NATIONAL ENERGY BOARD
OFFICE NATIONAL DE L'ÉNERGIE

Hearing Order OH-001-2014
Ordonnance d'audience OH-001-2014

Trans Mountain Pipeline ULC
Trans Mountain Expansion Project

Trans Mountain Pipeline ULC
Projet d'agrandissement du réseau de Trans Mountain

VOLUME 37

Hearing held at
L'audience tenue à

National Energy Board
517 Tenth Avenue SW
Calgary, Alberta

February 3, 2016
Le 3 février 2016

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HEARING ORDER/ORDONNANCE D'AUDIENCE
OH-001-2014

IN THE MATTER OF Trans Mountain Pipeline ULC
Application for the Trans Mountain Expansion Project

HEARING LOCATION/LIEU DE L'AUDIENCE

Hearing held in Calgary, Alberta, Wednesday, February 3, 2016
Audience tenue à Calgary (Alberta), mercredi, le 3 février 2016

BOARD PANEL/COMITÉ D'AUDIENCE DE L'OFFICE

D. Hamilton	Chairman/Président
P. Davies	Member/Membre
A. Scott	Member/Membre

APPEARANCES/COMPARUTIONS

Applicant/Demandeur
Trans Mountain Pipeline ULC
- Ms. Terri-Lee Oleniuk
- Ms. Lesley Matthews

Intervenors/Intervenants
Canadian Natural Resources Ltd., Canadian Oil Sands Partnership #1,
Cenovus Energy Inc., Devon Canada Corporation,
Husky Oil Operations Limited, Imperial Oil Limited, Statoil Canada Ltd.,
Suncor Energy Marketing Inc. and Suncor Energy Products Partnership,
Tesoro Canada Supply & Distribution Ltd., and Total E&P Canada Ltd.
- Mr. Don Davies

BP Canada Energy Group ULC
- Ms. Bernette Ho

Alexander First Nation
- Chief Kurt Burnstick
- Ms. Fern Stephanie Arcand
- Ms. Marsha Jane Arcand
- Ms. Anita Makokis
- Councillor Edwin Paul
- Ms. Caroline O'Driscoll

Edmonton Chamber of Commerce
- Mr. Warren Singh

National Energy Board/Office national de l'énergie
- Ms. Nicole Godbout
- Mr. Asad Chaudhary

ERRATA

Tuesday, February 2, 2016 - Volume 36

Cover pages:	Should read:
Hearing held at L'audience tenue à	Hearing held at L'audience tenue à
Delta Burnaby Hotel and Conference Centre 2nd floor, 4331 Dominion Street Burnaby, British Columbia	National Energy Board 517 Tenth Avenue SW Calgary, Alberta
HEARING LOCATION/LIEU DE L'AUDIENCE	
Hearing held in Burnaby, British Columbia, Tuesday, February 2, 2016 Audience tenue à Burnaby (Colombie-Britannique), mardi, le 2 février 2016	Hearing held in Calgary, Alberta Tuesday, February 2, 2016 Audience tenue à Calgary (Alberta), mardi, le 2 février 2016

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No.	Description	Paragraph No./No. de paragraphe

--- Upon commencing at 9:02 a.m./L'audience débute à 9h02

19898. **THE CHAIRMAN:** Good morning and welcome to this morning's session here in Calgary which is part of the National Energy Board hearing regarding the Trans Mountain Expansion Project.

19899. We will continue to hear intervenors' summary oral arguments.

19900. My name is David Hamilton; I am chairing the Panel. And with me to my left is Ms. Alison Scott and to my right Mr. Phil Davies, and together we are the Panel assessing the Trans Mountain Expansion Project application.

19901. Just a brief housekeeping item. In the event that we hear the building evacuation tone, the procedure will be to exit the hearing room using the entrance that you came in. Once in the hallway, there are two evacuation stairwells. The first is at the end of the hallway to the right of the hearing room entrance doors and a second stairwell is in the elevator lobby.

19902. Once outside the building, we will proceed to Central Memorial Park, which is two blocks south of this building.

19903. I think our presenters today have been advised on our timing system, within the 40 minutes, and so I won't repeat that now.

19904. Final argument as a whole is an opportunity to express your views and opinions about the project based on the evidence filed by Trans Mountain and Intervenors on the hearing record. It is also an opportunity to make recommendations to the Board about matters within the List of Issues or any terms and conditions to which the project should be subject if approved.

19905. The Board will not give any weight to new evidence introduced during oral summary argument or any submissions made that do not address the List of Issues.

19906. I think with that we're ready to get going this morning and I would like to request Trans Mountain to introduce themselves to our intervenors this morning.

19907. **MS. OLENIUK:** Good morning. My name is Terri-Lee Oleniuk and

I'm legal counsel to Trans Mountain. With me is Lesley Matthews and she's the regulatory lead for the expansion project.

19908. **THE CHAIRMAN:** Thank you and good morning, Ms. Oleniuk and Ms. Matthews.

19909. This morning we will be hearing, and I'll -- joint submissions from the Canadian Natural Resources, Canadian Oil Sands, Cenovus, Devon, Husky Oil, Imperial Oil, Statoil, Suncor, Tesoro and Total, and -- which will be followed by BP Canada Energy Group ULC.

19910. Before we begin, I just wonder if there's any preliminary matters this morning from any Intervenors or Trans Mountain.

19911. I see none.

19912. With that, we're ready to hear Mr. Davies on behalf of the group I already mentioned, so I won't repeat it.

19913. So Mr. Davies, the Panel have read all the submissions from the Intervenors that you are representing today and we are now prepared to hear your oral summary argument.

--- FINAL ARGUMENT BY/ARGUMENTATION FINALE PAR CANADIAN NATURAL RESOURCES LTD., CANADIAN OIL SANDS PARTNERSHIP #1, CENOVUS ENERGY INC., DEVON CANADA CORPORATION, HUSKY OIL OPERATIONS LIMITED, IMPERIAL OIL LIMITED, STATOIL CANADA LTD., SUNCOR ENERGY MARKETING INC. AND SUNCOR ENERGY PRODUCTS PARTNERSHIP, TESORO CANADA SUPPLY & DISTRIBUTION LTD., AND TOTAL E&P CANADA LTD.:

19914. **MR. DAVIES:** Thank you very much, Mr. Chairman and Members.

19915. I am about to tell you absolutely nothing that you don't already know. Thankfully for you, I won't be occupying a lot of your time in doing so.

19916. As you know, I am acting on behalf of 10 of the contracted shippers on the proposed Trans Mountain Expansion Project. This project is very important

to my clients. They fully support the project and they urge the Board to recommend its approval.

19917. We recognize that our point of view is not shared by all of the other parties from whom you have heard oral argument, which comes as no surprise. The Board's process for considering a new pipeline project is an adversarial process and it is certainly not unusual or unexpected for the Board to hear a lot from project opponents.

19918. But of course, this isn't a numbers game or a popularity contest. The Board doesn't make its decisions based on a show of hands. The Board makes its decisions based on a careful review of all of the evidence that it has received. And our firm belief is that the evidence in this proceeding demonstrates that Canada and Canadians would be better off if the Trans Mountain Expansion Project were to be approved.

