

# 2016 API International Trade and Customs Conference

## COAC / PIPELINE UPDATE



**Michael Flickinger**  
API

*Presented by*

**Twila Riffel**  
Enbridge Inc.



**Pipeline Uniformity and everything  
pipeline to become part of COAC**



**Canadian Draft Policy on Continuous  
Transmission Commodities in  
abeyance**



**COAC group making significant progress on establishing pipeline knowledge base and working towards recommendations for Regulations**



**Cdn Draft CTC Policy still in unexplained abeyance!!!**

## Advisory Committee on Commercial Operations

- Duties are **solely advisory in nature on the commercial operations of CBP**
- Supported by **Office of Trade Relations (DHS)**
- Comprised of **20 COAC members and 2 co-chairs**
- **COAC members appointed for 2 year terms; representative of individuals and firms affected by commercial operations of CBP**
- **Formal COAC meetings quarterly**

- **Subcommittees**
  - **established for specific purposes**
  - **may not work independent of the chartered committee**
  - **Must present their work to COAC for full deliberation and discussion**
  - **Do not have authority to make decisions on behalf of COAC**
  - **May not report directly to government or any other entity**
- **Pipeline Working Group (PWG) is under the Global Supply Chain (GSC) Subcommittee**

# COAC Pipeline Working Group



## CBP

### COAC Members

- **Maria Boyce**, Designated Federal Office COAC
- **Michael Schreffler**, International Trade Liaison, Alternate Designated Federal Officer COAC

### Government Leads

- **David McGurk**, PNGM CEE
- **Jim Swanson**, Director CCS/OFO
- **Lynn Fallik**, AD Field Operations Houston
- **Gary Rosenthal**, ccs/OFO
- **Robert Rawls**, ccs/OFO

**Cheryl Johnson**, PNGM CEE

**Leslie Fleming-Luczkowski**, APD Houston

**Laura Webb**, PNGM CEE

**Jeffrey Saum**, PNGM CEE

**Timothy Van Dyke**, ccs/OFO

## Industry

### COAC Members

- **Adam Salerno**, US Chamber of Commerce, GSC Co-Chair
- **Brandon Fried**, Airforwarders Assoc, GSC Co-Chair
- **Lisa Gelsomino**, Avalon Risk, COAC Member

### API Representatives

- **Michael Flickinger**, API
- **Duane Welch**, Charter Brokerage
- **Michelle Forte**, Charter Brokerage
- **Melanie Kraska**, TransCanada Pipelines
- **Twila Riffel**, Enbridge Pipelines

