City of Port Moody NEB Trans Mountain Town Hall Meeting:

Moderator Andrew Mackey provided an overview of the background and purpose of the meeting as follows:

- The Trans Mountain Pipeline Expansion Project is being reviewed by the National Energy Board.
- The City of Port Moody is an Intervenor in this Review Process. The next step for the City in the Project review process is to prepare and submit a second round of questions to Trans Mountain Pipeline to assess potential project implications for Port Moody.
- The Town Hall meeting has been organized by the City in order to hear from the Port Moody community and assist the City in preparing its second set of questions and solicit questions from the community to inform City's intervenor participation in the NEB process.
- Suggested questions for the City's second Information Request submission can also be submitted in written form until July 18, 2014.

Mr. Mackey explained the Meeting Protocol as follows:

- Port Moody residents and businesses have priority for event seating and speaking.
- Order of speaking will be in accordance with the order that the names appear on the Speaker Lists. The Port Moody Speaker's List will be used first.
- When Speakers arrive at the microphone, they are to clearly state their name, City of residence and whether they are representing a Port Moody business.
- Speakers are being asked to be succinct in order that as many speakers can provide input as possible.
- Speakers will need to adhere to strict time limits.
- Speakers have two options:
    - Provide their recommended question for the City to include in its submission (1 min max)
    - Pose questions to the Panel, hear response from Panel and then provide recommended questions to the City. Time limits for this are:
        - Speaker Question to Panel (1 min)
        - Panel Response (3 mins max – to enable multiple perspectives to be shared)
        - Speaker Response and Recommended Question to the City (1 min max)
- Microphones will be shut off when 5 min time limit has been reached.
- We are aware that there won't be opportunity for everyone to speak tonight. Interested parties are invited to submit their suggested questions in written form.
    - Recommended questions can be submitted using the on-line form on the City's web-site and/or completing a hard copy form available at the registration desk tonight and at the City's Information Desk after tonight. Completed hard copy forms can be dropped off at the registration desk tonight or City's Information Desk until July 18, 2014.

The moderator provided an overview of the NEB review process and Public Participation in the process as follows:

- Trans Mountain applied for an approval to the National Energy Board (NEB) on December 16, 2013.
- Its application is subject to the review of NEB in accordance to the National Energy Board Act (NEB Act) and the Canadian Environmental Assessment Act (CEAA).
- The review Panel consists of three members of the NEB: David Hamilton, Lyne Mercier, and Philip Davies.
- In accordance to the NEB Act, the Board has 15 months to review the application; then they will have to submit a recommendation to the Governor in Council to either approve or reject the application, as well as a list of conditions that must be met if the Project is to be approved (even if the NEB recommends the Project to be rejected).
- The Governor in Council will have 3 months to make the final decision.
- Only individuals and organizations granted Intervenor/Commenter status can participate in the review process.
- The application date for participation was February 12, 2014.
- Intervenors are allowed to: file written evidence, ask written questions about Trans Mountain's and other intervenors' evidence, file and potentially respond to notices of motion, comment on draft conditions, and present written and oral argument.
- Commenters are allowed to file one letter of comment.
- All participants are to adhere to the timelines as set out by the NEB.

Mr. Mackey introduced the four panellists and invited each panellist to make a 5-minute presentation prior to opening the floor for questions from the public.

Michael Davies, Senior Director, Marine Development, Trans Mountain Expansion Project Kinder Morgan Canada

Michael Davies provided an overview of the proposed Trans Mountain Expansion Project, noting that the main purpose of the project is to provide access to Canadian resources to other markets. Mr. Davies explained that 3 million barrels of oil are produced daily and 2 million of those barrels are exported. Currently, the exported oil can only go to continental United States. He noted that their hope is to provide access to other markets, including markets in Asia and in California which is not connected to the rest of North America via pipeline, so most of their oil is delivered by ship from Alaska and other offshore sources. The existing Kinder Morgan Trans Mountain pipeline was built in 1953 to move a wide range of petroleum products, including refined products like gasoline and diesel, heavy crude oil, etc. Petroleum is received in Edmonton and crude oil from north-eastern BC is received in Kamloops. Gasoline and diesel are delivered to Kamloops. The pipeline then carries on and feeds four large refineries in Washington State via Sumas, and also to the Burnaby terminal where product is stored in the large green tanks on the side of Burnaby Mountain. A pipeline for refined products such as gasoline goes through the Burnaby terminal to the Suncor facility in Glenayre.

Mr. Davies explained that the expansion project is about twinning the existing pipeline to increase petroleum capacity within the existing footprint. With the exception of the Lower Mainland, the second pipe will be constructed within the existing right of way. He noted that the company's Westridge Marine Terminal is in Burrard Inlet, east of Second Narrows Ironworkers Memorial Bridge, just past the LaFarge Cement plant, and is one of five petroleum terminals on the eastern part of Burrard Inlet, the others owned by Chevron, Suncor, Imperial and Shell. Kinder Morgan's strict responsibility ends when tankers are loaded at the marine terminal, but the company is and will continue to be active participants in the marine community, working closely to improve safety and efficiency of the marine portion of the transport.

Captain Kevin Obermeyer, President and CEO, Pacific Pilotage Authority

Mr. Obermeyer provided an overview of the Pacific Pilotage Authority (PPA), noting that it is a federal Crown corporation that was established in 1972 and operates pursuant to the Pilotage Act. The mandate of the PPA is to operate an efficient pilotage service on the west coast of Canada in the interest of safety on a basis of financial self-sufficiency. This is done by working in partnership with pilots and the shipping industry to protect and advance the interests of Canada.

The marine pilots on the coast of BC are masters in their own right with many years of experience in the local waters. The PPA provides marine pilots to all vessels over 350 GT (about 50m long) who act as a resource to the master and bridge team providing them with expert local knowledge and are responsible to the master for the safe navigation of the vessel while it is in BC pilotage waters. Exceptions to the 350-ton rule are ferries and government vessels such as the Department of National Defense and the Coast Guard. In addition, all vessels under 10,000 tons with Canadian Bridge Watch keeping officers are waived from requiring a BC pilot. The pilots help the captain and the bridge team on a ship to bring the vessel into and out of the port and to dock the vessels. All vessels within two nautical miles of every point of BC coastline need to have pilots. Pilots add another level of safety on the bridge. They act as risk managers and are a knowledgeable resource when the unexpected occurs. The PPA participates in for new projects in the early stages of planning. Some examples of projects are the Port Metro Vancouver on Second Narrows review, Campbell River passenger terminal, Prince Rupert container terminal, the Enbridge proposal for tankers in the north, a number of Liquid Natural Gas (LNG) proposals on the west coast, and the Nanaimo Port Authority Passenger Terminal.

The world class tanker regime has three major pillars – prevention, response and compensation – and the PPA falls under the first pillar as their job is to prevent the likelihood of an oil spill. The PPA manages risk by examining, training and licensing pilots, conducting risk assessments, and setting regulations and guidelines to ensure risk is adequately mitigated, and working with industry and government agencies to establish safety parameters, especially when dealing with vessels carrying liquid bulk. In 2013, the PPA had a 99.96% incident-free success ratio, with only five (5) incidents occurring in 12,482 trips. The PPA concerns with the projects currently under discussion revolve primarily around staffing, as LNG vessels and Very Large Crude Carriers (VLCCs) will require senior (unrestricted) pilots because six to seven years are required for a pilot to be deemed unrestricted.

Rod MacVicar, Environmental Leader and Educator

Mr. MacVicar explained that he is a local authority on marine ecology, has served as Director of Reed Point Marine Education Centre, was a co-founder of Mossom Creek Hatchery, and is the

current Director of the Pacific WildLife Foundation, among other things. Mr. MacVicar explained that he helps to educate school children on marine life and, during one of his sessions with some student from Scott Creek Elementary School, found the world's largest sea star (99 cm across) on the beach at Reed Point, between the Reed Point Marina and the Pacific Coast Terminal. He noted that when Reed Point Marina wanted to make a small expansion in their terminal, he was asked to do a biological impact assessment about what life is in the area around the marina. He reported that, during that process, he and marine writer / photographer Rick Harbo, discovered a new species of snail in the water off Reed Point. He commented that this discovery proves that we really don't know much about the ocean here and that our relationship with the ocean with regard to conservation, stewardship and respect needs to change. People need to be made more aware and taught to love and want to protect the ocean. Mr. MacVicar noted that, on a positive note, the pipeline issue seems to be a portal for people to begin, once again, to start thinking about the sea. He commented that he is convinced that people are killing the oceans, killing biodiversity and don't understand the scope of and damage that can result from what we are doing, both good and bad.

Scott Wright, Director, Response Readiness, Western Canada Marine Response Corporation

Mr. Wright explained his background, noting that he is a resident of Port Moody, and a director of response readiness at Western Canada Marine Response Corporation (WCMRC). He noted that WCMRC is the only response organization on the west coast that is certified by Transport Canada. The corporation's area of operations is from the Alaska border down to the Washington State border and out 200 miles from the coast, as well as all navigable waters therein. The main facility is in Burnaby, and they have bases in Prince Rupert, and in Duncan on Vancouver Island. There are 11 equipment cache locations strategically placed around the coast allowing WCMRC to formulate initial response from just about anywhere on the coast. Mr. Wright explained that WCMRC is funded by the shipping industry and oil handling facilities. If there is spill, the spiller pays 100% of the costs for cleanup. Crews are available 24 hours a day, 7 days a week, and they are always training. WCMRC is subject to Transport Canada inspections on equipment and training exercises. Mr. Wright provided an overview of the regulatory requirements, noting that the WCMRC is prepared well beyond those regulations, with 31 vessels, 7 response barges, 3 mobile command centres, 33,000 metres of boom, 51 portable skimmers, and 50+ response trailers. He explained that the WCMRC is required to respond under regulations within six hours, but their average response time over past 10 years has been around 60 minutes.

