

North Bay Community Discussion Summary

Wednesday, April 2nd, 2014

6:30 – 9:00pm

Wes Ferris Community Centre

42 Gertrude Street East

Overview

On April 2nd, the Ontario Energy Board (OEB) hosted the fifth 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 180 people attended the North Bay Community Discussion, including members of First Nations and Métis communities, representatives of environmental organizations, local businesses, unions, community associations, religious institutions, academic institutions, the oil/gas industry and municipal representatives. Representatives of the Ontario Ministry of Energy and TransCanada Pipelines Limited also attended. Nearly three-quarters 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.

1. Nearly all participants expressed concerns about the potential impacts of an oil spill on Trout Lake and its watershed, North Bay's sole municipal drinking water source. Many were concerned that oil spills also posed a risk to recreational uses of water, to fish and wildlife and to their habitats. Some specific concerns and suggestions included:

- Concern that Trout Lake had been removed from the list of federally protected bodies of water.
- A suggestion that a state-of-the-art pipeline should be built on a new route north of Trout Lake on top of the escarpment (although some felt that even a new, rerouted pipeline would pose an unacceptable risk).
- The North Bay-Mattawa Conservation Authority referenced its statutory responsibilities under the Clean Water Act, 2006 (CWA) - an Ontario law that mandates the protection of sources of municipal drinking water and the need for assistance from the province to undertake scientific review of TCPL's plans consistent with its mandate under the CWA.
- A suggestion that Trout Lake be designated in TransCanada's Energy East Project Description as an area of special concern in need of more detailed examination and analysis (as other sensitive areas have been).
- Some felt that any potential risk to the city's sole source of drinking water was not negotiable and that access to safe, clean drinking water is a basic human right.

2. There was a significant amount of discussion around pipeline safety and integrity, including TransCanada's pipeline safety record, emergency response measures, and who would be liable for financial damages resulting from a spill.

- Concerns around pipeline integrity included: that the pipe was built for natural gas and oil requires greater pressure; that pipeline inspection methods would not be able to detect cracks or weakness on the outside of the pipeline; that the chemical composition of diluents are proprietary and thus material safety datasheets are unavailable; and that seismic activity along the Ottawa River Valley may cause additional risk of pipeline failure. It was suggested that full modelling of conditions that could lead to a spill should be undertaken.
- Concerns about TransCanada's safety record included: that TransCanada lacked transparency around spills; that they employed bullying, intimidation, spying and surveillance against those who opposed their projects; that the safety audit recently released by the National Energy Board indicated a history of unsafe operations; and that TransCanada was ignorant of local conditions. There were a handful of participants that felt that TransCanada has the highest safety standards in the industry and that pipelines are generally safer than transporting oil by rail or road.
- Concerns about emergency management included: that the best emergency response measures may not be good enough to respond to a leak in Trout Lake or its watershed; and that municipalities don't have the capacity to respond or pay for emergency management/training. It was suggested that full emergency response plans should be established prior to the approval of the project, as is done with mining projects under the Ontario Mining Act closure provisions.
- Many participants wanted to understand who would be liable for the cost of communities and properties damaged by a spill. It was suggested that TransCanada should hold an insurance policy to cover closure and clean up (as is done in the mining industry) and that this insurance policy should be reviewed on an annual basis. Some felt that no amount of insurance would be able to cover contamination of North Bay's drinking water source. There was also concern that any insurance claim could be litigated for many years and that any eventual settlement would be far too little and far too late to adequately benefit the effected individuals, business or communities.

3. Participants were not convinced that there would be any long-term economic benefits from TransCanada's proposed Energy East pipeline.

- Many participants felt that the oil transported in the pipeline would be destined for export and questioned the benefits of the project for Canadian energy security.
- One participant cited TransCanada's Keystone pipeline and felt that its economic benefits were vastly overstated.
- A number of participants raised concerns about the economic impacts of a spill, including lost economic opportunities, lower property values and lost business opportunities.

4. Several participants felt that TransCanada's proposed Energy East pipeline would exacerbate globally declining climate conditions, as it would facilitate the development of the oil sands, and that these climate impacts outweigh any economic benefit. Discussion of the link between the proposed pipeline and climate change included:

- A suggestion that the OEB consider Pembina's report on the upstream Greenhouse Gas (GHG) emissions of the proposed pipeline.
- The need for a comprehensive strategy that reduces reliance on oil products, moves away from investments in an unsustainable fossil fuel industry, puts a price on carbon or caps carbon emissions, and focuses on investments in a green energy economy.
- That the increases in oil sand GHG emissions brought about by the proposed Energy East pipeline would nullify Ontario's reduction in GHG emissions brought about by the closing of coal-fired power plants.

5. Several participants discussed the National Energy Board's (NEB) hearing process and the role that the Province of Ontario could play in that process.

- A few participants (including the Mayor of North Bay) suggested that the Province had a role to play in providing technical resources to municipalities (including engaging the Environmental

Commissioner of Ontario). These technical resources could be used to provide a third-party assessment of TransCanada's technical submissions to the NEB, and ultimately to assist municipalities in developing their own submissions to the NEB. These participants felt that the Province has a strong role to play in using its influence, expertise and technical resources to protect both the Province and North Bay.

- Several participants were concerned with the NEB's process, feeling that it was flawed, unjust and undemocratic. These participants noted that the NEB process places restrictions on expertise, does not take into account upstream and downstream impacts such as climate change and felt that the federal government generally placed economic development ahead of environmental protection and climate change mitigation.
- There were suggestions that the Province of Ontario should designate TransCanada's proposed Energy East pipeline for a provincial Environmental Assessment so that a full range of alternatives could be examined.

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.