

Canadian Association of Oilwell Drilling Contractors (CAODC) Permit

Under the authority of Section 62 of the Traffic Safety Act, RSA 2000 C.T-6. A Permit Holder is exempt from the specified requirements while operating a Service Rig or a Service Rig Support Unit as defined under this Permit.

1. For the purpose of this Permit:

- (a) "Agreement" means the Memorandum of Agreement signed by the Alberta Government and Canadian Association of Oilwell Drilling Contractors dated December 19, 2019
- (b) "Alberta Safety Fitness Certificate" means a safety fitness certificate required under Section 2(1) of the Commercial Vehicle Certificate and Insurance Regulation, AR 314/2002;
- (c) "Appendix B" means Appendix B – Occupational Training and Certification Conditions to this Agreement;
- (d) "Association" means the Canadian Association of Oilwell Drilling Contractors
- (e) "Class" when followed by the number 5, 4, 3, 2 or 1 refers to a subsisting operator's licence of that number as defined in the *Operator Licensing and Vehicle Control Regulation*, AR 320/2002 but does not include a probationary operator's licence as defined in Section 33 of that regulation;
- (f) "Contractor" means a member of the Association that is a registered owner of one or more Service Rigs or Service Rig Support Units or both, that has a current Alberta Safety Fitness Certificate or Extra-Provincial Safety Fitness Certificate with a safety fitness rating of "Satisfactory" or higher;
- (g) "In Convoy" means the operation of any combination of 2 (two) or more Service Rigs, Service Rig Support Units or Rig Manager's Vehicles, except a combination of 2 (two) or more Rig Manager's Vehicles, traveling no more than five minutes apart and operated at no more than 80 kilometers per hour;
- (h) "Doghouse" means a vehicle operated in the province of Alberta, which is designed or equipped for the shelter of persons or storage of items, including but not limited to parts, supplies, oils and equipment, associated with the service, operation or transportation of Service Rigs;
- (i) "Driver" means an individual employed or retained by a Permit Holder to operate a Service Rig or a Service Rig Support Unit under a Permit;
- (j) "Equipment Truck" means a vehicle operated in the province of Alberta, which is used to tow a Doghouse from one location to another, and which may also be used to transport tools, equipment and other items associated with the service or operation of Service Rigs;
- (k) "Extra-Provincial Safety Fitness Certificate" means a safety fitness certificate or analogous document other than an Alberta Safety Fitness Certificate;
- (l) "Permit" means a document signed by the Registrar exempting a person or vehicle from one or more requirements of the Act or a motor vehicle document in accordance with section 62 of the Act;
- (m) "Permit Holder" means a Contractor who holds a Permit issued under this Agreement;

Canadian Association of Oilwell Drilling Contractors (CAODC) Permit

- (n) "Permit Inspection" means an audit of a Permit Holder's compliance with the terms and conditions of a Permit for Permit renewal purposes and may include a Certificate of Recognition (COR) audit of the Permit Holder's compliance with applicable occupational health and safety standards;
- (o) "Pump and Tank Truck" means a vehicle operated in the province of Alberta, which carries a rig tank from location to location, and which may also be used to pump and direct fluids for pressure testing equipment;
- (p) "National Safety Code Audit" means a quantifiable performance-based audit designed to review a Contractor's compliance with National Safety Code standards;
- (q) "Registrar" means the Registrar of Motor Vehicle Services as defined in the Act;
- (r) "Rig Manager's Vehicle" means a pickup truck operated in the province of Alberta by an individual employed or retained by a Contractor which is registered for a gross weight under 11,794 kilograms and operated by an employee of the Permit Holder;
- (s) "Service Rig" means a commercial vehicle operated in the province of Alberta, which is equipped with a permanently mounted mobile service rig in accordance with Section 30(1)(d) and 30(3) of the VIR and Section 2(3) of the CVCIR;
- (t) "Service Rig Support Unit" means an Equipment Truck, a Doghouse or a Pump and Tank Truck;
- (u) "*Traffic Safety Act*" refers to the *Traffic Safety Act*, RSA 2000, c T-6 and may also be referred to as "the Act";
- (v) "VIR" means the Vehicle Inspection Regulation, AR 211/2006.