Mr. Wright reported that WCMRC has reviewed the Trans Mountain Expansion risk assessment and spill modelling studies and described enhancements to the existing spill response planning standards. He noted that the WCMRC has provided an example equipment plan that would be capable of meeting the enhanced planning standards. With the Trans Mountain project, the WCMRC is looking at increased capacity to be able to respond to a worst case discharge of 20,000 tons, and at reducing regulatory response times. Additional bases are being added to make this possible.

Public Question Period

Elaine Golds, Port Moody: In July 2007, a spill of 15,000 barrels of heavy synthetic crude oil occurred in Burnaby from a Kinder Morgan pipeline, due to several errors on the part of Kinder Morgan staff. Of the spill, 100,000 litres of crude oil escaped through storm drains into Burrard Inlet, where it fouled over a kilometre of shoreline. Question to Rod MacVicar: Do you have concerns or observations to share with us about the adequacy of the emergency response and the cleanup of the crude oil spill and are you now confident that we are adequately prepared should a much larger oil spill happen in Burrard Inlet in the future?

Rod MacVicar – Not easy to just quickly respond, but I could say that there now is a 2-hour response period that the Western Response group can meet their response in. I was working for the UBC Open Water Stellar Sea Lion Lab at the time and was informed immediately that this had happened and took the Stellar Sea Lion research boat and two technicians on site. So I was the first boat on site. There were no other oil spill boats there, and this was probably an hour after it started to get into the water at the base of the Burrard Clean office. I think it was July 24th. It's right at their office base, so it can't get any closer. The wharf is right there, but it was an accident and an accident is something you just can't predict that would happen. And when they say it closed the Barnet Highway and the road and the response boat was there at the Suncor dock nearby, but nobody could drive on the road to get to the boat. So we were there for about an hour without a response boat there. The second boat for response came from Mosquito Creek and it was CTV News, and then it was about two hours and then the boats started to show up from the response group and they had a little difficulty with booms. But it's really hard to say. I did take some pictures at that time. I just threw these in here. These pictures were taken in May 2013, which is almost, well it's now seven years after the spill. There's a dime there. There's a lump of the crude on a rock with pieces of wood debris in it. Here's another rock on the site and, again, there looks to be pieces of crude in it. And on the beach, when the crude hit the beach, the waves washed it up and it looks like what we would call bitumen or pavement. It looks like asphalt because it has got into the sand. You can see it in the sand. This is on the shore of the Westridge Terminal. They've left some lines there that are still soaked in oil. The barnacles on the rock still have, well they're dead, but there is some. This is taken in May, just a month ago on the site seven years later, and the crude is there. You can see the crude on the rock and those patches of crude. Here you see crude, and the barnacles nearby are dead. So, I don't know how to answer that response, other than I've been to the beach and that's what I've seen. Was the response adequate? They do say if you were to go there and clean that up with steam cleaning detergents and dispersants, you'd do more damage than maybe it's worth. So, there we are. I'm worried. I was trying to collect herring today because they're starting to spawn in the area. Sand lance may spawn, but poly-aromatic hydrocarbons sort of chase these fish away and they don't like the aromas of hydrocarbons and things. So we just don't know. Maybe we need to find out a bit more. Was that response adequate? I don't know. Anyway, there are the pictures.

Chris Rowe, Port Moody: The Kinder Morgan website states that you are proud of your extensive history, demonstrated commitment to safe and reliable operations and relationships with all who are affected by your businesses. However, with a reported 60 years of experience under its belt, Kinder Morgan 1) failed to turn off its pumps in Alberta when pressure dropped after the pipe was struck by a backhoe, 2) your Burnaby site failed to show or follow appropriate procedures for mitigating the flow of oil which resulted in increased pressure and the subsequent geyser that caused extensive damage to houses and yards along Barnet Highway, 3) you were unable to facilitate the West Coast Marine Response's team efficient access to their oil spill retention equipment because the road was impassable. The WCMR unit then took three

hours to set up booms. There was a gap for an hour, extensive oil leaked out, including after the boom was closed and waves went over. (Can you ask your question?) Yeah, help me understand how these latter occurrences, the ones we've come to learn about Sumas, Burnaby Mountain, and Kalamazoo, are congruent with your company's claims about its safety records and capacity to clean up spills?

Michael Davies: That's a good question. First of all, I guess, Kalamazoo is not part of our operation. That was an Enbridge spill, just to be clear. Our spill history is on our website. We've been quite open about our spill history. We've had about 70 spills. They are listed on the website. The majority of them are small spills, releases within existing facilities, pump seal failures, or small instances like that. In the last 10 years, we've had the, in the drive where our line was struck by a contractor building a sewer line in Burnaby. So, as I said, our spill history is there. We took responsibility for the spill on Inlet Drive. We think that we responded well to it. The TSB report, you've listed some of the recommendations that were in that. Those things have been addressed. And as we do whenever we have an incident, we learn from it and we make changes and we improve the system.

Chris Rowe: Can I respond? (Yes.) Okay, thanks for your response. I also wanted to note that I went down to the site below your Westridge site there to look at the beach. In 2010 and 2011, I did a hike over from Widgeon Lake to Indian Arm and I got a lift out on a boat on one of those occasions by some Tsleil-Waututh gentlemen and one of them noticed that there was oil on the sand when they dug down with a shovel and so I elected to go down and find out myself. I went with my wife and my 6-year-old son. We dug in a number of different spots and I can tell you, I've got a sample of it right here. I'll drop it off with you. I get that it's not proven, but I'd be happy to come down to your site and dig with you. About six inches down there is a layer of what seems to be really heavy sludge with oil in it. It stinks. There are rocks, as Mr. MacVicar noted, that are still covered in oil and, if that's meeting or being beyond guidelines, I'd hate to see what meeting guidelines or being below them looks like. Thank you.

Andrew Mackey: Thank you. So we have Victoria Otton, Susan Rowe, Melissa Chaun, and Judy Taylor-Atkinson in the speaking order, please.

Victoria Otton, Port Moody: My name is Victoria Otton and I'm a 21-year resident of Port Moody. And I think my question is also for Mr. Davies and, perhaps, his colleagues here tonight. The Financial Post recently reported that within the 15,000 pages of Kinder Morgan's application is the tidbit of information that Kinder Morgan is actually designing this pipeline expansion with room to add another 240,000 barrels per day to the existing proposal. So this is a potential increase of about 25% in capacity above the 890,000 barrels a day that people that I know, at least, are concerned about. So I assume this is true. It's the Financial Post, hardly a radical newspaper. And if it is true, what assurance do we have that there will not be more expansion proposals, even above this apparent quadrupling of the current capacity, in the future? Thank you.

Michael Davies: So I think the article you are referring to was questions about, and I think we answered this in information requests from the NEB, is what is the potential expansion capacity of the system that is being proposed today? So the system that is designed today is 36-inch pipe with pump stations along it. And it's like any building. It can be renovated in the future, things can be changed. But what's before the National Energy Board, the project that we're building is, proposing to build is to move 890,000 barrels a day. The fact that it could be expanded, I think, is interesting, but there is no plan to do that today. If there were plans, it would have to go through a similar regulatory process to what we're going through now. It

would have to be approved. So the fact that it could be done doesn't mean that it necessarily will be.

Victoria Otton: Well, why do it? Why overbuild the pipeline?

Michael Davies: We're not overbuilding the pipeline. I think the article refers to the concept that you could add additional pumps to the pipe that we're building, to move more oil through it, that's the idea. So we're not building those additional pumps today. If they were ever to be added and the capacity was to be increased, it would have to go through a regulatory approval process. So we're building a 3-room house and if one day in the future, like any other 3-room house, you could build a garage addition or something else on it, but we're not building those parts of it today. That's not what's being requested.

Susan Rowe, Port Moody: I'm Susan Rowe, a resident of Port Moody with a 6-year-old. I'm very concerned about the health effects and the environmental effects from oil spills. If you have a pipeline, you'll have oil spills. And we've had, like you said, you've been transparent about that; you've listed them. My question mirrors a question that the Mayor of Belcarra asked on July 2013 regarding the cleanup of the 2007 oil spill in Burnaby of which he has not gotten an answer. There was a post-mortem conducted regarding the land response by the National Energy Board. Now was there a post-mortem conducted regarding the marine response to the 2007 incident? And will Kinder Morgan provide us with a copy of the in-house report? My question pertains to, have we learned anything from the spills? And this is from a spill that occurred in 2007. It's now 2014. Have we learned something?

Michael Davies: I think we have. As you said, Kinder Morgan, the incident was investigated by the NEB and by the NTSB, and there were post-mortems conducted as part of that. In terms of what was learned, as I said, whenever we've had an incident, we've implemented the recommendations that came from the regulators and anything that we've developed on our own. And I think what you see in our application, the work that Scott had talked about earlier, the work that we've done with WCMRC to recommend enhancements to the existing spill response regime goes to that as well, so decreased response time within the harbour and significantly increased capacity to reflect the changes in the amount of shipping that will be happening.

Susan Rowe: Can this report be made public? We have gone online to the Kinder Morgan site and haven't seen any report regarding this response. And the mayor also said today that he hasn't received this response. Also, with regard, you mentioned the response time, that and also with regard to the wrong types of booms that were used, have we changed this? And that's, I guess, to Mr. Wright. You've said we have lots of booms, but do we have the right kind of booms to respond to the inter-tidal zones that we have in the Burrard Inlet?

Scott Wright: Great questions. Just with regard to Mr. Drew, we have had him to our office and we did allow him to ask all those questions and we provided answers to him. We engaged with him and we meet with him regularly and hear his concerns. With regard to the response times on the 2007 incident, we had one boat that was dispatched immediately. In fact, I was on that boat and, not only our vessel, but Island Tug and Barge had a tug boat that was in the area that was configuring at the terminal boom to contain oil because they heard that oil would be arriving on shorelines through outfalls. We also had a local oil handling facility boat that was on site. We pulled the vessel that I was on up to the outfall that Mr. MacVicar was talking about. And we stood there waiting for oil to come out and I saw the oil start to come out. As soon as I saw oil come out of that outfall, we put boom around it. We put boom around it twice. Typically, on oil spills that we go to, they come from one source, but on this particular incident, there were

several outfalls that the oil got to. We didn't quite expect that, so as we were addressing that primary outfall, we learned that subsequently down on Kass Beach a little further down, there were other outfalls that were also involved with the spill. We quickly dispatched additional vessels and with the help of the local tug boat and the oil handling facility vessel, we responded and deployed booms around those outfalls.

