

Province-Wide Stakeholder Meeting 2

Friday, August 15th, 2014

12:00 – 2:30pm

Southway Hotel, Capital-Sander Room

2431 Bank St., Ottawa

OVERVIEW

On August 15th, the Ontario Energy Board (OEB) hosted a province-wide stakeholder meeting. This was the second of several stakeholder meetings that will take place over the course of the OEB Energy East Consultation and Review process. The overall purpose of these stakeholder meetings is to provide a forum in which stakeholder organizations can provide their perspectives and advice to the OEB at key points during the consultation process.

The purpose of the second meeting was to present and seek feedback on: the key observations from Part One; the work of OEB's technical advisors; and the proposed approach to Part Two. Representatives from 33 organizations participated in the meeting, in person and by phone (see attached participant list).

The meeting started with an overview briefing, followed by a facilitated discussion (see attached meeting agenda) where participants were asked to provide: (1) any additional observations or comments on the feedback received and/or on the consultation process of Part One; and, (2) their thoughts on the proposed approach to Part Two.

This summary was written by Swerhun Facilitation, a third-party facilitation firm that the OEB has hired to provide independent facilitation services. This report is not intended to provide a verbatim transcript of the meeting but instead provides a high level summary of the perspectives and advice provided by stakeholders during the facilitated discussion.

This summary was subject to participant review prior to being finalized.

FEEDBACK SUMMARY

*The summary of feedback below organizes stakeholder input from the facilitated discussion into perspectives and advice on the **Key Observations from Part One, Work of the OEB's Technical Advisors and the Proposed Approach to Part Two.***

Key Observations from Part One

Many participants felt that OEB's Energy East Consultation and Review was moving in the right direction and that the OEB has demonstrated that they have listened to the feedback shared in Part One of the process. Some participants were happy to see that the OEB had listened to the perspectives on climate change that were shared in Part One.

Work of the OEB's Technical Advisors

A few participants felt that there were a number of issues specific to the Eastern Mainline that the OEB should examine in its review (TransCanada has stated that the Eastern Mainline and Energy East are interdependent projects and that their applications will be filed with the NEB together):

- The proposed expansion of the Eastern Mainline implies that there may be more applications for new pipelines or pipeline expansions from Marcellus area to feed that expansion

- The inclusion of the Eastern Mainline may raise jurisdictional issues that could impact landowners; and
- The proposed corridor where the Eastern Mainline will be located includes pipelines owned by other companies and there may be contamination issues in this right of way.

There was a range of views amongst participants on the addition of a climate change and carbon emissions expert to the OEB's team of technical advisors.

Some participants were happy to hear that the OEB would be retaining an advisor on climate change and carbon emissions.

- They felt that this signalled that climate change would be more explicitly examined through the OEB's review and that it was in line with the Minister's remarks when he announced that he had requested the OEB to review TransCanada's Energy East proposal.

Others cautioned that the National Energy Board (NEB) typically does not examine upstream/downstream environmental impacts and that the OEB may raise expectations by undertaking an assessment of the potential climate change and carbon emission impacts of the Energy East proposal.

- Amongst these participants, some suggested that the OEB's review should be holistic and look at the full spectrum of upstream and downstream impacts (i.e. not just environmental).
- Others suggested that climate change and carbon emissions impacts could not be fully understood without engaging in a wider conversation with industrial sectors on how Ontario can address its own climate issues.
- They also noted that there are other regulatory processes through which climate change can be addressed and that this matter should be left to these processes.

A number of participants (e.g. Union Gas, Enbridge, IGUA) suggested that they would like to work with the OEB's natural gas advisors to provide them with information on gas flows.

- These participants stated that they expected there to be a capacity shortfall and that this would have cost implications for Ontario consumers.
- They felt that a more detailed analysis of gas flows would shed light on where these shortfalls would occur.
- These participants also felt that it would be helpful if the assessment took into consideration the transfer price of the portion of the Canadian Mainline that would be converted for Energy East and the replacement capacity that is being proposed.

A few participants reiterated some of the issues raised in Part One that they felt were important for the technical advisors and the OEB to consider, including:

- Risks associated with bitumen spills in waterways;
- Impacts of relying on imported, fracked natural gas;
- Liabilities and risks to landowners – particularly around abandonment – stemming from conversion of pipeline from natural gas to oil; and
- Ongoing First Nations land claims, especially in eastern Ontario as part of the consideration of aboriginal treaty rights.

Approach to Part Two

It was suggested that the OEB should consider holding additional Community Discussions in Part Two and/or providing other opportunities (e.g. webinar or webcast meetings) for the many communities that are interested in the project. Providing alternate means of participating in Community Discussions would be very helpful in northwest Ontario where there can be a lot of travel involved and where winter weather can make that travel more challenging. **It was also suggested that the OEB should consider holding Community Discussions along the route of the proposed Eastern Mainline.**

Some participants expressed concern that they lacked the resources to produce evidential reports for the OEB (the OEB had stated that it would be helpful to have stakeholders present data and analysis at the Stakeholder Forum at the conclusion of Part Two of the consultation process).

