Canaport LNG Project Canaport Community Environmental Liaison Committee (CCELC)

Minutes of Meeting CCELC # 67
Monday, 13 June 2011
Red Head United Church Hall, Saint John, NB
Meeting 6:10 pm – 8:15 pm

Committee Present:

Armstrong, Carol ResidentBrown, Alice Resident

Dalzell, Gordon
 SJ Citizens Coalition for Clean Air

• Forsythe, Fraser Co-Chair (Canaport LNG)

• Garnett, Vern SJ Citizens Coalition for Clean Air

Hunter, Roger
Johnston, Jan
McNeill, Pam
Smith, Elsie
Resident
Resident
Resident

• Thompson, David H. Fundy Baykeeper

Committee Absent:

• Court, Ivan Mayor of Saint John

Debly, Teresa Resident

• Kumar, Hemant Enterprise Saint John

Perry, YvonneThompson, DavidMemberMember

• Turner, Rick Saint John Board of Trade

Resources:

Caines, Crystal Fundy EngineeringO'Brien, Kevin City of Saint John

Peterson, David
 Department of the Environment

Observers:

• 1 person

(1) OPENING REMARKS:

The meeting commenced at 6:10 pm with Fraser Forsythe welcoming everyone. The agenda was approved.

Review & Approval of Minutes from Meeting # 66 (14 March 2011):

The minutes of meeting # 66 on 14 March 2011 were revised. Revisions included:

- Page 1: removed Vern Garnett from the list of absent; and
- Page 6: under Member's Statement: the link for the referenced article was inserted

Ms. Debly referenced an article by CEAA requesting public input on the Marine Terminal for Eider Rock. News releases requesting public input can be viewed at http://www.ceaa.gc.ca/050/document-eng.cfm?document=47736.

The actual addendum can be viewed at http://www.ceaa.gc.ca/050/documents/47740/47740E.pdf.

The minutes were accepted with the above changes motioned by Vern Garnet, seconded by David Thompson.

(2) BUSINESS ARISING FROM PREVIOUS MEETING:

Action Items from 14 March 2011 Meeting:

66-1 Fraser Forsythe to report back to the committee on the idea of providing a yearly update (hard copy) to local residents

(Fraser Forsythe) No yearly updates will be provided at this time. Currently, a yearly monitoring report is submitted to the Department of the Environment.

66-2 Determine who owns Mispec Park & Determine level of interest

Figure 1 depicts the property owners of Mispec Park, and adjacent properties.

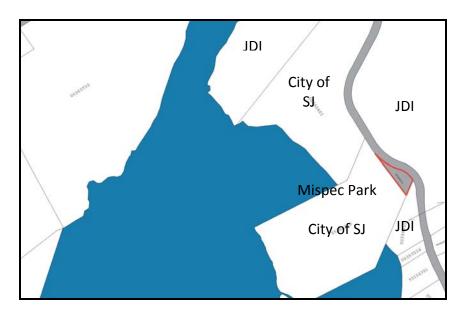


Figure 1. Property Owners of Mispec Park, and adjacent to Mispec Park

A member expressed their concern regarding vehicles trying to access Mispec Beach, and having to park on the road as the gates to Mispec Beach Park have been closed.

Action 67-1: Kevin O'Brien to voice the committee's concern with parking on the side of the road to access Mispec Beach, and determine if the gates can be opened

David Thompson speculated the beach parking could be closed due to the erosion around the staircase, and possibly being a safety concern. Mr. Thompson suggested blocking off access to stairs if that was the case.

(Fraser Forsythe) Canaport LNG has set money aside to build a new set of stairs. Kate Shannon expects to get approval this week.

66-3 Invite Brunswick Pipeline to provide an annual update at the September's meeting

(Crystal Caines) The invitation was extended, and am waiting for a response.

Action 67-2: Follow-up with Brunswick Pipeline to determine if they will provide an annual update at the September's meeting

66-4 Fraser Forsythe to determine what from the fall survey (acceptance of LNG) can be shared with the committee

Fraser Forsythe indicated that Canaport LNG will share the outcome of the survey that had taken place in fall of 2010. The objective of the survey was primarily to gain an understanding of the community's (Red Head as well as Saint John metropolitan) level of acceptance of the LNG Terminal. Sixty-nine percent accepted the LNG Terminal operating in the community, which is down slightly from previous years. Canaport LNG conduct this survey on an annual basis.

Q1. (David Thompson) Can we get copies of the questionnaires?

Action 67-3: Determine if copies of the questionnaire can be provided to the CCELC members.