Andrew Mackey: Thank you very much. Our next speaker will be Melissa Chaun, then Judy Taylor-Atkinson, and David Parsons. I'm wondering if you could remove yourselves from the foot of the stage, the steps. It would be really helpful. It would be respectful. But if you choose not to be respectful, there is nothing that I can do about it. So, Melissa Chaun.

Melissa Chaun, Port Moody: Thank you. Melissa Chaun, Port Moody resident. I am referring to Volume 5 of Kinder Morgan's application document, entitled "Environmental and Socioeconomic Assessment". There are several estimates of the millions of dollars worth of potential tax revenue to both municipalities, as well as to the provincial government in the $1-2 billion range. But through that volume, I was trying to look for estimates of the potential costs to our health care and welfare systems if and when the worst case oil spill scenario does occur. And by that, I am referring to, for example, the Exxon Valdeez spill in 1989. 25 years later, those communities are still significantly suffering. Their livelihoods have literally been destroyed and, as a result, there has been an increase in both rates of depression, spousal abuse, divorce and suicide rates. I was also looking into the document for some details with regard to the BP oil spill down in the Gulf of Mexico and, again, how the longer term affects psycho-social and socioeconomic affects to the communities down there. It would be really valuable to have numerical estimates of what those communities have suffered over the coming decades and following years ensuing. So that's my question.

Andrew Mackey: Thank you. Anyone choose to respond?

Michael Davies: So the application, as you said, we've got a rather extensive socioeconomic assessment that is in there. The focus is primarily on things that are more certain to happen, which is the actual construction of the pipeline, besides just the economic benefits, but also the environmental effect of digging a ditch and putting a pipe in it and filling it back in again, sort of the normal operations of the pipeline. The accidents and malfunctions, spills are difficult to quantify. I'm not sure how you would quantify, in the terms you're talking about, dollar terms, you know, suffering and that sort of thing. It is discussed. There is extensive discussion about spills and the potential effects of spills in the application, but because it's essentially not possible to do, to put a dollar value on the potential effects. So if that's what you're looking for, it's not there. The application and the information is meant to provide the NEB with sort of a broad understanding of both the benefits as well as the potential effects of the project, including spills, accidents and malfunctions. They will use that information in making a judgement about whether the project is in the public interest.

Melissa Chaun: Okay, thank you. Just in my mind, a more balanced assessment would include a dollar value to potential risks. And in this case, they can be very great. And Scott, I think I have a question for you with regard to the cleanup, the burden of the cleanup costs. I was of the understanding, from a couple of folks that work with animal welfare, that oiled wildlife is not legislated to be part of the environment, so in the case of an oil spill, it's actually the public taxpayer that ends up having forfeit the coverage of wildlife oiled response.

Scott Wright: Under the Canada Shipping Act, wildlife is the responsibility of whoever has had the spill. So they have to work with an environmental unit that is found within the incident

command system. And they have to look on a case by case basis how they treat wildlife. So it is part of the Canada Shipping Act regulations, and it is the responsibility of who has had the spill.

Michael Davies: It's the same for the pipeline as well, so the cost of that would go back to the responsible party. If it was us, if it was the pipeline, it would be our cost.

Melissa Chaun: Okay, that's not what I had been told. And I also believe that there is a cap, there is a limit to how much the responsible party can actually pay toward that effort and it's pretty small.

Michael Davies: So on the marine side, on the tanker shipping side, there is a liability regime in place where the tankers have to carry insurance. Their limit of liability is capped at about $130 million by international convention. But along with that comes, Canada is a signatory to an international regime that provides another billion dollars over and above that. And within Canada, there is an entity called the Ship Source Oil Pollution Fund, which provides, currently provides another $160 million over top and the federal government has proposed two things. One is to increase that, doubling it, essentially. But the main thing is, they have proposed that if those funds were to be exhausted, they would provide additional compensation through a future tax on petroleum. So there was an announcement about that within the last month or so from the federal government. And on the pipeline side, it's the pipeline that is responsible for the costs. There are no limits of liability.

Andrew Mackey: Okay, Judy Taylor-Atkinson, David Parsons, J. Peachy, and Sarah Alloisio.

Judy Taylor-Atkinson, Port Moody: My questions are in regard to baseline studies of birds, aquatic, and marine mammals in Burrard Inlet. Baseline conditions are considered important because they will be used to determine liabilities for losses to natural resources and ecological services as a result of an oil spill, and to guide restoration efforts to ensure that resources are returned to the conditions that existed before the oil spill. Trans Mountain Table 6.1.1 notes that Burrard inlet is an important bird area (IBA), an international designation, and that Westridge Marine Terminal is located adjacent to the IBA and recommends mitigation measures as follows. To conduct species specific to identify important wildlife features for species known to occur in the IBA. Have these recommended species specific surveys been done and will there be species specific surveys for aquatic and marine mammals in Burrard Inlet conducted by Trans Mountain Pipeline prior to any development permits being issued?

Michael Davies: So I'm going to ask Stephan to help me with that one because that's much more his area of expertise than mine.

Stephan Dyck: So my name is Stephan Dyck. I'm a marine scientist with Stantec Consulting and I was one of the authors for the environmental assessment. We conducted a lot of the baseline work as well. So was your question specific to birds and mammals or also…

Judy Taylor-Atkinson: It was actually a two part question; birds first and then, because it wasn't limited, were there going to be studies, surveys for aquatic and marine mammals?

Stephan Dyck: Okay, great. So, as part of the baseline studies that we did for the project, we did bird surveys, marine bird surveys at the Terminal site. We didn't conduct any marine mammal or marine bird surveys in Burrard inlet, and the reason being that there was a lot of information available through the existing literature to characterize the species that are present

in the area and also to assess the potential effects that the project can have on those species. So we did receive some information requests specifically about collecting additional data on marine birds in the Burrard Inlet area. What we are doing is working with Bird Studies Canada to assemble some of the data that has been collected in past but hasn't been formalized into a report and issued. And in addition to that, we've committed to meeting with Environment Canada to discuss a more comprehensive approach to collecting marine bird data in Burrard Inlet and throughout the shipping route. One of the reasons is that Trans Mountain is one of many shippers in the area and it's important that the comprehensive program to collect the type of data that you've asked about it done on a basis that multiple parties contribute.

Andrew Mackey: Thank you. Do you have a final comment?

Judy Taylor-Atkinson: Yes. Will Trans Mountain be providing compensatory habitat for bird species impacted by the project in the case of an oil spill?

Michael Davies: So, you've got two things rolled together there in my mind. In terms of the construction and the effects of the project, you know, building the dock, there would be, we would look at offsetting compensation, creating new habitat and that sort of thing. If there ever was a spill, whether the need for or the type of habitat restoration or compensation would really very much depend on the specifics of the spill. So it's not something that is before the NEB right now. What's before the NEB right now is the effect of the project, what's required to operate it safely, and as we said, the application is geared to try to give them that information.

Andrew Mackey: So a second time around I would ask the folks who are up on the front here if they would please leave the space. I don't want people to feel…(I will, but first I want to say that you are full of baloney!....throws ball of paper at Michael Davies) This is the kind of disrespectful stuff that we would hope people wouldn't engage in. (This is disrespectful to the planet……..) So we will take a 10-minute break. We had scheduled a break. We'll take the 10-minute break.

Andrew Mackey: So as soon as the panel gets back, I have David Parsons, J. Peachy, and Sarah Alloisio are the next speakers. First of all, let me apologize to the residents of Port Moody for the fact that some folks who are not from Port Moody would come in and be so disrespectful to our community. (OFF-MIC: I think they are being very respectful. They are going to be quiet if you don't provoke them.) Okay. Yes? (OFF-MIC: Mr. Chairman, I'm a 47-year-old resident of Port Moody. I'm a trade unionist and that's a democratic right to do what they're doing.) Sure. Okay. No problem. I would hope that they would stop throwing things. Okay. All right. So next, David Parsons. Then J. Peachy and then Sarah. So where is he? Is David Parsons here? No? J. Peachy is next. Please.

J. Peachy, Port Moody: J. Peachy, local artist. I also have two hats. CHSF Radio. Just two questions, and these are directed at Kinder Morgan. The Tsleil-Waututh have launched a legal challenge on the whole process and the legitimacy of it. So I'd like to ask you the question of whether you are prepared to start the process again and if that's the case, because of the federal government's lack of jurisdiction because of the failure of consultation on section 35 of the Constitution for proper consultation, whether you would go back to the federal government for starting the process early and require financial consultation to all of the process participants? And then the second question is, Lyne Parent from the Pipe Up network had reported that a number of spills by Kinder Morgan in 2007 to 2013 throughout the Fraser Valley had reportedly happened, but when asked what type of spill or what type of oil was spilled, Kinder Morgan or the NEB had scuttle butted the response by saying that it is proprietary information and they are

not required to disclose it to the residents. So I just want to get your response to those two questions. Thanks.

Michael Davies: Sure. So, I guess, on the first one, we'll honour the process. That's what we're doing with our application and that's why we're here tonight, to help Port Moody in its role as an intervenor in the NEB process. So the opportunity for appeals is there. It's part of our judicial system and even with the NEB there is opportunity for motions and other things. So we'll honour that and so we'll wait for those to decide the veracity of the appeal and whether it should be upheld or dismissed. In terms of the second piece, the spills, I'm not familiar with the statement that you are talking about. The, when there is a spill, without getting too technical, we have what is called Material Safety Data Sheets (MSDS) and so it is part of handling hazardous materials in workplaces. If you work anywhere, any industrial materials have to have MSDS information. And so we receive that from the producers that provide us with the oil that we transport in the pipeline and that information is available when there is a spill. There is nothing secret or proprietary about it. Part of spill response is executing a safety plan and providing information to the responders about the material that they are dealing with. And the type of material is part of, would be documented in the investigation or any thing that followed as well. There has been nothing proprietary or secret about it, as far as I know.