19919. It has been asserted to you that the Board does not represent and cannot speak for the Province of British Columbia, or for municipalities in the Lower Mainland. That is so.

19920. The Board does not represent or speak for any party to this proceeding. The National Energy Board is a quasi-judicial administrative tribunal, not a political or lobby organization.

19921. Your role, Mr. Chairman and Members, is to review the evidence and to make a recommendation based on the evidence as to whether the project is in the Canadian public interest.

19922. My clients filed a written argument on January 12, 2016. The argument focused on the economic issues that the Board is considering. The argument made three basic points.

19923. The first point is that based on the evidence, there is a need for the Trans Mountain Expansion Project. The existing Trans Mountain pipeline has been chronically in apportionment. The project will provide incremental capacity to tide water. This will allow Canada to diversify the markets for its oil exports. The project will also provide refined product markets in British Columbia and refineries in Washington State with increased access to Western Canadian supply.

19924. The second point is that based on the evidence, the project meets the test of economic feasibility. There will be adequate oil supply for the project to transport, and there will be adequate markets to purchase that supply.

19925. Moreover, shippers have entered into long-term firm service contracts with take-or-pay commitments for 80 percent of the project's capacity. This will ensure that the project will be used at a reasonable level over its economic life and that its tolls will be paid.

19926. The third point is that based on the evidence, the Trans Mountain Expansion Project will not have significant commercial impacts on other participants in Canada's oil industry. The owners of other Canadian pipelines are not here expressing concern that the project will create surplus capacity on their systems. The owners of Canadian refineries and upgraders are not here expressing concern that the project will impede their ability to secure feedstock for their facilities.

19927. The evidence leaves no doubt that the economic benefits to Canadian of the Trans Mountain Expansion Project, like those benefits derived from the diversification of oil export markets, will outweigh any economic costs of the project to commercial third parties.

19928. Now, Mr. Chairman and Members, my clients recognize that the Board's assessment of the project is not just about economics. The Board must be satisfied that the project can be constructed and operated in a manner that is safe and that protects the environment.

19929. Just as an aside, I note that a couple of the intervenors in their oral submissions attributed to my clients an argument that shipper choice should be determinative of whether a pipeline project is in the public interest.

19930. My clients did not make such an argument. To be clear, what my clients argue is that whether a particular pipeline project is needed can and should be left to the market to determine. But even where shippers determine that a particular project is needed, as they have in the case of the Trans Mountain Expansion Project, it remains for the Board to determine whether the construction and operation of that project would be in the public interest.

19931. Is it in the best interest of Canadians to diversify the markets for its oil

exports by providing enhanced access to tide water? Clearly it is. Is it in the best interest of Canadians to maximize the prices received for Canadian crude oil production? Clearly it is. The petroleum industry is a significant driver of the Canadian economy. But as I said, we recognize that it's not only about economics.

19932. There are other important considerations like safety and environmental protection to which the Board must have regard in assessing the public interest of the Trans Mountain Expansion Project.

19933. My clients expect this project to be undertaken in a safe and environmentally responsible manner. They are of the firm belief that in a resourceful country like Canada this can be made to happen. Indeed, the Board has before it extensive evidence from Trans Mountain and others about how this can be made to happen.

19934. And make no mistake about it, this Board is well equipped to make the required safety and environmental assessments in respect to this project. These assessments at their root involve an assessment of risk, which means that the present case is not a novel one for the National Energy Board.

19935. All of your cases involve to one degree or another an assessment of risk. Indeed, the job of the Board in considering facility applications is largely one of doing risk assessment. This has always been so.

19936. And there are really two approaches that can be taken to risk assessment. One is easy and the other is hard.

19937. The easy approach to risk assessment is for parties to say, "We will not tolerate any risk at all." I certainly understand why some parties might advocate that approach. But if we all took that approach, none of us would ever get out of bed in the morning, and even lying in bed all day we still could not achieve a zero-risk standard. This is the wrong approach to risk assessment. It's the wrong approach to risk assessment because it ignores the probabilities of risk realization. It's also the wrong approach to risk assessment because it ignores the magnitude of the consequences of risk realization.

19938. The hard approach to risk assessment is to carefully consider the likelihood and consequences of a risk event and to assess whether the risk is

manageable. It is of course this hard approach that the Board must take as part of its public interest mandate. That is why when we all read National Energy Board decisions we see the Board assessing the different interests of stakeholders, and we see the Board directing that steps be taken to reduce risk levels and to minimize potential impacts, and we see the Board balancing costs and benefits to determine what is in the public interest.

19939. Can the Trans Mountain Expansion Project be constructed and operated in a safe and environmentally responsible manner? Of course it can be. And Trans Mountain has committed to thousands of protection and mitigation measures to ensure that it will be. And it is now in the capable hands of this Board to assess the evidence and to finalize the conditions required to allow this important project to proceed.

19940. We wish you well in your deliberations, and we look forward to receiving your report.

19941. Thank you, Mr. Chairman and Members. Those are my submissions.

19942. **THE CHAIRMAN:** Thank you, Mr. Davies. If you could just give us a moment.

--- (A short pause/Courte pause)

19943. **THE CHAIRMAN:** Thank you, Mr. Davies. The Board have no questions.

19944. And we will just wait and switch to our next presenter, which is BP Canada Energy Group ULC. The Panel will just remain.

--- (A short pause/Courte pause)

19945. **THE CHAIRMAN**: Thank you. Ms. Ho, on behalf of BP Canada Energy Group ULC.

19946. The Panel have read all the submissions. You heard my comment to Mr. Davies and same applies to you, so we're looking forward to hearing your oral summary argument.

--- FINAL ARGUMENT BY/ARGUMENTATION FINALE PAR BP CANADA ENERGY GROUP ULC:

19947. **MS. HO**: Thank you, Mr. Chairman. Good morning, and good morning, Panel Members.

19948. Today, I will refer to you BP Canada Energy Group ULC and its affiliates collectively as BP.

19949. BP applied for intervenor status in this proceeding because BP is currently a shipper on the existing Trans Mountain pipeline system. And more importantly, BP has also made a significant long-term commercial and financial commitment to the Trans Mountain Expansion Project in the form of an executed transportation services agreement with a 20-year term. *[Written Evidence of BP Canada, Exhibit C-37-1-1 (Filing A4L8E2)]*

19950. Now, Panel Members, you may ask why BP has made such a significant commitment. The answer, quite simply, is that BP has made this significant commitment because BP sees a clear need for the expansion project, even in the face of the lower oil price environment. *[Amended Response of BP Canada Energy Group ULC to NEB Information Request No. 1, Exhibit C37-7-2 (Filing A4W6I0)]*

19951. BP has identified this need from the perspective of being a producer of Canadian crude oil, a marketer and trader of crude oil and other energy products and an operator of the Cherry Point Refinery located in Washington State in the United States. *[Written Evidence of BP Canada, Exhibit C-37-1-1 (Filing A4L8E2)]*

19952. As the NEB is well aware, the existing Trans Mountain pipeline system is currently the only pipeline that transports Canadian crude oil from Alberta to the West Coast and demand for the existing system currently exceeds capacity. This results in Trans Mountain having to apportion available capacity. *[Written Evidence of BP Canada, Exhibit C-37-1-1 (Filing A4L8E2)]*