**Adrienne Braumiller**, Braumiller Law Group

**Bill Carr**, Phillips 66

**Colleen Clarke**, Roanoke Group

**Michael Thomas**, Thomas International Group

**Michael Lahar**, A. N. Deringer

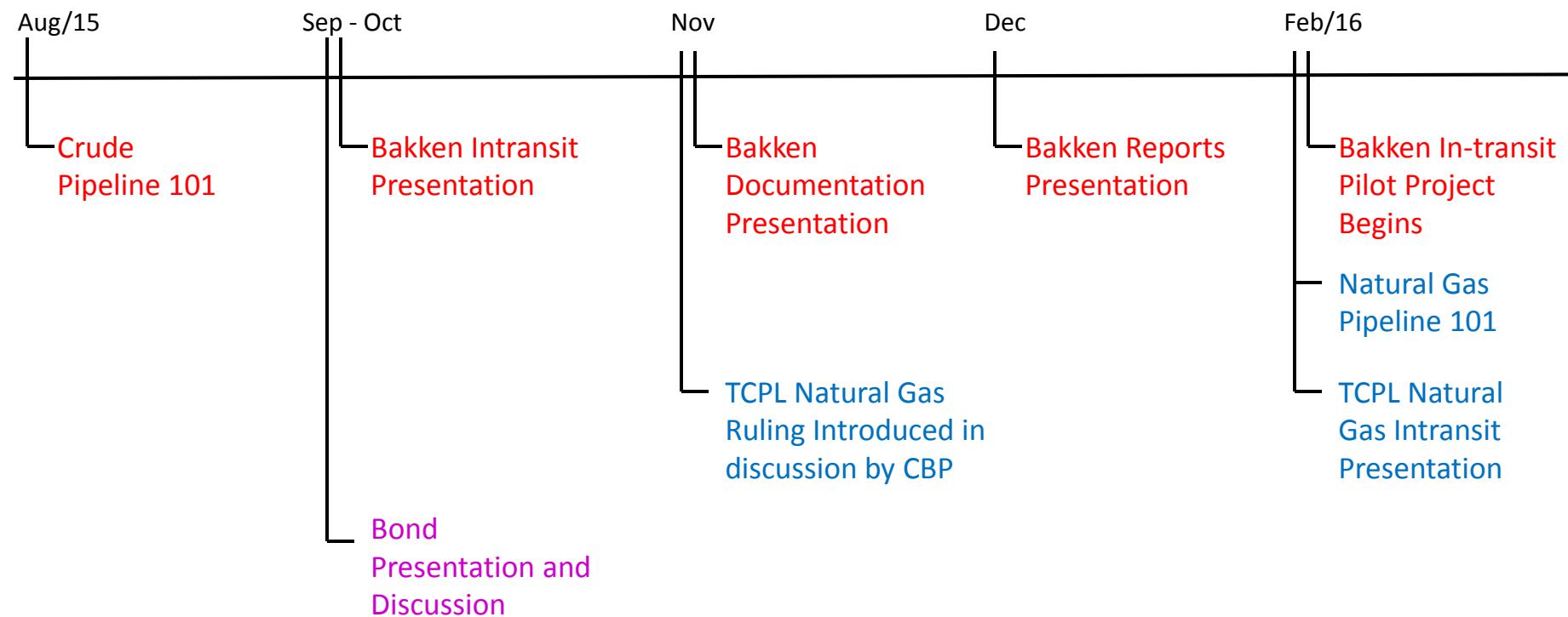
# What's happening in the COAC PWG?

- Goal to identify framework for development of regulations, national policy, uniformity and automation for pipeline operations
- Develop understanding of
  - *Pipeline operations and systems*
  - *Physical nature of pipeline assets and scope of products transported*
  - *CBP management of risks and required reporting of pipeline movements*
- 15 official meetings (August 26/15 to March 15/16)

