

Kenora Community Discussion Summary

Tuesday, March 25th, 2014

6:30 – 9:00pm

Best Western Lakeside Inn

470 First Avenue

Overview

On March 25th, the Ontario Energy Board (OEB) hosted the first 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 100 people attended the Kenora Community Discussion, including members of First Nations and Métis communities, representatives of environmental organizations, mining organizations, local businesses, construction companies, unions, community associations, agricultural interests, and members of Kenora City Council. Representatives of the Ontario Ministry of Energy and TransCanada Pipelines Limited also attended. About one-third of participants did not indicate they were affiliated 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.

- 1. There were concerns raised regarding the impacts of Energy East on First Nation and Métis communities, as well as the process for engaging these communities, including:**
 - Concerns about a lack of transparency
 - Concern about a lack of engagement with clan mothers and women
 - Concern that there hasn't been recognition that TransCanada's natural gas mainline (part of which will be converted to ship oil under the proposed Energy East Pipeline) was never agreed to by First Nations in the first place
- 2. There were concerns regarding the impacts of Energy East on water, including:**
 - How a spill of diluted bitumen would impact the local water systems
 - Concern that there is no agreed upon definition of what a "significant water crossing" is
 - How a potential spill would be managed, including who pays for cleanup and who pays for training first responders
 - How the integrity of the pipeline is tested (e.g. digs, in-line testing), and how a switch from shipping natural gas to oil affects the integrity of the existing pipeline
- 3. There were different opinions on the credibility of TransCanada, particularly around pipeline safety:**
 - One participant shared their understanding that there had been several leaks from TransCanada's Keystone pipeline in its first year of operation – a pipeline that has been

described as state of the art, and another indicated their understanding that TransCanada had not been forthcoming with information surrounding the explosion on the mainline outside of Winnipeg earlier this year. Concern was also raised regarding how TransCanada handles employees that raise red flags with regards to pipeline quality management.

- Other participants had experience working with TransCanada and shared their view that the company is one of the most demanding in terms of health and safety requirements.

4. Some expressed concerns about the climate change impacts of TransCanada's proposed Energy East Pipeline, including:

- Concern about the impact of climate change on current and future generations
- Concern that Ontario's progress in reducing Green House Gas (GHG) emissions would be squandered by the increases in GHG associated with the increased oil sands production that this pipeline will facilitate, and is in contradiction to the advice of Ontario's own Environmental Commissioner, who recommends swift action by all societal actors to reduce dangerous and expensive climate change.
- Concern that increases in oil sands production will continue even if TransCanada's proposed Energy East Pipeline is not approved

5. Some participants believe that the transportation of oil through Kenora is inevitable, and that this would happen by train (as it currently does) if not by pipeline. They felt that transporting oil by pipeline is far safer than transporting it by train.

- One participant observed that the more rail cars are used for shipping oil, the fewer cars are available to move other commodities like grain and forest products.
- Another participant felt that there is no guarantee that the transportation of oil by rail would either cease or relax should a pipeline go ahead.

6. There was a difference of opinion on the economic benefits – both locally and province-wide.

- There were different views on how many jobs the project would create locally, and how many of these new jobs would be temporary construction jobs versus more permanent maintenance jobs – some were skeptical that there would be any significant job benefit, while others said they believed several new jobs would be created
- There were concerns regarding whether there would be any economic benefit to Ontario and a request that the Province be clear in identifying why Ontario should take on the environmental risk in the absence of strong benefits.
- Some participants said that a national energy strategy that identified Canada's approach to long term sustainable energy production was required to provide a framework in which to properly assess energy infrastructure proposals, including Energy East. Such a national energy strategy would replace the current weak and undemocratic framework for reviewing energy projects and provide an objective, non-partisan framework from which to pursue new energy developments. This national energy strategy would also identify opportunities to reduce export of raw materials and add value to resources in Canada.

7. Some felt that the concerns of citizens and scientists were not heard by the National Energy Board. These participants felt that they were counting on the federal government to make decisions for the common good and that the federal government was not fulfilling this role.

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.