19953. If the expansion project is approved, BP expects that existing or potential pipeline constraints will be alleviated, thus allowing for an increased amount of Canadian crude oil to be delivered to the West Coast of Canada and also to BP's Cherry Point Refinery. For BP, it is important to have a secure

supply of Canadian crude oil delivered to the Cherry Point Refinery. *[Written Evidence of BP Canada, Exhibit C-37-1-1 (Filing A4L8E2)]*

19954. In light of Trans Mountain's system having access to the Westridge Dock, if the expansion project is approved, there will also be greater market optionality for Canadian crude, as Canadian crude oil producers and marketers will have access to new markets. *[Written Evidence of BP Canada, Exhibit C-37-1-1 (Filing A4L8E2)]*

19955. It is clear that BP is not alone in its assessment that the expansion project is needed and it is needed soon. Evidence and argument has been submitted by the other firm committed shippers to the expansion project, as we've just heard from Mr. Davies, and the Muse Analysis also addresses how the market stands to benefit from the expansion project. *[Written Evidence of Canadian Oil Sands Partnership #1, Exhibit C50-1-2 (Filing A4L7I2) at A2, PDF page 1 of 2; Written Evidence of Husky Oil Operations Limited, Exhibit C50-1-5 (Filing A4L7I5) at A2, PDF page 1 of 2; Written Evidence of Imperial Oil Limited, Exhibit C50-1-6 (Filing A4L7I6) at A2, PDF page 1 of 2; Muse Market Prospects and Benefits Analysis for TMEP Final Errata Clean (October 28, 2015), Exhibit B431-2 at page 4 (Filing A4U8F8)]*

19956. Indeed, BP respectfully submits that this Panel can come to no other conclusion. The expansion project is needed for the present and future public convenience and necessity of Canada.

19957. Subject to any questions you may have, Mr. Chairman and Panel Members, that is BP's oral summary argument.

19958. **THE CHAIRMAN**: Thank you, Ms. Ho.

19959. Thank you, Ms. Ho. On behalf of your clients, the Board have no questions.

19960. The Board will adjourn and reconvene at 1:30 Mountain Time to hear from the Alexander First Nations, followed by the Edmonton Chamber of Commerce.

19961. We're adjourned until 1:30.

--- Upon recessing at 9:22 a.m./L'audience est suspendue à 9h22
--- Upon resuming at 1:29 p.m/L'audience est reprise à 13h29

19962. **THE CHAIRMAN:** Good afternoon and welcome to this afternoon session in Calgary, which is part of the National Energy Board's hearing into the Trans Mountain Expansion Project.

19963. We will continue to hear intervenor summary oral argument.

19964. My name is David Hamilton; I am the Chair of the Panel. And with me to my left is Ms. Alison Scott and to my right is Mr. Phil Davies. And together we are the Panel assessing Trans Mountain Expansion Project application.

19965. Just a brief housekeeping matter that in the event you hear the building evacuation tone, the procedure will be to exit the hearing room using the entrance that you came in. Once in the hallway, there are two evacuation stairwells. The first is at the end of the hallway to the right of the hearing room entrance doors, and the second stairwell is in the elevator lobby. Once outside the building, we will proceed to Central Memorial Park, which is two blocks south of the building.

19966. I think our staff have advised the intervenors who are presenting today on our timing system, so I won't take up time by repeating that.

19967. Final argument as a whole is an opportunity to express your views and opinions about the project based on the evidence filed by Trans Mountain and intervenors on the hearing record. It is also an opportunity to make recommendations to the Board about matters within the List of Issues or any terms and conditions to which the project should be subject if it is approved.

19968. The Board will not give any weight to new evidence introduced during oral summary argument or any submissions made that do not address the List of Issues.

19969. I think with that we're ready to get started this afternoon and I'd ask if Trans Mountain would introduce themselves to the Intervenors presenting this afternoon.

19970. **MS. OLENIUK:** Good afternoon. My name is Terri-Lee Oleniuk

and I am counsel to Trans Mountain. With me is Lesley Matthews and she's the regulatory lead for the expansion project.

19971. **THE CHAIRMAN:** Thank you.

19972. This afternoon we will be hearing first from the Alexander First Nations, followed by the Edmonton Chamber of Commerce.

19973. So the Board are pleased to welcome Alexander First Nations. Chief Burnstick, nice to see you again and recall your presentation in front of us for oral traditional evidence. And with that, we are prepared to receive your presentation this afternoon on your oral summary argument.

--- FINAL ARGUMENT BY/ARGUMENT FINALE PAR THE ALEXANDER FIRST NATION:

19974. **MS. O'DRISCOLL:** Thank you and good afternoon to the Board. My name is Caroline O'Driscoll of O'Driscoll and Company, legal counsel for the Alexander First Nation.

19975. I am here today to introduce to you Kurt Burnstick, Chief of the Alexander First Nation, who will be submitting the Nation's oral summary argument to you.

19976. Before the Chief begins his submission, on behalf of the Alexander First Nation, I would like to formally thank the Board for its ruling to vary Procedural Direction No. 19 with respect to Alexander, and also acknowledge the following individuals who are in attendance today for the record.

19977. Behind Chief Burnstick, seated, you will see Edwin Paul, Band Councillor; Marsha Jane Arcand, wife of Chief Burnstick; Fern Stephanie Arcand, band member; and Anita Makokis, technician.

19978. Lastly, for the purposes of a clean transcript and efficient presentation, I note the following references that will be made in the Chief's submission at the onset.

19979. UNDRIP, which is an acronym for the United Nations Declaration on the Rights of Aboriginal People.

19980. *Haida*, which refers to the Supreme Court of Canada decision *Haida Nation v. British Columbia (Minister of Forests)* 2004 SCC 73.

19981. *Delgamuukw*, which refers to the Supreme Court of Canada decision *Delgamuukw v. British Columbia*, [1997] 3 S.C.R. 1010.

19982. *Tsilhqot'in*, which refers to the Supreme Court of Canada decision *Tsilhqot'in v. British Columbia*, 2014 SCC 44.

19983. NRTA, which refers to the Natural Resources Transfer Agreements confirmed by the *Constitution Act, 1930*, 20-21, Geo. V, c. 26 (U.K.).

19984. Section 35 rights, which refers to the Aboriginal and Treaty Rights protected under section 35 of the *Constitution Act, 1982*, enacted as Schedule B to the *Canada Act 1982*, 1982, c. 11 (U.K.).

19985. "Guidelines", "consultation guidelines", "federal guidelines", or any mention of guidelines in Alexander's submissions refers to the Government of Canada's "Aboriginal Consultation and Accommodation Updated Guidelines for Federal Officials to Fulfill the Duty to Consult" March 2011, which was entered as an exhibit in these proceedings.

19986. And lastly, the term "Crown" refers to federal, provincial, and territorial Crowns collectively.

19987. As a final matter, we do ask that all questions be deferred to the end of the Chief's presentation. Thank you.

19988. **CHIEF BURNSTICK:** (Speaking in Cree language). Good afternoon.

19989. I would like to start by thanking the Creator for another day and for providing us with safe travels to make it here.

19990. I want to acknowledge that we are presenting in Treaty 7 territory and to acknowledge the Treaty 7 First Nations for allowing us to be in their traditional territory today.

