NATIONAL ENERGY BOARD

OFFICE NATIONAL DE L'ÉNERGIE

Order No. GH-6-96

Ordonnance N° GH-6-96

Various

Sable Offshore/Onshore Projects

Hearing held at

Audience tenue à

Halifax, Nova Scotia

14 July 1997

14 juillet 1997

Volume 56

Canada

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as represented by the National Energy Board

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représentée par l'Office national de l'énergie
ORDER NO. GH-6-96
ORDONNANCE No GH-6-96
IN THE MATTER of the proceedings concerning
the Sable Gas Projects undertaken by the
Joint Public Review Panel as established by the
Joint Review Agreement dated June 1996 among
the parties thereto;
AND IN THE MATTER of the proceedings of the
National Energy Board commenced pursuant to
Hearing Order GH-6-96 to be consolidated with
and heard during the Joint Public Review
Panel proceedings.

RELATIVE à une demande de Mobil Oil Canada
Properties et Shell Canada limitée concernant
le "Sable Offshore Energy Project" et à une
demandes de Maritimes & Northeast Pipeline
Management Limited concernant la partie
canadienne du "Maritimes & Northeast Pipeline
Project".
RELATIVE À la Loi sur l'Office national de
l'énergie et à ses règlements d'application
(S.R.C., chapitre N-7).

Hearing held at Halifax, Nova Scotia,
Audience tenue à Halifax, Nouvelle-Ecosse,
le lundi 14 juillet 1997.

PANEL:
R. O. Fournier          Chairman/Président
J. L. Davies            Member/Membre
J. T. Sears             Member/Membre
A. Côté-Verhaaf        Member/Membre
K. W. Vollman           Member/Membre

II
APPEARANCES/COMPARATIONS

L.E. Smith                   Sable Offshore Energy
R.G. Grant                   Project/Maritimes &
J. Dickson                   Northeast Pipeline Project
N.M. Gretener                
M. Morin                     
K. Dyte                      
S. Denstedt                  
D. Unruh                     
D. Jones                     
L. Keough                    

N.J. Schultz                 Canadian Association of
Petroleum Producers

T. Boudreau                  Canadian Federation of Labour
C. Scott                     

C. Murphy                    Cape Breton Island Building and
G. Dumoulin                  Construction Trades Council
J. Maloney                   

R. Owen                      The Clean Nova Scotia Foundation
G. Marquis                   

D.J. Grady                   Coalition for Responsible Economic
B.N. Williams                and Environmental Development
P. Morarthy                  

C. O'Connor                  The Confederacy of Mainland
E. Zscheile                  Micmacs
D. Thompson                  Conservation Council of New
J. Dingwell                  Brunswick
H. Epstein                   Ecology Action Centre
M. Butler                    
A. Ruffman                   

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R.J. Pett  
M. O'Brien  
T. Kenchington  
C. Chisholm  
Boilermakers
International Brotherhood of
S. Graves  
F. Tardif  
J. Henley  
Mainland Nova Scotia Building
and Construction Trade Council

III
APPEARANCES/COMPARATIONS

P.F. Christie  
Association  
Maritime Pipeline Landowners
J. Reynolds  
D.R. Cleveland  
P. Doig  
Metropolitan Halifax Chamber
of Commerce
F.V. Hall  
D. Wimberly)  
Millwood Environmental Action
Team
R.J. Hunka  
T. Martin  
D. Bruce Clarke  
Native Council of Nova Scotia

C. Purcell  
Nova Scotia Salmon Association
R. Starr  
Nova Scotia New Democratic Party
G. Archibald  
Progressive Conservative Caucus of
Nova Scotia
D. Ablonczy  
Reform Party of Canada
G. Dalzell )  
D. Thompson)  
J. Dingwell)  
Saint John Citizens for
Clean Air

J. Abouchar  
R. Perley  
P. Barlow  
Union of New Brunswick Indians
B. Chisholm  
United Association of
Journeymen and Apprentices of
the Plumbing and Pipe Fitting
Industry of the United States
and Canada - Local 244

E. Pace  ) United Association of Plumbers
B. MacDonald) and Pipefitters - Local 56
C. Recchia  ) World Wildlife Fund
C. Stewart )
R. Clowater )
I. Milewski

IV
APPEARANCES/COMPARITIONS

D. Wimberly  ) Allergy and Environmental
H. Lofgren  ) Health Association, Nova
Scotia, on behalf of Allergy
and Environmental Health
Association, New Brunswick;
Allergy and Environmental
Health Association, Canada;
Real Alternatives To Toxics
In The Environment; and Nova
Scotia Coalition On
Environmental Hypersensitivity

K. Burrill  Accent Engineering Consultants Inc.
R.J. Harrison Central Maine Power Company
N. Miller Corridor Resources Inc.
H. Hancock Country Harbour Sea Farms
Co-Operative Limited

J.H. Smellie ) Irving Oil Limited
S. Kirstiuk )
J.F. Bowe, Jr.)

