Canaport LNG Project Canaport Community Environmental Liaison Committee (CCELC)

Minutes of Meeting CCELC # 56 Monday, 2 November 2009 Red Head United Church Hall, Saint John, NB Meeting 6:00 pm – 8:15 pm

Committee Present:

- Armstrong, Carol
- Armstrong, Stuart
- Brown, Alice
- Dalzell, Gordon
- Debly, Teresa
- Forsythe, Fraser
- Garnett, Vern
- Griffin, Dennis
- Johnston, Jan
- MacKinnon, Claude
- McNeill, Pam
- Perry, Yvonne
- Rogers, Kathy
- Smith, Elsie
- Thompson, David H.

Committee Absent:

- Court, Ivan
- Griffin, Glenn
- Hunter, Roger
- Melvin, Keith
- Thompson, David
- Turner, Rick

Resources:

- Forsythe, Joel
- O'Brien, Kevin
- Peterson, David
- Shannon, Kate
- Waugh, Graham

Observers:

• 2 Persons

- Resident
- Co-chair of CCELC, Resident
- Resident
 - SJ Citizens Coalition for Clean Air
 - Resident
 - Co-Chair (Canaport LNG)
 - SJ Citizens Coalition for Clean Air
 - Resident
- Resident
 - ACAP Representative
- Resident
- Member
- Member
- Resident
- Fundy Baykeeper
- Mayor of Saint John Resident Resident Department of Energy Member
- Saint John Board of Trade
- Fundy Engineering City of Saint John Department of the Environment Canaport LNG Fundy Engineering

(1) OPENING REMARKS:

The meeting commenced at 6:00 pm with Fraser Forsythe welcoming everyone. The agenda was approved.

Review & Approval of Minutes from Meeting #54 (8 September 2009):

The minutes of meeting #55 on 5 October 2009 were approved, motioned by Claude MacKinnon and seconded by Gordon Dalzell with the following amendments:

On page seven, paragraph three, in Gordon Dalzell's comments regarding the SAROS cycle article from the Telegraph Journal. Add the dates that the article ran in the Telegraph Journal, which was 26 & 28 September 2009

Approved minutes will be posted to the Canaport LNG website (<u>www.canaportIng.com</u>) and the Fundy Engineering website (<u>www.fundyeng.com</u>).

(2) BUSINESS ARISING FROM PREVIOUS MEETING

Action Items from 5 October 2009:

- 55-1 Regarding the availability of the ACAP reports for the Red Head Marsh for distribution. David Peterson checked this and these were sent to Joel Forsythe and subsequently emailed to the committee. Copies were available at the meeting and Teresa Debly and Yvonne Perry requested hard copies of each report.
- 55-2 Regarding the purported tremor on 30 September 2009. Mr. Peterson did not have time to follow up on this item before the meeting. This will be addressed in the December meeting.
- Q1: (Dennis Griffin) Are there seismographs on site?
- A1: (Fraser Forsythe) Fundy Engineering had seismographs onsite during blasting; however, these have since been removed and there is no ongoing monitoring.
- 55-3 Copies of the Approval to Operate were emailed to the committee membership and also made available during the meeting.
- 55-4 Regarding the SJEMO meeting for Red Head Residents for an explanation of City of Saint John evacuation plans a meeting is planned for November or early December and residents will be notified of the exact date, time and location by SJEMO.
- 55-5 Regarding whether Kevin O'Brien will be continuing to attend meetings. It was noted that Kevin O'Brien was in attendance and will continue to attend.

55-6 Regarding the traffic on the emergency access road and Red Head Road. Fraser Forsythe explained that the emergency access road traffic was for a tank cleaning on the Irving Crude Oil Site and that Canaport LNG has spoken with the CLNG Project EPC contractor to ask them to remind drivers to utilize the Bayside drive extension road when transiting to and from Canaport LNG.

(3) UPDATES:

NBDENV Monthly Status Report

David Peterson provided an environmental update for the Terminal. Mr. Peterson stated that there were no significant environmental events. Mr. Peterson stated that there was one reportable incident associated with flaring at the terminal caused from an excess of LNG in the knock out drum at the base of the flare. Mr. Peterson noted that this incident was reported in accordance with the requirements of the ATO.

