

OEB Energy East Consultations Community Discussions

March 31, 2014
Kapusking Civic Centre

Northwatch
Comments

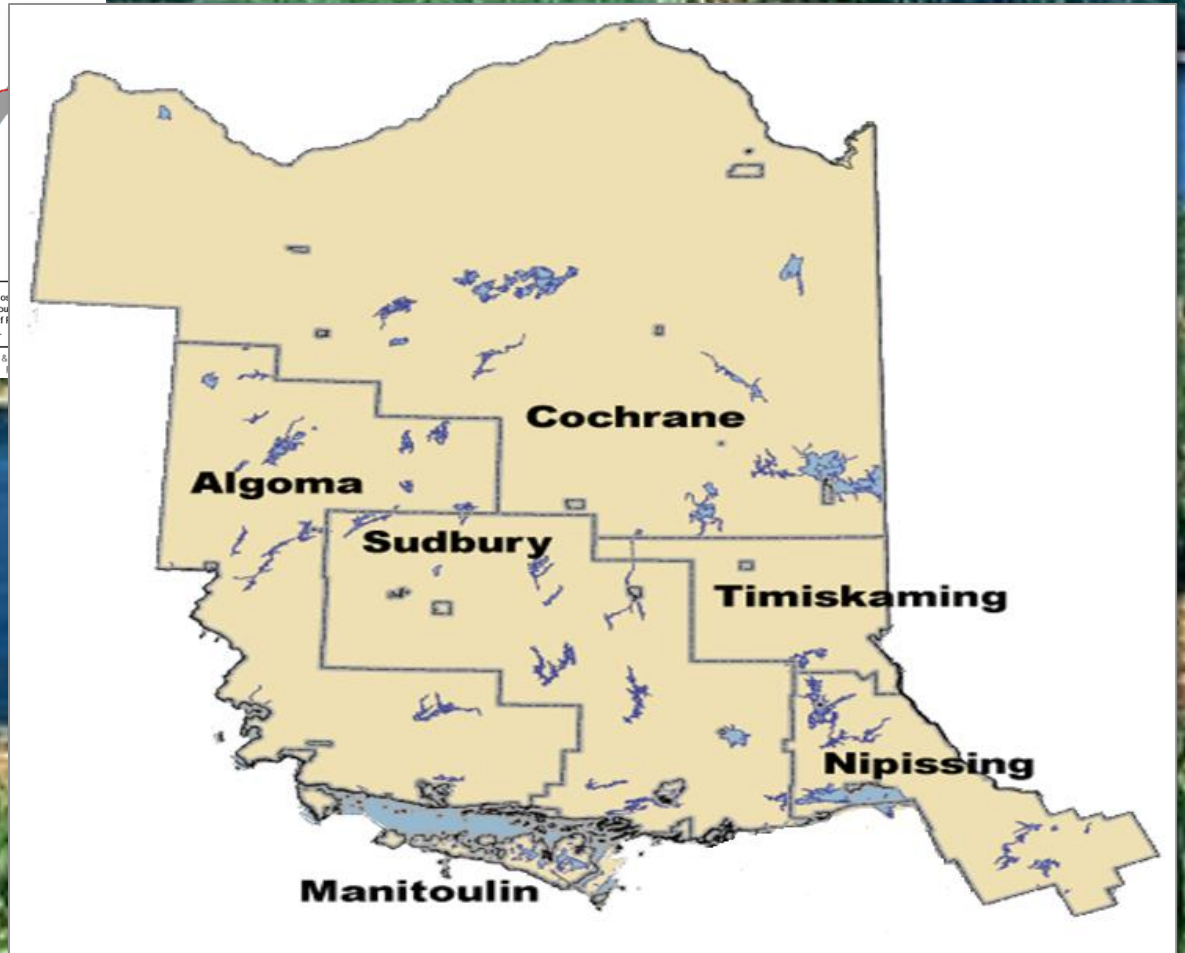


Northwatch is a regional coalition of environmental and social organizations and individual members in northeastern Ontario.

Northwatch addresses regional issues:

- Forests
- Energy
- Minerals
- Waste management
- Water quality
- Militarism





Canada's major pipeline projects





Photographer: Garth Lenz

**Energy
East
Pipeline**

About the Energy

The Department of Energy's report is based on the assumption that the world's oil reserves are finite.