19991. I just want to let it be known that the smudge on my headdress today was that of my late grandfather Henry Paul and protocol requires me to use his

medicines because it's been part of our culture and part of our family for generations.

19992. I also want to say hello and acknowledge all the First Nations members and representatives who are either in attendance, watching, or listening to these proceedings today.

19993. Last but not least I want to recognize you, the Board, once again. I am grateful to be back here for another opportunity to speak to you and present our oral summary argument in this beautiful territory.

19994. Although this Board granted a variation of Procedural Direction No. 19 to allow us to have more than two representatives in attendance here today, we are disappointed that more of our community members could not attend as this is a historic event for Alexander that needs to be witnessed by its members.

19995. For many, this is a procedurally-intensive regulatory process grounded in principles of law that is attempting to objectively evaluate the merits of a proposed project. However, for Alexander, although our participation is limited to the procedures of this process, our submission means significantly more. It is a demonstration that our Cree worldview is very much alive and engaged in our continuous and ongoing management and evaluation of natural resource development within our traditional territory.

19996. Even more importantly, our participation is an opportunity for Alexander to bring attention to the Board the fact that this process is unbalanced since it only reflects Canada's existing Western worldview with respect to land and resource management and the concept of this sustainable land and natural resource management and development.

19997. Alexander's view to managing lands and resources is very different from the Crown's and Applicant's view. This difference needs to be respected so that collaboration on incorporating Indigenous worldviews into Canada's land and resource management strategy can be an effective part of the reconciliation process.

19998. As stated in *Haida* at paragraph 45:

> *"The controlling question in all situations is what is required to maintain the honour of the Crown and to effect*

> *reconciliation between the Crown and the Aboriginal people with respect to the interests at stake."*

19999. It is Alexander's submission that an important component that is sorely missing but required to effect reconciliation is the incorporation of Indigenous worldviews in all situations.

20000. Thus, there are four key concepts, all which must be approached with the underlying goal of reconciliation in mind, that I'd like to focus on for Alexander's submission today.

20001. Number one, the NEB process fails to protect Aboriginal and treaty rights by ignoring Alexander's Cree worldview.

20002. Number two, the failed use of oral traditional evidence and Cree worldview in NEB proceedings.

20003. Number three, the federal guidelines on Aboriginal consultation are inadequate because they ignore Alexander's Cree worldview.

20004. Number four, the current system of consultation forces First Nations to choose between protecting their rights and sustaining their communities, and it is therefore a failure.

20005. In order to protect Aboriginal peoples constitutionally guaranteed rights, the space must be created so that the Indigenous worldviews of Aboriginal peoples and, in our case, Alexander Cree worldview must be incorporated into land and resource management decisions in Canada.

20006. Further, it is Alexander's submission that land and resource management, including protection of the land, forms part of our constitutionally protected Aboriginal and treaty rights.

20007. The decision of the *Delgamuukw* explains the Aboriginal rights fall along a spectrum with respect to their degree of connection with the land. Aboriginal title is the strongest of Aboriginal rights recognized by the Supreme Court of Canada today.

20008. Indeed, Alexander First Nation has claimed Aboriginal title over lands in Court of Queen's Bench of Alberta, action number 1101-09218. And contrary

to a common assumption, the signing of a treaty is perfectly consistent with Aboriginal title.

20009. Brian Slattery, whom I've recently learned about, is known as a respected Canadian legal scholar. He explains that in addition to Aboriginal title, Aboriginal rights along this spectrum include rights to subsistence, resources and activities; the right to self-determination and self-government; the right to practise one's own culture and customs including language and religion. Some of these rights may be site-specific while others may not.

20010. An important part of our culture and custom in Alexander includes the protection and management of the land and its natural resources for future generations. Alexander sees this as not only an obligation but as a right protected by the Canadian Constitution.

20011. Therefore, we suggest that in order for the Crown to protect Alexander's Aboriginal rights, it must incorporate Alexander's land management customs as informed by our worldview into joint consideration of this project.

20012. And here is where we can see one of the central flaws in this existing regulatory regime.

20013. Although Canada's law has recognized the fact that Aboriginal and treaty rights are not necessarily individually distinct or site-specific, when it comes to the practicalities of evaluating proposed project impacts, your framework disregards this reality and what protection of Aboriginal rights truly means by focusing on tables and checklists.

20014. The logical and efficient solution to this problem would be a collaboration of worldviews to design a regulatory regime that incorporates all dimensions and truly evaluates the implications of a proposed project on future generations. Yet, no real steps have been taken in -- to result in this type of change.

20015. This causes to Alexander to question whether the lack of action is intentional or simply a reflection of Canada's regulators not being able to conceptualize any form of framework beyond their own worldview. Take this hearing process as an example.

20016. The people of Alexander worry and fear that access to our traditional

land is being threatened. Certainly as we see more and more development happening, it is difficult to disregard that.

20017. Access to traditional lands, or unoccupied Crown lands as you call it, has become an issue. Where once we could freely travel across the lands to teach our children about our customs and practices, now we are required to travel sometimes for hours to do this. This is a violation of our constitutionally protected rights.

20018. Secondly, what we expect to always be there, on and in those lands, may not always be there, meaning wildlife, medicines, sacred places and so on.

20019. Alexander believes that we, the people of Alexander, have a right to protect and manage the land for future generations. And this comes from our understanding of our obligations to the Creator, Mother Earth, our relationships.

20020. We must fulfill our obligations to protect her, Mother Earth, just as we would naturally protect our own mothers who have given birth to us because our mothers gave us life, just as Mother Earth gives us what we need to sustain life.

20021. So Alexander expects that the Board, the Applicant and the federal and provincial governments will put safeguards into this process and partner with us to help us exercise our right to protect and manage the land for future generations.

20022. In addition, Alexander expects that if our access to our traditional territories is going to be respected, then our right to the very things that Mother Earth provides us will be there, meaning the wildlife, the plants, the waters will be there unaltered or undamaged or unencumbered.

20023. It is not enough for this Board, the Applicant or the government to say, "Oh, well, there are plants in other areas. Go there so this project can go through because other than this issue, this project is economically viable."

20024. This seems illogical to us because our teachings have taught us that since time immemorial that -- and to speak hypothetically for a moment -- that we can expect to receive the life-sustaining gifts given to us by Mother Earth in certain locations. The challenge is, these gifts might also be in the same location within a so-called "project area".

20025. I offer this to you to demonstrate why we expect you to incorporate

Indigenous worldviews like Alexander's Cree worldview into protection and land management with respect to this project.

20026. It is a Western worldview that imposes categories and isolates interconnected concepts. But Indigenous worldviews -- Alexander's, to be more specific -- sees family, extended family with responsibilities and obligations as being interconnected that appear to now be potentially undermined by Western policies.

20027. You know, it is my understanding that with the Indigenous peoples' first contact with early settlers on these lands, that Indigenous worldviews became marginalized because a new Western worldview was introduced to our ancestors.

20028. And because I'm not an expert on the matter of Christian-based European versus Indigenous worldviews, I will only say that some would say that the settlers attempted to convert Indigenous peoples' views, or at least tried to mic the two worldviews together.

20029. And although there's a lot of debates nowadays on exactly how marginalized or disrupted our Indigenous worldviews became since first contact, the fact is our Indigenous worldview, at its core, has remained intact.

