



TransCanada

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November 27, 1998

Via Fax and Courier

National Energy Board
444 – 7th Avenue SW
Calgary, AB T2P 0X8

Attention: Mr. Michel L. Mantha, Secretary

Canadian Environmental Assessment Agency
Hull, Quebec
K1A 0H3

Attention: Mr. Brad Parker, Senior Policy Advisor

Dear Sirs:

**RE: St. Clair Pipelines (1996) Ltd. ("St. Clair"), Dawn to Lake Erie
TransCanada PipeLines Limited ("TransCanada"),
Lake Erie Crossing
NEB Files 3200-T-1-15 and 3200-S15-1**

In its letter of November 13, 1998, the Board indicated its intent to follow a new proposed process for the comprehensive study of pipeline projects within the Board's regulatory jurisdiction. TransCanada respectfully requests that the Board and the Agency reconsider that decision and adopt instead, on a trial or pilot project basis, the NEB substitute panel alternative outlined in Section 21 of the *Canadian Environmental Assessment Act* ("CEAA"). The reasons for this request are as follows:

TransCanada appreciates the progress made by the Board and the agency towards the development of an effective process for the comprehensive study of pipeline projects. We are also aware that the proposed process is still in its developmental stage, with consultations just underway.

We understand that the development of the comprehensive study process will benefit from the Maritimes & Northeast Halifax and Saint John lateral



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pilot or test studies currently underway. On the basis of the consultation held on October 28, 1998 (the NEB hosted CSR Workshop), however, we believe that the results of these pilot projects should be available before committing all future projects to the new process. As I understand was discussed at the workshop, there remain unanswered procedural issues which carry with them the potential for delay. Indeed we believe the comprehensive study evaluation process would benefit from the experience garnered in an NEB "substitute panel" review, on a pilot or trial basis, in order to determine the best means of dealing with major pipeline projects in the future. Finally, we submit that going directly to a panel review eliminates the risk that at the end of the comprehensive study process, the applications might then be sent to a panel.

The use of joint panels was discussed by TransCanada with Agency representatives. The Agency indicated that where complex projects with high public profiles were being reviewed, the Agency would not object to the use of the joint panel process should the NEB choose that alternative. The applicant is responsible to provide the reasons for requesting a joint panel, which TransCanada has endeavoured to do with this letter for the Millennium Project.

We note too that public support for the panel alternative was expressed by the solicitors for the Gas Pipeline Landowners Association of Ontario St. Clair ("GAPLO-St. Clair") in their May 27, 1998 letter to the Board. While TransCanada does not agree that the project is likely to cause significant adverse environmental effects, the perceptions of GAPLO-St. Clair are evidence of public concern that can be addressed through the NEB substitute panel review process.

In making this request, TransCanada wishes to make clear its commitment to full cooperation with the Board in fulfilling its responsibilities under the CEAA and to undertaking a complete and comprehensive review of all environmental impacts associated with a project of this type.

TransCanada respectfully requests that the Board and CEAA reconsider their decision to commit the TransCanada and St. Clair projects to a comprehensive study process and to adopt instead an NEB substitute panel



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approach. We would be pleased to discuss this request with you at your convenience.

Sincerely,

Bob Reid

cc: Brian Fowler, TransCanada
L.E. Smith, Bennett Jones Verchere
B. Parker, Canadian Environmental Assessment Agency
L. Ruemper, DFO
R. Dobbs, Environment Canada
R. Marttila, Counsel to GAPLO-St. Clair
W. Blake, Natural Resources Gas Limited
S. Grenier, Indian and Northern Affairs Canada
A. Towell
L. Manning, Counsel to National Fuel Gas Supply Corporation
O. Stahl, Counsel to Eastern Lake Erie Fishermen's Association