

Northern Pipeline Agency

2023–24

Departmental Plan

The Honourable Jonathan Wilkinson, P.C., M.P.
Minister of Natural Resources

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From the Commissioner

It is my pleasure to present the 2023-24 Departmental Plan for the Northern Pipeline Agency (the Agency).

The Agency was established by the *Northern Pipeline Act* (the Act) in 1978 to facilitate the planning and construction by Foothills Pipe Lines Ltd. (Foothills) of the Canadian portion of the Alaska Highway Gas Pipeline (AHGP) project and to maximize social and economic benefits from its construction and operation while minimizing any adverse effects. The pipeline was certificated in 1978 under the Act to transport Alaskan and possibly northern Canadian natural gas to southern markets in Canada and the United States, as provided for by the *Canada-U.S. Agreement on Principles Applicable to a Northern Natural Gas Pipeline*.



The southern portion of the pipeline was constructed in the early 1980s and presently transports Canadian gas to commercial markets. Fluctuating market and economic conditions since 1982 have led to several delays in the completion of the northern portion of the AHGP. The Agency's activity levels reflect these fluctuating conditions.

In 2008, TransCanada PipeLines Limited (now TC Energy), which owns Foothills, was selected by the State of Alaska to pursue a large-scale pipeline project that would transport natural gas in a large diameter buried pipeline from Prudhoe Bay, Alaska to Boundary Lake, Alberta using the northern portion of the AHGP project. However, Foothills notified the Agency in February 2013 that no further work is planned on the AHGP and it will await further commercial interest before recommencing its efforts.

To align with the reduction in the AHGP project activities, the Agency has scaled down its operations to a minimal level, while continuing to fulfill Canada's ongoing obligations as set out in the Act. During this reporting period, the Agency will continue to meet the objectives of the Act and will also respond to any incoming inquiries from other government agencies, Indigenous peoples and the public.

John Hannaford
Commissioner

Plans at a glance

Planned financial resources: \$572,629

Who is involved? 4 Full Time Equivalents (FTE)

What results are planned? The Northern Pipeline Agency (Agency) has been the federal regulator of the Alaska Highway Gas Pipeline (AHGP) in Canada since the *Northern Pipeline Act*ⁱ (the Act) was passed in 1978. The Agency serves as a single window for the federal regulation of the project, consolidating regulatory functions and coordinating with other departments and levels of government to reduce duplication and streamline the regulatory process while ensuring robust environmental protection and maximization of socio-economic benefits. The Agency will maintain the appropriate minimum level of preparation activities for a regulatory framework, so as to remain prepared to ramp up quickly to effectively regulate and facilitate the planning and construction of the pipeline should the project proceed.

For more information on the Agency’s plans, see the “Core responsibilities: planned results and resources, and key risks” section of this plan.

Core responsibilities: planned results and resources, and key risks

This section contains information on the department’s planned results and resources for each of its core responsibilities. It also contains information on key risks related to achieving those results.

Oversee and regulate the planning and construction of the Canadian portion of the Alaska Highway Natural Gas Pipeline Project

Description

Oversee and regulate the planning and construction of the Canadian portion of the Alaska Highway Natural Gas Pipeline Project.

Planning highlights

The Agency will maintain the appropriate minimum level of preparation activities for a regulatory framework, so as to remain prepared to ramp up quickly to effectively regulate and facilitate the planning and construction of the pipeline should the project proceed. For 2023-24, the Agency remains prepared to ramp up activities in response to a potential need to carry out work expected on the AHGP project.

Innovation

The Agency has not planned any innovation initiatives, as the Agency has scaled down its operations to a minimal level.

Key risk(s)

In February 2013, Foothills informed the Agency that no further work is planned on the AHGP at this time and that it will await further commercial interest before recommencing its efforts.

The challenge before the Agency is to preserve the progress and outcomes achieved to deliver an efficient and effective regulatory review framework of updated environmental, socio-economic and technical information which takes into account changes since the Act came into force and the pipeline was certificated in the late 1970’s. Failure to be positioned for timely preparations, should the pipeline project be resumed, could jeopardize the Government of Canada’s performance of its responsibilities under the Act.

Planned results for oversee and regulate the planning and construction of the Canadian portion of the Alaska Highway Natural Gas Pipeline Project

The following table shows, for the Agency’s single core responsibility, the planned result, the result indicator, the target and the target date for 2023–24, and the actual results for the three most recent fiscal years for which actual results are available.

