Canada Energy Regulator | Régie de l'énergie du Canada

Administrative Monetary Penalty
Notice of Violation

REFERENCE NUMBER	AMP-001-2026

Information for Pipeline Company/Third Party/Individuals

Name:	**Ogilvie Mountain Holdings LP**	**TOTAL PENALTY AMOUNT:** **$3,750**
Contact:	Geoff Hampson	
Title:	CEO and Chairman	**Date of Notice:** October 19, 2026
Address:	910 Old Hope Princeton Way Hope, British Columbia V0X 1L4	**Regulatory Instrument #:** N/A
Telephone:		
Email:		

On September 19, 2025,

Ogilvie Mountain Holdings LP

was observed to be in violation of a Canada Energy Regulator regulatory requirement. This violation is subject to an administrative monetary penalty (**AMP**), as outlined below.

Section 1 – Violation Details

☒ **Single-day violation**	**On:** September 19, 2025
☐ **Continuing Violation**	**From**:
Total Number of Days: [#]	**Has compliance been achieved?** ☒ Yes ☐ No ☐ N/A ☐ Ongoing If no, a subsequent NOV may be issued.
Location of Violation:	Westcoast CS8A Kingsvale Compressor Station

Short Form Description of Violation *(Refer to Schedule 1 of the AMP Regulations)*

Failure to inform all persons as prescribed

Act or Regulation/Section

Canadian Energy Regulator Pipeline Damage Prevention Regulations — Authorizations, Section 4

☐ Contravention of an order or decision made under the Act (ss. 2(2) of the AMP Regulations)
☐ Failure to comply with a term or condition of any certificate, licence, permit, leave or exemption that is granted under the Act (ss. 2(3) of the AMP Regulations)

Canada

Section 2 – Relevant Facts

Briefly describe reasonable grounds to believe a violation has occurred.

Executive Summary

Ogilvie Mountain Holdings LP (**OMH**) was engaged as a contractor working on behalf of Westcoast Energy GP Inc., acting for Westcoast Energy Limited Partnership (**Westcoast**)[1], to conduct excavation and recoating activities at the Westcoast CS8A Kingsvale Compressor Station (**CS8A**) near Merritt, British Columbia.

On 19 September 2025, OMH was conducting a ground disturbance activity within the prescribed area of regulated pipeline facilities at excavation worksite EX-5/6. This event was reported to the Canada Energy Regulator (**CER**) that same day as a damage to pipe event (**DPR2025-258**).

During those activities, workers used pneumatic jackhammers and air chisels to remove fillcrete located in proximity to buried pipeline infrastructure. The CER investigation subsequently confirmed that a live 2-inch power gas line operating at approximately 500 psi sustained multiple mechanical impacts resulting in coating damage and eleven gouges. No release of gas occurred.

The CER investigation determined that, before the activity commenced, OMH failed to adequately inform all persons working on its behalf of their obligations under the *Canadian Energy Regulator Pipeline Damage Prevention Regulations – Authorizations* (**DPR-A**), as required by section 4. This failure is supported by evidence that workers were not adequately informed of the applicable regulatory requirements and controls for the ground disturbance activity, including locate-derived information, the presence and location of buried power gas lines within the work area, the significance of buried utility markings, or the safety practices and controls required when conducting ground disturbance activities in proximity to those facilities. Workers had not reviewed the locate information or ground disturbance package and were unaware of the presence and location of the 2-inch power gas line within the work area.

Relevant Facts

OMH was conducting work under the CS8A Re-Coat Project at the Westcoast CS8A Kingsvale Compressor Station, a facility regulated by the CER and operated under Certificate of Public Convenience and Necessity GC-23, as amended. The project included excavation and exposure of pipeline facilities for inspection and recoating activities at worksite EX-5/6. As a contractor performing ground disturbance activities within the prescribed area, OMH was subject to the requirements of the *Canadian Energy Regulator Act* and the DPR-A.

Prior to the work, line locate activities were completed on 3 September 2025. The locate documentation, including the Buried Facilities Field Sketch and station piping drawings, identified three below grade power gas lines within the EX-5/6 excavation area. This information formed part of the available ground disturbance information for the worksite and identified buried utilities requiring protection during excavation activities.

The CER investigation established that critical locate information concerning the buried power gas lines was not effectively communicated to workers carrying out the excavation activities. Although locate reports, drawings, and permit documentation existed, workers interviewed by CER Inspection Officers indicated that the ground disturbance package was not reviewed with them, locate diagrams were not reviewed, and workers were unaware of the location of the 2-inch power gas line involved in the

[1] For the purposes of this Notice, "Westcoast" refers to “Westcoast Energy GP Inc. on behalf of Westcoast Energy Limited Partnership” as the certificate holder and regulated pipeline company. Westcoast is also a wholly owned subsidiary of Enbridge Inc. Within this notice, references to “Westcoast” or “Westcoast personnel” may include Enbridge-employed personnel assigned to or embedded in Westcoast operations.

subsequent damage event. Workers also reported that the presence of the power gas line was not discussed during pre-job planning or tailgate meetings.