2. This Permit:

- a. Exempts a Permit Holder and a Driver from the requirement, where applicable, to operate a Service Rig Support Unit under the authority of an Alberta Safety Fitness Certificate;
- b. Exempts a Service Rig Support Unit from the application of the expiry period set out in Section 30(1)(b) of the *Vehicle Inspection Regulation*, AR 211/2006 and substitute an expiry period of 60 months from the month in which the certificate and decal were issued; and
- c. Exempts the operator of the Service Rig or Service Rig Support Unit from the requirement, where applicable, to have a Class 1, 2, 3 or 4 operator's licence as the case may be and substitute the requirement to have a Class 1, 2, 3, 4 or 5 operator's licence.

3. This Permit applies only when:

- a. The Service Rig or Service Rig Support Unit is operated In Convoy; and
- b. The Permit Holder and the Driver is in full compliance with the Permit Conditions and Appendix B and shall establish and implement written policies and procedures to ensure that occurs.

Canadian Association of Oilwell Drilling Contractors (CAODC) Permit

4. The Permit Holder must ensure each vehicle operated under its authority contains a copy of the Permit and attached conditions 1 to 12 applicable to the Service Rig or Service Rig Support Unit in a place that is known to the Driver, and the Driver shall immediately produce the copy of the Permit and the CVIP Certificate when requested to do so by a Peace Officer.

Note: *Appendix B of this permit do not have to accompany this permit in the vehicle or be produced to a peace officer at roadside as compliance to the appendices can only be verified through a facility audit.*

5. The conditional exemptions provided in this permit are only valid within Alberta.
6. Where a driver does not hold the appropriate class of operator's licence to operate a service rig as defined under this permit, a driver employed by the Permit Holder may operate a service rig registered to the Permit Holder on a highway with a subsisting Class 5, 4, 3 or 2 operator's licence providing the following requirements are met:
 - a) The driver has received training and passed all requirements outlined in Appendix B of this permit;
 - b) The Permit Holder has met all requirements outlined in Appendix B of this permit;
 - c) The Permit Holder and driver have met the terms and conditions of this permit;
 - d) The Permit Holder has issued the driver a Heavy Duty Training Certificate (HDTC) as per Appendix B of this permit;
 - e) The vehicle being operated is done so in accordance with the definition of a convoy in this permit;
 - f) All drivers operating a vehicle under the authority of a Heavy Duty Training Certificate (HDTC) must do so in convoy only and;
 - g) The drivers of the other vehicle(s) must have been issued either a Convoy Training Certificate (CTC) or a Heavy Duty Training Certificate (HDTC) required under this permit, when in a convoy (see Conditions #7 and #8).
7. A driver that holds a Probationary Operator's (Graduated Driver's) Licence pursuant to Section 33 of the [Operator Licensing and Vehicle Control Regulation \(AR320/2002\)](#) may **not** be issued or possess a Heavy Duty Training Certificate (HDTC).
8. All drivers operating vehicles equipped with air brakes must comply with Section 27 of the [Operator Licensing and Vehicle Control Regulation \(AR320/2002\)](#) and have the appropriate "Q" Endorsement on their operator's licence when applicable.
9. A driver may not operate as part of a convoy under this permit unless they have been issued a Convoy Training Certificate (CTC) or a Heavy Duty Training Certificate (HDTC) by the Permit Holder as per the requirements in Appendix B (this includes drivers with a Class 1 operator's licence).

Canadian Association of Oilwell Drilling Contractors (CAODC) Permit

Note: *Not all persons in route with the service rig are necessarily part of the convoy. It is only the drivers of these vehicles that must meet the terms and conditions established under this permit.*

