
MEMORANDUM OF UNDERSTANDING

BETWEEN: Her Majesty in right of Canada as represented by the Department of Transport (Transport Canada)

AND: NATIONAL ENERGY BOARD (NEB)

(together referred to as the "Participants")

WHEREAS Transport Canada has responsibility for regulating marine security and issuing security certificates for any marine installation pursuant to the *Marine Transportation Security Act* and regulations made thereunder, and is responsible for ensuring compliance with the *International Ship and Port Facility Security Code*, of the International Maritime Organization;

AND WHEREAS the NEB is an independent federal regulator established in 1959 to promote safety and security, environmental protection and economic efficiency in the Canadian public interest within the mandate set by Parliament for the regulation of pipelines, energy development and trade.

AND WHEREAS the NEB regulates oil and gas exploration and development on Frontier Lands and Offshore Areas not covered by provincial or federal management agreements (hereinafter referred to as "Frontier Offshore Areas).

AND WHEREAS the *National Energy Board Act* was amended in 2004 to explicitly include "security" within the NEB's mandate and provides the NEB with the basis for regulating security of energy facilities under its jurisdiction.

AND WHEREAS the Participants agree to maintain the confidentiality of the information shared under this Memorandum of Understanding and Annexes. Further, they will not disclose or allow such information to be disclosed without consent of the other, unless otherwise required by law, and will inform the other immediately on becoming aware or suspecting that an unauthorized person has become aware of such information

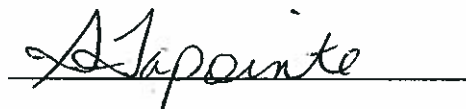
THE PARTICIPANTS ARE GUIDED BY THEIR COMMON DESIRE TO COORDINATE THEIR ACTIVITIES AS WELL AS CO-OPERATE AND CONSULT FOR THE PURPOSES OF PROMOTING MARINE SECURITY IN AREAS UNDER NEB JURISDICTION.

THE PARTICIPANTS HAVE REACHED THE FOLLOWING UNDERSTANDING:

1. This Memorandum of Understanding is not legally binding and places no obligations on the Participants. However, it represents a definite expression and record of the Participants' mutual desire to cooperate in pursuit of shared marine security goals.
2. The Participants agree to share relevant marine security information, consult and cooperate as appropriate for the purpose of detection, identification and addressing potential security threats to areas under NEB jurisdiction, pursuant to Annex A to this Memorandum of Understanding.
3. The appropriate staff of the NEB and Transport Canada will consult, from time to time and as required, discuss their working relationship, respective regulatory requirements, regulatory processes, best practices, investigations in progress and the need to amend this Memorandum of Understanding.
4. This Memorandum of Understanding may be amended in writing with the consent of both Participants.
5. This MOU and its implementation may be reviewed by the parties annually or at the request of either party.
6. Either Participant may terminate this Memorandum of Understanding after a three months written notice given to the other party.
7. This Memorandum of Understanding becomes effective on the date of the last Participant signature.

WHEREOF the parties have signed this MOU on the dates indicated below:





Fulvio Fracassi
Director General, Marine Security
Transport Canada

Sandy Lapointe
Strategic Leader, Regulatory
National Energy Board of Canada


Date


Date

ANNEX A**COMMUNICATIONS**

- 1) In accordance with Section 2 of this Memorandum of Understanding, the Participants agree that:
 - a) dialogue and clear communications and cooperation between the Participants are key contributors to the effective detection, identification and mitigation of potential security threats to the Frontier Offshore Areas;
 - b) improved communications and cooperation between the Participants can be expected to have a positive impact on planning and coordinating actions among marine security partners in the Frontier Offshore Areas;
 - c) through consultation, cooperation and regular contact the Participants will keep each other apprised of relevant maritime security information related to the Frontier Offshore Areas.
- 2) Transport Canada will advise the National Energy Board immediately regarding any change in Marine Security Levels.
- 3) As required, the Participants will maintain and update the following contact list:

Name	Title and Organization	Telephone Number
TC Situation Centre Duty Officer	Transport Canada	1-888-857-4003
TC Duty Inspector	TC Duty Inspector 24/7	1-877-455-0626
NEB On-call responder	NEB Incident Phone 24/7 For reporting emergencies	403-807-9473
Team Leader, Emergency Response and Security	NEB	403-299-3118
Director, Marine Security Policy	Transport Canada	613-949-1442