



Ontario Energy Board / Commission de l'énergie de l'Ontario

OEB Energy East Consultation



Community Consultation Backgrounder

March/April 2014

Introduction

In November 2013, Ontario's Minister of Energy asked the **Ontario Energy Board (OEB)** to examine and report on TransCanada PipeLines Limited's proposed Energy East Pipeline from an Ontario perspective. To support the preparation of the report, the Minister asked that the OEB undertake a consultation process. This consultation process will provide a forum for Ontarians to express their views on the proposed Energy East Pipeline. These views will inform the OEB's report to the Minister.

The Government of Ontario intends to participate as an intervenor in the **National Energy Board's (NEB)** review of the proposed Energy East Pipeline and the Minister will use the OEB's report to help formulate the Government's position.

What's Inside

This Backgrounder serves as an introduction to the OEB's Energy East Consultation process and includes information on:

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The Context

Energy East is a proposal of TransCanada PipeLines Limited (TransCanada), an energy company that has been transporting oil and gas in Canada since 1951. The Energy East Pipeline is an approximately \$12 billion project to transport crude oil from Western Canada through Ontario to New Brunswick and Quebec (see page 2 for a map of the approximate location of the pipeline in Ontario).

In addition to converting approximately 3,000 kilometres (km) of existing natural gas pipeline, the project proposes to build four new oil tank terminals, two marine tanker loading facilities in the Quebec City and Saint-John areas and construct roughly 1,500 km of new pipeline in Alberta, Saskatchewan, Manitoba, Eastern Ontario, Quebec and New Brunswick.

In Ontario, TransCanada plans to convert approximately 1,900 km of existing pipeline, construct about 100 km of new pipeline, and build approximately 30 pump stations. The route of the existing pipeline in Ontario roughly parallels the Trans Canada Highway. The exact route and length of the newly constructed pipeline will only be determined after the NEB's public and regulatory review.

Want to learn more? Need to get in touch?

Visit us at:

ontarioenergyboard.ca/oebenergyeast

Map: Approximate Location of Proposed Energy East Pipeline in Ontario

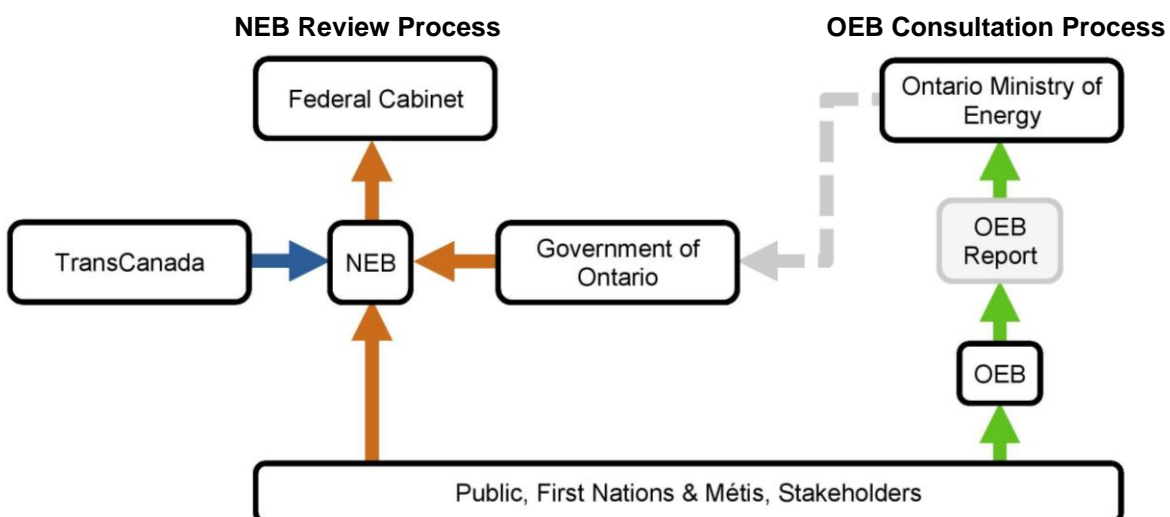


The NEB Review Process

TransCanada PipeLines Limited proposed the Energy East Pipeline in 2013 and is expected to file a project description with the National Energy Board (NEB) imminently. The NEB will then consider what type of regulatory process will be applied and who the interested and affected parties are likely to be. TransCanada has indicated that it will file its full application with the NEB in mid-2014. After it receives this application, the NEB will issue an order establishing the process to review the proposed Energy East Pipeline. The Government of Ontario intends to intervene in the NEB's review of this project.