10. A driver may operate as part of a convoy providing the following requirements are met:
 - a) The driver possesses the appropriate class of operator's licence and a Convoy Training Certificate (CTC);
 - b) The Permit Holder and driver have met all requirements outlined under Appendix B of this permit to issue and hold a Convoy Training Certificate (CTC);
 - c) When forming part of a convoy, the driver of each vehicle shall carry and produce to a peace officer their Convoy Training Certificate (CTC) or Heavy Duty Training Certificate (HDTC) issued by the Permit Holder;
 - d) The vehicle being operated is done so in accordance with the definition of a convoy in this permit;
 - e) The Permit Holder and driver meet the terms and conditions of this permit.
11. Providing a driver is an employee of the Permit Holder, and has met all the requirements outlined in Appendix B of this permit, the employee may operate a commercial vehicle, not towing a trailer, registered in the employee's name as part of a convoy under this permit (e.g. many rig managers are employees of the Permit Holder and operate a commercial vehicle registered in their name).
12. A Driver shall, prior to commencing the operation of a Service Rig or Service Rig Support Unit, comply with Section 10 of the Commercial Vehicle Safety Regulation, AR 121/2009 pertaining to a daily trip inspection as if a Permit had not been issued in respect of that Service Rig or Service Rig Support Unit.

Permit Applications

13. A Contractor may apply for a Permit by paying an application fee of \$100 and submitting an application in a form and manner satisfactory to the Registrar.
14. As part of an application for a Permit, a Contractor shall be required to arrange, at its own cost, a National Safety Code Audit from a third-party auditor approved by the Registrar, and shall achieve results satisfactory to the Registrar on the National Safety Code Audit.
15. A Permit issued pursuant to this Agreement shall be valid in Alberta for a period not to exceed five (5) years. A Permit may be renewed for an additional period or periods, which shall not exceed five (5) years each.

Permit Renewals

16. A Permit Holder may apply to renew a Permit by paying an application fee of \$100 and submitting an application for renewal in a form and manner satisfactory to the Registrar.

Canadian Association of Oilwell Drilling Contractors (CAODC) Permit

17. As part of an application for renewal, a Permit Holder shall be required to arrange, at its own cost, a Permit Inspection conducted by a third-party auditor approved by the Registrar, and shall achieve results satisfactory to the Registrar on the Permit Inspection.
18. The Registrar will provide the Permit Holder notification to renew a Permit three (3) months before the expiry date of the Permit.
19. Unless renewed by the Registrar, a Permit shall expire on its terms without further notice to the Permit Holder.
20. An expired Permit cannot be renewed.

Monitoring and Compliance

21. The Registrar may:
 - a. Monitor and record the Permit Holder's traffic and transportation-related history and on-road performance including but not limited to traffic convictions, inspections and collisions involving the Permit Holder's Drivers and registered vehicles.
 - b. At any time the Registrar deems necessary for the enforcement of a provision of the Act or a term of this Agreement do one or more of the following:
 - i. conduct an audit, inspection or investigation of a Permit Holder;
 - ii. require the Permit Holder to arrange and pay for an audit by a third-party auditor qualified by the Registrar; and
 - iii. in the case of a Permit Holder that resides outside of the province of Alberta, request the assistance of extra-territorial agents or bodies, in which case any associated costs will be the responsibility of the Permit Holder; and
22. Nothing in this Agreement precludes the Registrar from exercising any authority or power provided by the Act.
23. In the event the Permit Holder fails to comply with any term or condition of the Permit, the Registrar may do any one or more of the following:
 - a. Suspend or cancel a Permit;
 - b. Vary the terms and conditions of a Permit or impose new or additional terms and conditions; and
 - c. Refuse to renew a Permit.

provided the Registrar provides the Permit Holder with notice in writing in accordance with Section 6 of the Act.

24. In the event that the Registrar takes any action set out in Paragraph 14 above, the Registrar shall notify the Permit Holder in writing in accordance with the notice provisions set out in Section 6 of the Act.

Canadian Association of Oilwell Drilling Contractors (CAODC) Permit

25. The Registrar shall report to the Association:

- a. A Contractor who is refused a Permit or the renewal of a Permit;
- b. A Contractor whose Permit is cancelled or suspended; and
- c. On an annual basis, general trends and results of Permit Inspections.