Legend:

- coal
- oil
- natural gas
- wind
- solar

Source: U.S. Department of Energy, www.eia.doe.gov, 2004.

In mid-2014, TransCanada Pipeline Project Inc. will apply to the National Energy Board (NEB) for approval to develop and operate a national pipeline that will reduce Canada's reliance on imported crude oil. The proposed Energy East Pipeline Project is a 6,600 km pipeline that will transport 1 million barrels per day of oil from Quebec and New Brunswick. Approximately 70 per cent of the pipeline is already in place between St. Pierre, Saskatchewan and Cornwall, Ontario. The remainder of TransCanada's existing pipeline will follow natural gas pipelines.

The existing pipeline will undergo a comprehensive conversion project to prepare it for liquid oil transportation. The majority of the new pipe will be installed in Alberta, Manitoba, Eastern Ontario, Quebec and New Brunswick and will significantly enhance oil production access to Eastern Canadian and international markets.

Energy East Facilities
Facilities including tank terminals, marine terminals and approximately 70 remotely controlled pump stations will be built along the Energy East Pipeline to support the transportation of crude oil. TransCanada will determine the land required for each

The Regulatory The Energy Ex currently in a regulatory phase a Project Clearing Energy Board by its formal project NERC in mid-20 has filed the to begin its review arrangement. Grids East P will be avoided directly affect organizations the NERC to