Departmental result	Departmental result indicator	Target	Date to achieve target	2019–20 actual result	2020–21 actual result	2021–22 actual result
The Agency will maintain the appropriate minimum level of preparation activities for a regulatory framework, so as to remain prepared to ramp up quickly to effectively regulate and facilitate the planning and construction of the pipeline should the project proceed.	The Agency will respond to company and public correspondence within 15 business days of receipt.	80%	Ongoing	100%	100%	100%

The Agency did not receive any correspondence from Foothills nor the public during 2021-22.

The financial, human resources and performance information for the Agency’s program inventory is available on [GC InfoBase](#).ⁱⁱ

Planned budgetary spending for oversee and regulate the planning and construction of the Canadian portion of the Alaska Highway Natural Gas Pipeline Project

The following table shows, for the Agency’s single core responsibility, budgetary spending for 2023–24, as well as planned spending for that year and for each of the next two fiscal years.

2023–24 budgetary spending (as indicated in Main Estimates)	2023–24 planned spending	2024–25 planned spending	2025–26 planned spending
572,629	572,629	1,308,359	1,308,359

Financial, human resources and performance information for the Agency’s program inventory is available on [GC InfoBase](#).ⁱⁱⁱ

Planned human resources for oversee and regulate the planning and construction of the Canadian portion of the Alaska Highway Natural Gas Pipeline Project

The following table shows, in full-time equivalents, the human resources the Agency will need to fulfill this core responsibility for 2023–24 and for each of the next two fiscal years.

2023–24 planned full-time equivalents	2024–25 planned full-time equivalents	2025–26 planned full-time equivalents
4	4	4

Financial, human resources and performance information for the Agency’s program inventory is available on [GC InfoBase](#).^{iv}

Internal services: planned results

Description

Internal services are the services that are provided within a department so that it can meet its corporate obligations and deliver its programs. There are 10 categories of internal services:

- management and oversight services
- communications services
- legal services
- human resources management services
- financial management services
- information management services
- information technology services
- real property management services
- materiel management services
- acquisition management services

Planning highlights

Planning for Contracts Awarded to Indigenous Businesses

The Agency is in Phase 3 of the grouping of federal organizations to implement the achievement of the mandatory minimum target of 5% of the total value of contracts awarded to Indigenous businesses annually by 2024-25. While the Agency does not have any active contracts, future procurement actions will be examined with a view to facilitate procurement with Indigenous businesses.

Planned budgetary spending for internal services

The following table shows, for internal services, budgetary spending for 2023–24, as well as planned spending for that year and for each of the next two fiscal years.

2023–24 budgetary spending (as indicated in Main Estimates)	2023–24 planned spending	2024–25 planned spending	2025–26 planned spending
0	0	0	0

Planned human resources for internal services

The following table shows, in full-time equivalents, the human resources the Agency will need to carry out its internal services for 2023–24 and for each of the next two fiscal years.

2023–24 planned full-time equivalents	2024–25 planned full-time equivalents	2025–26 planned full-time equivalents
0	0	0

The Agency has a single core responsibility and a single program. As a small and separate federal entity, the Agency has service agreements with Natural Resources Canada, the Department of Justice Canada, Public Services and Procurement Canada, Treasury Board of Canada Secretariat, the Canada Energy Regulator and the Government of Yukon, and expenditures for internal services through these agreements are recorded as program spending.

