

Ontario Rivers Alliance
Energy East Pipeline Project
Meeting Notes
7 February 2015, 10:00 am to 2:45 pm
North Bay Public Library, 271 Worthington Street E., North Bay, ON

Present:

Energy East: Gary Houston, Ed Arundell

ORA: Linda Heron, Jim Rook, Al Hepburn, David McCorkell, Donna Sinclair, Jim Sinclair, Josh Ginserg, Marc Tessier, Janis Gulens, Franke Burke, Byron Ostrom, Elizabeth Fraser, Jane Howe, Malcolm Lamonthe, Ray Kagagins, Bob Olajos, Scott Haig

1. Opening Remarks:

The Chair thanked everyone for attending, and explained the purpose of the meeting was to learn more about the Energy East Pipeline Project. This was an opportunity for Gary Houston, Vice-President of TransCanada to provide ORA with detailed answers to our technical questions.

2. Introductions:

Everyone in attendance introduced themselves and explained their interest:

- Linda Heron - ORA chair
- Donna Sinclair - North Bay, has unanswered questions
- Jim Sinclair - Trout Lake water supply safety and member of Stop EE
- David McCorkell - ORA, Environmental protection and climate change
- Josh Ginserg - Friends of Temagami (FOT)
- Marc Tessier - FOT, Four Mile Lake and pipeline concerns
- Janis Gulens - Nuclear scientist from Ottawa River region. Preservation of the environment
- Franke Burke - TC pipeline protection issues. Experienced working with pollutants
- Byron Ostrom - ORA. Concerns regarding DilBit spills
- Al Hepburn - ORA. Spills: see presentation
- Elizabeth Fraser - Concerned citizen. Moral and ethical environmental issues
- Jane Howe - Concerned citizen. Moral and ethical environmental issues
- Malcolm Lamothe - French River Stewardship Council (FRSC).
- Jim Rook - ORA, Vice Chair and FRSC. Concerned about spills, dilbit, effect of pipeline on rail shipments of oil on French River area.
- Ray Kagagins – Henvey Inlet First Nations. Concerned with lasting effects of spills.

- Gary Houston – TransCanada, Vice-President of Energy East. Presenting.
- Ed Arundell – Community Relations, TC.
- Bob Olajos – FOT (arrived late)
- Scott Haig - (arrived late)

3. Energy East Pipeline Project, Presentation by Gary Houston – available here.

Questions (Q):

Q: Are the 2300 jobs mentioned new jobs?

GH: New jobs, operations jobs in pump stations.

Q: What happens to old operation jobs?

GH: No change, facilities kept where they are. Bringing in new manufacturing jobs through General Electric to Peterborough.

Q: Tax revenues. What is the yearly revenue?

GH: \$7.6 Billion is total over the lifetime of the pipeline. Expecting 8-9% return for the stakeholder.

Q: What is the oil's eventual destination?

GH: Refined in St Johns and Cacouna. No answer as to destination after to it reaches refinery.

Q: 14,000 man hours or actual jobs?

GH: Actual jobs.

Q: How much of the pipeline is new in Ontario?

GH: 100km near the Quebec border.

Q: Leak response is delayed. "CAN take immediate action"?

GH: Will cover it later.

Q: Sister pipeline to TC is the Keystone and will only create 50 jobs in states?

GH: No 50 is too low. Direct, indirect and tertiary jobs are created related to economy around pipeline construction.

Q: Are the 14,000 jobs mentioned earlier direct or indirect?

GH: All jobs are direct and indirect.

Q: Under free trade deals TC can't guarantee manufacturing jobs will be kept in Canada.

GH: We can make a determination to keep jobs in Canada. We have taken business to Canadian manufacturing to keep jobs in Canada even at a higher cost.

Q: If the pipeline goes through will rail transport decrease.

GH: Railcar manufacturing is booming, with backlogged orders by oil companies. Rail transport won't decrease as the infrastructure is already in place and will become more economical. Current operating costs are high.

EA: An extra 2 billion barrels are coming into the market, without a pipeline, rail will increase massively and with a pipeline rail will decrease.

GH: Not worried about the price of oil.

Q: Canada is talking about oil religiously. Oil market is different now to in the 1970s with more legal disputes. Divestment is underway. How is the oil industry considering divestment facts? There are 22,000 contaminated sites in CA which

raises a moral and ethical issue for future generations. How do we provide for future generations?

Q: How do we have confidence in the oil industry as international leadership is telling us to step away from it?

GH: Philosophical question. Energy contributes to worldwide well-being. It's our duty to produce energy.

EA: TC now invests in green energy.

Q: What trade unions are being consulted?

GH: All trade unions (umbrella term).

Q: How does batching work mean?

GH: Turbulent flow ensures no mixing or very limited mixing occurs.

Q: Can a list of chemicals in the pipeline be published.

GH: Will provide evidence late.

Q: Mentioned report on DilBit on Marine Environment. What is the effect of DilBit on freshwater environment?

GH: CEPA study is currently underway and will cover DilBit effects on freshwater.