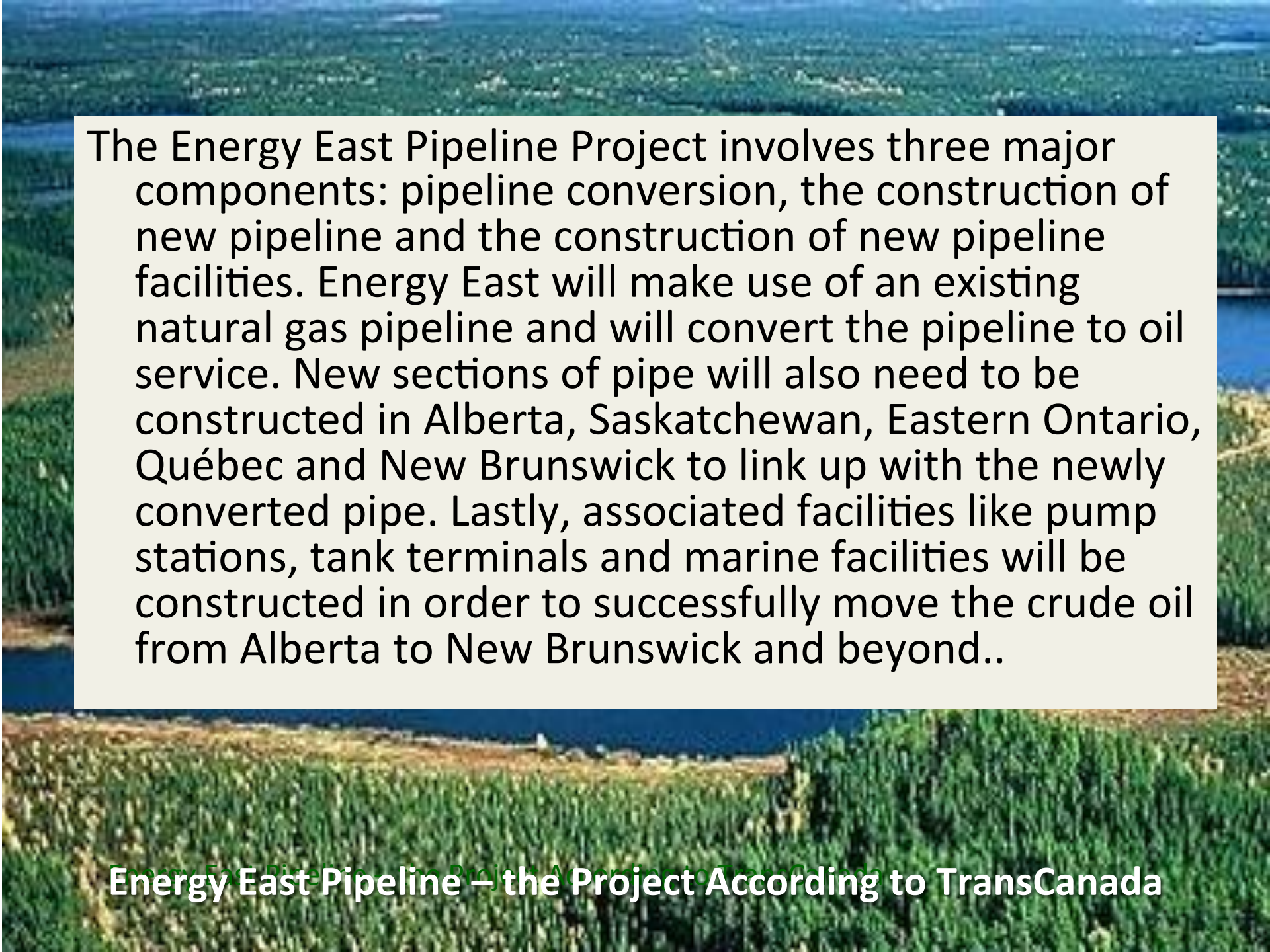
 New Pipeline Construction
  Terminals

 Existing Pipeline Conversion

Energy East Pipeline Project

This is a proposed 4,400-kilometre pipeline that will carry between 500,000 and 850,000 barrels of crude oil per day from Alberta and Saskatchewan to refineries in Eastern Canada. It will create a new domestic market for Western Canada's oil production and potentially open a new channel for international exports in the future. The project will benefit Canadians economically across the country by creating jobs and ensuring a stable, secure supply of oil.

Energy East Pipeline – the Project According to TransCanada



The Energy East Pipeline Project involves three major components: pipeline conversion, the construction of new pipeline and the construction of new pipeline facilities. Energy East will make use of an existing natural gas pipeline and will convert the pipeline to oil service. New sections of pipe will also need to be constructed in Alberta, Saskatchewan, Eastern Ontario, Québec and New Brunswick to link up with the newly converted pipe. Lastly, associated facilities like pump stations, tank terminals and marine facilities will be constructed in order to successfully move the crude oil from Alberta to New Brunswick and beyond..

Energy East Pipeline — the Project According to TransCanada

National Energy Board - Canadian Regulated Pipelines - Pipeline Ruptures

National Energy
BoardOffice national
de l'énergie

The following spreadsheet is a list of ruptures that have occurred on Federally-regulated oil and gas pipelines. Regulated pipeline companies are invited to provide corrections if the information included in the spreadsheet proves to be incorrect, or if any information is missing. The Company name is the name in use at the time of the rupture and name changes could have occurred subsequently. Where possible, the current name has been indicated in brackets.

