

## BACKGROUND

### *“Giving a Voice to Ontarians on Energy East”*: The Report of the Ontario Energy Board’s Consultation and Review

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In November 2013, the Minister of Energy asked the Ontario Energy Board (OEB) to consult with Ontarians on the proposed Energy East Pipeline (Energy East, or the Project). The Minister said the OEB’s report will help the government formulate a position on Energy East before it participates in the National Energy Board (NEB) hearing on the Project.

Energy East is a proposed 4,600 kilometre (km) oil pipeline that would carry 1.1 million barrels per day of crude oil from Alberta to refineries in Quebec and to a refinery and marine terminal in Saint John, New Brunswick.

The proponent, TransCanada Pipelines Ltd. (TransCanada), filed an application with the NEB for the \$12 billion project on October 30, 2014, but has yet to submit all the information necessary to complete its application.

Almost half of the pipeline along the proposed 4,600 km route would run through Ontario. Most of the Project in Ontario involves converting approximately 1,900 km of existing 42-inch natural gas pipeline in northern and eastern Ontario to carry crude oil. An additional 100 km of new pipeline would be built to carry the crude oil from Iroquois, near Cornwall, to the Quebec border.

While approval of the project rests with the federal government, Ontario has important interests in the Project, including critical safety, environmental, natural gas supply and economic concerns.

The Minister asked the OEB to consider the following impacts of the proposed pipeline:

- impacts on Ontario natural gas consumers, particularly those in eastern Ontario;
- impacts on the natural environment and pipeline safety in Ontario;
- impacts on local and Aboriginal communities in Ontario; and
- the short and long term economic impact of the project in Ontario.

After hearing from the public, we added a fifth impact for review: the potential impact on climate change of the greenhouses gases associated with Energy East.

The OEB review was also guided by the following principles adopted by the government for assessing pipeline projects in Ontario:

- Pipelines must meet the highest available technical standards for public safety and environmental protections.
- Pipelines must have world leading contingency planning and emergency response programs.

- Proponents and governments must fulfill their duty to consult obligations with Aboriginal communities.
- Local communities must be consulted.
- Projects should provide demonstrable economic benefits and opportunities to the people of Ontario, over both the short and long term; and
- Economic and environmental risks and responsibilities, including remediation, should be borne exclusively by the pipeline companies, who must also provide financial assurance demonstrating their ability to respond to leaks and spills.

In response to the request from the Minister of Energy, the OEB embarked on the most comprehensive consultation it has ever undertaken. We visited seven communities along the route of the pipeline, hearing the views of local and First Nation and Métis residents on Energy East. We engaged technical experts to assess the issues that had been raised and returned to the communities to share our experts' preliminary assessments. In January of 2015, we also held a stakeholders' forum where environmental groups and industry and business representatives discussed the province-wide issues and interests surrounding Energy East.

The report "*Giving a Voice to Ontarians on Energy East*" is a direct result of our consultation. The report's conclusions and recommendations respond to the four main themes raised by the public: safety and the importance of water; the desire for participation and oversight; concerns about the price and supply of natural gas; and the need for economic benefits.

The views of Ontarians expressed in the report will help the Ontario government develop its position on the project, prior to appearing at the NEB hearing on Energy East.