

MEMORANDUM OF UNDERSTANDING (“MOU”)

BETWEEN:

The Oil and Gas Commission of British Columbia
(hereinafter referred to as “OGC”)

AND

The British Columbia Safety Authority
(hereinafter referred to as “BCSA”)

Whereas the OGC is a corporation under the *Oil and Gas Activities Act* (OGAA) that:

- a) is an agent of the government with various purposes and authorities under OGAA related to the regulation of oil and gas activities including but not limited to the exploration for and development, processing (including liquefaction), storage, and transportation of natural gas and other petroleum hydrocarbons as well as various activities associated with the aforementioned;
- b) has a Board of Directors responsible for strategic decision making, regulation-making and management oversight functions; and
- c) has a Commissioner who is responsible for managing the operations of the Commission or supervising the management of those operations, and who has the powers and duties of the Commission under OGAA; and

Whereas the BCSA is a not for profit corporation under the *Safety Authority Act* that:

- a) has a mandate to carry on activities throughout British Columbia that foster safety in the design, manufacture, disposal, construction, installation, operation, maintenance and use of technical products, equipment, systems and railways;
- b) has delegated authority over the assembly, construction, installation, operation, testing, maintenance, repair and alteration of equipment including pressure vessels, pressure piping (as defined within the *Safety Standards Act*) and other components within, attached to, used in the operation of, or used in association with the pipelines and associated infrastructure under the authority of the OGC; and
- c) has a Board of Directors responsible for strategic decision making and management oversight functions; and

- d) has a Chief Executive Officer who is charged with carrying out the functions and duties as specified by the Board; and

Whereas the BCSA and the OGC share the strategic goals of advancing safety; and

Whereas the BCSA and the OGC have developed and maintain comprehensive programs promoting the safety and integrity of oil and gas systems and components under their respective authorities as they apply to oil and gas activities within the Province of British Columbia;

THE BCSA AND THE OGC AGREE AS FOLLOWS:

PART 1 SHARED PRINCIPLES

1.1 The BCSA and the OGC will:

- explore opportunities where mutual benefit may exist for the development, delivery, and ongoing maintenance of products and services;
- inform each other in a timely manner about critical issues or initiatives arising within their respective mandates which could have potential effects on each other's mandates, other government agencies, the industry or stakeholders;
- inform each other in advance and in a timely way of communications material related to each other's mandates;
- share openly and freely information and data as may be required by the Parties in the delivery of their mandates and responsibilities;
- cooperate in the delivery of compliance and enforcement programs;
- cooperate in the development and delivery of learning and development programs directed both internally and externally;
- cooperate in the development of recommendations for regulatory change;
- identify and explore opportunities to expand or improve upon existing areas of cooperation; and
- ensure each Party's staff is available to consult on areas of mutual interest.

PART 2 BCSA – OGC EXECUTIVE AND TECHNICAL WORKING COMMITTEES

2.1 The BCSA and the OGC will:

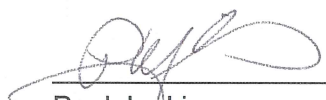
- establish regular technical meetings between staff to coordinate technical program development; and
- participate in a BCSA-OGC Executive Committee to discuss strategic and tactical safety, permitting and inspection issues.

PART 3 OTHER MATTERS

- 3.1 Any information exchanged between the Authorities will be kept strictly confidential by the receiving party. The Authorities acknowledge that they are subject to the *Freedom of Information and Protection of Privacy Act*, R.S.B.C. 1996, c. 165 and that any exchange of information is subject to applicable legal obligations that require or prohibit the disclosure of information.

- 3.2 The Parties remain independent, and nothing in this MOU creates a partnership, agency or joint venture between the Parties.
- 3.3 At any time, the BSCA and the OGC may agree to amend the terms of this MOU or add appendices to this MOU that relate to any of the shared principles set out in Part 1 or to the BCSA-OGC Executive and Technical Working Committees outlined in Part 2, above. Amendments to the MOU or appendices will be in writing, dated, and executed on behalf of the parties. Once executed, such amendments and appendices will form a part of this MOU.
- 3.4 This MOU replaces a previous MOU between the Authorities signed 14 September 2009. The content will be reviewed annually by the Commissioner and CEO of the OGC and the President and CEO of the BCSA and shall remain in effect unless terminated at the request of either Authority.
- 3.5 Either party can terminate this MOU by giving 2 months written notice of termination to the other party. In addition, the parties may agree to terminate this MOU at any time with the concurrence of the parties by an exchange of letters.

This MOU is effective as of October 25, 2013.



Paul Jeakins
Commissioner & CEO
Oil and Gas Commission

Oct. 25/13
Date



Catherine Roome
President & CEO
British Columbia Safety Authority

October 25/13
Date