

Response to the draft “Issues List” for the National Energy Board hearings on Line 9 Submitted by the Toronto 350 Committee

The Toronto350.org organization is a group of concerned citizens in the Toronto, Ontario area advocating for real action on climate change. We are deeply concerned about the proposed flow reversal, volume expansion and proposal to ship heavy crude including diluted bitumen that has been proposed by Enbridge Inc for its Line 9 between Sarnia and Montreal. We are carefully examining the option of seeking intervener funding and intervener status at the NEB hearings.

We have reviewed the draft “List of Issues” released by the National Energy Board and offer the following comments.

1. We are deeply concerned about the exclusion of consideration of “the environmental and socio-economic effects associated with upstream activities, the development of oil sands, or the downstream use of the oil transported by the pipeline.” It is unreasonable to exclude these crucial matters, and to do so will certainly result in a deeply flawed and grossly inadequate examination of the full impact of the Line 9 proposals. We believe that excluding these upstream and downstream activities would invalidate this NEB process, and therefore cause it to be illegitimate.

Our planet is already witnessing the devastating effects of increased production and consumption of fossil fuels. The climatic implications have been examined in great detail by thousands of scientists from nearly every country of the world and have received recognition in international agreements, the IPCC reports, and by virtually every national government. In the last few weeks alone, very strong warnings have been issued by leaders of the largest economic organizations on Earth including:

Christina Lagarde, head of the International Monetary Fund, warned us that “Unless we take action on climate change, future generations will be roasted, toasted, fried and grilled.”¹

Jim Yong Kim, president of the World Bank pointed out: “After the hottest year on record in the United States – a year in which Hurricane Sandy caused billions of dollars in damage, record droughts scorched farmland in the Midwest and our organization reported that the planet could become more than 7 degrees warmer – what are we waiting for? We need to get serious fast. The planet, our home, can’t wait.”²

And, Sir Nicholas Stern, a past director of the World Bank who has studied the economic implications of climate change, is very alarmed: “This is potentially so dangerous that we have to act strongly. Do we want to play Russian roulette with two bullets or one?”³

The Line 9 proposals call for an increase in the shipments of the fossil fuels whose extraction and use are causing global climate change. The implications of that increase *must* be examined. The Line 9 proposals call for the addition of heavy crude (which could include diluted bitumen) to the hydrocarbons permitted to be shipped through the pipeline. The extraction and refining of bitumen is well known to result in much higher greenhouse gas emissions than the hydrocarbons currently approved for transmission in Line 9. Approving the transport of diluted bitumen will encourage increased extraction and refining activities, resulting in significant greenhouse gas release and damaging climatic consequences. It is now well documented that over 80 percent of the identified reserves of fossil fuels must be left in the ground if catastrophic climatic changes are to be avoided. This is *our* planet; this is *your* choice.

¹ Runnalls, David. “‘Roasted, Toasted, Fried and Grilled’: Climate Change Talk from an Unlikely Source.” The Globe and Mail. 01 Feb. 2013.

² Yong Kim, Jim. “Make Climate Change a Priority.” The Washington Post. 24 Jan. 2013.

³ Stewart, Heather and Elliott, Larry. “Nicholas Stern: ‘I got it wrong on climate change – it’s far, far worse.’” The Observer. 26

Clearly, the decision of the NEB on the Line 9 proposals will have very significant upstream and downstream impacts. They must be considered if the hearings process is to be credible and effective.

2. It is highly likely that the products Enbridge wishes to move through Line 9, and the directional flows it seeks, will result in increased export of hydrocarbons from Canada. That must be considered in the NEB examination of the proposals. There is substantial acknowledgement that the current levels of hydrocarbon export are having very significant impacts on the exchange value of the Canadian dollar and the resulting international competitiveness of products manufactured in Canada. This has already imposed massive negative impacts on employment in Ontario and other parts of Canada. This so-called “Dutch disease” and its impacts must be considered in the NEB examination. The OECD has been pointing for some time to the growing issue of Dutch disease in Canada, and with expansions such as this it looks as though the issue will only get worse.⁴

3. The first issue identified in the draft list is examination of the need for the project. A proper evaluation also requires an examination of alternatives to the project, including alternative ways of achieving the identified need, and alternative methods of implementation. These alternatives must include the null option. It is only through a full examination of the alternatives that a decision can be reached on what option is in the best interests of Canada and the Canadian people.

4. Draft issue four directs attention to cumulative effects. These are extremely important but cannot be properly evaluated without a substantial expansion of the scope of these hearings to include upstream and downstream impacts. Cumulative effects, by definition, extend well beyond the construction sites associated with a project, and necessarily include impacts on the global atmosphere, crucial freshwater systems, and nation-wide social and economic concerns.

5. Draft issue seven needs to be amended to ensure recognition of the treaty rights guaranteed to Aboriginal Nations including their right to decide what takes place on Aboriginal treaty lands.

6. Draft issue eight recognizes the rights of landowners along the pipeline route. A similar clause needs to be added to recognize the equal rights of all those living downstream and subjected to the effects of any leak, spill, rupture or other malfunction of Line 9.

7. An additional specific issue needs to be added to ensure a full examination of the specific implications of transporting heavy crude (diluted bitumen) through Line 9. While there are conflicting views on the impact of diluted bitumen shipment on the integrity and safety of pipelines, there is also considerable evidence that this material is much more corrosive and damaging to pipeline integrity, a situation that has led the to the United States government directing its National Academy of Sciences to prepare a report on these issues. The NEB hearings should not be completed before that report expected in June 2013 has been issued and fully analyzed.

8. An additional issue that needs to be included is an assessment of the net impacts on the host province of Ontario including economic, social and environmental effects and risks.

9. Finally, the NEB must look carefully at the affects on drinking water supply that could result should there be any leak, spill or rupture of Line 9, a risk that will likely increase due to transport of heavy crude. Line 9 passes straight through Canada’s largest city of Toronto, and therefore any failing of the line here would be potentially disastrous for millions of people.

Thank you for the opportunity to comment on the draft issues list for the Line 9 hearings.

Sincerely,



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Appendix I - List of Issues (released by NEB re Line 9 Hearings)

The Board will consider the following issues in this hearing:

1. The need for the proposed Project.
2. The potential commercial impacts of the proposed Project.
3. The appropriateness of the tolling methodology.
4. The potential environmental and socio-economic effects of the proposed Project, including the potential effects of malfunctions or accidents that may occur, and any cumulative environmental effects that are likely to result from the proposed Project.
5. The engineering design and integrity of the proposed Project.
6. The safety, security, and contingency planning associated with the construction and operation of the proposed Project, including emergency response planning and third-party damage prevention.
7. Consultation with Aboriginal groups and the potential impacts of the proposed Project on Aboriginal interests.
8. Consultation with affected landowners and the potential impacts of the proposed Project on affected landowners and land use.
9. The terms and conditions, related to the above issues, to be included in any approval the Board may issue for the proposed Project.

The Board will not consider the environmental and socio-economic effects associated with upstream activities, the development of oil sands, or the downstream use of the oil transported by the pipeline.