Transportation Safety Board #	Incident #	Company	Date	Nearest Populated Centre	Province	Location	Pipeline Name	Year of Installation	Product	Immediate Cause	Sub-cause	Brief Description
P14H0011	2014-018	TransCanada	25-Jan-14	Otterburn	MB	Line 400-1 at MLV 402-1	Mainline	1960	Gas	Under investigation by the TSB and the NEB		Immediate ignition
P11H0011	2011-029	TransCanada	19-Feb-11	Beardmore	ON	MLV 76-2 + 9.76	Line 100-2	1972	Gas	Cracking	Stress Corrosion Cracking	Immediate ignition
P09H0083	2009-109	TransCanada	24-Sep-09	Marten River	ON	MLV 111a + 11.16	Line 100-1	1957	Gas	Material, Manufacturing or Construction	Defective Pipe Body	Did not result in ignition - A review of this incident has determined that it does not meet the definition of a rupture.
P09H0074	2009-095	TransCanada	12-Sep-09	Englehart	ON	MLV 107-2 + 5.4	Line 100-2	1973	Gas	Cracking	Stress Corrosion Cracking	Immediate ignition
P02H0017	2002-015	TransCanada	14-Apr-02	Brookdale	MB	MLV 31-3 + 5.539	Line 100-3	1969	Gas	Cracking	Stress Corrosion Cracking	Immediate ignition
P97H0063	1997-083	TransCanada	2-Dec-97	Cabri	SK	MLV 5-3 + 15.049 km approximately 3 km SW of Cabri, Saskatchewan	Line 100-3	1969	Gas	Metal Loss	External Metal Loss	Resulted in ignition.
P96H0049	1996-064	TransCanada	11-Dec-96	Stewart Lake	ON	MLV 52-1 + 0.701 km	Line 100-1	1957	Gas	Metal Loss	External Metal Loss	Resulted in delayed ignition.
P96H0012	1996-014	TransCanada	15-Apr-96	St. Norbert	MB	MLV 39-2 + 6 km	Line 100-2	1962	Gas	Cracking	Fatigue	Resulted in delayed ignition.
P95H0036	1995-046	TransCanada	29-Jul-95	Rapid City	SK	CS. 30 + 0.250 km	Line 100-4 & Line 100-3	1973	Gas	Cracking	Stress Corrosion Cracking	Immediate ignition - Line 3 ruptured as a result of heat damage
P95H0003	1995-004	TransCanada	4-Feb-95	Vermilion Bay	ON	MLV 52 + 14.076 km	Line 100-2	1973	Gas	Cracking	Stress Corrosion Cracking	Immediate ignition
P94H0049	1994-059	TransCanada	6-Oct-94	Williamstown	ON	MLV 147-1 + 11.086	Line 100-1	1957	Gas	Metal Loss	External Metal Loss	Did not result in ignition
P94H0036	1994-045	TransCanada	23-Jul-94	Latchford	ON	MLV 110 + 22.1 km	Line 100-2	1972	Gas	Metal Loss	External Metal Loss	Resulted in ignition.
P92T0005	1992-168	TransCanada	15-Jul-92	Potter	ON	MLV 102 + 6.2 km	Line 100-2	1973	Gas	Cracking	Stress Corrosion Cracking	Resulted in ignition.

In compiling the list of historical rupture information, the Annex H of CSA Z662 has been used to define the Immediate Cause and Sub-cause. In doing so, each incident has been reviewed so that the definition from Annex H could be applied to the original cause definition. The intent of applying the Annex H definition was to provide consistency and in no way changes the original conclusions as to cause.

Information regarding incidents greater than 10 years old may not be consistent with current investigative practices and are presented for historical perspective only. Such information should be used with caution.

Occurrences 1991 - 2013

- February 19th 2011 – Beardmore Ontario
- September 26th 2009 – Near Martin River Ontario
- September 19th 2009 – Near Engleheart Ontario
- April 14th 2002 – Near Brookdale Manitoba
- December 2nd 1997 - Near Cabri, Saskatchewan
- April 15 1996 - St. Norbert, Manitoba
- July 29th 1995 - Rapid City, Manitoba
- June 23rd 1994 - Latchford, Ontario