20030. Somewhere while the introduction of Western worldview, the introduction of foreign religions like Christianity and the introduction of a new form of economy called capitalism were happening left, right and centre, all around us.

20031. The very core of our Indigenous worldview remained unaltered.

20032. The two worldviews, though seemingly foreign to one another, must be reconciled through a collaborative decision-making process. The honour of the Crown and our obligations to Mother Earth compel this.

20033. If we go back to the beginning, and I refer the Board to the List of Issues -- my paper's stuck -- the list identifies 12 issues.

20034. Number nine, which specifically states, *"Potential impacts of the project on Aboriginal interest"*. However, as I have just explained, Aboriginal interests are not merely interests in site-specific traditional practices.

20035. Aboriginal interests include Aboriginal and treaty rights as shaped and informed by our worldview. Aboriginal interests at this -- as this Board calls them, overlap and are integral to all of the other issues on the list.

20036. As an example, consider number 10, *"Potential impacts of the project on landowners and land use"*, for example.

20037. Not only does the List of Issues unfairly isolate Aboriginal and treaty rights, and deprive the process of our worldview, but the list also goes on to remove any possibility of any aspect of our Cree worldview being properly incorporated into the process to start addressing the List of Issues.

20038. The Board's own qualification at the end of the List of Issues is direct evidence of this. I quote:

> *"The Board does not intend to consider the environmental and socio-economic effects associated with upstream activities, the development of oil sands, or the downstream use of the oil transported by the pipeline."*

20039. I want to emphasize this point for a moment. This Board, according to its own List of Issues, is tasked with evaluating the cumulative effects of this proposed project and yet it is not considering the environmental and socio-economic effects associated with upstream activities, the development of oil sands, or the downstream use of the oil transported by the pipeline.

20040. How does Canada intend to have long-term sustainable energy and resource management and development when it considers massive midstream projects in isolation?

20041. After all, these pipeline projects are really a precursor to more energy process to follow, all of which will have impacts on our sacred lands. This approach arguably demonstrates the hypocrisy of this regulatory regime.

20042. But just as importantly, by not evaluating this proposed project in the context of what is happening with natural resource management and development as whole, it contradicts a Cree worldview, which would look at it as interconnected and in turn violates our constitutionally protected Aboriginal and treaty rights.

20043. As a number of intervenors have already pointed out, the NEB is expected to consider the public interest in making its recommendation. It is our belief that it is never in the public interest to approve a project where the rights of Indigenous peoples have not been protected.

20044. Part 2, the failed use of oral traditional evidence in Cree worldview and NEB proceedings.

20045. In January of last year, I presented oral traditional evidence on behalf of my Nation to this Board, in this very same building I might add. My understanding of oral traditional evidence is that it is meant to give weight to our Cree worldview and perspectives on our practices, customs, traditions, and relationships with the land and others.

20046. So I provided oral traditional evidence to this Board to demonstrate the significance of our practices, customs, traditions, and relationships with the land and others. I also provided oral traditional evidence to demonstrate my personal knowledge of the families in Alexander and our ties to the land by talking about the relationships that my extended family in Alexander has with extended families in other Indigenous communities across our traditional territory.

20047. I gave that evidence because the Board would not have otherwise known how these interconnections exist, nor would the Board have known that the evidence I provided came to me through my grandparents' parents, other relatives and community members. Nor would you know that they made sure I understood the knowledge they shared and continue to share with me because this is vital information to know, and it is important for all of us in Alexander to receive this knowledge so that we will understand the complex nature of our worldview.

20048. Although I tried to explain the evidence I gave that day as best I could, because of time constraints, my ability to demonstrate the significance of the land to the community of Alexander was limited. Even more concerning is the reality that my submission at best only provided a brief snapshot as to what Alexander Cree worldview is and how interconnected our existence, identity and purpose as a people are to the land, the humans, plants, animals, rocks and so on.

20049. This process demonstrates no acknowledgement for the interdependent and interconnected relationship between the land and our people even though it is a central aspect of our worldview.

20050. Our oral evidence embodies this central aspect, and yet it does not even register as a blip on this Board's radar. Let me explain why -- what I mean.

20051. It is well and good to scientifically measure potential impacts of a project with respect to the current state of the physical environment as well as the potential adverse effects it may have on human life, wildlife and vegetation. Yet at the same time, science itself struggles with how to incorporate our elders' knowledge, knowledge that informs us about how we are to live in balance with the land so that our interconnected co-existence with the land will continue for generations to come.

20052. To live in balance does not mean no development. To live in balance does not mean ignore science. However, reducing land and resource management to only a scientific exercise absent the knowledge of our elders fails to protect our home, Mother Earth. It disrespects our worldview and compromises the integrity of any decision that this Board makes. It is also a violation of our constitutionally protected Aboriginal right to be able to fulfill our natural obligation to protect and manage the land based on our ways of knowing and doing.

20053. Time and time again when we participate in these regulatory processes, we see our oral evidence being considered as though we are merely sharing stories of ancient history and specific cultural practices as they are memories. And each time the recipient, whether it is the Applicant or the regulator, appears focused on specific locations or aspects that they want to pluck out and convert to a scientific measurement, almost to the point where the information is unrecognizable, without regard for the consequences that come along with taking that information out of its cultural context.

20054. Take our practice of hunting, for example. The typical response to our evidence includes questions like where do we hunt, what do we hunt, when do we hunt? "Can you place that on a map or measure it for us?"

20055. What you are not hearing is the profound and timeless knowledge that our evidence demonstrate about the immeasurable dynamic relationship between the land and our people. It is knowledge of how to live a life in balance, one that evolves with the land over time so that the land and our people can flourish and be sustained together for generations to come.

20056. These are not ideas that can be reduced to a single sound bite or

answered to a scientific question. They are concepts and principles that can only be contemplated if there's an openness and receptiveness to understanding and appreciating an alternate worldview.

20057. Sadly, nothing in this process dares to venture close to this. Instead, the exact opposite appears to be happening.

20058. Although this Board has created an opportunity for our participation, you received our evidence from the perspective of your worldview. This is demonstrated by the time limits and very nature of how you have guided our participation. And in fact, that Alexander cannot see our worldview being reflected in the conditions in a way that makes sense back to us.

20059. This not only distorts the significance and value of what we are sharing but is terribly offensive and undermines the confidence that we try to have in the fairness of this process.

20060. To add insult to injury, not only is our evidence taken in a manner that takes it out of its cultural context, but this Board then allows it to be scrutinized, again from a Western worldview according to Western standards which is disrespectful to its very nature.

20061. How can this Board even weigh our oral traditional evidence when you do not understand its significance?

20062. If you do not understand our worldview in a way to help you understand the value of our evidence, how can you possibly see that your efforts have the potential to undermine and marginalize our worldview even more, and how can we possibly achieve reconciliation?

20063. Yet despite all of this, Alexander has participated in this proceeding because not participating and bringing light to these inadequacies only perpetuates the notion that the process is working. To the contrary, it's a failed process.

20064. Part 3, the federal guidelines on Aboriginal consultation are inadequate because they ignore Alexander's Cree worldview.