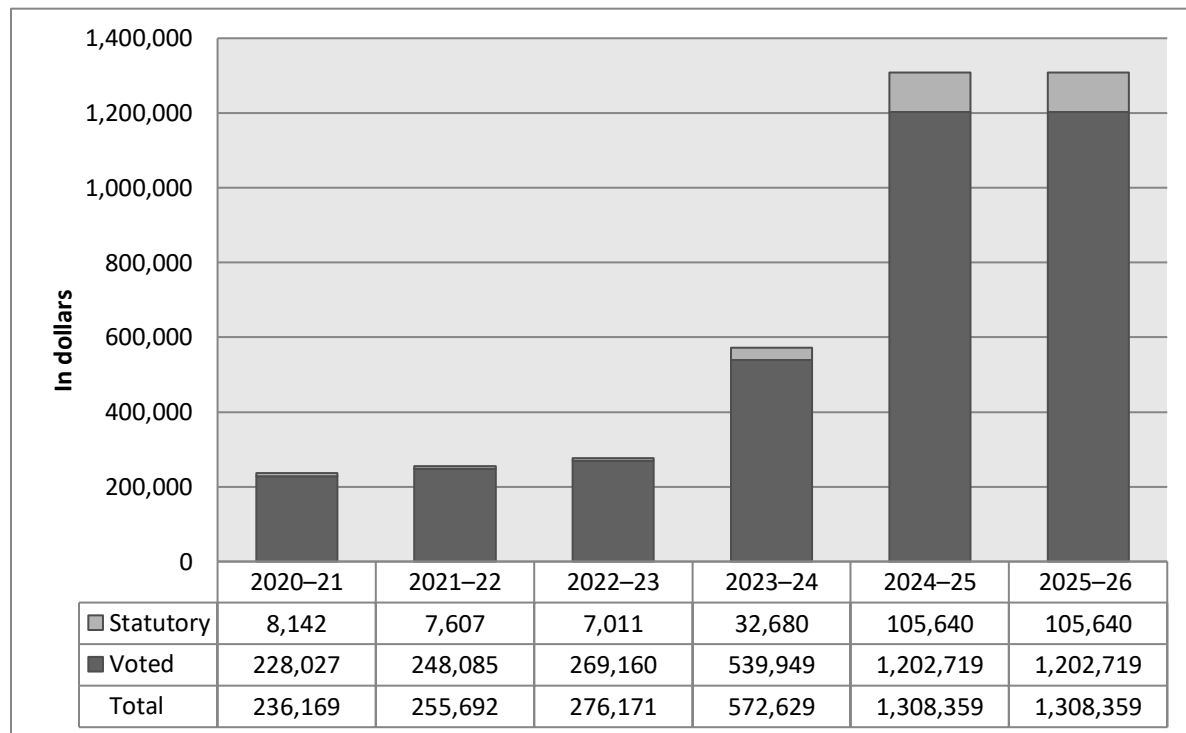
Planned spending and human resources

This section provides an overview of the Agency’s planned spending and human resources for the next three fiscal years and compares planned spending for 2023–24 with actual spending for the current year and the previous year.

Planned spending

Departmental spending 2020–21 to 2025–26

The following graph presents actual and planned spending (voted and statutory) over time.



The Agency’s spending trend graph is a reflection of the Agency’s past and forecasted operational requirements. In the 2010-11 Main Estimates, the Agency received new funding to support the development of the AHGP given Foothills’ decision at the time to pursue the northern portion of the project. The Agency’s operating costs were increased to respond to the company’s expectations for regulatory services (including a forecasted requirement of four additional FTEs). In February 2013, Foothills informed the Agency that no further work is planned on the AHGP and it will await further commercial interest before recommencing its efforts. Consequently, the Agency’s operational requirements have been adjusted from the initial forecast on a year-by-year basis (as reflected in the graph above for 2020-21 to 2025-26). For 2020-21 and 2021-22, the Agency’s actual spending has remained relatively constant and is

anticipated to remain the same for 2022-23. This spending trend aligns with the reduction in the AHGP project activities while continuing to fulfill Canada’s obligations under the Act. For 2023-24, the Agency’s planned spending in the amount of \$572,629 is mainly attributed to the potential need for the Agency to ramp up quickly and commence increased activities in response to the AHGP project. While forecasts for 2024-25 and 2025-26 continue to reflect an increased level of planned spending, these forecasts may be adjusted as necessary to reflect a funding level commensurate with the Agency’s anticipated operational requirements.

Budgetary planning summary for core responsibilities and internal services (dollars)

The following table shows information on spending for the Agency’s single core responsibility and for its internal services for 2023–24 and other relevant fiscal years.

Core responsibilities and internal services	2020–21 actual expenditures	2021–22 actual expenditures	2022–23 forecast spending	2023–24 budgetary spending (as indicated in Main Estimates)	2023–24 planned spending	2024–25 planned spending	2025–26 planned spending
Oversee and regulate the planning and construction of the Canadian portion of the Alaska Highway Natural Gas Pipeline Project	236,169	255,692	276,171	572,629	572,629	1,308,359	1,308,359
Subtotal	236,169	255,692	276,171	572,629	572,629	1,308,359	1,308,359
Internal services	0	0	0	0	0	0	0
Total	236,169	255,692	276,171	572,629	572,629	1,308,359	1,308,359

To align with the reduction in the AHGP project activities, the Agency scaled down its operations while continuing to fulfill Canada’s ongoing obligations as set out in the Act. For 2023-24, the Agency’s planned spending in the amount of \$572,629 is mainly attributed to the potential need for the Agency to ramp up quickly and commence increased activities in response to the AHGP project. While forecasts for 2024-25 and 2025-26 continue to reflect an increased level of planned spending, these forecasts may be adjusted as necessary to reflect a funding level commensurate with the Agency’s anticipated operational requirements.

Planned human resources

The following table shows information on human resources, in full-time equivalents, for the Agency’s single core responsibility and for its internal services for 2023–24 and the other relevant years.