Additional Conditions

26. In addition to the definitions set out in this Permit, the following definitions apply to conditions 32 to 38.

- (w) "Qualified Assessor" means an individual qualified by the Permit Holder to conduct an assessment on a person for the purpose of issuing a Heavy Duty Training Certificate and who meets the qualification requirements set out in Appendix B for a Qualified Assessor;
- (x) "Qualified Trainer" means an individual qualified by the Permit Holder to provide occupational training to a Trainee and who meets the qualification requirements set out in Appendix B for a Qualified Trainer;
- (y) "Convoy Training Certificate" means a subsisting certificate issued in accordance with Appendix B in recognition of a person's successful completion of convoy-related training requirements;
- (z) "CVIP Certificate" means a subsisting commercial vehicle inspection certificate issued pursuant to the Vehicle Inspection Regulation, AR 211/2006;
- (aa) "Heavy Duty Training Certificate" means a subsisting certificate issued by in accordance with Appendix B in recognition of a person's successful completion of heavy duty vehicle training;
- (bb) "Peace Officer" means a peace officer within the meaning of the Act;
- (cc) "Trainee" means an individual employed or retained by the Permit Holder who is undergoing occupational training to acquire a Convoy Training Certificate or a Heavy Duty Training Certificate or both for the purpose of becoming a Driver;
- (dd) "Training Certificates" refers to every training certificate a Driver, Qualified Trainer, Qualified Assessor or Trainee is required to have in order to operate a Service Rig or Service Rig Support Unit in compliance with the Permit Conditions.

Monitoring and Compliance

27. For the purpose of monitoring a Driver's on-road performance, a Permit Holder shall obtain, review on an ongoing basis and maintain in its records:

- a. A commercial driver abstract for every Driver prior to the Driver initially operating a Service Rig or Service Rig Support Unit;
- b. A commercial driver abstract for every Driver on an annual basis; and

Canadian Association of Oilwell Drilling Contractors (CAODC) Permit

- c. Any on-road performance record, report or profile provided or made available by the Registrar.
28. A Permit Holder shall investigate forthwith every collision involving a commercial vehicle for which it is the registered owner with a registered gross weight exceeding 4,500 kilograms that has resulted in one or more of the following:
 - a. A fatality;
 - b. An injury requiring treatment by a medical doctor;
 - c. A condition that causes an employee to lose consciousness; and
 - d. Damage to property, including cargo, in excess of \$2,000.
29. A Permit Holder shall document the result of its investigation in an investigation report, which shall include at a minimum:
 - a. An evaluation of whether the collision was preventable in accordance with the criteria established by the National Safety Council; and
 - b. If the collision was found to be preventable, an action plan to prevent collisions in the future.
30. A Permit Holder shall implement and document its implementation of the action plan referred to in Paragraph 29(b) above.
31. The Registrar may monitor and record the Permit Holder's traffic and transportation-related history and on-road performance including but not limited to traffic convictions, inspections and collisions associated with the Permit Holder's Drivers and registered vehicles.
32. At any time the Registrar deems necessary for the enforcement of the Permit Conditions or any part of them, do one or more of the following:
 - a. Conduct an audit, inspection or investigation of a Permit Holder;
 - b. Require the Permit Holder to arrange and pay for an audit by a third-party auditor qualified by the Registrar; and
 - c. in the case of a Permit Holder that resides outside of the province of Alberta, request the assistance of extra-territorial agents or bodies, in which case any associated costs will be the responsibility of the Permit Holder.
33. A Permit Holder shall be responsible for all costs associated with an audit or Permit Inspection.
34. Nothing in this Permit precludes the Registrar from exercising any authority or power provided by the Act.

Records and Documentation

35. A Permit Holder shall retain for the duration of a Permit and a period of six (6) months, at its principal place of business, a copy of:
 - a. The Agreement and its appendices;
 - b. A copy of the Permit; and
 - c. The name and contact information for every Driver that drives under the Permit.

Canadian Association of Oilwell Drilling Contractors (CAODC) Permit

36. Where a Permit Holder is required by the Permit Conditions to obtain, maintain or retain a document, record or documentary proof, the Permit Holder shall retain the said document, record or documentary proof at its principle place of business for the duration of the Permit and an additional period of three (3) years.

Reporting to the Association

37. The Permit Holder consents to the Registrar collecting and reporting the following information to the Association:

- a. That the Permit Holder was refused a Permit or the renewal of a Permit;
- b. That a Permit was cancelled or suspended; and
- c. On an annual basis, general trends and results of Permit Inspections.

Termination

38. Upon the termination of the Agreement, this Permit shall be immediately cancelled without further notice to the Permit Holder although the Registrar may, in the Registrar's discretion, provide notice to the Permit Holder of the termination of the Agreement in accordance with Section 6 of the Act.