



File: Ad-GA-ActsLeg-Fed-NEBA-Amend 0101  
11 July 2012

To: All Interested Parties

Dear Sir or Madam:

**Interim Memorandum of Guidance Concerning Oil and Gas Export  
Applications and Gas Import Applications under Part VI of the *National  
Energy Board Act (Interim Oil and Gas MOG)***

The *Jobs, Growth and Long-term Prosperity Act* received Royal Assent on 29 June 2012. It contains amendments to the *National Energy Board Act* (the NEB Act) which affect the National Energy Board's (Board) review of oil and gas export and gas import applications.

As a result of these changes, the Board will review and update the *National Energy Board Act Part VI (Oil and Gas) Regulations*, SOR/96-244 (Part VI Regulations). The Board will also review the Market-Based Procedure for assessing gas export licence applications. The review will begin in the summer of 2012 and will include an opportunity for public comment. Until such time as the Part VI Regulations have been revised, the Board is issuing this Interim Oil and Gas Memorandum of Guidance.

Specifically, the amendment of section 24 (public hearings) of the NEB Act means that public hearings, with respect to gas export and import licences, are no longer mandatory under the NEB Act.

In addition, section 118 (criteria) of the NEB Act is amended for considering a licence to export oil or gas. The NEB Act's criteria is that the Board shall satisfy itself that the quantity of oil or gas to be exported does not exceed the surplus remaining after due allowance has been made for the reasonably foreseeable requirements for use in Canada, having regard to the trends in the discovery of oil or gas in Canada. This amendment specifies what the Board is legally mandated and authorized to consider for an oil or gas export license application.

As a result of the amendments to section 118, the Board no longer requires applicants for oil and gas export licences and gas import licences to file the following information under the Part VI Regulations:

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Part II: GAS

Division I: GAS OTHER THAN PROPANE, BUTANES AND ETHANE

*Information to be Furnished by Applicants for Licences for Exportation*

- 12. (f)** information respecting the potential environmental effects of the proposed exportation and any social effects that would be directly related to those environmental effects;

*Information to be Furnished by Applicants for Licences for Importation*

- 13. (e)** information respecting the potential environmental effects of the proposed importation and any social effects that would be directly related to those environmental effects;

Division II: PROPANE, BUTANES AND ETHANE

*Information to be Furnished by Applicants for Licences for Exportation*

- 20. (e)** information respecting the potential environmental effects of the proposed exportation and any social effects that would be directly related to those environmental effects;

Part III: OIL

*Information to be Furnished by Applicants for Licences for Exportation*

[oil other than light crude oil or heavy crude oil]

- 25. (e)** information respecting the potential environmental effects of the proposed exportation and any social effects that would be directly related to those environmental effects;

[light crude oil or heavy crude oil]

- 25.1(c)** information respecting the potential environmental effects of the proposed exportation and any social effects that would be directly related to those environmental effects;

In accordance with the *Jobs, Growth and Long-term Prosperity Act*, the Board will not place conditions on any oil or gas licences or orders concerning requirements related to the protection and restoration of the environment and any social effects that would be directly related to those environmental effects.

Therefore, the Board will no longer issue conditions authorized by the following sections of the Part VI Regulations:

Part II: GAS

Division I: GAS OTHER THAN PROPANE, BUTANES AND ETHANE

*Terms and Conditions of Licences for Exportation and Importation*

- 14. (g)** the environmental requirements that must be met for the licence to take or remain in effect.

*Terms and Conditions of Orders for Exportation or Importation*

- 16. (h)** the environmental requirements that must be met for the order to take or remain in effect;

Division II: PROPANE, BUTANES AND ETHANE

*Terms and Conditions of Licences for Exportation*

- 21. (e)** the environmental requirements that must be met in order for the licence to take or remain in effect.

*Terms and Conditions of Orders for Exportation*

- 23. (f)** the environmental requirements that must be met in order for the order to take or remain in effect;

Part III: OIL

*Terms and Conditions of Licences for Exportation*

- 27. (e)** the environmental requirements that must be met in order for the licence to take or remain in effect.

*Terms and Conditions of Orders for Exportation*

- 29. (f)** the environmental requirements that must be met in order for the order to take or remain in effect;

Should there be any questions with respect to the Board's Interim Oil and Gas MOG, please contact Karen Morton, Energy Trade Team Leader at 403-299-2755, Rudy Singer, Project Manager at 403-299-3623 or, for service in French, Ingrid Ektvedt, Market Analyst at 403-299-3518. Alternatively, Board staff can be reached toll-free at 1-800-899-1265.

Yours truly,



Sheri Young  
Secretary of the Board