The following questions / comments were made during the status report updates:

- Q1: (David Thompson) Is there a camera on the flare for DENV to see?
- A1: (Fraser Forsythe) There are process cameras and they would have been directed at the flare.
- Q2: (David Thompson) Was this video shared with DENV?
- A2: (Fraser Forsythe) No it was not. We reported the incident and a full report is being written
- Q3: (David Thompson) Who writes the report?
- A3: (Fraser Forsythe) It is being completed by Canaport LNG personnel, Specialists with Repsol in Madrid and our EPC contractor
- Q4: (David Thompson) It seems strange that Madrid would be involved?
- A4: (Fraser Forsythe) It is not strange at all. They are our technical specialists involved in the design and operation of the process.
- Q5: (Gordon Dalzell) With respect to the monthly reports required by the ATO; could this be available to the committee?
- A5: (David Peterson) You do have access to this information through the right to information act.
- Q6: (Gordon Dalzell) Could this information be made available somehow by Canaport LNG?
- A6: (Fraser Forsythe) That is something that we will have to consider.
- Q7: (Teresa Debly) Is the incident report included in the monthly report?
- A7: (Fraser Forsythe) We are considering the flaring report as separate from the monthly report.

Gordon Dalzell read an excerpt from the ATO and questioned whether the incident report should be separate. David Peterson explained that DENV would expect a separate report. Mr. Peterson added that the flare incident was reported through the emergency number and that he visited the site a couple hours following the flaring and spoke with Fraser Forsythe. Mr. Peterson did note that a photo of the flare was sent to the department.

- Q8: (David Thompson) Was the photo from Canaport LNG or from a resident?
- A8: (David Peterson) It was sent in from a resident

Dennis Griffin noted that there are cameras on the tanks that overlook the entire terminal and should have captured the flare. David Peterson explained that the department is primarily concerned with the emissions from the flare and whether these exceed any limits or could have potentially affected any nearest air quality measurement stations. Mr. Peterson noted that the emissions of the LNG terminal would be low with respect to the refinery.

Gordon Dalzell stated that he did call the update number for Canaport LNG and was actually stopped in the grocery store and asked about the flaring incident. Mr Dalzell expressed that he was very pleased that Canaport LNG sent out an information letter to the community regarding this. Mr. Dalzell also stated that he felt that there should be a standing order requiring Canaport LNG to do this in all cases. Fraser Forsythe replied that Canaport LNG did give a notice of potential flaring a couple of weeks ago prior to some routine maintenance.

Gordon Dalzell emphasized the need for sharing the information with the general public citing the Eider Rock Refinery's EIA, which indentifies psychosocial health effects associated with industrial facilities. Mr. Dalzell explained that is was noted in the EIA that the only mitigation for these psychosocial effects is information exchange. Fraser Forsythe noted that Canaport LNG agrees with this and that they try to give advance notice of potential flaring when they expect that circumstances may cause flaring.

- Q9: (Teresa Debly) Dave [David Peterson]; how high was the flare, 10-50 m or maybe 50 m or more?
- A9: (David Peterson) I don't know how high the flare was.

Fraser Forsythe explained that it is estimated that may have reached heights of 50 metres from the top of the flare stack. David Thompson suggested that perhaps if there was a photo that showed some of the surrounding area that one may be able to deduce the flare height by way of comparison with other known features in the area. Fraser Forsythe added that the estimate of 50 metres was achieved by that method of comparison.

- Q10: (Teresa Debly) The letter that Mr. Dalzell mentioned, I have not seen; did this go out to the committee?
- A10: (Fraser Forsythe) Yes this notice should have been sent all of the committee members.

Gordon Dalzell read the letter from Canaport LNG regarding the 10 October flaring incident to the committee.

Q11: (Teresa Debly) What time was the flaring? A11: (Gordon Dalzell) The letter states it was from 12:30 PM to 12:40 PM.

