

# Ontario Energy Board Energy East Consultation

Community Discussion  
Presentation



**OEB Energy East Consultation**

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

# Presentation

1. Background & Context to Consultation
2. Ontario Energy Board Consultation Process
3. Open & Interactive Community Discussions
4. Early Thinking about Key Considerations



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# The Ontario Energy Board

- The Ontario Energy Board (OEB) has regulatory oversight of the Ontario natural gas and electricity sectors
- Work of the Board is supported by expert staff in the areas of regulatory economics, finance, energy pricing, accounting, engineering, law, and environmental issues
- In November 2013, Ontario's Minister of Energy asked the OEB to examine and report on the proposed Energy East Pipeline project from an Ontario perspective



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# TransCanada's proposed Energy East Pipeline

## TransCanada initiated the Energy East Proposal in 2013:

- ~\$12B project to transport crude oil from Western Canada to Eastern Canada (New Brunswick & Québec)
- Conversion of ~3,000 km of natural gas pipeline
- Construction of ~1,600 km of new pipeline (~1,600 km includes 100 km of lateral and interconnections)
- Construction of new pump stations

## Proposed Project in Ontario:

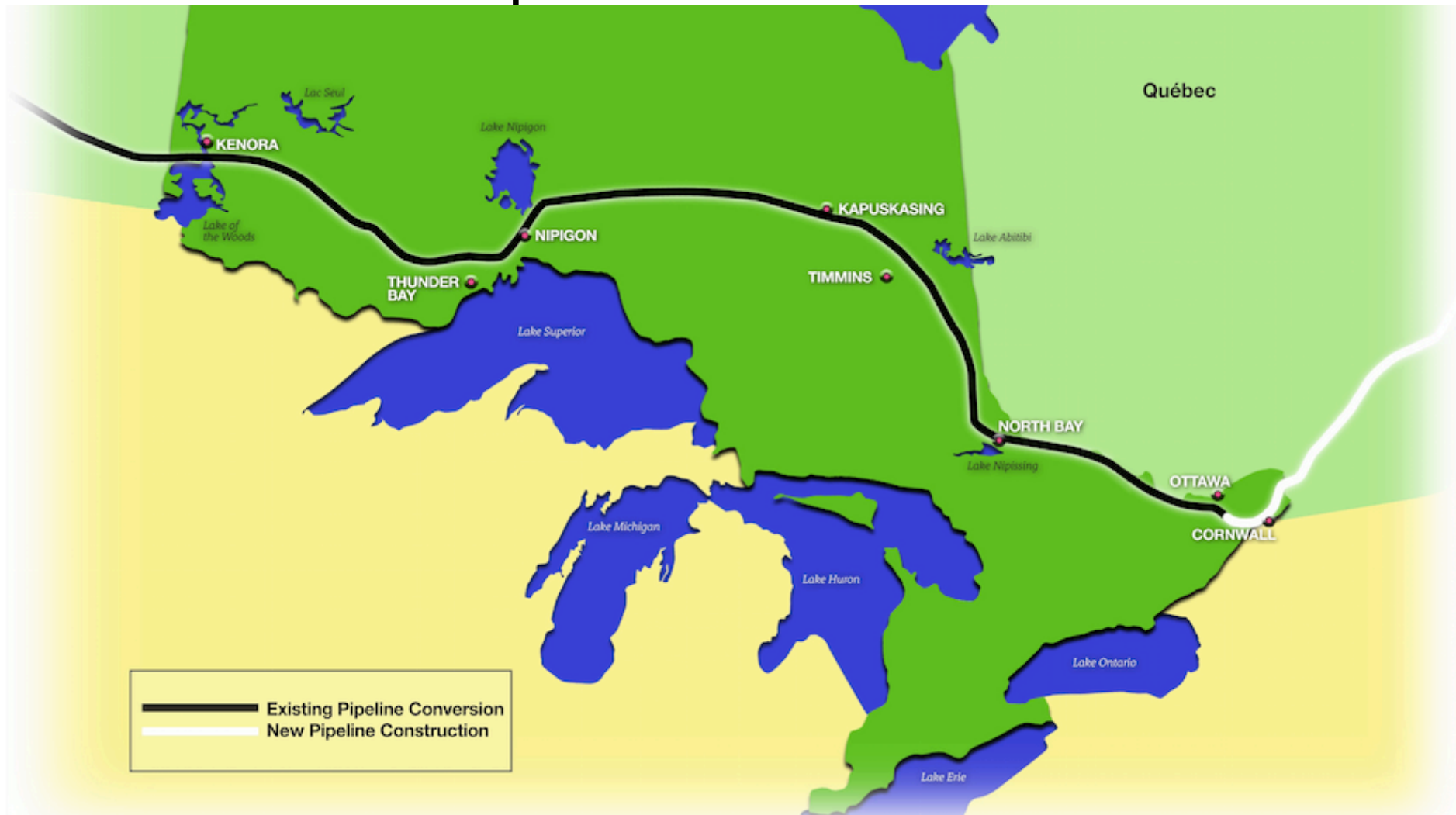
- Conversion of ~1900+ km of natural gas pipeline
- Construction of ~100+ km of new pipeline
- Construction of ~30 new pump stations