Participants agreed with the sequencing but felt that the timing was ambitious if the OEB was to complete all of the technical assessment work, consultation activities and submit a final report to the Minister of Energy before Christmas. Participants flagged that municipal elections would be happening in late fall and that newly elected councils and mayors would need time to get up to speed on the proposed project and the OEB's consultation and review process. Another participant suggested that the OEB should avoid holding consultation sessions close to Christmas.

NEXT STEPS

The meeting wrapped up with representatives from the Ontario Energy Board thanking participants for their input and acknowledging that their advice would be useful in finalizing the approach to Part Two of the consultation and review process. They also reminded participants that the meeting summary would be distributed to participants in draft prior to being finalized to ensure that feedback was accurately captured.

Province-Wide Stakeholder Meeting 2 Invited and Participating Organizations

The following is a list of organizations that were invited to participate in the second province-wide stakeholder meeting. Representatives of the National Chief's Office on behalf of Assembly of First Nations, the Metis Nation of Ontario, the Nishnawbe Aski Nation, the Mohawks of Akwesasne, the Grand Council Treaty #3, and the Union of Ontario Indians were invited to the meeting as well. **Those organizations that participated in the meeting are signified by bold text.**

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| 1. Association of Municipalities of Ontario | 28. Laurentian University: Energy, Renewables and Carbon Management |
| 2. Association of Power Producers of Ontario | 29. Nature and Outdoor Tourism Ontario (NOTO) |
| 3. Building and Construction Trades Council of Eastern Ontario | 30. North Eastern Ontario Municipal Association (NEOMA) |
| 4. Building Owners and Managers Association Ottawa | 31. Northwatch |
| 5. Canadian Association of Energy and Pipeline Landowner Associations | 32. Northwestern Ontario Associated Chambers of Commerce |
| 6. Canadian Association of Petroleum Producers (CAPP) | 33. Northwestern Ontario Municipal Association |
| 7. Canadian Association of Physicians for the Environment | 34. Ontario Chamber of Commerce |
| 8. Canadian Energy Pipeline Association (CEPA) | 35. Ontario Construction Secretariat |
| 9. Canadian Environmental Law Association (CELA)/Low-Income Energy Network | 36. Ontario Energy Association |
| 10. Canadian Federation of Independent Businesses | 37. Ontario Federation of Agriculture |
| 11. Canadian Gas Association | 38. Ontario Federation of Anglers and Hunters |
| 12. Canadian Manufacturers and Exporters | 39. Ontario Landowners Association |
| 13. Canadian Standards Association | 40. Ontario Mining Association |
| 14. Carleton University: Carleton Research Unit in Innovation, Science and Environment | 41. Ontario Nature |
| 15. Consumers Council of Canada | 43. Ontario Pipe Trades Council (OPTC) |
| 16. Council of Canadians | 44. Ontario Pipeline Landowners Association |
| 17. Democracy Watch | 45. Ottawa Riverkeeper |
| 18. Ecology Ottawa | 46. Pembina Institute |
| 19. Electricity Distributors Association | 47. Public Interest Advocacy Centre/Vulnerable Energy Consumers Coalition |
| 20. Enbridge Inc. | 48. Retail Council of Ontario |
| 21. Environmental Defence | 49. Rural Ontario Municipal Association |
| 22. Federation of Northern Ontario Municipalities (FONOM) | 50. School Energy Coalition |
| 23. Greenpeace Canada | 51. Sudbury Area Mining Supply and Services Association (SAMSSA) |
| 24. Hydro One | 52. Tourism Industry Association of Ontario |
| 25. Industrial Gas Users Association (IGUA) | 53. Union Gas |
| 26. Kitchener Utilities | 54. University of Ottawa - Institute of the Environment |
| 27. Lake Ontario Waterkeeper | 55. University of Waterloo: Waterloo Institute for Sustainable Energy |
| | 56. Utilities Kingston |
| | 57. York University: Sustainable Energy Initiative |

Province-Wide Stakeholder Meeting 2 Agenda

12:00pm	Lunch
12:30	Welcome <i>Rosemarie T. Leclair, Chair & CEO, Ontario Energy Board</i>
12:35	Introductions & Agenda Review <i>Nicole Swerhun, Swerhun Facilitation</i>
12:45	Overview Briefing <i>Aleck Dadson, Ontario Energy Board</i>
	Questions of Clarification
1:10	Discussion Focus Questions
	1. Do you have any additional observations or comments on the feedback received and/or on the consultation process of Part One?
	2. What are your thoughts on the proposed approach to Part Two?
2:20	Next Steps <i>Aleck Dadson/Nicole Swerhun</i>
2:30	Adjourn