OCCURRENCE MAP



SEPTEMBER 2009 – Engleheart Ontario



SEPTEMBER 2009 –Martin River Ontario



SEPTEMBER 2009 –Martin River Ontario

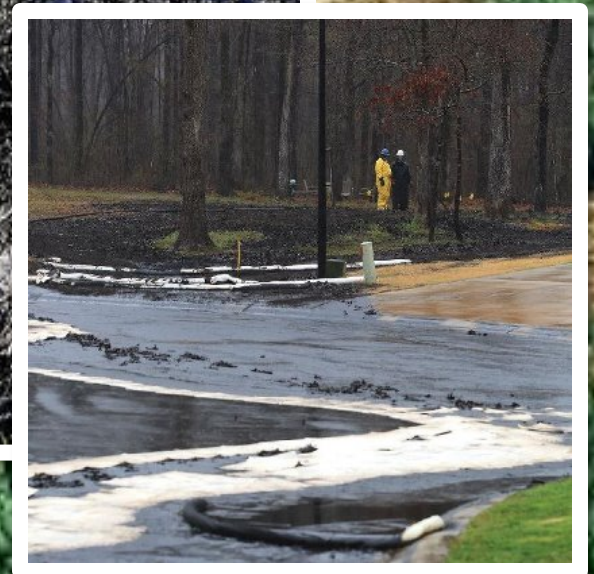


FEBRUARY 2011 – Beardmore Ontario



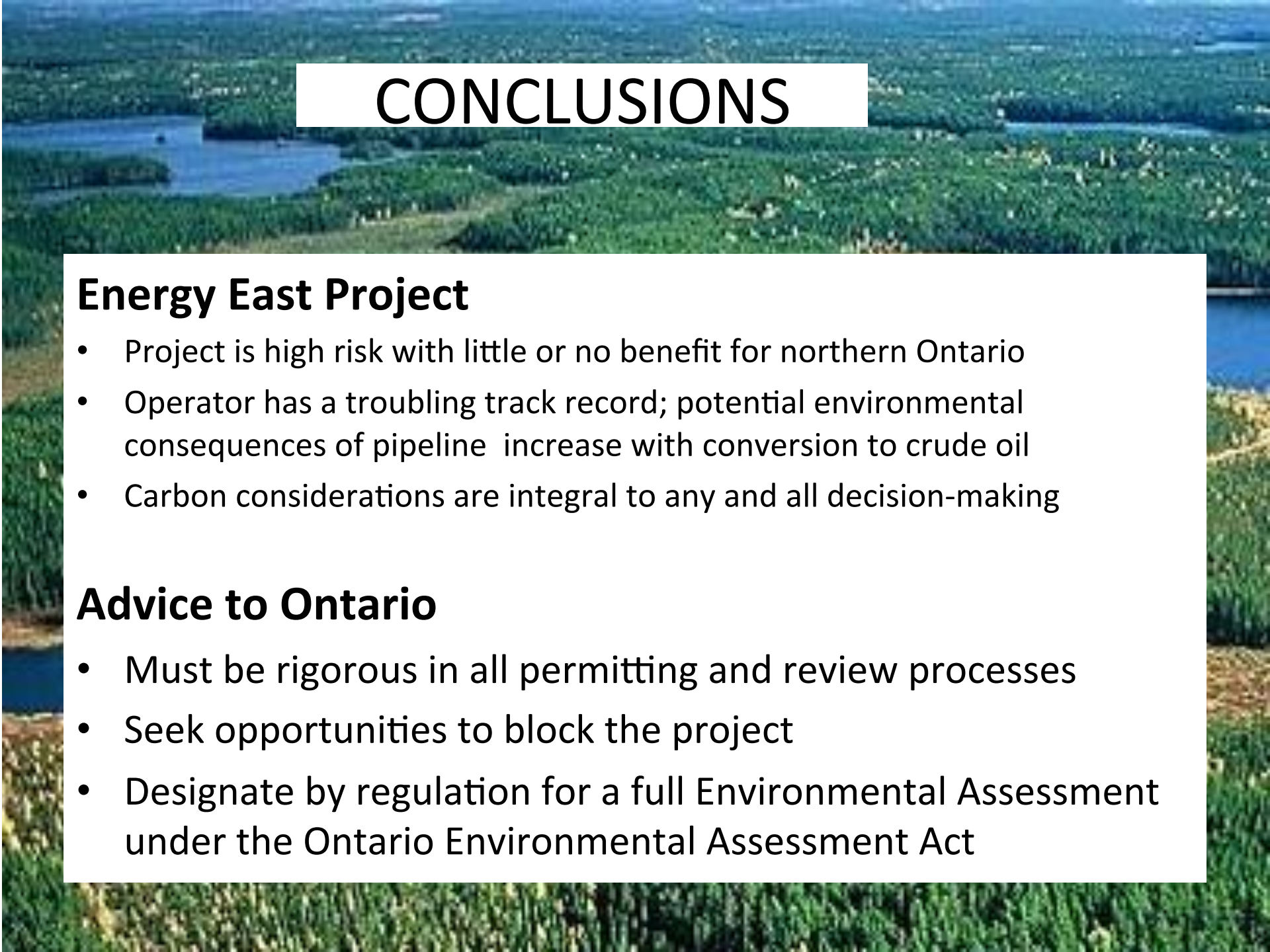
FEBRUARY 2011 – Beardmore Ontario





Arkansas, 2013





CONCLUSIONS

Energy East Project

- Project is high risk with little or no benefit for northern Ontario
- Operator has a troubling track record; potential environmental consequences of pipeline increase with conversion to crude oil
- Carbon considerations are integral to any and all decision-making

Advice to Ontario

- Must be rigorous in all permitting and review processes
- Seek opportunities to block the project
- Designate by regulation for a full Environmental Assessment under the Ontario Environmental Assessment Act

Thank you.

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