Human resources planning summary for core responsibilities and internal services

Core responsibilities and internal services	2020–21 actual full-time equivalents	2021–22 actual full-time equivalents	2022–23 forecast full-time equivalents	2023–24 planned full-time equivalents	2024–25 planned full-time equivalents	2025–26 planned full-time equivalents
Oversee and regulate the planning and construction of the Canadian portion of the Alaska Highway Natural Gas Pipeline Project	1	1	1	4	4	4
Subtotal	1	1	1	4	4	4
Internal services	0	0	0	0	0	0
Total	1	1	1	4	4	4

To align with the reduction in the AHGP project activities, the Agency scaled down its operations while continuing to fulfill Canada’s ongoing obligations as set out in the Act. For 2023-24, the Agency’s planned human resources in the amount of four FTEs is mainly attributed to the potential need for the Agency to ramp up quickly and commence increased activities in response to the AHGP project. While forecasts for 2024-25 and 2025-26 continue to reflect an increased level of planned human resources, these forecasts may be adjusted as necessary to reflect a level commensurate with the Agency’s anticipated operational requirements.

Estimates by vote

Information on the Agency’s organizational appropriations is available in the [2023–24 Main Estimates](#).^v

Future-oriented condensed statement of operations

The future-oriented condensed statement of operations provides an overview of the Agency’s operations for 2022–23 to 2023–24.

The amounts for forecast and planned results in this statement of operations were prepared on an accrual basis. The amounts for forecast and planned spending presented in other sections of the Departmental Plan were prepared on an expenditure basis. Amounts may therefore differ.

A more detailed future-oriented statement of operations and associated notes, including a reconciliation of the net cost of operations to the requested authorities, are available on the Agency’s [website](#).^{vi}

Future-oriented condensed statement of operations for the year ending March 31, 2024 (dollars)

Financial information	2022–23 forecast results	2023–24 planned results	Difference (2023–24 planned results minus 2022–23 forecast results)
Total expenses	278,266	574,724	296,458
Total net revenues	0	0	0
Net cost of operations before government funding and transfers	278,266	574,724	296,458

To align with the reduction in the AHGP project activities, the Agency scaled down its operations while continuing to fulfill Canada’s ongoing obligations as set out in the Act. For 2023-24, the Agency’s increase is mainly attributed to the potential need for the Agency to ramp up quickly and commence increased activities in response to the AHGP project. During this reporting period, the Agency will continue to meet the objectives of the Act and will also respond to any incoming inquiries from other government agencies, Indigenous peoples and the public.

Corporate information

Organizational profile

Appropriate minister: The Honourable Jonathan Wilkinson, P.C., M.P.

Institutional head: John Hannaford

Ministerial portfolio: Natural Resources Canada

Enabling instrument: *Northern Pipeline Act*

Year of incorporation / commencement: 1978

Other: The total recoverable costs of the Agency to carry out federal responsibilities for the planning and construction of the Alaska Highway Natural Gas Pipeline project are fully recovered from Foothills Pipe Lines Ltd., the project proponent.

Raison d’être, mandate and role: who we are and what we do

Information on the Agency’s raison d’être, mandate and role is available on the [Agency’s website](#).^{vii}

Information on the Agency’s mandate letter commitments is available in the [Minister’s mandate letter](#).^{viii}

Operating context

Information on the operating context is available on the Agency’s [website](#).^{ix}

Reporting framework

The Agency’s approved departmental results framework and program inventory for 2023–24 are as follows:

Departmental Results Framework	Core Responsibility: Oversee and regulate the planning and construction of the Canadian portion of the Alaska Highway Natural Gas Pipeline Project.		Internal Services
	Departmental Result: The planning and construction of the Canadian portion of the Alaska Highway Gas Pipeline project is efficient and expeditious while ensuring environmental protection and social and	Indicator: The Agency will respond to company and public correspondence within 15 business days of receipt.	

	economic benefits for Canadians.		
Program Inventory	Program: Oversee and regulate the planning and construction of the Canadian portion of the Alaska Highway Natural Gas Pipeline Project.		

Changes to the approved reporting framework since 2022–23

No changes were made to the Agency’s departmental reporting framework in 2022-23.

Supporting information on the program inventory

Supporting information on planned expenditures, human resources, and results related to the Agency’s program inventory is available on [GC InfoBase](#).^x

Supplementary information tables

The following supplementary information table is available on the Agency’s [website](#).^{xi}:

- ▶ Gender-based analysis plus

Federal tax expenditures

The Agency’s Departmental Plan does not include information on tax expenditures.

Tax expenditures are the responsibility of the Minister of Finance. The Department of Finance Canada publishes cost estimates and projections for government-wide tax expenditures each year in the [Report on Federal Tax Expenditures](#).^{xii} This report provides detailed information on tax expenditures, including objectives, historical background and references to related federal spending programs, as well as evaluations, research papers and gender-based analysis plus.

Organizational contact information

Mailing address: 470-588 Booth Street
Ottawa, ON K1A 0Y7

Telephone: 613-995-1150

Email: info@npa-apn.gc.ca

Website(s): <https://northern-pipeline.gc.ca>

Appendix: definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

core responsibility (responsabilité essentielle)

An enduring function or role performed by a department. The intentions of the department with respect to a core responsibility are reflected in one or more related departmental results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)

A document that sets out a department's priorities, programs, expected results and associated resource requirements, covering a three-year period beginning with the year indicated in the title of the report. Departmental Plans are tabled in Parliament each spring.

departmental result (résultat ministériel)

A change that a department seeks to influence. A departmental result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

departmental result indicator (indicateur de résultat ministériel)

A factor or variable that provides a valid and reliable means to measure or describe progress on a departmental result.

departmental results framework (cadre ministériel des résultats)

A framework that consists of the department's core responsibilities, departmental results and departmental result indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report on a department's actual performance in a fiscal year against its plans, priorities and expected results set out in its Departmental Plan for that year. Departmental Results Reports are usually tabled in Parliament each fall.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

gender-based analysis plus (GBA Plus) (analyse comparative entre les sexes plus [ACS Plus])

An analytical tool used to support the development of responsive and inclusive policies, programs and other initiatives. GBA Plus is a process for understanding who is impacted by the issue or opportunity being addressed by the initiative; identifying how the initiative could be tailored to meet diverse needs of the people most impacted; and anticipating and mitigating any barriers to accessing or benefitting from the initiative. GBA Plus is an intersectional analysis that goes beyond biological (sex) and socio-cultural (gender) differences to consider other factors, such as age, disability, education, ethnicity, economic status, geography, language, race, religion, and sexual orientation.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2023–24 Departmental Plan, government-wide priorities are the high-level themes outlining the Government’s agenda in the 2021 Speech from the Throne: building a healthier today and tomorrow; growing a more resilient economy; bolder climate action; fighter harder for safer communities; standing up for diversity and inclusion; moving faster on the path to reconciliation and fighting for a secure, just, and equitable world.

high impact innovation (innovation à impact élevé)

High impact innovation varies per organizational context. In some cases, it could mean trying something significantly new or different from the status quo. In other cases, it might mean making incremental improvements that relate to a high-spending area or addressing problems faced by a significant number of Canadians or public servants.

horizontal initiative (initiative horizontale)

An initiative in which two or more federal organizations are given funding to pursue a shared outcome, often linked to a government priority.

non-budgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

plan (plan)

The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally, a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

program (programme)

Individual or groups of services, activities or combinations thereof that are managed together within a department and that focus on a specific set of outputs, outcomes or service levels.

program inventory (répertoire des programmes)

An inventory of a department's programs that describes how resources are organized to carry out the department's core responsibilities and achieve its planned results.

result (résultat)

An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead, they are within the area of the organization's influence.

statutory expenditures (dépenses législatives)

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

target (cible)

A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)

Expenditures that Parliament approves annually through an Appropriation Act. The vote wording becomes the governing conditions under which these expenditures may be made.

Endnotes

- i. *Northern Pipeline Act*, <https://laws-lois.justice.gc.ca/eng/acts/N-26/>
- ii. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- iii. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- iv. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- v. 2023–24 Main Estimates, <https://www.canada.ca/en/treasury-board-secretariat/services/planned-government-spending/government-expenditure-plan-main-estimates.html>
- vi. Northern Pipeline Agency Future-Oriented Statement of Operations, <https://northern-pipeline.canada.ca/publications/69>
- vii. Northern Pipeline Agency website, <https://northern-pipeline.canada.ca/14>
- viii. Minister’s mandate letter, <https://pm.gc.ca/en/mandate-letters/2021/12/16/minister-natural-resources-mandate-letter>
- ix. Northern Pipeline Agency Operating Context, <https://northern-pipeline.canada.ca/publications/366>
- x. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xi. Northern Pipeline Agency Reports, <https://northern-pipeline.canada.ca/publications/69>
- xii. Report on Federal Tax Expenditures, <https://www.canada.ca/en/department-finance/services/publications/federal-tax-expenditures.html>