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# The Proposed Route in Ontario



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# The OEB is Not the Decision Maker on the Proposed Energy East Pipeline, The National Energy Board Is

**The federal government makes the final decision about whether the Energy East Proposal can go ahead**

- TransCanada will file an application with the National Energy Board (NEB) to move forward with its Energy East Proposal
- NEB makes recommendations to the federal government (Cabinet)



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# What the NEB Considers

- Typically the NEB's review will consider matters such as safety, project need, project economics, and environmental issues related to the pipeline itself
- The precise issues that the NEB will consider will not be known until it approves an issues list for the proceeding



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# What's Ontario's Role?

## The Government of Ontario intends to intervene in the NEB's review of the proposed Energy East Pipeline project

- Ontario's Minister of Energy asked the OEB to examine and report on TransCanada's proposed Energy East Pipeline from an Ontario perspective
- To support the preparation of the report, Ontario's Minister of Energy asked that the OEB undertake a consultation process to provide a forum for Ontarians to express their views on the proposed Energy East Pipeline
- Ontario's Minister of Energy will use the OEB's report to help formulate the Ontario Government's position



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# Four Areas of Potential Impact

Ontario's Minister of Energy has asked the OEB to focus on four areas of potential impact:

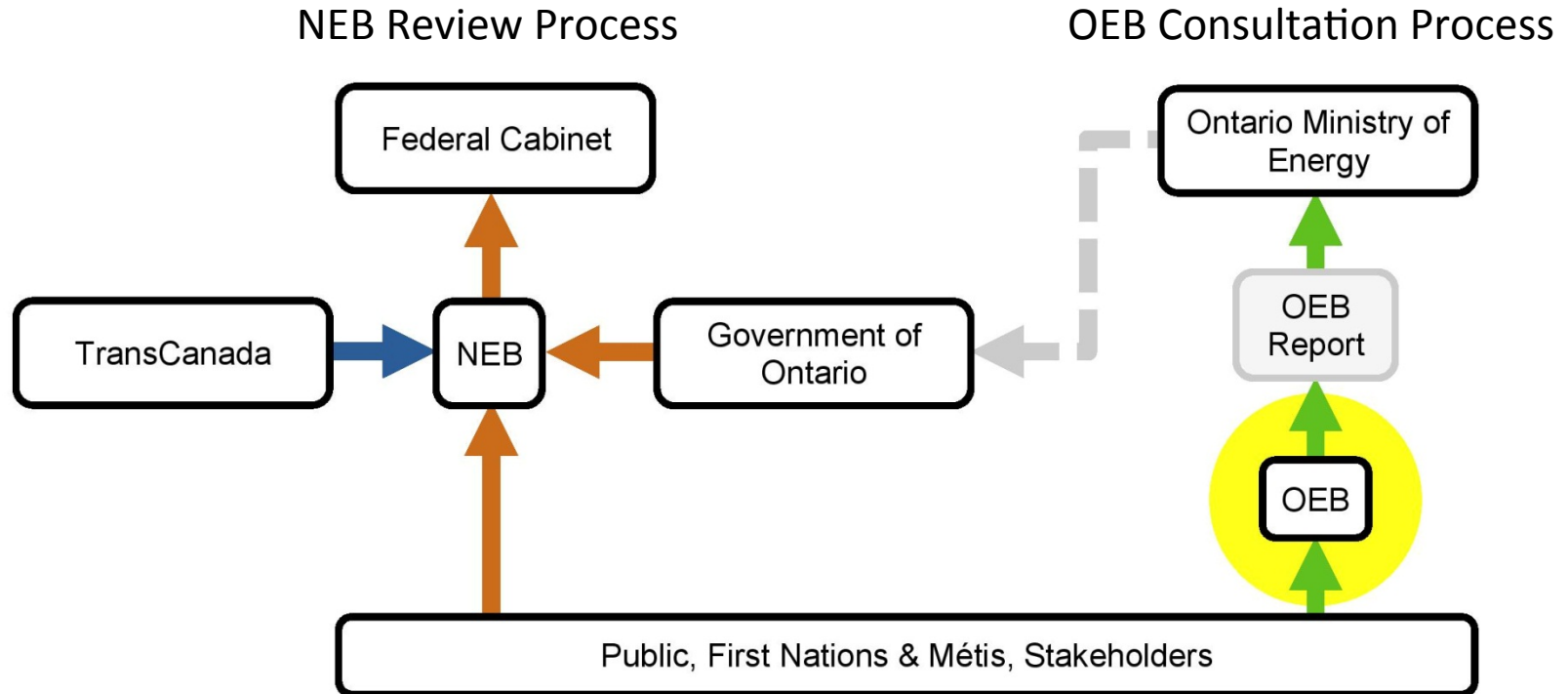
1. The impacts on Ontario **natural gas consumers** in terms of prices, reliability and access to supply, especially those consumers living in eastern and northern Ontario
2. The impacts on **pipeline safety** and the **natural environment** in Ontario
3. The impacts on **local communities** and **Aboriginal communities** in Ontario
4. The **short and long term economic impacts** of the project in Ontario