20065. The Government of Canada last updated its consultation guidelines in 2011. All federal departments are required to follow these guidelines when contemplating an action that may adversely impact asserted or established

Aboriginal or treaty rights.

20066. *Haida* confirmed that the duty to consult is constitutionally mandated and grounded in the honour of the Crown and aims in the overarching goal of reconciliation between the Crown and Aboriginal peoples. And we know that any federal Crown action that has potential to adversely impact the asserted or established Aboriginal or treaty rights, be it the sale of lands, the reorganization of a department, or the approval of a pipeline project, requires the Crown to consult with Aboriginal groups potentially affected.

20067. The guidelines do not reflect an Indigenous worldview in terms of Alexander's expectations for meaningful consultation that incorporates our worldview, nor do the guidelines reflect any of our recommendations as expressed through our worldview when it comes to intense resource development in our traditional territory.

20068. The guidelines are informed, developed by and articulated by Canada's western understanding of its legal obligations regarding duty -- the duty, meaning Canada does not incorporate Indigenous perspectives or understanding -- understandings of Indigenous legal orders or laws that would shape and inform the vision of reconciliation the court talks about. The guidelines fail to capture what consultation and accommodation should embody.

20069. The way our rights get treated is consistent with the western world's view, meaning the review is economic, based on how efficient the project costs are and scientific western biophysical studies. These are examples of how Indigenous worldviews do not get incorporated.

20070. So Alexander sees this as the Crown not meeting standards of consultation. Consultation should be conducted according to the articles set out in the UNDRIP, which does attempt to incorporate our Indigenous worldview.

20071. The federal government relies on the regulatory process to fulfil their obligations under the duty to consult, but these regulatory processes were never designed with the duty to consult in mind. They were designed before the duty was ever acknowledged.

20072. Canada developed the guidelines, relying on judgments out of case law as their guide and I wonder if it is because Canada wants to avoid future lawsuits.

20073. Canada never developed the guidelines based on their unique relationships with First Nations nor Indigenous worldviews, yet that's what they are claiming they want to do now; fix this relationship.

20074. The guidelines are also outdated. They repeatedly state, somewhat offensively, in our view, that consent is not required by Aboriginal groups when arriving at decisions, whereas the *Tsilhqot'in* case of 2014 makes it clear that there are circumstances where consent will be required in order for Crown to engage in certain activities. This also accords with our Cree worldview.

20075. To top it off, the NRTA messed things up because of Western provinces like Alberta fiercely protect their seemingly huge jurisdiction over land and resource management because they claim jurisdiction over provincial Crown land. So what happens is, provincial governments ignore the fact that they're not supposed to take up lands as a source of revenue until Aboriginal rights and titles have been properly addressed with the federal Crown.

20076. In the end, the guidelines are not geared to achieve its own objective of reconciliation because the federal government designed the guidelines to minimize the risks of liability to themselves when it comes to consultation. There are hardly any references to reconciliation at all, only generic mentions of reconciling Aboriginal interests with other societal interests.

20077. There's no acknowledgement from government that speaks to the fact that for Alexander, our participation depends on there being an adequate process in place to begin with. So the announcement of last week where the federal government will now directly consult with us comes too late because it should have begun before the hearing ever started.

20078. The limitations of the hearing process for this project has caused the process to escalate from what could have been a collaborative process to an adversarial one.

20079. At the start of the hearing process, Alexander did not commit with saying we support or object to the proposed project. We wanted to exercise our full choice to participate as much as we could. We wanted to learn how our concerns could be addressed in this review process and we had hoped to be engaged in meaningful dialogue directly with the government from the get-go.

20080. But this process does not generate meaningful engagement with

government. Information is isolated, taken out of its cultural context and regurgitated back to us in a different form. There is no certainty from the Board that ensures the government will make sure that the applicant consults in a way that the duty gets properly discharged.

20081. The practical gaps and shortcomings of the federal Crown's consultation guidelines, the gaps between the consultation done and not done by various federal Crown departments, gaps between the consultation done and not done between the Alberta and federal Crowns, failure to properly evaluate and determine the existence and scope of Crown's consultation would require it outside of isolated section 35 rights as determined by the Crown.

20082. Failure to distinguish obligations arising with respect to the determination of project impacts on a community separate and distinct from the additional obligations arising under section 35 of the *Constitution Act, 1982*.

20083. Failure to properly inform applicants of the scope and implications of the Crown's constitutional obligations beyond procedural aspects.

20084. The federal Crown's ongoing decision to not overhaul and correct the failings of its constitutional -- consultation guidelines, and most importantly, failure to incorporate Indigenous worldviews into the guidelines.

20085. Part 4. The current system of consultation forces First Nations to choose between protecting their rights and sustaining their communities, and is therefore, a failure.

20086. Like the leaders of other governments, such as Aboriginal, municipal, provincial and federal governments participating in this process, I worry about how my council and I will be able to provide quality services and programs, employment and the sustainable development for our people. The daily ongoing challenge for Alexander's leadership is finding the balance in achieving these goals while trying to maintain a way of life as guided by our own worldview.

20087. In simpler terms, our community has two priorities of equal importance when it engages in this process. Number 1, protection of our Treaty and Aboriginal rights, and number 2, community sustainability. These are not simply principles of a political platform but core mandates that permeate throughout our community, reflecting the teaching of our elders, past and present.

20088. Our greatest significance is that our traditional teaching and beliefs highlights that these two principles are not mutually exclusive. They are inherently intertwined to complement and reinforce one another.

20089. Unfortunately, the process we find ourselves in today, where the Crown has imposed its consultation duties on applicants, has made it abundantly clear to us that the federal Crown does not understand how the concept of protecting rights and sustaining communities co-exists and evolves together with the Crown failing to act honourably, that is, by failing to itself engage in consultation and instead using applicants to fulfil its duty. This basically coerces Alexander to pit its two core principles against one another.

20090. If the Crown acted honourably, Alexander would not have to contemplate the protection of its Treaty and Aboriginal rights to the detriment of our community sustainability.

20091. Let me explain what I mean by this.

20092. Despite challenges being raised with respect to the Crown's actions and inactions, in reality, as industry, that is the first impacted and affected, as such challenges are often perceived as being against the Applicant, not the Crown.

20093. So the question I raise to you is this: how can Alexander even contemplate meaningful engagement with industry for sustainable economic development when its challenges with the Crown's failures are seen as obstacles to an applicant's project application, resulting in a perception of Alexander being anti-development? And that is simply not the case.

20094. Alternatively, Alexander could remain silent about the Crown's behaviour, but then we run the risk of having the Crown treat engagement with industry as meaningful consultation that fulfils its obligation to Alexander, even though our rights do not get fully identified or understood.

20095. In Alexander's view, the Applicant and First Nations should be allies in bringing consultation concerns to the Crown.

20096. In short, business negotiations are not Crown consultation. More importantly, they are not compensation or accommodation for a constitutionally protected Treaty and Aboriginal rights. Choosing the protection of Treaty and Aboriginal rights over community sustainability or vice versa is not an option.

20097. This Crown's process is a direct reflection of their mechanical approach to consultation with respect to Aboriginal people.

20098. And as I've already outlined briefly to you, the Crown's approach is deficient and doesn't even reflect the current state of law in Canada.