F.V.W. Penick ) Kimberly-Clark Nova Scotia,
D. MacDougall ) a Division of Kimberly-Clark
Incorporated, et al (Large
Industrial Group)

K.D. Dyte ) Mobil Oil Canada Properties
L.E. Smith )
R.G. Grant )
L.L. Manning Mosbacher Operating Ltd.
I.A. Blue, Q.C.  ) New Brunswick Power Corporation
P.J. Dykeman, Q.C.)

C.K. Yates      ) Nova Scotia Power Incorporated
P.W. Gurnham    )
R.S. Niedermayer)

F.V.W. Penick   ) PanCanadian Petroleum Limited
C.B. Woods      ) PanEnergy Marketing Limited
Partnership

V

APPEARANCES/COMPARATIONS

A. S. Hollingworth) Portland Natural Gas Transmission
J. Zipp          ) System
G. Williams      )
D. Wood          )

L.W. van Hemert  ) Seafloor Structures Consulting
Limited
S. MacDonald     ) Shell Canada Limited
R. Langlois      ) Société en Commandite Gaz
R. Lassonde      ) Métropolitain
M. Imbleau       )
B. Pepin         )

J. Calnan        ) Statia Terminals Canada Inc.
P. Crissman      )
T. Thompson      )

D.M. Campbell, Q.C.)Tatham Offshore Inc.
D.F. Gallivan    )
C.M. Darling     )
M.K. Lewis       )

A. L. Reid       ) TransCanada PipeLines Limited
J.M. Murray      )

L.-A. Leclerc    ) Trans Québec & Maritimes
R. Heider       ) Pipeline Inc.

J. Bertrand      ) Hydro-Québec
P. Lemieux       )
G. Marchand      )
M. Marcouiller   )
VI
APPEARANCES/COMPARATIONS

R. Rankin ) Halifax Regional Municipality
B. MacDonal)
H. MacLeod Municipality of the District of
Guysborough
D. Rawkins Government of Newfoundland and
Labrador
G.L. MacDonald) Guysborough County Regional
A.J. England ) Development Authority
R. Redgrave Maine Public Utilities
Commission
J. Brisson ) Procureur général du Québec
R. Ménard )
J. Lebuis )
I.A. Blue, Q.C. ) Province of New Brunswick
P. MacNutt, Q.C.)
A. Hamilton )
D. G. Davies ) Province of Nova Scotia
H. R. Huber )
T. M. Hughes )
G. Corsano )
M. Ledwell) Province of Prince Edward Island
V. Bulger )
L. Walsh )
C. MacKinnon                City of Saint John
P. Doig                      Strait-Highlands Regional Development
Agency, Town of Port Hawkesbury, and
the Strait Area Chamber of Commerce
F. Leblanc, M.P.              On his own behalf
E. Lockerby                  On his own behalf
G. Randall                   On his own behalf
P. Noonan                    ) Board Counsel
C. Beauchemin                )

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TRANSCRIPT CORRECTIONS/ CORRECTIONS A LA TRANSCRIPTION

Volume 52 - 8 July 1997

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10744 24 "(1)" should read "(Convention on Biological Diversity, article 22(2)(4))"
(c) An ADR process
(d) Funding for the MicMac to participate
(e) Specific employment and equity
and contract procurement goals
(f) These types of agreements are common in Northeast BC with various of the First Nations located here.

They are typically only entered into if you are active on Traditional Lands which the MicMac claim is all of Nova Scotia and New Brunswick. We have committed on the record to continue to work with and consult First Nations. We have committed to have them involved in the process and get their input on medicinal plants and archeological items. We will comply with all those commitments as a condition of the approval so that affords the First Nations the protection they desire of their rights. We can believe that such a protocol is fair and reasonable.

Conservation Council of New Brunswick
1. We have responded to each proposed condition in turn. Maritimes has already committed to it.

2. Maritimes have already addressed this issue in argument.

3. Request for no burning of brush and tree limbs along the route.
Maritimes will seek to avoid this, but here are provincial air quality regulations we will be complying with in any event.

4. This issue was responded Joint Panel's list of proposed conditions

that we will only use herbicides at the valve sites.

5. Maritimes will work with individual landowners to ensure that access is minimized and to use all reasonable efforts to prohibit unauthorized motorized vehicles along the right of way.

6. We have already committed to do this (24T4077-78).

Maritimes Pipeline Landowners Association

1. These submissions principally relate to compensation which is beyond the scope of this proceeding.

Native Council of Nova Scotia

1. There is ongoing relationship between the parties and to ensure that all people know what is going on and how natives can benefit.