The **National Energy Board** is an independent agency established by the Parliament of Canada to regulate and administer international and interprovincial aspects of the oil, gas and electric utility industries in the Canadian public interest. The NEB will analyze the application and make a written report to the federal government that sets out recommendations and conditions regarding the proposed Energy East Pipeline. **The federal government will make the final decision about whether the Energy East Pipeline can proceed.** Individuals who wish to participate in the NEB process should contact them directly.

The **Ontario Energy Board** is not the decision maker on the proposed Energy East Pipeline. It has been asked by the Ontario Minister of Energy to consult with Ontario residents, stakeholders, and First Nation and Métis communities and hire technical advisors to report on the proposed pipeline from an Ontario perspective. Participation in the OEB process does not constitute participation in the NEB process and it does not provide a substitute for any duty to consult with First Nation and Métis communities that may rest with the federal government or others. Ontario's Minister of Energy will use the OEB's report to help formulate the Ontario Government's position.

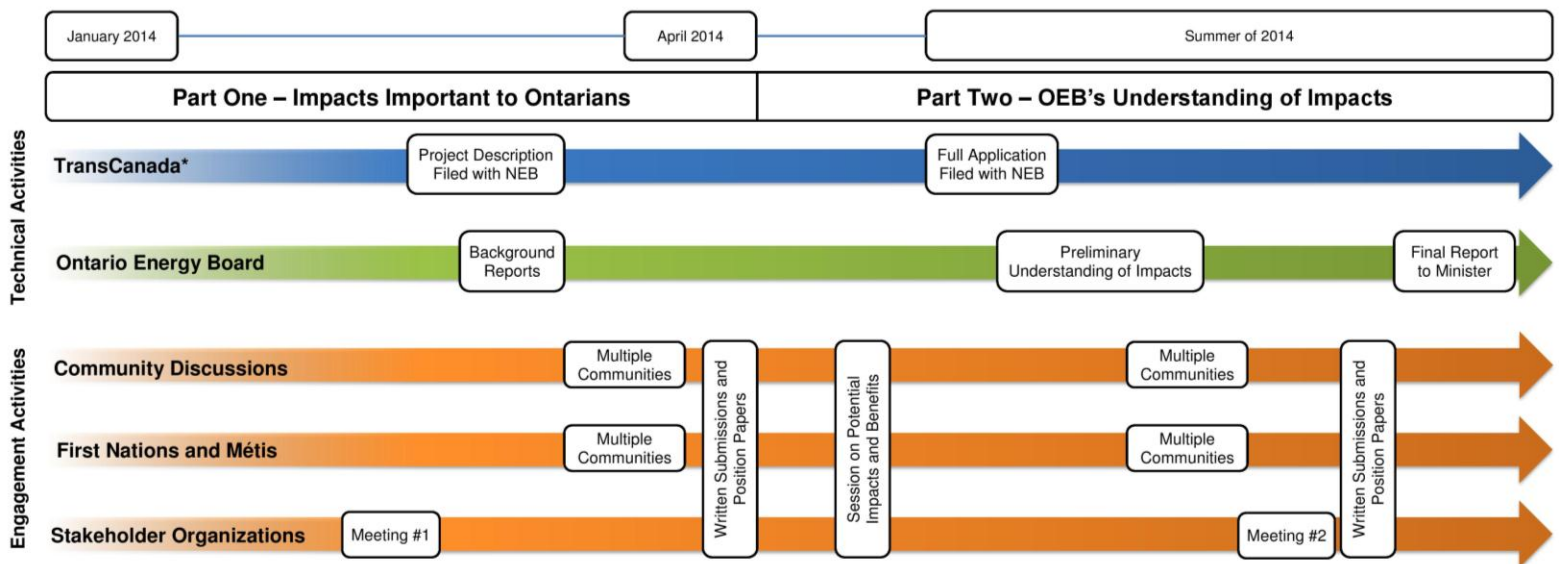


The OEB Process

Ontario's Minister of Energy has stated that Ontario needs to be fully informed to ensure that it is able to effectively participate in the future NEB hearings on the proposed Energy East Pipeline. The Minister requested that the OEB consider the implications of four areas of potential impact, including:

- The impacts on Ontario natural gas consumers in terms of prices, reliability and access to supply, especially for those consumers living in eastern and northern Ontario
- The impacts on pipeline safety and the natural environment in Ontario
- The impacts on Aboriginal communities in Ontario, in particular how treaty and Aboriginal rights may be affected
- The short and long term economic impacts of the project in Ontario

The OEB consultation process will take place in two parts: Part One – The Impacts Important to Ontarians and Part Two – The OEB's Understanding of the Impacts. In both parts of the consultation process, there will be meetings with the public, First Nations and Métis, and stakeholder organizations (see illustration below). The OEB will use the information and perspectives received during both parts of the consultation process to help inform its report on the implications for Ontario of TransCanada's Energy East proposal. The Government of Ontario intends to participate as an intervenor in the National Energy Board's (NEB) review of the proposed Energy East Pipeline and the Minister will use the OEB's report to help formulate the Government's position.