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# NEB and OEB Processes



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# First Nations and Métis

## **John Beaucage, Principal of Counsel Public Affairs Inc.**

- Leading discussions with First Nation and Métis communities
- One of Canada's most respected First Nation leaders
- Elected as Grand Council Chief of the 42-member First Nations of the Anishinabek Nation (Union of Ontario Indians) in 2004, after serving 4 consecutive terms as Chief of Wasauksing First Nation

## **In order to better understand the potential impact on treaty and Aboriginal rights, these meetings will:**

- Focus on issues important to Aboriginal communities, including treaty and Aboriginal rights and economic impacts
- This process is not a substitute for the obligation for consultation and accommodation by the federal Crown



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# Information and Expertise

To better understand the four areas of potential impact, the OEB has hired technical advisors to provide advice on the following topics:

- P** Pipeline engineering, safety and integrity (DNV GL)
- E** Environmental and socio-economic considerations (TERA)
- N** Natural gas pricing & supply (Ziff Energy)



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# Role of Technical Advisors



DNV GL (Jake Abes)



TERA (Dean Mutrie)



Ziff Energy (Edward Kallio)



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# P

# Pipeline Engineering, Safety & Integrity

## Key considerations include:

- Pipeline integrity
- Leak detection
- Emergency Management
- Quality Management (design, manufacture and construction)



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# E

## Environmental & Socio-Economic Considerations

### Key considerations include:

- physical environment (landscape and morphology)
- soil and soil productivity
- vegetation (e.g., rare plants, old growth forests)
- water quality and quantity (surface water and groundwater resources)
- wetlands
- fish and fish habitat
- wildlife and wildlife habitat
- atmospheric environment (air quality)
- acoustic environment (noise)
- human occupancy and resource use (land use)
- heritage resources (i.e., historical, archaeological or palaeontological resources)
- traditional land and resource use
- social and cultural well-being
- human health
- infrastructure and services
- employment and economy



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# N

# Natural Gas Pricing & Supply

- An overview of the Ontario natural gas market in the context of the North American market
- A high-level discussion of the potential impacts of the project on forecasted natural gas prices in Ontario



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# Other Pipeline Proposals

The Energy East Pipeline project is just one of a number of pipeline projects that are currently being proposed across Canada. These include the Line 9 reversal, Northern Gateway, Keystone XL and Trans Mountain pipelines.

OEB will be informed by:

- The research and decisions made in these projects
- The perspectives raised during consultations for these projects



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# OEB's Technical Analysis and Consultation Process

## Part One – Impacts Important to Ontarians

- Public, First Nations & Métis, Stakeholders input sought on impacts
- Technical advisors generate background report to help OEB understand the impacts

## Part Two – OEB's Understanding of Impacts

- Technical advisors and OEB assess TransCanada's application
- Public, First Nations & Métis, Stakeholders input sought on OEB's preliminary understanding of impacts



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