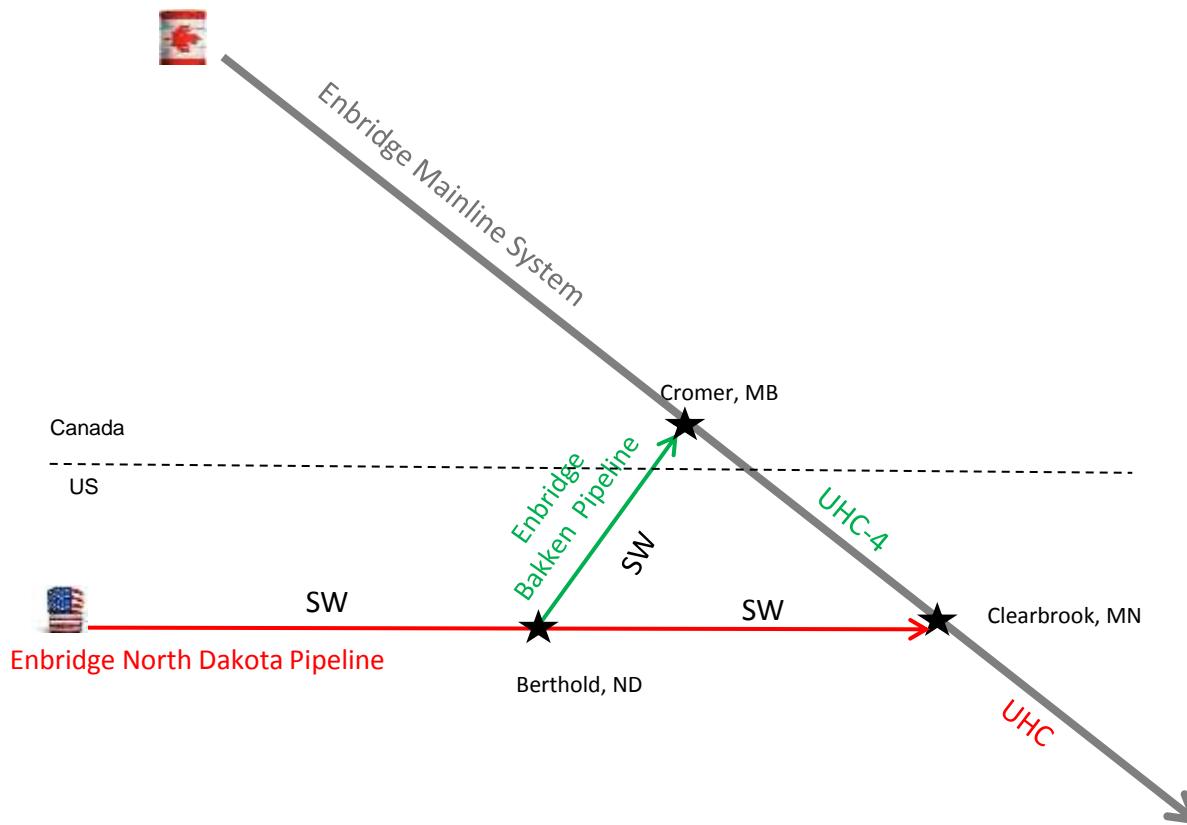
- Entry / entry summary
  - *Timing*
  - *Uniform procedures*
  - *Unit of quantity reporting*
- Pipeline Carrier issues
  - *Uniform reporting procedures*
  - *Advance manifest exemption*
  - *Bonding requirements*
- Data Reporting
  - *Recognition and use of industry standards and systems*
- In-transit / in-bond practices and protocols
  - *Consistency and clarity*

- In-transit
  - *Clear definition of in-transit*
  - *Timeframes for movements*
  - *CBP approved meters*
  - *In-transit manifests*
  - *Bonded movements*
- Automation
  - *Focus on automation to be consistent with other modes*
  - *Declarations/manifests by operator/carrier (consider delivery ticket tickets in lieu of manifest)*
  - *Automated filing of entries, uniformity, port of entry*
- Other
  - *Importer of record determination*
  - *Bonding requirements*

# Where are we at?



# The Enbridge Bakken Pipeline



- For duration of 6 months, CBP to assess the information available from pipeline carrier to satisfy the requirement that crude is traceable throughout in-transit journey US-CA-US
- Enbridge Pipeline to provide
  - *Nominations on the first day of following month*
  - *Reports confirming receipt and delivery of US Bakken from US to Canada to final delivery after final reconciliation (approx 24<sup>th</sup> of month following)*

Hot off the press, we are pleased to announce



As of April 1, 2016

CBP will no longer require entry to be made for product moved in-transit on the Enbridge Bakken system

# Pipeline Update



## And meanwhile back in Alberta ...

Alberta braces for longest economic  
slump since 1980s

### **The death of the Alberta dream**

Large-scale layoffs, empty office towers, falling house prices: Alberta has been gutted  
by the glut.