Andrew Mackey: Any other comment?

J. Peachy: Yeah, just a follow-up to the first question. Can you report on any conversations or discussions with Tsleil-Waututh with regards to your process?

Michael Davies: We've offered regularly and often to meet with them and share information about the project. And that offer stands and will continue, whether the project proceeds or not.

Andrew Mackey: Thank you. And so, Sarah and then Tim Laidler and William Andsen.

Sarah Alloisio, Port Moody: I'm a local hydrogeologist. I have a couple of questions. The first is for Rod. I was just wondering whether you could tell us something about the potential impacts of increased traffic in tankers in the inlet as a result of the expansion of the pipeline. I understand, if I'm not correct, correct me if I'm wrong, that on the Trans Mountain website, it says that the traffic in tankers is going to increase from an average of five tankers per month to 34. So I was wondering, given that the inlet has quite a shallow depth, I think it's about 60-70 metres, whether that increase in traffic is going to have any potential impact on enhanced mobility of the sediment and eventually more tepidity impact on the marine wildlife. And that's my first question. And the second question is for Micheal and it's probably a more pertinent question for Stantec, though, and it pertains to groundwater. Being a hydro-geologist, that's what I'm looking at. I'm looking not so much at the potential impacts on Port Moody, but more on the Sumas-Abbotsford aquifer, which is located in the Fraser Valley. And I understand that the pipeline route is going to cross this aquifer. So I'm sure you will have been asked this question by residents of the Fraser Valley, but just for the benefit of everybody here. The Sumas-Abbotsford aquifer is a sand and gravel aquifer that supplies water to about 100,000 people in BC and Washington State, and it is vulnerable in that the water table is very shallow. So my question is what specific studies have been done to evaluate potential impacts of pipe rupture on the aquifer and also what kind of remediation measures have been devised to address any potential spills like pump and treat systems?

Andrew Mackey: Okay, they've got a couple of minutes to respond here. Does somebody want to comment? Or not?

Rod MacVicar: Well, I guess I was asked to comment on the impact of increased traffic. It's not easy to say the impact, unless you know what the current situation is and it would be nice to have just a little more solid baseline of what we have in terms of fish, in terms of birds, in terms of mammals, and just know what is there, what is in place. And then you could see the numbers, you could do the science and maybe see that some things are impacted, other things aren't, some things are encouraged. We might see an increase of some and a decrease in other, but I think you really do need numbers. You do need some good solid marine science to be able to answer that question adequately. There definitely will be impacts. I think any time you develop anything, and we're part of the problem. If we develop something, we rarely make the environment better. I think we know that. We make it better for omnivorous scavengers like rats and crows and raccoons, but I don't think we're worried too much about their welfare. It's really hard to say, but I do think things can be done. And once it's objectively looked at, we could probably see what could be done and what would be happening and if those changes do happen. They may or may not happen. I don't know.

Andrew Mackey: Thank you. Di you have a final remark?

Sarah Alloisio: Well I had my second question about groundwater.

Michael Davies: Sure thanks Jeff.

Jeff (Kinder Morgan): In the environmental and socioeconomic assessment volume, which is Volume 5A of application, we talk about the potential effects to groundwater from the installation of the pipeline. And with respect to accidents and malfunctions, there is discussion of potential groundwater effects from a large spill in Volume 7 and there, we're doing some risk assessment work for the pipeline to understand where those potentially vulnerable aquifers are. And there is additional considerations, including thicker walled pipe and other aspects that would be implemented as appropriate to ensure that vulnerable aquifers were protected. There is more information, as I said, in Volume 7 to discuss that. I don't know if that answers your question, but…

Sarah Alloisio: Yeah. As you probably know, BC has recently published, well actually two years ago, guidelines for numerical modelling to address natural resources projects and environmental assessment on those, so groundwater flow numerical modelling use considered to evaluate the implication of spills in terms of extent of the potential contaminant plume and design of pump and treat systems, for example.

Andrew Mackey: So we will put the questions on the list. Thank you. Tim Laidler, then William Andsten and then Sabina Hill.

Tim Laidler, Port Moody: Hi there. I grew up in Anmore, but I have recently moved into Port Moody. I think what we're faced with here is weighing the risks and the benefits of the project. So my question is specifically around the economic benefits and some of the jobs numbers. I, myself, served in Afghanistan with the Canadian Forces and, since coming home have been working at a non-profit organization helping Veterans transition with things like PTSD. And what we found from the veterans is we can help them with some of the psychological issues from war, but if they don't get back into meaningful careers, they tend to struggle quite a bit. So what would be really important to me and to my colleagues who are all transitioning back into the work force is some of those job numbers, during the construction, but also are there going to be

jobs after the construction. Also the second question is around the access to world markets. I've heard that a lot, and I was wondering if you could explain that a little bit better.

Michael Davies: Okay, there is a lot there. In terms of economic benefits, it's a $5.4 billion construction project. About 60% of that will be spent in British Columbia. There will probably be about 4,500 jobs at the peak of the construction and 750 of those would be in Burnaby. And those would develop benefits or spinoffs for all of the local communities along the pipeline and, particularly, there is a lot of construction that is proposed for the Lower Mainland here. In terms of longer term jobs, we have about 130 employees in BC now. I think there would be about another 90 jobs in total in Trans Mountain. About 50 of those would be in BC. What Scott didn't get to with his part of the presentation around Western Canada Marine Response and those new spill bases and the expansion of the existing spill response; that would probably result in, and the early estimates right now is probably 90-100 new positions as well in those communities along, well there would be more here in Burnaby as well, but certainly along the route through the Salish Sea. The, we pay local taxes. We pay about $50,000 a year in taxes to Port Moody for the piece of pipeline that we have now. That's not going to change because there is no change to the pipe, but the local taxes in BC would increase by about $20 million. About $6 million of that is for the City of Burnaby. So there are some significant benefits. Those are the ones that are directly related to the project. The second part of your question is about world markets. Of late, the price of oil in North America has been about $20-$30 less per barrel than what it is in the rest of the world. Canada can only sell into the continental US market, that market with the depressed price. So we are selling our oil to the US at a markdown price, where if we had access to tide water and global markets, we would be able to, I mentioned earlier two million barrels a day that is exported, we would have the opportunity to raise the price of those two million barrels a day by $20-$30. That's a big part of what this project is about. Now those differentials come and go. Things will change in the market and they won't always be there, but the point is that when they occur, Canada has no opportunity to take advantage of that. And that's where the interest is in expanding our infrastructure to be able to serve international markets.

Tim Laidler: Thank you. Can I do a follow-up? (Sure.) I just want to say thanks. That answers my questions. And I just wanted to offer something to the process here. Again, my experience in Afghanistan, we saw a lot of community type forums like this that were not nearly as civilized, so I think we all are doing a pretty good job in the process. Thanks so much to the City of Port Moody for hosting.

Andrew Mackey: Thank you. William Andsten and then Sabina Hill and Darcy Vogel, please.

William Andsten, Port Moody: I'm a son of a sailor who shipped all during the dirty 30s and the Hurricane Alley. My dad's hometown, Rauma, has recently completed Europe's largest capital project, actually Europe's largest nuclear power plant. It's not the only one there. There are two others, one in the centre of town. I have a second cousin who works in the control room there, and every month the school kids go trooping through there. It's like another after school trip. No one is worried. No one is scared. It's just another factory. It just produces steam. The eastern country, one of the few in eastern Europe that had the courage to do what they had to do, not like the other countries that chickened out as soon as the Fukushima accident happened. They decided to say no to the tender mercies of gas from the soviets. Now Putin has a natural gas monopoly who is going to threaten free people in Bulgaria and Ukraine. Well, anyway, back to what we have here, the 2007 spill, I assume that was conventional undiluted crude. If you had bitumen crude going there with dilbit, which is like a fracking fluid, naptha and benzyne, which is not only highly flammable, it's also a class A carcinogen, both of them. If that

happened there, with some sparking or whatever, like happened in ?????, we would have fireworks like ????? If we had dilbit fracking fluid diluted bitumen in there and if you don't dilute it and just heat it and it ends up in your ships and it goes into the water undiluted, what good are your skimmers and your booms going to do? It sinks. It's like a cold spill. You can't clean up a cold spill. You have to dredge it. The Kalamazoo thing that spilled just in a river and they can't even clean it up yet. The inlet is shallow, but if it goes into the deep ocean, these ships are going to take it out there. Everywhere, if you get a big spill, it's just going to go straight to the bottom. If it's like over a thousand metres deep, it's going to be a dead zone there for like thousands of years. You won't be able to clean it up. So what good are your skimmers and your booms, if it's going to be raw bitumen? And if it's got fracking fluids in it, what are you going to do? You can't even clean it up. It's carcinogenic.

Andrew Mackey: Okay, thank you. Does anybody care to respond?

Scott Wright: I can take that, Mike. I can take the response side, Mike, and if you want to jump in on the properties. So we did respond to the 2007 spill. It was a simbit, very similar to a diluted bitumen spill. (Did it have benzyne in it?) The product does have benzyne in it, yes. (That's carcinogenic.) (If you don't mind, just let him finish. And then I'll give you a minute at the end.) So the product behaves very similarly to any black oil and we respond to it with our response techniques and our equipment the very same way we would any other black oil spill. And throughout the entire phase of that response, it was observed to stay on the surface of the water. Our skimmers, we have a vast variety of skimmers that will help to pick it up in any phase, whether it's been immediately released or through the weathering process. So on the response side, there is no difference to us from any other crude spill. And, in fact, we did testing on the product. We did some bench scale testing. We did it in, essentially, fish tanks initially. We wanted to see how would behave on water. We were concerned with any potential for sinking of the product and in those extended fish tank spills, the experiments, we didn't observe the product to sink. We also then participated and assisted Kinder Morgan with a larger scale test, where we took, essentially, large 8x20 tanks and filled them with salt water and then tested our skimmers on the product. We put two inches of product on the surface of the water and over 10 days, the product never sank. Our skimmers remained effective.

