

Kapuskasing Community Discussion Summary

Monday, March 31st, 2014

6:30 – 9:00pm

Kapuskasing Civic Centre

88 Riverside Drive

Overview

On March 31st, the Ontario Energy Board (OEB) hosted the third of seven Community Discussions in Part One of its Energy East Consultation Process. The purpose of these Community Discussions is to provide a forum for local residents and organizations to tell the Province of Ontario their perspectives on the potential impacts (both positive and negative) of TransCanada PipeLines Limited's proposed Energy East Pipeline.

Approximately 40 people attended the Kapuskasing Community Discussion, including members of First Nations and Métis communities, representatives of environmental organizations, local businesses, unions, and municipal representatives. Representatives of the Ontario Ministry of Energy and TransCanada Pipelines Limited also attended. About one-third of participants did not indicate an affiliation with any organization.

All feedback received in Part One of the OEB's Energy East Consultation will be included in a Part One Consultation Summary Report that will be written by the independent facilitation team. This report will be used by the OEB and its technical advisors to help inform their assessment of the potential impacts of the proposed Energy East Pipeline. The OEB will share and seek feedback on their understanding of the impacts in Part Two of the Energy East Consultation.

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

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

High-Level Summary of Feedback

Note points are numbered for ease of reference only.

Feedback from participants was generally divided into two categories – the economic benefits of the pipeline conversion for people and towns along its route, and concerns about pipeline safety and the environment. Participants who talked about the economic benefits also acknowledged safety concerns and the need to mitigate risks to people and the environment.

1. Many participants felt that TransCanada's proposed Energy East Pipeline would bring economic benefits, including:

- Short term employment benefits (construction of new Pump Stations) and longer-term benefits (maintenance). It was noted that pipeline construction and maintenance crews purchase supplies and services locally.
- Benefits to municipalities along its route through new facilities like pump stations that add to the tax base, providing tax revenue that can be used for municipal services and local infrastructure (which would not happen if oil was shipped by road or rail).
- National economic benefits, including cheaper fuel costs and energy security by reducing dependency on foreign oil.
- Increased employment, business and partnership opportunities for First Nations.

2. **Some participants raised the potential negative economic impacts of the proposed Energy East pipeline on the price of natural gas.** These participants felt that the conversion would result in a 30% - 40% reduction in the amount of natural gas flowing west to east. Another noted that natural gas was already costly in northern Ontario and that the price may rise if the pipeline is converted from transporting gas to oil (which might require the construction of new gas pipeline, the cost of which would be passed on to consumers).
3. **Most participants felt that pipeline safety and mitigating environmental risk (particularly to rivers and wildlife) were important.**
 - Many participants felt that environmental risk could be mitigated through ensuring high pipeline safety standards, using advanced pipeline and leak detection technology, and through emergency planning.
 - Many participants felt that transporting oil by pipeline is far safer and more environmentally friendly than transporting it by rail.
 - Some participants were confident in TransCanada's safety record based on their experience with TCPL's operation and maintenance of the existing pipeline. Others were concerned about TransCanada's past pipeline failures in northern Ontario and their everyday stewardship of their existing pipelines.
 - There were concerns about the difference in weight between gas and oil and how this might affect the integrity of a pipeline built to transport gas. There was also some concern that the consequences of an oil leak would be more catastrophic and longer lasting than a natural gas leak, particularly on water resources.
 - One participant was concerned that TransCanada's Project Description has not identified all of the water crossings in Ontario.
 - One participant suggested that TransCanada's proposed Energy East pipeline could benefit from local environmental information available from groups like the Mushkegowuk Environmental Research Council (based out of Timmins and made up of all Treaty 9 First Nations).
 - Another participant suggested that the Government of Ontario should designate the proposed Energy East Pipeline by regulation as subject to a provincial Environmental Assessment.

Next Steps

Participants were thanked for their feedback and reminded that they have until April 30th, 2014 to share their perspectives on the potential impacts of TransCanada's proposed Energy East Pipeline in Ontario. To provide additional feedback, Ontarians can visit the Energy East Consultation website (www.ontarioenergyboard.ca/oebenergyeast) and fill out a discussion guide or send in written submissions.

All of the feedback received in Part One of the Energy East Consultation will be summarized in a report and used by the OEB and its Technical Advisors to inform their work in preparation for Part Two of the Energy East Consultation. Part Two Community Discussions are expected to take place in July/August 2014 after TransCanada Pipelines Limited's full application to the NEB is available.