20099. Thus Alexander's approach to this proposed project has been twofold.

20100. Firstly, we have engaged in this process to the maximum extent that our capacity and resources have allowed to ensure that this Board has been notified of our Treaty and Aboriginal rights and the Crown's ongoing failure to fulfill its constitutional duties to Alexander.

20101. Secondly, through active and ongoing engagement with the Applicant, we are pleased to acknowledge that we have reached a business agreement with the Applicant. We want to publicly acknowledge the Applicant for being able to distinguish the difference between sustainable business relationships and the implications of the complex relationship that we have with the Crown and most importantly, for not allowing the latter to impede our new and developing relationship.

20102. We take comfort in knowing that our new business partner does not stand in the way of our ongoing fight to hold the Crown accountable for its unfulfilled obligations to Alexander.

20103. In closing, our submission is based on Alexander's understanding that your decision has many implications for Canada as well as for Aboriginal people. And so I can appreciate that it's not an easy or simple decision that you have to make.

20104. We in Alexander continue to be astounded that in this day and age the general public in Canada are still largely naive about the complexity of this application and about Aboriginal people in general. More specifically, there is a general lack of understanding about the rights that we in Alexander possess and that are constitutionally guaranteed to us.

20105. It is our hope that our participation in this process has shed light on the complex issues that come up when a development proposal overlaps with our constitutionally protected Treaty and Aboriginal rights, be it this application or

otherwise.

20106. In closing, I reiterate my words to you from over a year ago. The land and our treaty rights are not for sale. Alexander is not going anywhere. Solutions cannot be reached if action is not taken and if Indigenous worldviews are not incorporated into a collaborative decision-making process. My People are ready and waiting.

20107. I call the Prime Minister and premiers out to prove that they are sincere with their words and promises and take meaningful action to demonstrate that they are truly vested in repairing the relationship with us and developing sustainable land and resource management in the best interest of all First Nations, Aboriginal peoples, and Canadians.

20108. Thank you.

20109. **THE CHAIRMAN:** Thank you, Chief Burnstick. Just give us a moment.

--- (A short pause/Courte pause)

20110. **THE CHAIRMAN:** Chief Burnstick, maybe if you could help me understand your view on the -- you mentioned that the Applicant's responsibility for the honour of the Crown and you had made mention of, you know, the responsibility of that and then the Crown's responsibility of how it lives up to the honour of the Crown in concern with the Alexander First Nations.

20111. You mentioned the honour of the Crown with the Applicant and what responsibilities or engagement they have to satisfy that. I just needed clarifying on that, understanding how you see their role in meeting that honour of the Crown.

20112. **MS. O'DRISCOLL:** On behalf of Alexander, since it is somewhat legal of a question -- I guess maybe there should be clarification asked on your question.

20113. Are you asking for Alexander's interpretation of what they think the current law in Canada allows the Crown to delegate to the Applicant? Is that the nature of the question?

20114. **THE CHAIRMAN:** That would be helpful if you would clarify that.

20115. **MS. O'DRISCOLL:** To give an answer without full legal authority, in short the Crown is allowed to delegate some aspects of consultation to an Applicant. Typically, in general circumstances we see procedural aspects, which would be the collecting of information and data which informs the Crown in its ability to identify the existence and scope of the duty to consult.

20116. What that then triggers as far as obligations for the duty to be fulfilled and then the subsequent requirements for accommodation potentially -- if there is the potential for infringement -- is a whole other dimension which arguably is not and should not be delegated to an Applicant.

20117. There have been circumstances where the Crown may delegate aspects of that analysis to a tribunal or another party. But in the current circumstance, to Alexander's knowledge, nothing outside of procedural elements of the duty to consult have been delegated to the Applicant.

20118. **THE CHAIRMAN:** Maybe if I had one follow-up question. You also mentioned the role of the Crown in meeting its honour and consultation. Has there been any dialogue, discussion with the Crown outside this process with regards to this application?

20119. **CHIEF BURNSTICK:** No, there's been none.

20120. **THE CHAIRMAN:** With that, we thank you, Chief Burnstick, Ms. O'Driscoll, and for the other members of the Alexander First Nations you brought with you today.

20121. We will be considering your views along with all the other ones that we've heard and we'll hear in the next two remaining days before we make a determination on this application.

20122. With that, we will take a 10 minute recess and return at 2:30 to hear from the Edmonton Chamber of Commerce.

--- Upon recessing at 2:16 p.m./L'audience est suspendue à 14h16
--- Upon resuming at 2:32 p.m./L'audience est reprise à 14h32

20123. **THE CHAIRMAN:** Welcome back and we will be hearing from the Edmonton Chamber of Commerce, who are participating today by telephone. And I would just like to confirm that you can hear us okay?

20124. **MR. SINGH:** Yes, I can.

20125. **THE CHAIRMAN:** And you are watching us also so that we know that you're seeing any reaction that we have.

20126. **MR. SINGH:** I can try but I guess there's a bit of a lag on that.

20127. **THE CHAIRMAN:** Okay.

20128. **MR. SINGH:** So I'll do my best to do so.

20129. **THE CHAIRMAN:** So then we have read the evidence you've submitted and your written argument and so please introduce yourself for the record and provide your oral summary argument on behalf of the Edmonton Chamber of Commerce.

20130. Thank you.

--- FINAL ARGUMENT BY/ARGUMENTATION FINALE PAR THE EDMONTON CHAMBER OF COMMERCE:

20131. **MR. SINGH:** All right. And thank you.

20132. My name is Warren Singh and I am the Vice-President of Policy and Outreach at the Edmonton Chamber of Commerce.

20133. Good afternoon to the Board, Panel Members, those present in the room and those listening online for the opportunity speak today on the proposed Trans Mountain Expansion Project.

20134. On behalf of the Edmonton Chamber's Board of Directors, executives and our 23 -- 2430 member businesses who employ over 164,000 people, it is a pleasure to provide an oral summary presentation this afternoon here in Edmonton, which is located on Treaty 6 land.

20135. I'm here to speak in favour of the proposed Trans Mountain Expansion

Project which will expand upon the existing Trans Mountain pipeline system between our city, Edmonton, Alberta, and Burnaby, British Columbia.

20136. Today I'd like to focus my remarks on the Edmonton Chamber of Commerce's written submission that will speak to some of the issues -- some of the 12 issues the Board will consider during this hearing process.

20137. Our position intends to emphasize potential of this project by focusing on a few key issues -- environmental and safety effects, the economic potential, the local and community impacts and the need to access new markets.

20138. The Edmonton Chamber of Commerce believes that the environment and safety effects of this project should be taken very seriously with proper mitigation procedures in place, a thorough environmental assessment and safety review is paramount for the National Energy Board to undertake.

20139. Any potential disruptive effects of this project should be assessed and the Proponent needs to meet any conditions and provide any reasonable assurances before the project moves ahead. Mitigating these reasonable issues and concerns should be vital in the application process and we believe that these measures have been undertaken by the Applicant.

20140. We also feel that the regulators should continue to play an active role to address any potential environmental effects.

20141. As our submission noted, project safety and integrity measures received extensive study in the application including marking and protection of sensitive environmental areas during construction, pipeline spill prevention, and upgrades to land and marine-based emergency preparedness and spill responses.

20142. But since 1956, the vessels from Kinder Morgan Canada's Westridge Marine Terminal have been transporting petroleum products through the Port of Metro Vancouver without a single spill from a tank.

20143. However, environmental effects and safety measures should not be the only measures used to determine the need of this project. In concert with those environmental effects, reasonable economic benefits and social impacts should also be weighed. If we envision this project as a three-legged stool, all three legs -- environmental, economic and community impacts -- should be given equal merit.

20144. The Edmonton Chamber believes that the economic potential and local benefits of this project represent a tremendous opportunity in the face of our nation's economic downturn. Trans Mountain Expansion Project represents a near tripling of Trans Mountain's current West Coast oil pipeline capacity.

20145. Increased access serves producers and shippers. It also serves the broader public interest by generating the greatest amount of compensation in taxes, royalties, jobs and spinoff economic benefits that this natural resource product can deliver.

20146. As noted in our written submission, the capital investment of the project is estimated at $5.4 billon, U.S., with the expenditures taking place over a seven-year period from 2012 to 2018. The bulk of the spending activity is expected to take place in 2017 and 2018 during construction.

20147. The development phase and the first 20 years of operations will boost Canadian GDP by $22.1 billion including a $6.5 billion boost for the Alberta GDP and a $13.8 billion boost for the B.C. GDP.

20148. This fiscal impact through the 20 years of operations will total $4.5 billion nationally including direct provincial revenues of $527 million for Alberta and $1.2 billion for B.C.

20149. Municipal and regional governments in Alberta will gain a projected $3.35 million in new annual tax payments as a result of the project, for a total of $6.23 million compared to $2.88 million in 2013.

20150. Those payments can support community services such as police and fire protection; recreation and infrastructure; and can also be used to reduce the size of property tax increases.

20151. In addition, the project creates 123, 000 person years of work during construction in the first -- in the first 20 years of operations. This includes 58,000 -- this includes, sorry, 58,000 person years of work during construction including 15,000 jobs in Alberta and 36,000 in B.C.

20152. The Trans Mountain Expansion Project would also include numerous ongoing benefits to local communities along the pipeline route. Many of these municipalities along that route will be receiving new pump stations creating

ongoing jobs in towns like Edson, Hinton, Rearguard, Blue River, Black Pines, Kamloops and Kingsvale.

20153. The 937 kilometres of new pipeline and the new modernized pump stations and tanks, the revival of existing, unused pipeline and an upgrade to the Westridge Marine Terminal will -- we believe will benefit -- will be a benefit to those communities.

20154. Closer to home, the benefits for Edmonton are compelling. There's $547 million in construction spending; $48.5 million in local spending by local by local and non-local workers during the construction phase; 734 jobs calculated in worker months during peak construction phase; and $514,000 in annual local taxes after the construction of the Trans Mountain expansion pipeline.

20155. If we look even further beyond our borders, the project also plays a role in expanding our trade and accessing new markets, something that is very important to Edmonton's local business community.

20156. Although the United States is well established as the biggest and most important consumer of Canadian oil, it is also becoming a major competitor in the market. The Edmonton Chamber believes it is time for producers in this country to cultivate new markets.

20157. Canada is one of the top -- world's top five oil producers and is number three in the world for oil reserves. Oil is our top export commodity representing more than 20 percent of the nation's merchandise exports and more than 30 percent of Alberta's nominal GDP. It could be worth more, however.

20158. The value of our oil resources had diminished by a lack of access to alternative markets that pay global prices for this important commodity. A 2013 study by the Canadian Chamber of Commerce showed that North American oil transportation through pipeline bottlenecks combined with increased oil production in Canada and the U.S. have been causing the Canadian economy up to $50 million per day or $18 billion a year compared to prices that could be achieved through better access to Asia/Pacific.

20159. In even the most conservative scenario, as described in the facilities application for the Trans Mountain Expansion Project, we're selling virtually all our production into a glutted U.S. market that pays Canadian producers two to four dollars U.S., less per barrel than it could leverage through better access to

tidewater.

20160. This might not seem like a significant discount when a barrel of U.S. benchmark light crude oil was selling for nearly $150 U.S. a barrel in 2008; but in 2015 with the same oil in a $60 trading range and Western Canadian select selling at $50, a U.S. discount on Canadian oil is a significant drag on a national economy and especially on the economy of Alberta.

20161. Similarly, a two to four dollar per barrel premium in markets outside the U.S. Mid-west, such as the more isolated California market is a significant opportunity. And in Asia/Pacific markets that premium could reach eight dollars per barrel.

20162. The Trans Mountain Expansion Project gives oil producers in Albert a critical alternative market as oil sands production grows. It is the only west coast link for Western Canada's oil producers. It is not the only project accounted for in the Canadian Chamber study, but it is one that already possesses a demonstrable business case to sustain it.

20163. Demand by shippers to move oil through existing Trans Mountain pipeline already exceeds capacity. Shippers dispatching product from Edmonton today face increasing uncertainty about having adequate access to existing Trans Mountain pipeline capacity on a month-to-month basis.

20164. Their willingness to pay large bid premiums to secure transportation service in the existing Trans Mountain pipeline demonstrates the urgent interest of shippers to move oil to the West Coast and offshore markets.

20165. And in light of pending trade agreements such as the Trans-Pacific partnership and the comprehensive economic trade agreement with the European Union, we feel that all of Canada should be able to take advantage of the opportunities those agreements present, not just those who have direct access to tidewater.

20166. In closing, the Edmonton Chamber of Commerce would like to provide the following views based on our analysis of the proposed project.

20167. Canada is in an increasingly competitive global economy where money can be transported at the click of a button. We need to be fully prepared to compete on this international scale.

20168. We cannot create an inefficient regulatory system by which we turn back opportunity as it comes to a cost for future generations of Canadians. Constantly changing regulations in the rules of the game will not incent investment that builds our economy and jobs for all of Canada.

20169. We cannot continuously impede our country's economic potential and become strong -- and we need to become a strong economic competitor in the global marketplace.

20170. Pipeline proponents and governments should continue to do their part to partner with First Nations and affected communities to reduce potential environmental impacts, mitigate safety concerns and meet all legal obligations.

20171. But to compete, our country needs to be more efficient in our regulatory processes, not less, to be able to compete with the global jurisdictions. We need to continue to be an attractive place to invest in, an international partner that has clear and consistent environmental regulations. And we need a strong economy built on safe, reliable, efficient transportation systems that enables communities across Canada to benefit.

20172. For this reason and those reasons previously mentioned, the Edmonton Chamber of Commerce supports the Trans Mountain Expansion Project and hopes the Panel recommends its approval.

20173. Thank you again for the opportunity, and for the opportunity for the Edmonton Chamber to speak. And I'm open to any questions you may have.

20174. **THE CHAIRMAN:** If you'll just give us a moment, Mr. Singh, please.

20175. **MR. SINGH:** No problem.

--- (A short pause/Courte pause)

20176. **THE CHAIRMAN:** Thank you, Mr. Singh, for your presentation today on behalf of the Edmonton Chamber of Commerce.

20177. The Panel have no questions for you.

20178. So with that, we are adjourned until 1:30 Mountain Time when we will hear from the Sunchild First Nation.

--- Upon adjourning at 2:45 p.m./L'audience est ajournée à 14h45