Andrew Mackey: Do you have one final comment?

William Andsten: Are you saying that's raw bitumen, undiluted?

Scott Wright: No, that's diluted bitumen.

William Andsten: Is this all going to be diluted that's coming through the pipes? Right now it's diluted, right?

Michael Davies: So a little less than 30% of what moves in the pipeline today is heavy oil in form of diluted bitumen. It has to meet specifications for the pipeline to be accepted as a product we transport. And those include restrictions on density and viscosity. The product has to be less than 0.94 kg/m3, which means it's less dense than water. It floats. We don't move raw bitumen. Raw bitumen is what comes out of the ground in northeastern BC. It's cleaned up. The sand and water is removed from it and it is mixed with lighter oil in the form of condensate, which is typically produced with natural gas wells, so it's a lighter form of oil. It's mixed to create a new product, which is referred to as diluted bitumen. There is also, the bitumen can also be diluted with synthetic crude, so that's bitumen that has been semi-refined to make a light oil. That's what was involved in the spill in 2007. So it was a form of a bitumen

base product. So that's what we move through the pipeline. Scott has talked about the testing that we have done and the results of that are included in application. The federal government has also done similar tests and that information is in the public domain and it's part of the review for the project as well.

Andrew Mackey: Thank you.

William Andsten: Can I say one more thing? (Sure.) I'm definitely not against the oil industry, but we have got to get away from shipping raw oil, especially to China or wherever. It's got to be diluted and refined. We have got to build more refineries and get away from this crazy thermal coal thing especially. We have to go more to, like I said, nuclear power, but nobody has the guts to do that. And we are going to have got to fusion reactors or whatever. We've got no more damming. We have to go to deep geothermal and we have to go fully in on research on electric batteries, not this LNG nonsense that we're staking our future on. So we really have to get away from fossil fuels, but we do need them, okay, but we have to be very, very careful.

Andrew Mackey: Thank you. I appreciate it. Sabina Hill, Darcy, and then Gaetan, please.

Sabina Hill, Port Moody: Thank you. My name is Sabina Hill. I am a resident of Port Moody and a small business owner. I walk the shoreline trail situated on Burrard Inlet in Port Moody every day. It's one of the natural amenities that drew me to work and live in Port Moody three years ago. Ecosystem damage in our area means damage to our economy and quality of life, from ruined fisheries, to impacts on tourism and recreation. The question is not only who will pay for the cleanup, but how will it be cleaned up? What are the real implications to our community, ecologically, socially and financially, of a large spill in our inlet? I would just like to note, too, that I do not support the increase of tanker traffic in Burrard Inlet. I do not support the dredging of our inlet so that supertankers can have access to the Westbridge Terminal. I do not support an increase of the tanker farm located on the side of Burnaby Mountain, as these tanks pose another potential dangerous spill hazard for Burnaby residents and the inlet. And there is a real risk of an earthquake in our region. It doesn't seem like a logical place to have one. Also wondering, is there a response plan in place for a pipeline rupture on the Fraser River?

Andrew Mackey: Okay, so the question is…

Sabina Hill: That's my question. I think the rest was mainly statements, but the question is…

Michael Davies: There was a lot there. You mentioned dredging. The project is intended to serve the same size vessels in the same way that we do today. So the same types of vessels, the same size of vessels that call today; it would just be more of them. There is not a requirement, for our project, to dredge the Second Narrows. It's not part of what we're asking the NEB to approve. If that were ever to be done, it's part of the port's infrastructure and it would be the port's decision about whether to dredge the Narrows or not, but it's not part of our application. So it's the same kind of shipping on the same route, moving essentially the same products that are there today. Earthquakes; the facilities are designed based on the BC Building Code, the latest version of the BC Building Code and other codes as well. I won't bore you with the details, but there are codes and standards for building in earthquake regions and those would be used for this project as well. You mentioned about response plans. We operate the pipeline today. We have emergency plans for dealing with the sorts of events that can happen with it. Those plans will be reviewed to reflect the new facilities, but essentially they will be an expansion of the existing emergency plans. And so they would include responding to pipeline breaks or spills, including something that might happen on the Fraser River.

Sabina Hill: And the Mayor of Burnaby, Derrick Corrigan, who said he would lay down in front of the construction of the pipeline?

Michael Davies: I understand he said that yes.

Sabina Hill: He did. I support that. Thank you. I'll be there.

Andrew Mackey: So Darcy, Gaetan, and Ilse.

Darcy Vogel, Port Moody: My name is Darcy Vogel. I am a concerned citizen. I work, live and recreate here. And I would actually like to give my time and question over to Mr. MacVicar because I appreciate, (No, we can't do that.) Well, I'm going to give him a question and he's going to have five minutes to talk. (Okay.) Because you are the person that I want to hear from; Rod, are you for the expansions of the pipeline and tankers in the inlet and, if not, I'd like to know why?

Rod MacVicar: Well, it isn't just something that I'm for or against. I have to say, as the major work I do with Pacific Wildlife Foundation is objective science and my first mandate is to provide objective science. And it's sort of a little redundant to say objective because if it is science, it is objective, and to try to find these things out. I'm not a member of an advocacy group. I'm not a member like Georgia Strait Alliance saying I am for or against it. I would like to find out more. I definitely would like to find out more. There are lots of gaps. There are lots of errors in some of the reports that have been mentioned and there are lots of needs that have to be addressed. And I think there are lots of things that have to be done. I think that once these questions come out, and the right questions come out, that probably they will be addressed. I hope they will be addressed and if they aren't, I will be against it. If they are, I will feel somewhat pleased, but…

Darcy Vogel: Can you give us some examples of these questions?

Rod MacVicar: I guess an example is like we've done an awful lot now on the Important Bird Area and we've been, the statistics, although, that Bird Studies Canada has quoted, are pretty old. They may be 30 years old, some of them, and they're not very "by the month". We've been doing by the month counts in the harbour and over a few years. So we're getting some up to date information. And, for instance, I think the Western Grebes, a species of special concern that are found in the centre of the harbour and over three years, well over 30 years I guess, we've seen their population go from the thousands to the hundreds and the last three years they were down to 30 or 40. And this year, we only saw maybe 10 Western Grebes in their area in the harbour off Rogers Sugar Refinery. Increased traffic through there could be hard on these, but there is not much you can do. You have to go through this area. There is not much you could do to mitigate that. But you could maybe do some habitat enhancement and maybe these things might be looked at. They are also threatened in their nesting area up north, so if there was a will, they could provide, like Nature Canada could provide lakes and nesting areas in perpetuity so the Grebes when they move to their nesting site would have more success and could continue as a species. We wouldn't lose that biodiversity, although they could be threatened a little bit in their area during the traffic, but there isn't much you could do during that area of transit of increased freighters. It's the same with killer whales and other species. So I think science can afford some things that can be done, and some things that should be done. And I guess I just feel that the project stands to be economically viable for a company and they may just have to realize they have to step up and do some things and define what world class means. And just an international maritime organization standard may not be good enough for

us. We may want more than that. And there are things if I think if I see these done, I can't say I am for or against it. I am for objective science. Is that…

Sabina Hill: Does the science allow us to clean up a spill 100%?

Rod MacVicar: Well, I don't know that that's the realm of science. But maybe they could assess whether it's being cleaned up 100%.

Sabina Hill: And how about your photos that you showed us earlier this evening?

Rod MacVicar: Well, I didn't make a comment. I didn't say, "Is this adequate or not?" I said, "You judge." It's there. It's still there. They decide maybe to leave it there. And we're not even sure the effects of it being there. It may be marginal. It may not be. But if you do the science, you might answer that question. And I think that would be important. If it affects some species, in their spawning or their migration or it's toxic or what have you, there are lots of things. I didn't really answer it.

Sabina Hill: Thank you. So in this respect, we agree that science can be very beneficial, but the studies are not being undertaken to your satisfaction at this point. (That's right.) And to my satisfaction, I don't want to see any of this go ahead. (Okay. Thanks.)

Andrew Mackey: So Gaetan and then Ilse, please.

Gaetan Royer: Good evening. Gaetan Royer. I looked at the application documents. I didn't see any reference to fracking earthquakes. Earlier this year, I took a two-day course with the Petroleum Institute. The oil industry uses explosives to fracture shale and then they inject the fractures with water and chemicals and that pushes the oil and gas out. Fracking, to frack, is to fracture the earth's crust, to cause manmade earthquakes. Most earthquakes in world now are manmade. The number of earthquakes in the central US, for example, has had a six-fold increase since 2001. We are in an earthquake prone region. The standards that we use if we go into high scale fracking, the standards that we use for earthquake preparedness are not sufficient. You don't do a budget based on 1980s financial information without adjusting for inflation. And we're not adjusting for fracking. So my question is, did I miss something? Is there a section in your report that addresses earthquakes caused by fracking?

Michael Davies: Thank you. There is not. Fracking is a technique that has been used in Alberta and especially in the US. I'm familiar with it more with the production of natural gas, but it has also been used to extract oil. The faults, my understanding, and I'm not a seismologist, but my understanding of the seismic risks for us here in the Lower Mainland are more associated with the offshore faults off the west coast of Vancouver Island, and those are, the predicted accelerations from those, the earthquakes that could happen from those areas are what the basis of the building code is founded on and that's what we use for designing the existing system. I'm not aware of any changes to the building code because of fracking in other parts of North America. I'm not aware of any fracking that's happening in this area of British Columbia.

Andrew Mackey: Final comment?