2. Maritimes made commitments to work with the First Nation groups. We are not opposed in principle to entering into a protocol with all of the First Nations groups to ensure that their issues are given a forum and addressed
provided it is fair and
reasonable but
it need not be a condition.

THE CHAIR: Thank you, Mr. Smith.

That brings us to a close.

I would like to make a few
remarks of my own.

Many individuals have taken the
opportunity, with the approach of the end of the
Hearing, to make observations and to express
thanks.

I would like to avail myself of
the opportunity to also offer a couple of comments
with regard to procedural matters, which are based
on a relatively brief experience doing this sort
of thing.

As you all know, some criticisms
were levelled -- principally by inexperienced
Intervenor
-- during the process about how daunting and
intimidating and complex the process was.

I agree. Observing from this
vantage point, I agree that all of those things
are true, to some extent. And the question I have
asked myself many times during the process is
whether they are long-term problems with the
process, or simply short term.

I have watched Intervenor's grow
over this process. Inexperienced Intervenors,
with very little resources, who started the
process and who clearly were intimidated, have
clearly grown and developed.

And I believe that it reflects a
lack of familiarity with the process, rather than
an inherent difficulty with the process.

At least, that is a personal
observation.

And I am encouraged by that.
That is what I am attempting to tell you.

I believe that some of those
Intervenors have become very effective over the
course of these Hearings.

A second criticism that we have
heard during the process is that the process is
too legalistic, too adversarial, too inaccessible,
and too time consuming.

And again I have asked myself the
same question, as to whether those were valid
criticisms of this process.

I have come to realize that "legalistic", the word "legalistic", is actually a
synonym for "ordered and structured".

I live in a university
environment, in which there is very little order
and very little structure ---
--- (Laughter/Rises)

THE CHAIR: I admit it!

One hundred and twenty-five
individual representations would take a hundred
times longer to deal with in that environment.

So it is legalistic; yes. But the ordered and structured nature of it, I think
is encouraging, in the fact that it allows all of those differing viewpoints to be represented.

So, yes, it is a criticism of sorts. But I think it is a price we pay in order
to carry out the business that is necessary.

Also, the word "adversarial" I think refers to the cross-examination process.

And again I am new to this. But what I have learned from the cross-examination
process is that it is an extremely useful tool -- a tool which, I think, tests the quality of the
information that is brought forward; that, rather than rhetoric and arm-waving, allows the truth to
come forward, that then allows the decision
process to proceed.

So again I am encouraged by that, as well.

So I think what we are dealing

with is a process which can easily be criticized
from the outside. But from my vantage-point, over
the last three months, it has been really quite interesting.
Another criticism that has been
levelled at the process is that it is too formal.

I think it is safe to say that in
this room, the stakes are very high. The numbers,
the dollars that we have been talking about over
the last three months have been measured in
billions --
something that I am not normally accustomed to.

That is a word I am not normally
accustomed to use.

And yet, given the fact that the
stakes are so high and that there is a great deal
of emotion and interest, and self-interest, tied
into this process, I don't think that I have ever
been involved in a process in which there has been
a greater degree of civility and decorum.

It is really quite amazing.

So I think that, in many ways,
the word "formal" is a complement, rather than a
negative.

I am a temporary regulator, as
you know. Not so long ago, the world of energy
regulation was totally unknown to me.

Now that I have had this brief
experience in the process ---
   It is a process that is not
without its flaws. There is no question of that.
But I think it is an eminently workable process --
   a process which I think, when I leave this
   particular position, which I temporarily hold, I
will leave with a certain degree of confidence in
   knowing that it is in good hands.

So, that is a few personal
remarks about my experience here.

The final thing I have to say
before I read a statement that actually brings us
to a close is to once again add my voice, and that
of all the Panel Members, to those that have
extended their thanks to the people that made this
process work.

It hasn't necessarily been the
five of us, or a few of the people who are visible
out here. It has been a great number of people.

Mr. Gretener was mentioned
before. He has said very little in this, but yet
he has been working diligently behind the scenes.

I think he is an example of what makes the process work: a huge number of dedicated people, who are not in the limelight, who don't get their pictures in the paper, but who actually make the machine work.

I think our thanks should go out to all of those. There is no question that they really are the lubricant that makes this process work.

That is all I have to say. I am going to read the following statement, which basically brings us to a close:
The Joint Public Review Hearing is adjourned, and our decisions and recommendations in respect of the Applications are reserved for further consideration by the Joint Review Panel.

That brings us to a close.

We are adjourned. Thank you, all.

--- (Applause/Applaudissements)

--- The Hearing Closed/La séance est levée