INAC Lead Agency (assumes spills are under control)

Activity	Spill Location	Quantity & Product Spilled	Spill Reporting
Fuel tank refilling	Bermed storage tank area on drilling lease on Crown Land	100 L gasoline	Immediately reportable to the NWT 24-hour Spill Report Line
Truck refuelling	Drilling lease on Crown land	2 L of diesel	On-site record of spill & clean up.
Camp operations	Camp on Crown land	75 L of grey water overflows camp sump	On-site record of spill & clean up.
Vibroseis operation	Seismic line on Crown land	50 ml of hydraulic fluid on snow, immediately scooped up and placed in disposal container	Protocol does not apply for a seismic operation – however, this is not a spill as the hydraulic fluid did not enter the environment.
Truck refuelling	Seismic line on Crown land	2 L of diesel	Protocol does not apply for a seismic operation – spill is immediately reportable to the NWT 24-hour Spill Report Line

3. Other Lead Agencies (assumes spills are under control unless otherwise stated)

Activity	Spill Location	Lead Agency	Quantity & Product Spilled	Spill Reporting
Drilling operation	Drilling lease on ILA land	ILA	50 L gel-chem mud	Protocol does not apply – spill is immediately reportable to the NWT 24-hour Spill Report Line
Refilling tanks from fuel barge	River next to drilling base camp	CCG	10 L diesel fuel	Protocol does not apply – spill is immediately reportable to the NWT 24-hour Spill Report Line
Fuel re-supply	Truck overturn on a territorial road (would also apply to spills within a community)	GNWT or GNU	50 L of diesel fuel	Refer to GNWT or GNU <i>Spill Contingency Planning and Reporting Regulations</i>

Table 1A
Designation of Lead Agency for spills in the NWT and NU
(From the Northwest Territories/Nunavut Spills Working Agreement)

<u>SPILL INCIDENT</u>	<u>LEAD AGENCY</u>
1. Spills on Commissioner's Land in NWT^{1,2} (i.e., Territorial Highways ³ , communities)	GNWT
Except:	
a) At facilities authorized under Federal Legislation.	INAC
b) At Federal Facilities ⁴ not authorized under Federal or Territorial legislation	EPB
c) At oil and gas exploration and production facilities ⁵	NEB
d) Those sections of Territorial Highways on ice surfaces.	INAC
2. Spills on Commissioner's Land in NU^{6,7} (i.e., Territorial Roads ⁸ , communities)	GN
Except:	
a) At facilities authorized under Federal Legislation.	INAC
b) At Federal Facilities ⁴ not authorized under Federal or Territorial legislation	EPB
c) At oil and gas exploration and production facilities ⁵	NEB

Table 1A cont'd

3. Spills on Territorial Land in NWT^{9,2} and NU^{9,7}	INAC
Except:	
a) At Federal Facilities ⁴ not authorized under Federal or Territorial legislation	EPB
b) At oil and gas exploration and production facilities ⁵	NEB
c) In National Parks.	EPB
4. Spills on Water in NWT¹⁰ and NU¹⁰	INAC
Except:	
a) From ships and barges (i.e., ship source pollution incidents, including refuelling shore-based tanks from ships)	CCG
b) At oil and gas exploration and production facilities ⁵	NEB
5. Spills on Land in the NWT set aside under the Inuvialuit Land Claim. (i.e., on private 7-1-a, b lands under the claim, excluding spills on water bodies)	ILA

FOOTNOTES:

- 1 **Commissioner's Land** means land in the NWT transferred by Order in Council to the GNWT and is , generally, land within a community, town or city.
- 2 See Table 1B for Jurisdiction Designation of **Airports** in the NWT.
- 3 **Territorial Highways** are described in the GNWT *Public Highways Act* Schedules A, B and C (attached as Table 1D).
- 4 **Federal Facilities** means any facility owned by the Government of Canada, such as DEW Line Stations, North Warning System Stations, High Arctic Weather Stations including airports, docks and wharves, and Research Centres, operated directly or indirectly by the following agents of the Crown:
 - Department of Industry
 - Department of Fisheries and Oceans
 - Indian and Northern Affairs Canada
 - Environment Canada
 - Natural Resources Canada
 - Health Canada
 - Department of National Defence
 - Transport Canada
 - Department of Public Works and Government Services (PWGSC)
 - Department of Justice
 - Royal Canadian Mounted Police (RCMP)

Crown Corporations such as:

 - Canadian National (Railway)
 - Canadian Broadcasting Corporation (CBC)
 - Canadian Mortgage and Housing Corporation (CMHC)
 - Federal Business Development Bank (FBDB)
 - Canada Post Corporation
 - Freshwater Fish Marketing Corp.

This designation does not include private dwellings owned or leased by PWGSC; or office and other complexes leased by PWGSC; or Petro-Canada facilities located within communities or on Commissioner's Land.
- 5 This designation includes pipelines, gas plants and refineries.
- 6 **Commissioner's Land** means land in NU which is described in the *Commissioner's Land Act*, R.S.N.W.T. 1988,c-11 as amended for NU pursuant to the *Nunavut Act* and is, generally, land within a community or town.
- 7 See Table 1C for jurisdictional designation of Airports in NU.
- 8 **Territorial Roads** are described in the GNWT *Public Highways Act* Schedules A, B and C (attached as Table 1E), and in the *Public Highways Act*, R.S.N.W.T. 1988, c.P-13, as amended for NU pursuant to the *Nunavut Act*.
- 9 **Territorial Land** means lands in NWT and NU that are vested in the Crown or for which the Government of Canada has power to dispose.
- 10 **Water** means both inland and Arctic waters as defined in the *Northwest Territories Waters Act* and *Arctic Waters Pollution Prevention Act*. Where a spill on land enters surface or ground water, the lead agency is the agency responsible for the spill on land.