Gaetan Royer: Yeah. The BC Oil and Gas Commission investigated fracking in the Horn River Basin. Some of the oil you carry is coming from that area. They concluded that dozens of earthquakes observed between 2009 and 2011 were caused by fluid injection during hydraulic

fracturing in proximity to pre-existing faults. Again, we live in BC, waiting for the big one to happen. You mentioned at one point there is no limit to Kinder Morgan's liability. My observation, from the news, is that there is no limit to your efforts to fight that liability in court, including suing the City of Burnaby, suing a number of third parties. (So is there a question?) Yeah. You can't, I've got a comment about the levels of safety. You can't add levels of safety. It's like adding percentages. You don't do that. It's not good math. If 60% of the women here have brown hair and 60% of the men have brown hair, you don't have 120% of the people with brown hair. It's still 60%. So adding levels of safety is just something you just don't do. And is it fair to say that, given your 60 minute response, that in an urban area for a spill, your first line of response is municipalities, so is it fair to say that Kinder Morgan would rely on municipal police, fire and public works people to provide the immediate response? Because the fire department of most municipalities follows a standard of 7-9 minutes response time to an emergency whether it's in a coastal area or within a built up area like in Burnaby or Sumas or any of those areas. So that's my question.

Andrew Mackey: Thank you. You have 30 seconds.

Michael Davies: I have 30 seconds? I think the one hour response time was Scott talking about the typical response time for WCMRC to marine spills in the harbour.

Gaetan Royer: Can you be there quicker than the fire department if it happens in an urban area?

Michael Davies: When you say "it" do you mean a pipeline spill or a marine spill?

Gaetan Royer: Yeah, a pipeline spill, an incident with your line, a fire…

Michael Davies: Our emergency response program is based on, there are several layers to it, but if an event happens, we have a control centre that monitors the pipeline and would shut the pipeline down. They would dispatch people to confirm and go to the area where something is reported. They would work with local first responders to secure the area and initiate the response. We, as a private pipeline company, don't have the ability to evacuate people or close roads, those sorts of things. Those are municipal powers. So we work with municipalities along the pipeline, with the first responders and emergency planners. We provide training and conduct exercises of our own systems and we invite municipalities to come and participate in those exercises as well.

Gaetan Royer: How about compensation?

Michael Davies: Compensation for which? (For the municipal first responders.) So in terms of normal operations, we provide training. As I said, we put on exercises and so, if it's training, we would provide someone to come and give training to say a local fire department. We don't pay for wages or other things for them to participate in that, but if they would like it we will come and do it. In the event of a pipeline incident, if there is a spill, as I said before, we would take responsibility for compensation. And if there were liability issues, we would sort those out after the fact. And that's what we did in Burnaby. So we paid for people who had to be evacuated and relocated. We put them up. We paid for rental cars and other things to keep them whole and then we figured out later on who was responsible.

Andrew Mackey: Thank you. Ilse and then D. Parsons and then Jennifer Rodriguez.

Ilse Leis, Port Moody: Hello. Good evening. I'm Ilse Leis. I live above the inlet and I can see it every day from my house. I came here just, I have been involved in various issues for more than 12 years and, quite frankly, this was not one of the ones that I wanted to be involved in. I have heard it over the news, but since hearing, my first impression is that Kinder Morgan is so not ready to do this. And I am just appalled, aghast that you would have the audacity to go forward with the application under these circumstances that I have heard. Lack of information, studies have to be completed, many studies have to be done; the response time is completely unacceptable. I think that a maximum allowable time would be 30 minutes. That would be stretching it. I would demand 15 minutes response time. And I'd like question. I have other questions, but the first question that I have is, can you guarantee 15-minute response time? How would you do that? Because anything less than that is just not acceptable. (Thanks.)

Scott Wright: I can take that. The current regulation for deployment within the Port of Vancouver is six hour, as I said before. (That's just not acceptable.) As I said before, our average time is 60 minutes. Part of my presentation also looked at the enhancements to those response times that Kinder Morgan and we have looked at together. So we're looking at a 2-hour response time within the Port of Metro Vancouver, but what that means is that could be the longest that we could be responding, the longest response time. But we will be going to 24-hour operations within the port and also along the tanker route to likely two other locations. So that two hours is likely much, much quicker. So it means that we would have a boat crew on 24 hours a day that would be available to respond within Port of Vancouver.

Ilse Leis: Well, I will give you a job to do…make it 15 minutes. Just work on it. Now, secondly, I have many question because I have been listening…

Andrew Mackey: Just hang on. If we don't have time for all of your questions, I would remind you that you can submit them to the city and you can do it online or through a form that we have here.

Ilse Leis: Actually I've just been busy all day, five hours today making a report to Mr. Jones on another issue. But anyway, the other question if have is, someone mentioned 34 tankers per month. When would those tankers be going through? Would that be during the day, during the week, let's say Monday through Friday, or would it be over the weekend? How would that work? Because, as I said, I live in the inlet and there are many, many boaters in the inlet and I would not want to wait for two hours if I was in a boat sailing or whatever. You know, they have races, sailboat races, and if an oil spill happened, I wouldn't want to be there if it was two hours or even 60 minutes. So can you explain to me, or I guess this question would go to Mr. Davies, I guess. When will these tankers go through the inlet, like what days and what hours?

Kevin Obermeyer: I'll take that one. The tankers are restricted by the movement restricted area in the port and so they can only go through in daylight when they are loaded and they can only go through at slack water. So there are very specific restrictions on loaded tankers.

Ilse Leis: What about the days? Like on the weekends, for example, where there is a lot of boating traffic in the summer, would they be going on the weekend?

Kevin Obermeyer: They will go through 365 days a year, but only in daylight and only in slack water because of Second Narrows.

Ilse Leis: Okay, so that still doesn't answer my question, does it?

Kevin Obermeyer: I thought I did. It goes 365 days.

Andrew Mackey: Do you want to rephrase your question?

Ilse Leis: Okay, let me ask you another question here. And that would be about the question that was raised about the carcinogenic. I am just wondering, what is going to go through, what is planned to go through, I'm not quite sure what the percentage is, but it's something like 30% heavy oil or something like that. But are there going to be carcinogenics in the pipeline or in the oil that's going to be going through the pipeline? Thank you.

Michael Davies: So I think almost all of the petroleum products that we move in the pipeline include organic compounds like benzyne that was discussed earlier and have the risk of being carcinogenic. That also goes for the gasoline that's in your car. I mean, the oil that we move in the pipeline is for motor fuel. That's primarily what it's for, whether it's refined or unrefined. Diluted bitumen is not unique in that regard. In fact, on a per volume basis, compared to something like a lighter hydrocarbon that tends to have more, lighter compounds in it like benzyne, there is less than there are for other compounds.

Ilse Leis: Thank you for answering that. Can I just ask one more question? (Please.) I raised it earlier and I didn't put it in question form, but I want to know now as a question for anyone on the panel that would answer this. Why would you go ahead with an application that is, when you are so totally unprepared? I mean, you have got such a long, long way to go, so many different studies that haven't been done. How could you even contemplate, never mind do, making an application? That is just beyond comprehension and I'd like an answer to that question please.

Andrew Mackey: Okay, thank you.

Michael Davies: So there are lots of questions. There is lots of science. There are lots of interesting things to know. The reason we are proceeding is because we believe the application we have prepared meets the requirements that were defined by the National Energy Board. So they have established a scope for their review and we have prepared an application that meets those. It's not necessary to answer every scientific question out there for the project to be determined whether it's in the public interest or not.

Ilse Leis: Well, thank you for your answers. And I do have to continue to say that you are not prepared and you have to do a lot more work before you are going to convince anyone that you can even get started on this. So I wish you luck, but I don't think it's going to happen. Thank you so much.

Andrew Mackey: Thank you. D. Parsons and Jennifer Rodriguez. Did I miss you? D. Parsons. Is Mr. or Ms. Parsons here? Okay. So Jennifer Rodriguez.

Jennifer Rodriguez, Port Moody: Hi there. Thank you for coming to Port Moody to address its residents' concerns. I have been a resident of the Klahanie neighbourhood in Port Moody for five years. I'm also a mom of a four and a one year old whose future quality of life and legacy is of great concern to me. I have a two part question. I'm hoping you can provide the context that the company stated was missed in your 15,000 page application to the NEB to expand the Trans Mountain pipeline when you stated that a spill would be an economic benefit. This is an admission that spills happen, so why should the residents of Port Moody be supportive of this?

Although I appreciate your openness regarding your 70-plus spills, it doesn't make future spills more palatable to the city's residents. The second part of my question is how does Kinder Morgan plan on addressing the increasing effects of climate change, seeing as the pipeline will further contribute to increasing carbon emissions? Thank you.

Andrew Mackey: Thanks.

Michael Davies: So I think the first part of your question referred to a small piece of our application that got some press coverage which was arguably an unfortunate turn of phrase that was buried in a large section about socioeconomic effects. And it used the term about spills having both positive and negative, economic effects in particular. This was basically one sentence out of the 15,000 pages and it was part of a larger discussion about all the different aspects of socioeconomics. It was the first paragraph under the heading of economic. It was not meant or intended to suggest that spills are acceptable. They are not. And it was not meant to suggest that those kinds of economic benefits, if they were to arise, would be desirable. It reflects an economist's view of what can happen if there is a spill. So it's part of a much larger discussion about social effects, environmental effects, cultural effects, things like that. It was one section that was about the economic effects. And so I think it was taken out of context a bit. I think read with the rest of the application, I think one would come away with a clear perspective, so we're not in a position where we're suggesting that that's any positive part of the project. And it's not used in any economic analysis to support the project either. Spills are not certain. A spill resulting from the expansion is not a certainty. Having said that, a large part of the application acknowledges the fact that spills can happen. Small spills are more probable than large spills. And as I said before, it's a discussion of that and the different aspects of it are part of the application and part of what the NEB will consider in their review.

Jennifer Rodriguez: So then how should the residents of Port Moody be supportive of this, if spills can happen, whether they are small or large?

Michael Davies: Because the likelihood of a large spill is very small and the economic benefit of the project is much more certain and much larger.

Jennifer Rodriguez: And we should not be concerned with small spills then? Is that your statement?

Michael Davies: No. Absolutely we should be concerned about all spills and we should avoid spills. None of them are acceptable. As I said, that's what the process is about. It's about reviewing whether there is a net benefit for the project.