Teresa Debly noted that the letter was indicating only 10 minutes of flaring. Carol Armstrong added that the flaring occurred throughout the day and began in the morning well before 12:30 PM. Fraser Forsythe replied that the flaring associated with the maintenance work being conducted was throughout the day; however, the physical flaring incident where the flare was very large occurred for only approximately 10 minutes. David Thompson commented that it seemed as though further investigation of the incident should be conducted. Gordon Dalzell added that the DENV should consider a thorough investigation and undertake interviews with witnesses/residents.

David Peterson explained to the committee that the DENV would be investigating the flaring incident but is specifically focused on the emissions associated with it and whether these emissions would impact any nearby air quality monitoring stations. Mr. Peterson added that with the refinery the department will look at Sulphur Dioxide emissions and try to quantify these.

Q12: (Yvonne Perry) Is there an air quality station on site?

- A12: (David Peterson) No, there are no monitors in Red Head.
- Q13: (Yvonne Perry) If there are no monitors nearby then how do you determine the sulphur dioxide emitted on 10 Oct?
- A13: (David Peterson) Canaport LNG will estimate their output based on the known sulphur content of the gas that is combusted in the flare.
- Q14: (Yvonne Perry) Will these values be in the report?
- A14: (Fraser Forsythe) Yes, we take the measurements of the various constituents of the gas and base out estimate on those values.
- Q15: (Teresa Debly) What was the volume released that day?
- A15: (Fraser Forsythe) It would have been approximately 150 m³.
- Q16: (David Thompson) For the most part the plan is good but the government agency is not responsible for looking into this flaring incident. I think it would be helpful if someone like Mr. Peterson could interview residents because it seem there is a discrepancy in the time of flaring. Carol Armstrong is saying that the flaring was for most of the day but your letter says it was for ten minutes?
- A16: (Fraser Forsythe) There is no discrepancy, Carol is absolutely correct we did flare for a considerable period of time both before and after the upset event. However, the upset event that caused the large flare was only for 10 minutes.

Q17: (Teresa Debly) Was there a ship in at the time?

A17: (Fraser Forsythe) No, there was no ship present during the flaring.

The following motion was put forth by David Thompson and seconded by Gordon Dalzell. The motion was voted on and carried.

Motion: The CCELC requests that the DENV conduct an investigation into the flaring incident. If DENV cannot do an investigation then they should seek to find an appropriate agency to conduct an investigation. Further information should be sought through interviews with residents.

- Q18: (Gordon Dalzell) I think that it is important the Department of Public Safety (DPS) be involved?
- A18: (Fraser Forsythe) DPS is involved through inspections of boilers and pressure vessels. These inspections were completed by DPS prior to the Terminal commissioning.

David Peterson explained that the DENV will look for violations in the ATO and if they cannot find any between the regional directors review and the industrial approvals branch then the file will closed. Mr. Peterson noted that if an investigation is perceived as necessary then 2 people can complete forms and swear affidavits and file with the Minister. Gordon Dalzell added that these forms are available to be filled out but must be sworn in front of a Justice of the Peace. Mr. Peterson noted that he is only aware of one such event in the last ten years where this has been done and that it is not to be taken lightly.

David Thompson added that if the Department only looks to the laws then they may not find an infraction; however, there could be social welfare issues associated with the flaring event that are not covered in any laws.

- Q19: (Teresa Debly) Can the committee have copies of the report?
- A19: (Fraser Forsythe) No, but we can arrange to have our technical specialists give a presentation to explain what happened during the incident.
- Q20: (Yvonne Perry) So the report will only cover the ten minutes of the incident?
- A20: (Fraser Forsythe) The report will cover much more than the ten minute span of flaring. It will cover the events leading up to the flaring incident and after it.
- Q21: (Teresa Debly) There has been mention of a knock out drum associated with this incident. What happened with this?
- A21: (Fraser Forsythe) This is a large drum at the base of the flare stack that all of the product diverted to the flare must flow through. It is my understanding that we overfilled this Knock out Drum with LNG.

Q22: (Teresa Debly) Was this a human error?

