

Albert Koehl
Phone: 416.368.7533 Ext. 29
Direct Fax: 416.363.2746
akoehl@ecojustice.ca

Tuesday, June 19, 2012

Ms. Sheri Young
Secretary of the Board
National Energy Board
444 – 7th Avenue SW
Calgary, Alberta
T2P 0X8

Filed electronically

Dear Madam Secretary,

Re: *Enbridge Pipelines Inc. Line 9 Reversal, Phase 1*
Hearing Order OH-005-2011; NEB File OF-FAC-Oil-E101-2011-01 01;
Comments by Equiterre and Environmental Defence on Draft Screening Report

We are pleased to provide the following brief comments on the draft Environmental Assessment Screening Report (ESR) for the above-noted project:

1. We fully agree with the comments by Mr. J. Goudy, counsel to the Ontario Pipeline Landowners Association (filed on June 6, 2012), that the ESR does nothing to address the deficiencies of the materials filed by Enbridge for its application – and the problem of the Board's reliance on those materials;
2. Enbridge has publically stated that it plans to reverse the flow of the pipeline along its entire length from Sarnia to Montreal. This is relevant to the ESR for at least two reasons:
 - We question the authority of the NEB to ignore relevant evidence for the EA that is fully in the public domain. (Some of this evidence was filed with our motion and subsequent letter of May 14 and 18, 2012 respectively.) We appreciate that Enbridge has chosen to file its application in a particular manner and that the Board has made determinations on the scope of the hearing. The fact, however, that the nature of the application differs from statements already made by Enbridge in public about its plans --- and the fact that the pipeline will be reversed from Sarnia to Montreal --- puts the Board in the potentially embarrassing position of relying on evidence that is not

current. We believe this approach also undermines the Board's obligation to make an EA decision based on complete and available information;

- The stated aim of the decision to reverse the pipeline from Sarnia to Montreal includes a plan to transport more crude from Western Canada – presumably including oil sands crude given the growing quantities of such oil being produced. Indeed, *even in the absence of the noted public announcements* the potential for changing the commodity to oil sands crude merits serious consideration. The fact that Enbridge's materials do not contemplate or study the impact of this type of crude on the integrity of the pipeline means that the determination of whether there are "significant adverse environmental effects" --- particularly in terms of pipeline leaks and breaches --- cannot properly be made. The Board essentially deals with (and dismisses) this important issue (which it terms "commodity composition/corrosivity"¹) by relying on Enbridge assertions of safe transport despite the fact that this is a key matter to be addressed by the EA process.

The Board (at p. 16) states:

Various parties raised concerns about the effects of changing product types on internal corrosion. The Board notes Enbridge's indication that, post-reversal, it intends on shipping light crude oils similar to those currently being transported on this segment of Line 9. **With respect to the concerns raised, Enbridge indicated that it imposes quality specifications aimed at preventing product-related impacts on pipeline integrity and that it "simply will not transport oil that cannot be transported safely". The Board notes Enbridge's submission that its annual internal pipeline corrosion threat analysis would take into account any changes in product shipped.** The Board is of the view that Enbridge's existing IMP is adaptive and capable of recognizing and addressing possible internal corrosion issues related to transporting different grades of crude oil, should Enbridge identify this need in the future. (emphasis added)

We had anticipated that the ESR would assess, based on evidence --- and in the context the importance of this issue and the significant public concern --- the potential adverse environmental effects from a change to oil sands crude. We therefore urge the Board to re-evaluate its position and specifically restrict Enbridge from changing the commodity shipped until appropriate safety studies for oil sands crude have been completed.

3. We understand that Enbridge can convert the product shipped in the pipeline to diluted bitumen without any public scrutiny – indeed that the conversion can be done as a technical or administrative matter by simply adjusting the governing

¹ See section 8.2.2 "Detailed Analysis of Potential Adverse Environmental Effects; Accidents and Malfunctions during Operations" and specifically section 8.2.2.2 "Integrity Management".

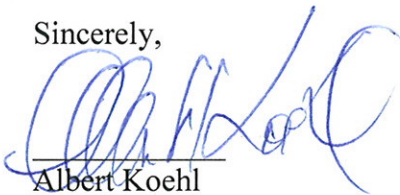
tariff for Line 9. We find it both surprising and extremely troubling that such a change could be made without any public involvement. If Ontario and Quebec are to be used as a conduit to facilitate the expansion of the Western oil sands, then a transparent public process ought to be followed. It is for this reason that we urge the NEB to require that any conversion of the pipeline commodity to diluted bitumen (ie by way of change to the tariff) only be allowed based upon prior notice to the public and with a full public hearing instead of via a quiet *back door* change.

4. Finally, we believe that the project --- based again on Enbridge statements to the public --- is being split. The real project is one which reverses the pipeline from Sarnia to Montreal (and likely beyond), as confirmed by Enbridge statements to the public instead of merely the reversal of the Sarnia to Montreal segment.

We first raised our concerns about improper *project-splitting* as early as the fall of 2011. In light of evidence that has come to light since then it is even clearer that allowing a review based on the Sarnia to Hamilton portion of the pipeline would allow Enbridge to split this project.

Thank you in advance for your attention to our comments.

Sincerely,



Albert Koehl