Jennifer Rodriguez: Okay, so if there is an economic benefit that outweighs the possibility or the risk of a spill, how does Port Moody benefit from this? You said that there are 50 long-term jobs in British Columbia, so since we are here in Port Moody and I'm speaking, asking this on behalf of residents of Port Moody, I would like to know how that would benefit us economically, despite the environmental effects that that will have not just on the people, but on the wildlife and the quality of life that we lead.

Michael Davies: Well, first of all, as I said before, a spill is not a certainty as part of the project. We wouldn't try to count or include anything from that. The project itself, I talked about the economic benefits earlier, in terms of jobs and things. If your question is about how the project would benefit Port Moody, we have employees that work for Trans Mountain that live in Port Moody. We have contractors that provide services to Trans Mountain that live in Port Moody. I

talked a bit before about the municipal taxes that increase. It's not a material change for Port Moody. And there are benefits in terms of provincial taxes. There is almost a billion dollars in provincial taxes that would result from the project, about $750 million during the construction and about $300 million over the operating life following that. That's just the project itself. As I said before, there are benefits to Canada to be able to access larger markets and benefit from more competition for the resources that we are producing.

Jennifer Rodriguez: Thank you. And then to the second part of my question. (Would you repeat it?) (I thought that was the second part. Sorry.) No, that was just me following up on the first part. The second part of my question is, how does Kinder Morgan plan on addressing the increasing effects of climate change, seeing as the pipeline will further contribute to increasing carbon emission?

Michael Davies: Well, I think responsible resource use is all of our responsibility. It's not just Kinder Morgan's. I think we have to make choices every day about how we use carbon products. Pipelines and terminals, in and of themselves, don't really produce any greenhouse gases. The refining and extraction of oil from the ground is a larger piece, but by and large the most significant contribution to greenhouse gases is the burning it in your car. It's the tailpipe emission. And that's something that all of us have responsibility for. So it's about driving smaller cars and living in closer proximity to work and those kinds of things. It's about responsible choices for resource use.

Jennifer Rodriguez: I appreciate the comment on personal responsibility. Does that mean that you feel that as a corporation you don't have a greater responsibility for this, though, because it's being downloaded to the people that drive cars and live far from work?

Michael Davies: I don't think it's and I'm not suggesting that it's entirely downloaded. I'm saying that we, as a company, in terms of our operations, we're conscious of carbon emissions and our carbon footprint, and we have programs to monitor that. Green Marine, for example, is a new entity here in the harbour that sort of is a continuous improvement organization that we have joined and has self-reporting, so we're participating in those sorts of things. So we're doing our part through those sorts of efforts. (Thank you.)

Andrew Mackey: Thank you. Cedric Chen and then Don Reid.

Cedric Chen: Thank you Mr. Speaker. Good evening, people of Port Moody. I have but one question for Michael Davies. If there is a performance enhancing medication that would make you an Olympic champion, but would shorten your life span for 10 years with no guarantee that you would go to heaven, would you take it? And in due time, Mr. Speaker, I will explain how this question is relevant to what we are discussing.

Andrew Mackey: So go ahead and explain how it is relevant. And who do you want to answer it?

Michael Davies: Well, if you can explain how it's relevant to the issue that's before us, maybe we can move ahead.

Cedric Chen: Okay, I believe that your reasoning would tell you that this kind of drug is not worth taking. However, by pushing forward this pipeline expansion, you are forcing the citizens of Port Moody to take this economic enhancing drug that is the pipeline with a possibly

shortened life span, which is shortened probably more than just 10 years and they won't even know if they will end up in heaven.

Andrew Mackey: Thank you. I don't see anybody who is going to tackle that. So thank you very much. Don Reid.

Don Reid, Belcarra: I think my questions are a little more straightforward. I'm a resident of Belcarra, so I'm the first non-Port Moody one. I don't know what kind of greenhouse gases are produced by the ships idling at port. I do know that the Port of Vancouver, for their container terminals, has shore power. Do modern tankers have the facility to connect to shore power? If they do, is Kinder Morgan going to put shore power in to reduce the greenhouse gases? You just mentioned that your plants are not really large sources of greenhouse gases, but the marine operations, I think, do produce greenhouse gases.

Michael Davies: So, in terms of the port, my understanding is that they currently have shore power for cruise ships, not freighters and other things, but primarily just for cruise ships. And it reflects the fact that they are large drawers, they're like floating cities. They draw a lot of energy. And also the fact that one of the larger jurisdictions in California, I think in Los Angeles, has implemented it as a rule and they have a large enough affect on the market that it forced the cruise ship industry to convert and provide that. That kind of market power doesn't exist for our facility, first of all. And secondly, today, tankers aren't equipped with the ability to receive shore power, so there aren't tankers in the fleet that could come and connect to a shore power connection. That said, the design of our dock will accommodate the addition of shore power should it become available in the future. And if it was available today, certainly it would be something that we would pursue. But if we said only tankers that can receive shore power can come to our terminal, there wouldn't be any. That's the challenge that we have.

Don Reid: So you're confirming, then, that California does not require tankers to have shore power?

Michael Davies: Yeah. There isn't anywhere in the world. We've looked into it and our understanding of the fleet today is that there are no tankers that are equipped to receive shore power. It's also a safety issue, too, with floating petroleum. You know, the loading operations go on in an area with electrical equipment that is designed specifically not to create an ignition source.

Andrew Mackey: Does everyone know what shore power is? Okay, then I won't pursue that. All right, so we have a little more time, so I have a request of, if you are a resident of Port Moody and you haven't signed up and you would like to ask a question, could you raise your hand? Two. Okay, do you want to go to that microphone and do you want to go to that one? Just tell us your name, where you live in Port Moody and then ask your question. We'll go through the same routine. So go ahead.

Myrta Hayes, Port Moody: My concern is mainly what Mr. Davies said that once they load the oil from the pipeline onto the ships, they are not responsible anymore. Now my concern is those large ships are coming into this inlet which is not very deep, especially by the Second Narrows. If we have an accident, it will cost in the tens of billions to clean it up. And I think Scott Wright said that usually those spills are covered 100% by the ones who produce it. Now if these ships are not legally involved with Canada and are from somewhere offshore, they bear no responsibility, they just sort of disappear if they are being held to pay for something like $10 billion. So who is going to cover that? And I really would be very upset if we taxpayers have to

pay bills like that. My other comment is, I'm from Europe and, for example, Germany has now 70% or 60% of their energy is covered by solar power, wind power, etc. Why can't we do this in Canada? Therefore we wouldn't need to sit here and discuss why we are still using dirty energy. The other thing is, too, oh I lost my train of thought.

Andrew Mackey: That's okay. Why don't we deal with the first question then if you can remember the next one. (Okay, yeah.)

Michael Davies: So, just to be clear I guess, the comment I made was about who hires the tankers and who takes custody of the oil when it's loaded. The fact that we're not hiring the tankers and that we don't have any jurisdiction in that area, doesn't mean that there isn't any. Shipping falls under the Canada Shipping Act, which is the responsibility of Transport Canada. So they provide inspection of vessels and under the Canada Shipping Act, it sets requirements for vessels that would call in Canada and it reflects many of the international conventions around shipping safety. So there is a regime, just like there is around making sure pipelines are safe, there is a regime around making sure shipping, particularly tankers, is safe. The question about liability, and I touched on it earlier, if there is spill, the ship has to prove that it has insurance in order to come and trade in Canada. While its liability is limited under this international convention, there is also under international convention, there is provision for spill cleanup beyond the limits of the ship's liability. So the ship is $130 million. The international funds provide a billion dollars. And then there is the Canadian Ship Source Oil Pollution Fund on top of that, which is currently about another $160 million. Canadians that are affected by a spill can make a claim through the Ship Source Oil Pollution Fund. And they administer, the responsibility is under the Marine Liability Act. So, currently, there is $1.3 billion available for cleaning up marine spills, independent of who the vessel is or who the owner was. And as I mentioned before, what the federal government has proposed and indicated they are going to pursue is that scenario where if those funds were used up, there would be mechanism to put a tax on the petroleum industry to recover whatever remainder was required for a marine spill, hence, sort of, keeping it out of the taxpayers' realm. So it would be industry that would continue to pay for it.

Andrew Mackey: Do you remember your second question?

Myrta Hayes: Yes, I do. (Great. Please, go ahead.) I actually, about three months ago I read that Australia or New Zealand, I forget which, has discovered an oil well that actually is enormous and covers all of their own energy demand, plus it has lots to export. And apparently, down in Australia, labour is much cheaper. And, for example, China, which needs a lot of energy, will eventually go there to pick up the oil. Meanwhile, we are putting all our tax dollars into making this huge pipe or transporting the oil here and making all the facilities available for this, and we are eventually going to, the taxpayers are going to pay for this and China, which is probably one of the biggest users of energy, will actually not come here anymore. So I think, if you talk about the economy, that's really not a very smart idea anyway. And, also, you may produce jobs, but they are very temporary. But if you have an oil spill, it will cost many, many billions of dollars, for example, ships not coming in and other things that are associated with that. Thank you.

Andrew Mackey: Thank you. Please, sir.

Jeff Scott, Port Moody: I'm a big believer in getting answers from those that I think don't really have a vested interest. So I only have one question and that's for Rod. I wanted him to

respond to Mr. Davies' comment earlier. I believe he said that not all scientific questions have to be answered before you go through a project like this. I'd like to hear your response to that.

Rod MacVicar: I guess he's correct in saying they don't have to be answered under the current rules, but I don't think I would support it unless they were answered. I think it behoves us to get some answers and I think we should. We should answer them and some questions are unanswerable. Some take quite a bit of studying, but I think you have to commit to it and you have to go on that journey to find out what you do know and what you don't know and the questions to ask. You just can't leave it aside and say science can't do it. Does that answer your question? I'm not sure.

Andrew Mackey: If you were on the speakers' list and you have come up with another question, please go ahead.

