Ontario Energy Board Energy East Consultation Timmins Community Discussion Summary

Tuesday, April 1st, 2014 6:30 – 9:00pm Timmins Inn 1800 Riverside Drive

Overview

On April 1st, the Ontario Energy Board (OEB) hosted the fourth 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 Timmins Community Discussion, including members of First Nations and Métis communities, representatives of environmental organizations, oil/gas industry, 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.

- 1. Most participants felt that pipeline safety and integrity are critical issues as a leak would affect aquifers, water supplies and the land itself. There was a range of views amongst these participants, including:
 - Concern that there had already been a high number of failures on the existing pipeline, that the tar coating used to protect against corrosion becomes ineffective over time, and that integrity testing methods may not fully capture corrosion or cracks, particularly on the outside of the pipeline.
 - Concern that the pipeline was not built to carry diluted bitumen and that the risk posed by a spill of diluted bitumen (particularly in terms of the cost and difficulty of clean up) is far greater than a leak of natural gas or conventional oil.
 - Concern that taxpayers would have to pay for spill cleanup, that pipeline companies can minimize their liability through bankruptcies, limited liability partnerships and holding companies, and that landowners would be responsible for future liabilities when the line is eventually abandoned.
 - Support for TransCanada's safety and maintenance record, and its working relationship with local communities on emergency planning and training.
 - Support for a pipeline as the safest method of transporting oil (one participant cited a 99.4% safety record by volume of oil transported) safer than transporting oil by rail, truck or ship.

- 2. Many participants felt that TransCanada should install a new pipeline rather than converting the old pipeline. Participants felt that a new pipeline would be safer and would create greater economic benefits and more jobs than pipeline conversion.
- 3. There was a lot of discussion around the economic benefits and impacts with a number of different perspectives shared:
 - a. Several participants (including municipal elected officials speaking on behalf of the Federation of Northern Ontario Municipalities (FONOM) and Northeastern Ontario Municipal Association (NEOMA)) felt that TransCanada's proposed Energy East would provide local economic benefits, both in terms of job creation and the property taxes that TransCanada's pipeline and associated infrastructure would contribute to municipalities along the route of the pipeline. These participants felt that safety considerations were the top priority and that the risks associated with the pipeline were less than rail and could be mitigated and that the economic benefits on balance outweighed the risks.
 - b. Other participants were skeptical of the projected economic benefits reported by TransCanada. These participants felt that there would be more jobs created through investments in alternative energy sources in northern Ontario (wind, solar, hydroelectric, biogas) and that the OEB should undertake a study to examine the economic impacts of such an investment.
- 4. Several participants were concerned about the potential impacts on natural gas prices. Participants were concerned that the conversion of the pipeline might cause a natural gas shortage and/or increase in price. These participants supported the OEB's planned analysis of natural gas supply.
- 5. There was concern that TransCanada's proposed Energy East pipeline would facilitate the continued development of the oil sands and that the oil sands are a significant contributor to climate change.
 - One participant felt that the pipeline should not be allowed based on climate impacts alone, even if it never leaked and created a large number of jobs.
 - Another participant suggested that the Government of Ontario should conduct a comprehensive Environmental Assessment that takes into account transboundary impacts such as climate change.
- 6. Several participants spoke about impacts on First Nation communities, including social, psychological and spiritual impacts, increased morbidity and mortality rates, and impacts on herbs and natural medicines that grow in the vicinity of the pipeline. A member of a First Nation community was strongly opposed to TransCanada's proposed Energy East pipeline, stating that many people were prepared to stage non-violent resistance.

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.