Group layoffs in Alberta close 2015 at  
more than 17,000 people - up 134% from  
2014

**Encana to lay off another 20% of staff, falls  
to loss**

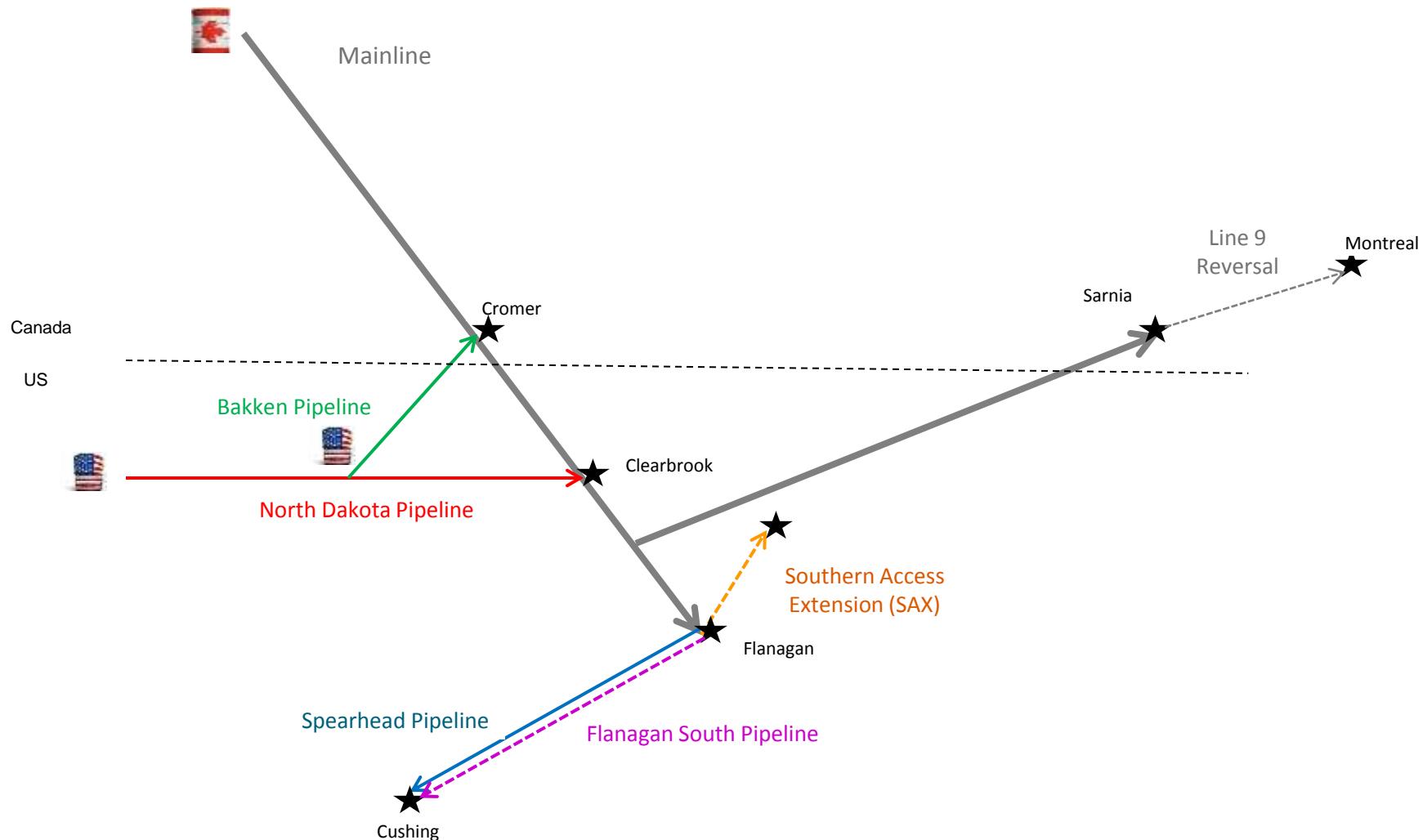
**Alberta's oil and gas veterans look  
elsewhere for jobs after layoffs**

**Mass layoffs in Alberta nearly double past two years  
combined**

Companies have laid off 50 or more people at once 114 times, totalling more than 18,000 jobs

1. Flanagan South - Dec 2014
2. Southern Access - Dec 2015
3. Line 9 to Montreal- Dec 2015
4. Uptake in Bakken Pipeline movements

# Enbridge Pipeline System Simplified



# Q&A