Gaetan Royer: Okay. There's an interesting opinion that I read recently by Mitchell Anderson and it uses Norway as a point of reference to suggest what Canada should do with its energy policies. Norway built pipelines to Norway. They built pipelines to refining sites in Norway and then to consumption sites in Norway. Norway owns its pipelines. The country owns its pipelines. Norway focuses on the Human Development Index, not just the Economic Development Index. So my question is, building a pipeline to the West Coast through BC is becoming a bit of a mess. Have you considered negotiating with the government of Canada or the government of BC to just transfer the responsibility for this project, let them buy you out?

Andrew Mackey: Before we go to you, I missed a Mr. McKnight, who was originally on the list, but didn't have a chance to speak. So would you please go ahead?

John McKnight, Port Moody: Thank you. I'm a resident of Port Moody for 47 years. I'm a member of the Plumbers' Local 170. And I feel like Daniel in the lion's den here tonight. But let me say this. I think a wee point has to be made that we are all children of the industrial revolution. And all the things we enjoy in society are products of the industrial revolution. Oil, whether we like it or not, produces many offsetting factors that give us a wonderful life. Now, economics was mentioned, and I disagree with the lady from the microphone over there that said that Europe has 60-70% solar energy. When Japan had its atomic station's big problem, Germany cancelled its atomic energy stations and has been into coal production. Britain is into heavy, heavy duty coal production. China has got massive coal production. And that is what produces the Chinese industry, coal production. India has massive coal production. And this is the point; the dirty, filthy thing in this planet that is used for production is coal. And what goes up into that atmosphere is ten times worse through the production and use of coal than it is from oil. That is a scientific fact that can be proven. I told you that I'm with the Plumber's Union. We have a vested interest, and we admit that, in seeing the pipelines built. But in all honesty, North America is criss-crossed with pipelines. And they're pumping oil and petroleum through it day by day and nothing, you never hear about any serious problems because there are no serious problems. It is the safest mode of transportation. Now, Alaska; we heard about what happened in Alaska a few years ago. Did nothing change? That was a single-hull transporting oil ship. It's now double-hulled. We learn from our mistakes. Is anybody going to think that the provincial government, the federal government in any country is going to go along with corporations just so a particular corporation can make money? That is nonsense. Well, I don't hear any of you say let's nationalize the oil corporations. Where are the socialists among you? (Please direct your comments here.) I always like answering the hecklers, Mr. Chair. (Yeah, okay.) So, my point is this. We have a vested interested. And let me tell you, the building trades of this province support the pipeline. And the four trades that will be primarily involved in

it is my union. And we put the pipes together and our welders weld them. The labourers union over there, the teamsters union over there and the automating engineers union over there; now let me tell you something, a wee secret. At the last BC Federation Convention two years ago, there were many resolutions – I won't say what unions they came from – against the pipeline. But we were there in strength, our four unions, and we explained the economic value of why the pipeline should be built. And that's why you've never heard the BC Fed say they are against the pipeline because they couldn't say it because it was not won on the floor. So there is a division and we admit there is a division. And there are a lot of ecological questions that have to be answered. We in the building trades, and particularly in the Plumbers Union, are not against the environment. We want our children and grandchildren to enjoy the best climate that we can produce. But to say that the pipeline is the cause of it all is nonsense. What we really need is more information flowing, not just from the corporations, but from the governments of the day. Thank you.

Andrew Mackey: Do you have a question?

John McKnight: Does the panel agree that coal is ten times worse than oil?

Andrew Mackey: Thank you. And I apologize for missing you on the first round. Anything you want to say?

Michael Davies: I don't have the numbers, but that's generally in line with my understanding, that coal produces more emissions.

Andrew Mackey: Okay, please.

Chris Rowe: I'd like to ask a question again. There was a question asked earlier about whether or not a post-mortem report was conducted by Kinder Morgan surrounding the 2007 oil spill. So I guess that's a yes or no question, perhaps for Michael Davies.

Michael Davies: I think I answered that before. There were multiple investigations done that involved the sort of thing one might call a post-mortem. So there was an investigation by the TSB and there was a review by the National Energy Board as well.

Chris Rowe: Right and I think one of the concerns was that, at least to my knowledge, we haven't seen a description of the ocean cleanup portion. We've seen the land portion at least. I'm holding here a copy here of the pipeline investigation report for the Transportation Safety Board and, again, I just want to come back to; I'm guessing that for a spill of this magnitude that your own organization would have had a formal report about it.

Michael Davies: So our review was done in cooperation with, I guess, what you have there.

Chris Rowe: And so did that review include just this document?

Michael Davies: When you say just this document, what do you mean?

Chris Rowe: Well, again, I'm trying to get at the piece around the ocean cleanup. We haven't seen a description and a critical analysis of that. Where does that exist or does it not?

Michael Davies: I'm not aware of a specific analysis that was done around the marine portion of the response.

Chris Rowe: Doesn't that seem to be a particularly important report to have written, considering the problems that occurred with the containment booms and the leakage of the oil?

Michael Davies: I think it's always good to do a review after an accident. The problems that have been discussed; I wasn't there, I wasn't at the spill and Scott and Rod were both there.

Scott Wright: I just wanted to also tell you of the role of the Canadian Coast Guard during a spill response. They are the federal monitoring officer, so they will ensure that the responsible party, whoever has had the spill, is making sufficient cleanup measures and they will also ensure that we are doing a good enough job. If at any time they don't feel as if the response is going as it should be, they can take over the response and then direct the response with their resources or they can direct us to respond. So there is that ongoing monitoring of a spill response by the federal government in any marine spill that we are a part of.

Chris Rowe: So why was it omitted from the National Transportation Board's report? Why just have the land-based cleanups on there? It seems like a really critical part of that report just didn't occur.

Scott Wright: Yeah, I can't speak for that agency.

Chris Rowe: Okay, thanks for answering that question. I also just want to finish by saying as much as I appreciate you guys coming out and this process being available to us to ask questions, this really doesn't meet what I would see the requirements of Canadian citizens to have a process where we're able to have a much more back and forth question and answer periods where more people can show up for this process. Writing in answers on paper, part of the process that we were offered earlier, the intervenor status, doesn't capture that either. So I just want to express my disappointment that we haven't had a bigger process that allowed more of us to speak up and to challenge some of the ideas that are being presented.

Andrew Mackey: This will be our last question.

J. Peachy: Okay, these questions are for Rod and Scott. In 2007, with the incident on Barnett Highway, there was some compensation, I guess, to local environmental groups. And I understand, Rod, that you are involved in that. I wonder if you have any comment on what compensation there was and that whole process to gain that. And then the second question is for Scott with respect to the Coast Guard and not having a first response in False Creek, that the Coast Guard is now, I believe the closest is near Richmond. So how would that improve your response to spills that may happen at Westridge Terminal, considering that they are your backup and that they're now farther?

Rod MacVicar: To answer your question on the compensation, after the spill, there was a judicial, there were charges, inquiries and what have you. And the companies involved were fined for the incident that happened and because the judge found that nobody profited from this and it was an accident, the fines were not as high as they could be. And the fines were paid to the Provincial Habitat Conservation Trust Fund and they were to dispense these fines to groups that would do habitat enhancement in the area in which the spill occurred. So some local groups did receive money from Habitat Conservation Trust to do some enhancement and mitigation work because of the spill, which is sort of interesting, I guess. Does that answer your question?

J. Peachy: Yeah. I just wanted some context around that. And do you feel that that economic compensation would adequately recover the damage potentially from a scientific perspective?

Rod MacVicar: No, I don't think it did. It is sort of interesting, because I thought that; the judge had said nobody benefitted from this spill. But in actual fact, the company that responded to clean it up was the company that is owned by the oil companies to clean up their product. So they were paid to clean it up. And that is a for profit company. A limited registered company received funds to clean up the spill. So I guess a limited company that is owned by the oil companies did profit from this. They received quite a bit of money. Whether they dispensed it; they hired lots of people to do the cleanup. They hired Tsleil-Waututh people. They hired a whole bunch of peoples and they spent a lot of money on cleanup. But it's hard to say whether anybody did benefit from it. It's like the economic outcome of a spill. There is, in the region, the money was distributed. So does that shed any more light or less? I don't know.

Scott Wright: I would like to respond to Rod's comments about for-profit company. We are not a profit company. So any revenue that we make throughout the year goes to offset any fees that we collect the following year. We have an annual budget right now of around $7 million and so we collect fees from our members to equal that $7 million, our operating budget. If we make revenue throughout the year, it goes to offset the next year's fees, so we are not profit.

Andrew Mackey: Thank you.

Rod MacVicar: I have to disagree. You can't say that Burrard Clean or the WCMRC is a not-for-profit company registered under the Societies Act. It is registered as a for-profit company and it has the shareholders. Kinder Morgan is one of them. Imperial Oil, Suncor; these are companies that hold shares in a company for profit. Money that comes in is called profits. And that's for profit. I don't see how it could be anything else. How you decide to spend your profits, that's another thing, but it is a for-profit; can you say it's not a for-profit company? So it's a non-profit?

Michael Davies: I can probably address that, Rod. We, along with the other four terminals in the eastern part of Burrard Inlet, are the shareholders of WCMRC. The organization is run like a utility and so the idea is there is some equity in the entity, about $2.5 million, and the rates to members are set so that there is a rate of return that is established by the NEB that the shareholders receive on that capital that they put in to create the organization. That's it. So as Scott has described, if there is revenue that is received by the organization, it goes to offset the cost of membership for all of the members, and those members include all of the ships that come, not just oil tankers, but all the shipping on the west coast of Canada. So we, as shareholders, don't see a return on our equity, other than just what established by the NEB.

J. Peachy: Let me just try to recap my…

Andrew Mackey: No, I'm sorry. Actually, we have a very specific issue here.

J. Peachy: The greatest benefit to Port Moody in this pipeline project is oil spills and the downstream effects for cleanup, I think.

Andrew Mackey: Okay, thank you. So I'd like to thank the panel. It's probably one of the more exciting things you do in your work. And I would particularly like to thank the residents of Port Moody, who took the time to come out and participate in a community event sponsored by your

Council and offer the questions that are important to you about this project. So have a good evening.

MEETING ENDED AT 9:47 P.M.