

**Presentation to the Ontario Energy Board**  
**Energy East Consultation**

**March 26, 2014**

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Thunder Bay Chapter, Council of Canadians  
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We are here today representing the local chapter of the Council of Canadians. The Council of Canadians has a long-standing tradition of working for social justice issues, many of which are reflected in the EnergyEast discussion. Our local chapter represents well over 100 local and regional supporters and our comments today reflect the beliefs of those supporters as well as a number of other groups with which we have been working in the area.

We wish to thank the Province of Ontario for holding hearings through the offices of the Ontario Energy Board to clarify the wishes of the people of Ontario with regard to this pipeline proposal.

Our presentation has five major headings, with minimal discussion under each heading. The issue is far too complex to allow for a complete discussion of the particulars in a short presentation. We will be submitting a more complete document in written form after this hearing.

The areas we wish to comment on today are:

**1. Economic Impacts of the EnergyEast Proposal:**

TransCanada Corporation promotes the idea that this pipeline proposal will bring prosperity to the country, partly through the creation of jobs. The only jobs to be created by this proposal will be construction jobs in the early stages. Since, in Ontario the pipe is already in existence underground, the only construction jobs will be in the building of 30 new pumping stations. Once completed, these pumping stations will not provide jobs: all pumping stations are automated and are monitored from a central facility in Calgary. Of course, if TransCanada finds deficiencies in the existing pipe, they will have to do repairs: this might create a few short terms jobs which will probably be filled by experienced TransCanada mobile crews, not local Ontario workers.

The other economic benefit which TransCanada is relying on is the “trickle-down” effect of the enlargement of the fossil fuel sector. We must consider the true “cradle-to-grave” costs of the expansion of the Tar Sands, including environmental degradation, climate change, remediation costs, clean-up costs, and health care costs, all of which are unknown at this time. The fossil fuel companies are the one that will gain, not Canada, since the vast majority of this oil is destined for export.

**2. Safety Issues**

All of the pipeline in Northwestern Ontario is 40 years old and built for moving natural gas. TransCanada intends to run a “pig”, a mobile electronic monitoring device which is meant to detect weaknesses, cracks, rust spots etc. in the pipe. The success of this method has been proven to be far less than perfect.

The conversion of natural gas pipe to oil pipe is not recommended by pipeline safety experts.

- Of special concern is the fact that it will be largely diluted bitumen to be shipped through this pipe: Dilbit is far heavier than even crude oil, never mind natural gas: it weighs a phenomenal 2 tonnes/yard of 42” pipe. Can an old gas pipeline handle this weight?
- Dilbit is also full of abrasive inclusions like sand and other minerals. The effect of this on pipelines is a scouring of the inside of the pipe and wearing away such that the oil is actually heated by its passage through the pipe. No one knows how long a pipeline can hold up under this scouring.
- Another major concern about dilbit is that no one knows how to clean it up once there has been a spill. It sinks in water, while the solvents (30 % by volume) form a toxic cloud over the spill site.
- Canadian pipeline leak regulations permit leaks of up to 1% per month on high capacity pipelines to go undetected. This means that a pipe carrying 1.1 million barrels/day, at 1% leakage, could spill 330,000 barrels/month without being detected. A barrel of oil contains 160 litres.
- The dilbit must be pumped under a greatly increased pressure; the pipeline was built to take the minimal amount of pressure required to send natural gas. This increase in pressure to transport dilbit is believed to be one of the causes of the Mayflower Arkansas spill

TransCanada Corp.’s safety record must be considered: they average 2 spills a week in Canada. In the last NEB audit of their key safety systems, TransCanada was found to be non-compliant in four of nine categories. There is no independent monitor of pipelines and their compliance with safety regulations.

The landscape through which this pipeline passes in northwestern Ontario encompasses two major watersheds: the Arctic and the Great Lakes. The water supply of all of the residents of the area is taken from these two watersheds. An un-cleanable spill is a long term threat to everyone’s water supply. People, of course, are not the only consideration: the entire eco-systems of these two watersheds will be under threat.

A spill would also have negative economic effects: on hunting, trapping, fishing, tourism, and mining.

All of the territory over the pipeline in NW Ontario is covered by boreal forests, which are the lungs of Canada. Any spill will reduce its capacity to remove Co2 from the air and add oxygen to it.

### **3. Maintaining Ontario’s Position as a North American Leader in Greenhouse Gas Reduction**

A key part of the Provincial government's focus during this mandate has been the reduction of Greenhouse Gas emissions. This has been done through the Green Energy Act and the subsequent closure of coal-fired energy plants, and the promotion of clean energy (wind, solar and biomass). There has also been an emphasis on energy conservation for all sectors. The approval of this pipeline – the largest in North America – would be equivalent of wiping out all the gains Ontario has made. This takes into consideration not only the bitumen coming through the pipeline, but the source and what its extraction and transportation means for climate change.

We do not think that Ontario should allow the fossil fuel industry to negate all of the gains it has made towards a more sustainable future. The fossil fuel industry's only consideration is increasing their profits. Governments need to take a broader view, taking into consideration the needs of its people, its land and water, and the future.

#### **4. Local Democratic Input and Control**

Communities in western Canada and in the US are rejecting bitumen-carrying pipelines in their areas. We believe we have the same right: we all should be able to exercise some control over projects which put us at risk.

There are minimal opportunities for communities to express their concerns about projects such as EnergyEast. The National Energy Board Act has been changed so that there are significant limits on the number, the interests of, and the scope of the submissions which can be made to an NEB pipeline hearing.

This removes the democratic rights of people to be free to express their concerns about projects which are not in their interests.

As an expression of our concern, the Thunder Bay Chapter of the Council of Canadians has gained intervener status in a court case which is protesting this limitation on the freedom of expression (ForestEthics vs. The National Energy Board, The Attorney General of Canada, and Enbridge Pipelines Inc.)

The rights of the aboriginal peoples are being carefully considered by Ontario in the development of the Ring of Fire. This same consideration was not applied when the mainline gas pipe was installed 40 years ago, and as far as we can tell, is not being applied now. This is patently undemocratic and against treaty rights. Much of this pipeline crosses traditional territories of the many First Nations in NW Ontario.

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#### **5. Conclusion**

Ontario has the opportunity to speak for those who the federal government and industry have rendered voiceless.

The risks to our area, our Province, and our planet are too great to allow this pipeline to proceed.

The benefits do not fall to any of the citizens or communities of Ontario.

We believe it is unethical to participate in this development in any way. Our children and our grandchildren deserve better from us.

We ask the Ontario Energy Board to recommend to Ontario and to the National Energy Board that the application by TransCanada to develop EnergyEast be denied.

Thank you.