Q: Just watched a video of an Athabasca spill under ice. Dr. David Schindler reported on the difficulty of removing oil from under ice. (You can access that 2014 video on ORA's website [Blog here](#) - go to 50:00 min - where he clearly states that "there is no known way that oil can be removed from a river under ice". Recommend listening to his entire presentation as it covers a wide array of water quality and fisheries issues.)

GH: Discusses trenching and various other methods of removing oil from under ice.

Q: Small communities are expensive, who covers the cost of emergency spills etc.?

GH: TC covers all costs.

Q: Spill on Yellowstone River under ice shows current techniques are not stopping the spread of oil.

GH: Techniques only limit the spread of contamination; they don't stop or clean up the spill.

Q: What qualifies as a significant waterbody?

GH: Process will be rolled out this month.

4. Break for Lunch - Provided by TransCanada – 12:00 pm

5. ORA Concerns, Presentation by Al Hepburn – available here.

6. Round Table Discussion

A discussion regarding both presentations followed:

GH: Smallest leaks have been filtered out of Al's presentation. If the system is working well there would be a predisposition to error. Not one drop of oil has left the pump stations. All spills on Keystone have been contained within pump stations. AH is not an expert in pipeline engineering (Armchair pipeline

- engineer/critic). No Stress Corrosive Cracking (SCC) on epoxy coated pipe. Acknowledged the need for independent reviewers and consultants.
- Q: This is an emotional issue. At risk are drinking water, the environment and areas of natural beauty. These should be conserved for future generations.
- Q: Political act of destruction of environmental protection laws undermines confidence. There is a loss of a place where discussions on environmental issues count.
- GH: Stringent hurdles have been put in place and have to be adhered to during all planning and construction approaches.
- EA: Come to these meetings to have a good and honest discussion where TC can exchange information to try and allay concerns, and where TC can provide answers and input without restrictions from regulatory bodies. Change from political action or political will.
- Q: Line 9 was held up by a hairdresser. A need for citizen science.
- Q: Problem with pipeline leaks is that humans must step in to stop leaks. What is the corporate chain of command to shut down a pipeline.
- GH: Operator is obligated to shut down within 10 minutes of a warning to verify. Doesn't go higher than the operator, the decision is made at the lowest point.
- Q: Emergency plan needs to be made public.
- GH: It will be. Unfinished OEB report shows the risk/benefits and management.
- Q: Public risk and problems with spill response time.
- GH: The 10 minute rule is new - wasn't in place when the spills mentioned by AH happened.
- AH: Talked about different spills and problems with the model. Why isn't the system retrofitted to shutdown automatically?
- GH: 10 minute rule is now in place and the operator's job is on the line if they do not stay to it. New pumps will be fitted at each pump station.
- Q: How many barrels on a rail carriage?
- GH: 700 barrels a carriage
- Q: Why pump to refineries in Montreal and US? Why not build refineries in Alberta?
- GH: Contamination issues in pipelines where different products are pumped.
- AH: The public doesn't trust the oil industry.
- Q: There is a Federal and Provincial framework for environmental assessment. Which do you adhere to?
- GH: NEB is federal and provincial and through private consultants.
- Q: Proponents are responsible for fulfilling the EA.
- EA: Provincial regulators (MNR etc.) are consulted on all aspects of the pipeline assessment.
- Q: Decision made on economic return. Are the risks to the environment vs the benefit to the economy assessed?
- GH: Profit and investment in green technology is underway. TC is trying to build trust through no leaks and sustainability. TC has invested \$1B in safety technology.
- Q: Loss of credibility if leaks happen. There is a lack of a plan to where the oil is going. Where and why?

- GH: No oil moves east to west.
- AH: Is there a decommissioning fund?
- GH: A decommissioning fund is paid into yearly.
- Q: Appealed to city council. TC is into alternative sources of energy. Trust is key - there is a sentiment that the government is in collusion with the industry. Government is doing what the industry asks. We represent the majority of the Canadian population and we need reassurances over safety. There are stories about spills, half-truths and stories that benefit TC. SPIN. Reputational issues. Evan Voke's evidence against TC was whitewashed by the regulators. Wishes Schindler and GH could sit down in the same room together. If research is lost or muffled then the public loses confidence in government and industry.
- GH: Press want to sensationalise discussion.
- Q: Press is needed to form discussion.
- GH: Importance of having this discussion and is the best way to inform citizens.
- Q: North Bay described as a flashpoint for pipeline activity. Northern Ontario is battle hardened in this fight. Does this fight keep you up at night?
- GH: We need more than a permit to get permission.
- EA: Strong questioning and passionate citizens are needed for a strong discussion. It would be a lie to say that no aspects of this project have personal effects.
- AH: Would be more comfortable with control system if it automatically shut down when a leak was detected. More worried about the EC of C reports on safety. Reports aren't unrestrained. Didn't put timeline on as many changes as they may have wanted/needed.
- GH: Reports are written in response to NEB recommendations.

7. Closing

The Chair wrapped up the meeting and thanked everyone for attending. We now have a human face to TC. It is a very emotional issue. How can you provide a water supply to everyone who uses Trout Lake as a utility in the event of a spill, especially for any extended length of time – that question has not been addressed.

GH: Enjoyed this meeting, found it very constructive. Have never taken part in this kind of a forum/meeting, and would like to do it again, perhaps in the summer.

Meeting closed at 2:45