*The timing of TransCanada's Full Application shown in this graphic is approximate. TransCanada may choose to time their filings differently.

How Ontarians can learn more about and contribute to the OEB Energy East Consultation...

Attend a Meeting

Visit the Website
ontarioenergyboard.ca/oebenergyeast

Sign Up for an E-Update

Send us a Written Submission

Fill out a Discussion Guide

Download a Conversation Toolkit

Information and Expertise Available to Ontarians

To better understand the four areas of potential impact, the OEB has retained prominent technical advisors to provide advice to the OEB on the potential risks and benefits of the proposed Energy East Pipeline for Ontario. These technical advisors will work closely together to ensure a full understanding of the areas of potential impact, particularly where they are interrelated (e.g. pipeline safety and environmental considerations). Their reports will be publicly available as part of the province wide consultation and will include analysis and input on the following topics:

- Pipeline engineering and safety
- Environmental and socio-economic considerations
- Natural gas pricing and supply

The technical advisors hired by the OEB will each write two reports – a Background and a Final Report – outlining the potential impacts of the proposed project. These reports together with input received from the public, First Nations and Métis, and stakeholders will be considered by the OEB in preparation of its report to the Minister.

DNVGL (Det Norske Veritas)

A global provider of consulting services on pipeline engineering, safety and integrity to the maritime and energy sectors.
(Learn more at dnvgl.com)

TERA Environmental

A Canadian-based energy firm that provides analyses of socio-economic and environmental risks and considerations associated with pipeline and powerline projects.
(Learn more at teraenv.com)

Ziff Energy

An international energy consulting firm, providing exploration and production cost benchmarking and North American gas forecasting services to a diverse client base.
(Learn more at ziffenergy.com)

Facilitation Services

The OEB Energy East Consultation process is designed to be delivered in a transparent and accessible manner that ensures the integrity of the dialogue and the public reporting.

Swerhun Inc. will be providing facilitation services for the community discussions and stakeholder forums. Swerhun Inc. is a third-party facilitation firm that works exclusively in the public sector.
(Learn more at swerhun.com)

John Beaucage, a Principal of Counsel Public Affairs Inc. will be coordinating the efforts and leading discussions with First Nation and Métis communities. Counsel Public Affairs Inc. is a consulting and communications firm.
(Learn more at counselpa.com)

To stay up to date with the consultation process and to check for new information, as well as the dates of upcoming meetings, visit ontarioenergyboard.ca/oebenergyeast