Documentation reviewed during the CER investigation demonstrated deficiencies in the hazard communication process. Ground disturbance permits, field-level hazard assessments, working excavation checklists, and related documentation identified buried utilities only in general terms and did not adequately communicate the specific location of the buried power gas lines or the controls necessary to safely conduct mechanical excavation in their vicinity. The Field Level Hazard Assessment referenced buried utilities generically but did not identify the 2-inch power gas line as a specific hazard requiring additional controls.

The CER investigation also determined that the scope of work changed during excavation activities. While the Ground Disturbance Permit for the EX-5/6 site authorized air-vacuum excavation, the work method later changed to the use of pneumatic jackhammers and air chisels to break up the fillcrete. This change introduced additional hazards and increased the potential for damage to buried infrastructure. Despite this change in work method, no effective reassessment of hazards was conducted, and workers were not provided with additional information regarding buried utilities or revised controls necessary for mechanical excavation activities. This is consistent with the evidence that workers had not been adequately informed of the DPR-A obligations applicable to the ground disturbance activity.

On 19 September 2025, OMH personnel used pneumatic excavation tools in the vicinity of buried facilities within the prescribed area of the pipeline system. At approximately 1:25 p.m. PDT, jackhammering was stopped and debris was removed by air-vacuum, exposing the buried 2-inch power gas line and revealing mechanical damage. Subsequent investigation and examination of the pipe section confirmed multiple mechanical impacts consistent with repeated contact from pneumatic excavation tools. A total of eleven gouges and associated coating damage were identified on the affected pipe segment.

CER Inspection Officers attended the site on 23 September 2025 and conducted interviews with OMH and Westcoast personnel, reviewed applicable permits, locate information, hazard assessments, work packages, and excavation documentation, and examined the damaged section of pipe. The information collected indicated that the OMH personnel performing the excavation had not reviewed the ground-disturbance package or locate diagrams and had not been informed of the location of the 2-inch power gas line. The evidence also indicated that the applicable DPR-A measures and the conditions governing mechanical excavation near buried facilities were not communicated before conducting the ground disturbance activity.

The evidence further demonstrated that OMH workers were not provided with sufficient information regarding the location of buried facilities, the significance of locate markings, required positive-identification practices, or the conditions associated with Westcoast’s authorization for the work. As a result, the workers commenced the changed work method without having been adequately informed of the DPR-A obligations applicable to that activity or adequate awareness of the buried power gas line hazard.

Conclusion

Based on the evidence obtained through CER inspections, interviews, documentation reviews, and follow-up investigation, there are reasonable grounds to believe that OMH contravened section 4 of the DPR-A by failing to inform all persons working on its behalf of their obligations under the Regulations prior to conducting a ground disturbance activity within the prescribed area.

Before commencing the ground disturbance activity, OMH did not adequately inform all persons working on its behalf, of their obligations under the Regulations, including obligations relating to safe work practices, locate information, buried utility hazards, and the significance of location markings. As a result, workers conducted mechanical excavation activities without the information necessary to safely

perform the work in the vicinity of buried pipeline infrastructure. Consequently, workers conducted mechanical excavation without having been adequately informed of the applicable regulatory requirements and controls, during which the live 2-inch power gas line was contacted and damaged.

Section 3 – Penalty Calculation

A) Baseline Penalty (Gravity Level = 0) (*Refer to AMP Regulations, Subsection 4(1)*)

Category	Individual	Any Other Person
Type A	☐ $1,365	☒ $5,025
Type B	☐ $10,000	☐ $40,000