Gordon Dalzell made a statement that questionnaires only reflect the view of one person at one time.

Q2. (Gordon Dalzell) How is Canaport LNG going to use this information?

Action 67-4: Determine what Canaport LNG does with the information they receive from the survey

66-5 Follow-up with those 6 members to confirm their position with the CCELC

(Crystal Caines) Contact, or an attempt to contact, has been made to the 6 individuals. Of the 6 members, the following members wish to remain a member of the committee:

David Thompson, Ivan Court, Rick Turner, and Yvonne Perry

The following individuals have not responded to the letters sent out in March 2011. The letters indicated that if no contact was made by 31st of March, then the committee will assume they have other commitments and wish to resign. Phone calls and / or emails were also sent to these individuals after March 31st to confirm their position. To date, the following individuals have not responded:

Kathy Rogers; Glen Griffin

66-6 Post the CCELC yearly repots on CLNG website

As of 6 September, the CCELC yearly report has been posted to the website.

Gordon Dalzell commented that there was a lack of compliance summaries within the CCELC yearly report. Fraser indicated that compliance is not a mandate of the CCELC; therefore, the yearly report does not contain such information. David Thompson commented that it was the committee's decision last year not to include compliance information as the members have no way of monitoring compliance themselves.

Q3. (Gordon Dalzell) Is there a report that we could see on a regular basis to view compliance? Something that could be posted on Canaport LNG's website?

Action 67-5: Determine if Canaport LNG would support a summary of yearly data on their website

Motion 67-1 Write a letter to the Minister of the Environment regarding the absence of a Department of the Environment Representation at the CCELC meetings

(Fraser Forsythe) David Peterson is here tonight. If David is unable to make it, then someone from the Department of the Environment will be in attendance.

(3) NEW BUSINESS:

NBDENV Update:

David Peterson provided the NBDENV status report update.

(David Peterson) In 2011 the Department has received and reviewed a number of reports submitted by Canaport LNG. Canaport LNG submits monthly reports, which provides detail on any spills that have occurred, any issues, and water and air sample results. The Department monitors and reviews the reports on a monthly basis and there have been no issues.

In 2011, there have been five reportable events consisting of mainly small spills. There is a new Approval to Operate that was issued to the facility, which was a renewal of the prior Approval to Operate with no significant changes. The only change was a condition relating to the Water Source Supply Assessment (*i.e.*, extracting water greater than 50 m³ a day on a periodic basis to replenish their fire water system during testing).

Q4. (Gordon Dalzell) Can we get copies of the Certificate of Approval?

Action 67-6: Provide copies of the Approval to Operate to committee members.

(David Peterson) The Approval to Operate is issued under the Clean Air and Clean Environment Act, and it is a combined Class III approval. Public participation process only extends to Class I approvals.

- Q5. (Gordon Dalzell) Why is there no public review?
- A5. (Gordon Dalzell) Class I facilities have significant emissions and impacts. The issues associated to Class III and IV facilities are minimal in nature in comparison. There are over 1000 Class III and IV approvals, and it would be difficult for the Department to facilitate community involvement on all approvals. Class of approvals is dependent on SO₂ emissions.
- Q6. (David Thompson) What are the fees to renew approvals?
- A6. (David Peterson) In Canaport's instance, they would pay an annual fee of \$1000 for the renewal under the Clean Air Act and a \$1000 for their approval under the Clean Environment Act.
- Q7. (Carol Armstrong) Were there any complaints regarding the shutdown?
- A7. (David Peterson) The only complaints received were regarding the Brunswick Pipeline Venting.

David Peterson indicated that he was in the area three times during the shutdown, and the flare was larger than normal and more orange in colour, but did not notice any smoke. Carol Armstrong indicated you could see the smoke at night. Fraser Forsythe reminded the committee that the flare doesn't burn completely clean, and there will be some smoke coming from the flare but not a great deal.

- Q8. (Gordon Dalzell) Was there flaring on the pipeline?
- A8. (Fraser Forsythe) Brunswick Pipeline needed to make a more permanent repair to the odourant system, and chose to do it during the shutdown of the plant. Brunswick Pipeline closed a section of the pipeline and purged any gas from that portion of the line.
- Q9. (David Peterson) Did any of the members receive notification of the Brunswick Pipeline repairs?
- A9. (Carol Armstrong) I did, and four other people in the area did.

David Peterson commented that Brunswick Pipeline were responsible for notifying residents within 1 km of the venting.

David Peterson provided an update to the committee on the government wide review of services that is happening within all departments in an attempt to reduce redundancy and improve efficiency. Recommendations for restructuring should be made by October of this year.

