

Stittsville Community Discussion Summary

Monday April 7, 2014

6:30 – 9:00pm

Johnny Leroux Stittsville Community Arena
10 Warner-Colpitts Lane

Overview

On April 7th, the Ontario Energy Board (OEB) hosted the sixth 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 200 people attended the Stittsville Community Discussion, including members of First Nations and Métis communities, representatives of environmental organizations, local businesses, unions, community associations, municipal government, social justice groups, academic institutions, and the oil and gas industry. Representatives of the Ontario Ministry of Energy and TransCanada Pipelines Limited also attended. About two-thirds 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. Many participants at the meeting stated that the risk posed by the Energy East pipeline to drinking water, livelihoods and community sustainability was unacceptable.** Concerns and questions regarding the impacts on watersheds, wells, rivers and aquifers (that serve the private and municipal wells of a large population south and west of Ottawa) included:
 - How a spill would impact local water systems and how the contents of the pipeline would react in water, i.e. whether it would float or sink, what remediation was possible.
 - How a spill would be managed effectively across numerous jurisdictions and provincial/municipal boundaries, who trains and pays for first responders and clean up, and where the burden of proof to show contamination should lie.
 - How a spill may impact the heritage qualities of the Rideau River/Canal, a UNESCO designated World Heritage Site.
- 2. The importance of pipeline safety and integrity was heard consistently from a range of participants.**
 - Participants called into question the integrity of a pipeline that is approximately 20 years old in the area around Stittsville – that its joints and materials are decaying and prone to failure. Many were apprehensive about the implications of switching the pipeline from natural gas to diluted bitumen

and whether it was safe, advisable or adequately understood. There were also concerns expressed about the diluents used in diluted bitumen, that these diluents may be carcinogenic, flammable and explosive, and that they are and will continue to be shipped by rail, posing a risk to the communities through which these rail cars pass.

- Participants suggested raising engineering standards for testing, monitoring and reporting on pipeline operations and spills. Other suggestions included adding control centres in Ontario, double-walled pipelines, seismic monitoring, increasing the frequency of inspections, publicizing response plans, improving transparency and access to data and follow-up actions on spills and incidents.
- One participant, a retired professional engineer, was impressed with the project's engineering standards and felt that the objective of exporting oil had a strategic and financial benefit to Canada and Ontario. Another participant noted that Canadian pipelines operate safely with 99.5% reliability and that a well maintained and professionally serviced pipeline can be safely operated for an indefinite period of time.

3. There was concern expressed about the financial risk & liability of pipelines, and how economic costs would be determined both in the long and short term, how people would be compensated, and how payouts would be financed and distributed.

- Some suggested that TransCanada should be required to both post letters of credit and establish reserve funds, in addition to holding insurance policies, to ensure that adequate funding be available in the event of a costly clean-up or the eventual removal and disposal of a pipeline at the end of its lifecycle. There were participants that expressed reservations that these measures would be sufficient.

4. Concerns were expressed about the climate change impacts of TransCanada's proposed Energy East Pipeline, and the need for this to be considered by the OEB and NEB as part of the projects overall costs to the province and country.

- Concern was raised about the impact of climate change on current and future generations and the importance of consulting scientists for their analysis of these impacts.
- Concern was raised that additional investments in emissions-intensive infrastructure will make investments in renewable energy technologies more costly.
- Several participants felt that Ontario's progress in reducing Green House Gas (GHG) emissions would be erased by the increases in GHG associated with the increased oil sands production that this pipeline would facilitate.
- It was suggested that the OEB should consider climate change amongst the environmental impacts of the proposed pipeline in its report to the Minister of Energy.

5. Questions were raised about how the economic costs and benefits of the Energy East pipeline were calculated both in the short and long term.

- Several participants noted that partial methodologies and shorter time frames can skew these calculations (overestimating job creation and wealth generation) while minimizing or obscuring externalities and risks (to human health, the environment, and community sustainability)
- Some participants questioned the positioning of the TransCanada project as one of 'nation building, and in the national interest', saying that there was a lack of refining capacity on its route, that costs and benefits should be weighed in light of its export orientation, and that it could invite continued global criticism of Canada for increasing and facilitating further GHG emissions.
- One participant felt that Canada has a poor record of climate performance and that this poses a long term reputational risk that could result in economic costs to the country – as other nations make investments and hard decisions required to address climate change, there is an increasing risk that they will view Canada's inaction as an offence worthy of economic retaliation.
- It was suggested that the Province of Ontario should try to identify ways to maximize any revenues that would flow to the province from the proposed pipeline. A few participants felt that the proposed pipeline would provide economic benefits in Stittsville and more broadly in Eastern Ontario, through direct, local jobs, ancillary benefits flowing from this new employment, and increases to the tax base.

- 6. Many participants expressed support for transitioning away from oil to a more sustainable, alternative energy-based economy that would generate a greater number of jobs and long-term economic benefits in addition to helping mitigate climate change.**
 - Support was expressed for Ontario to continue to act from its existing policy framework and leadership on GHG reductions, thereby fulfilling a role as a 'visionary steward' of the environment.
 - One participant suggested that until the transition is made, it will be important to continue to provide access to a secure oil energy supply. This participant also noted that TransCanada is already involved in renewable energy infrastructure (including solar panels in Ontario).
 - One participant suggested that many advances had been made in cold fusion technology and that this could provide the country with the energy supplies and security it needs in a safe, radiation- and CO₂-free manner.
- 7. Several participants expressed concern about natural gas pricing and supplies, suggesting that Eastern Ontarians would be particularly vulnerable to price hikes and shortages with the conversion of the pipeline from natural gas to oil.**
 - It was also suggested that gas supplies currently arriving from northeastern United States would go up in price as new regulations affecting natural gas fracking practices take effect in the coming months.
- 8. Many people acknowledged that while the OEB was not the government agency making the final decision about this pipeline, they were grateful they had this opportunity to be consulted and influence the report to the Provincial Minister of Energy. Many participants also stated that they had little faith in the bodies that authorized, regulated and monitored pipelines, and furthermore, that partisan politics were at play.**
 - They shared their perception that TransCanada's communications campaigns are misleading, inaccurate and that staff are uninformed of important watersheds and potential impacts along the route.
 - They stated that they felt TransCanada lacked transparency and public accountability, and failed to disclose full sets of facts surrounding past leaks and incidents, like the explosion on the mainline outside Winnipeg last year.
 - Concern was also raised regarding how TransCanada handles employees that raise red flags with regards to pipeline quality management and safety.

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.