B) Applicable Gravity Value (*Refer to AMP Regulations, Subsection 4(2)*)	**Gravity Level**					
	Mitigating			**Aggravating**		
	-2	**-1**	**0**	**+1**	**+2**	**+3**
☒ 1 - Other violations in the previous seven years No previous AMP violations by the person named in this Notice	--	--	☒	☐	☐	--
☒ 2 - Any competitive or economic benefit derived from the violation Not applied	--	--	☒	☐	☐	--
☒ 3 - Reasonable efforts to mitigate or reverse the violation's effect Not applied as the examination and repairs made to the 2-inch gas line were the responsibility of the pipeline company. No proactive mitigation actions from OMH beyond participating in the physical repair of the line.	☐	☐	☒	☐	☐	--
☒ 4 - Negligence on the part of the person who committed the violation Information about the buried utilities was available in the line locate report. This report was provided to the Westcoast Operations Chief (Ground Disturbance) Inspector, and OMH Ground Disturbance Supervisor but not shared with OMH workers/operators. However, through procedural documents and permit applications, workers are also required to identify or verify buried utilities and applicable controls before mechanical excavation This lack of awareness of buried utilities in the EX-5/6 work area, the failure to reassess hazards when the work method changed, and the improper completion of ground disturbance permits and associated checklists demonstrates a significant departure from reasonable care.	--	--	☐	☒	☐	--
☒ 5 - Reasonable assistance provided to the Regulator with respect to the violation OMH was cooperative with the CER Inspection Officers on site and during Information Requests. Required information was complete and submitted on time. Although OMH was ordered to conduct an internal investigation into the event, the correctives actions put in place addressed several root causes such as: competency, training, communication, compliance with DPR-A and recurrence prevention.	☒	☐	☐	☐	☐	--
☒ 6 - After becoming aware of the violation, promptly reported the violation to the Regulator	☐	☐	☒	☐	☐	--

Not applied as OMH was not required to report this event to the CER.

☒ 7 - Steps taken to prevent recurrence of the violation	☒	☐	☐	☐	☐	--

Following the incident, OMH released a Weekly Safety Meeting on Ground Disturbance activities dated September 24, 2025, providing a review of the event. They also released a Safety Stand Down on the Ground Disturbance Incident dated September 25, 2025, that was shared and signed off by workers. In addition, OMH completed a SCAT Root Cause Analysis with details of the event and lessons learned were shared with workers as part of internal publications.

As part of the IOO VS-001-2025, OMH completed an investigation report with corrective actions, and revised it as directed by the Inspection Officer.

A post-event compliance verification activity was completed post-event to verify implementation of corrective actions on another project OMH was working on which demonstrated effective changes being followed and organization-level actions taken.

☒ 8 - For Type B violations, whether the violation was primarily a reporting or record-keeping requirement failure	☐	☐	☒	☐	--	--

Not applicable

☒ 9 - Any other aggravating factors in relation to the risk of harm to people or the environment	--	--	☐	☐	☒	☐

Mechanical excavation activities occurred in close proximity to a live 2-inch power gas line operating at approximately 500 psi. The activity resulted in repeated physical contact with the line, as evidenced by eleven gouges and associated coating damage demonstrating that the risk of further damage was realized. Given the operating pressure and nature of the activity, there was credible potential for rupture, gas release, ignition, fire, explosion, station disruption, environmental impacts and serious harm to workers and property. The potential consequences of such an event support an elevated risk of harm. In assessing this criterion, risk is considered based on both the probability and consequence of harm, including harm that could have occurred even where the risk did not materialize. In this case, the mechanical damage to a live, pressurized gas line created the potential for significant consequences. While the absence of a gas release or injury reduces the realized consequences of the violation, it does not eliminate the significant risk created.

C) Total Gravity Value *(adjustments made for gravity values in B) based on mitigating or aggravating factors*)	**-1**
D) Daily Penalty *(baseline penalty adjusted for the final gravity level)*	**$ 3,750**
E) Continuing Violation *(if more than one day, provide justification)*	**N/A**

Section 4 – Total Penalty Amount

Note: The total penalty amount shown is based on the period described in section one above. If compliance has not been achieved, a subsequent Notice of Violation may be issued.	
Total Penalty Amount:	**$ 3,750**

Section 5 – Due Date *(30 days from receipt of Notice of Violation)*

Due Date: November 18, 2026

Keith Landra		
AMP Officer 403-389-4280	Signature	Date

Designated Officer pursuant to ss. 116(2) of the CER Act

Notes

You have the right to make a request for a review of the amount of the penalty or the facts of the violation, or both, within 30 days after the Notice of Violation was served.

If you do not pay the penalty nor request a review within the prescribed period, you are considered to have committed the violation and you are liable for the penalty set out in the Notice of Violation. The penalty is due on the date indicated above.

The unpaid penalty amount is a debt due to the Crown and may be recovered by collection procedures stipulated in the Financial Administration Act.

The information regarding the violation may be posted on the CER website:

a) 30 days from the date this Notice of Violation was served; or
b) upon issuing a decision following a Request for Review.

To Make Payment:

You may remit your fee payment by Electronic Funds Transfer (EFT) or by cheque payable to the order of Receiver General for Canada.

EFT payments can be arranged by contacting Financial Services, Monday to Friday, from 09:00 to 16:00 Mountain Time:

Telephone: 403-404-5527 / 1-800-899-1265
Fax: 403-292-5503 / 1-877-288-8803

Cheques must be made out to the Receiver General for Canada and mailed to:

Canada Energy Regulator
Attention: Accounting and Procurement
210-517 10 Ave SW
Calgary AB T2R 0A8

Your completed *Payment Form* must be enclosed with your payment.