CLNG Site Update

Fraser Forsythe provided a site update for the Terminal. There was a complete plant shutdown beginning May 5th, and ending May 25th. The Terminal was offline for 20 consecutive days. All activities were completed without incidents. Other work being done at the site included adding perlite to tanks. The perlite insulation settles over time, and has to be topped up.

Sporadic flaring from June 21st to July 14th may occur as Canaport LNG is pulling a low pressure pump from Tank #3 (the pump exhibits high vibration levels; outside of specs and requires return to manufacturer for warranty analysis). This will not result in plant shutdown, and cargo delivery will be ongoing.

- Q10. (Carol Armstrong) What did we hear Thursday night and Friday most of the day?
- A10. (Fraser Forsythe) There was a ship at berth; it could have been the pumps on the ships or the tug boats.

Fraser Forsythe continued with the site update. (Fraser Forsythe) In July / August, there will be routine maintenance inspections performed on the SCVs. These are done on a yearly basis, and are internal visual Inspections.

Q11. (Roger Hunter) Will the repair work on anchor chains on the monobuoy impact LNG vessels?

Gordon Dalzell commented on the frequency of pipeline incidents in the last six months. (Gordon Dalzell) The current crude oil pipeline structure is 40 years old, how good of shape is it in?

(David Peterson) Irving conducts PIG operations every three to five years to inspect. If they identify an area of concern, they physically dig up the line to inspect.

Member's statement:

Gordon Dalzell voiced his concerns in regards to the recent cyber attacks, and inquired as to whether Canaport LNG has formalized an approach to cyber attacks. In particular, Gordon Dalzell asked if Canaport LNG:

- a) is taking it seriously;
- b) have enough resources to deal with the threat; and
- c) are being proactive about it.

(Fraser Forsythe) Yes in every instance. Canaport LNG's control system is not connected to the Internet.. Whatever happens to the Terminal operating control system, can be stopped using the Terminal's manual shutdown buttons located throughout the plant. Canaport LNG has an IT manager and two IT technicians who manage and control the information systems. Even if the Terminal's process control system was compromised, the Terminal employees can stop the plant manual in safe shutdown mode.

- Q12. (Gordon Dalzell) What is the status of the crude oil marine terminal? Will there be another Terminal for loading ships?
- A12. (Fraser Forsythe) Irving Oil had proposed using the 4th unloading arm position on our jetty awhile back. They then withdrew this proposal before formally being approved. Our current LNG jetty is designed with an extra arm. Irving Oil will be formally going back to the DENV to request use of the 4th unloading arm position for a crude oil unloading arm. This will be an Irving Oil initiative, and not Canaport LNG.

(David Peterson) I think Gordon Dalzell was speaking about was an alternative jetty altogether at another location. Fraser is talking about Irving Oil's registration with the government to use Canaport's Terminal for unloading crude oil. Irving later withdrew the application before it received final approval. Irving is likely going to get the process going again.

(Fraser Forsythe) Irving has to pursue the change through an EIA as it is a change to the Terminal operation.

- Q13. (Roger Hunter) A few years back, Paul Groody indicated paving would be performed on the Red Head Road.
- A13. (Kevin O'Brien) the paving was part of a proposed 4 year plan. The City can not guarantee everything in the plan will be implemented.

Action 67-7: Kevin O'Brien to inquire on paving for Red Head Road, and report back to the committee.

ADJOURNED:

8:15 pm

Submitted by: Fundy Engineering

NEXT MEETING DATE:

Monday, 19 September at 6:00 pm

Red Head United Church

ATTACHMENTS:

- Table of Action Items
- Approval to Operate Certificate

Table of Actions/Responsibilities – 13 June 2011

Action #	Action Item	Responsible Party	Due Date
67-1	Kevin O'Brien to voice the committee's concern with parking on the side of the road to access Mispec Beach, and determine if the gates can be opened	Kevin O'Brien	Sept 2011
67-2	Follow-up with Brunswick Pipeline to determine if they will provide an annual update at the September's meeting	FE	Sept 2011
67-3	Determine if copies of the questionnaire can be provided to the CCELC members.	CLNG	Sept 2011
67-4	Determine what Canaport LNG does with the information they receive from the survey	CLNG	Sept 2011
67-5	Determine if Canaport LNG would support a summary of yearly data on their website	CLNG	Sept 2011
67-6	Provide copies of the Approval to Operate to committee members	FE	Sept 2011
67-7	Kevin O'Brien to inquire on paving for Red Head Road, and report back to the committee	Kevin O'Brien	Sept 2011

Motions: