Mayor's Report

What does the oil pipeline industry mean by 'World Class'?

Over the past couple of years we have repeatedly heard from the oil pipeline industry that it is their intent to construct infrastructure for the transport of Alberta oil to Canada's Pacific Coast that is 'world class'. But what does it mean; or rather, what <u>should</u> it mean?

The dictionary meaning of 'world class' is: "ranking among the foremost in the world; of an international standard of excellence; of the highest order". In layman's terms 'world class' is expected to be the absolute best possible quality available on our planet. However, in <u>business process terms</u> the best possible process is defined as 'effective' (i.e. meeting customer expectations), 'efficient' (i.e. using the fewest resources of time, money and product), and most importantly 'continues to improve' (i.e. is agile to continued change and improvement).

I am concerned that the pipeline industry is using the term 'world class' in the business process context, and is not being transparent in what the industry means when using the term. My evidence is the industry's avoidance of using the phrase 'best available technology' even when explicitly requested to provide assurances that 'best available technology' will be utilized. Is the pipeline industry pursuing 'efficiency' in terms of 'customer expectations' and 'the fewest resources of time and money', as opposed to ensuring utilization of 'best available technology'? And who is the customer whose expectations are to be met? When it comes to oil pipelines and associated oil transport infrastructure, it is the public's expectations that need to be met before the oil industry's expectations!

I believe that the Canadian public expects 'world class' to mean the 'best quality standards in the world' based on the 'best available technology' that is continually improving over time. The public needs to ensure that both the oil pipeline industry and federal regulatory authorities support this expectation. And only an independent expert assessment of the processes and technology utilized by the oil pipeline industry can confirm whether 'world class' standards are being implemented.

Ralph Drew Mayor