A22: (Fraser Forsythe) It may have been operator error but there may also be other factors involved.

Q23: (Teresa Debly) Was SJEMO involved with this incident?

- A23: (Fraser Forsythe) No only the fire department was involved.
- Q24: (David Thompson) I was at Mispec Beach on Saturday, 24 Oct 2009 when there was flaring in progress. I was accompanied by 40 people and there was a large flare at the time. I would characterize it as 'not normal' as there was a lot of smoke. I was led to believe that it was not normal. Are people looking at the smoke and examining it?
- A24: (Fraser Forsythe) Within Canaport LNG we have enquired about the amount of smoke from the flare and have talked to the manufacturer of the flare system about it. Unfortunately I don't have an answer. We have to flare when the plant is shut in but the smoke is puzzling because there is no particulate matter in the gas that is being burned and combustion should be quite clean.

David Peterson noted that this is the first complaint that he has heard regarding the level of smoke from Canaport LNG's flare. Gordon Dalzell added that the flare had its own amendment to the original EIA for the terminal. Fraser Forsythe added that there were extensive calculations completed in the EIA for the flare.

- Q25: (Dennis Griffin) Repsol has other LNG terminals; is there much smoke from their flares?
- A25: (Fraser Forsythe) No there doesn't seem to be.
- Q26: (Dennis Griffin) Is this flare system the same as the others?
- A26: (Fraser Forsythe) Yes to my knowledge it is a similar flare from the same manufacturer.
- Q27: (David Thompson) How can this be improved and how aware of this is DENV? Seems like they are not very aware of it.
- A27: (Fraser Forsythe) During normal operations there will be no flaring and, therefore, should not have any issues.
- Q28: (Teresa Debly) When you say normal operations; how often would you be flaring?
- A28: (Fraser Forsythe) During normal operations there will be no flaring at all in any given 24 hour period you should not see a flare.
- Q29: (Teresa Debly) How often in a week would you see flaring?
- A29: (Fraser Forsythe) Again, you shouldn't see any. We don't want to flare at all if we can help it because it is not profitable.
- Q30: (Gordon Dalzell) Will we be receiving information on the incident report?
- A30: (Fraser Forsythe) We will do a presentation.
- Q31: (Teresa Debly) Did the media make any contact with Canaport LNG regarding the incident?

- A31: (Fraser Forsythe) No they didn't. We called them and left contact information but no one called
- Kate Shannon noted that a statement regarding the flaring incident was issued.
- Q32: (Jan Johnston) How many phone calls from residents did you receive?
- A32: (Fraser Forsythe) We received two calls.
- Q33: (Jan Johnston) If something like this were to happen again who should we contact?
- A33: (Kate Shannon) There will be three people available 24 hours a day to contact. I will be mailing out a letter to the residents about this soon.

Canaport LNG Site Update

All eight SCV's are now operational and 8 shipments of LNG have been received. There is ongoing work on tank three to insulate piping and the placement of the perlite insulation of tank three will begin next week. There were some delays associated with the labour dispute.

The following question / comments were made during the status updates:

Q34: (Gordon Dalzell) Has the labour dispute been resolved? A34: (Fraser Forsythe) Yes it has.

Q35: (Teresa Debly) Is there an agreement?

- A35: (Fraser Forsythe) There is an agreement between Integral Energy, TAHK their subcontractors and the unions.
- Q36: (Teresa Debly) How many union workers are onsite now?
- A36: (Fraser Forsythe) There is no change to the workforce.
- Q37: (Gordon Dalzell) How would the potential Quebec Power deal with NB Power affect you at Canaport LNG?
- A37: (Fraser Forsythe) I don't believe it would affect us at all, unless they lower our power rates
- Q38: (Gordon Dalzell) They do decrease the rates for large industries. How much does Canaport LNG consume?
- A38: (Fraser Forsythe) At peek output we consume approximately 13 MW.

Fraser Forsythe brought to the attention of the committee that Canaport LNG is intending to write a letter to the department of the environment requesting the meeting frequency for the CCELC be changed to a quarterly schedule. There would be a meeting in December then one at the beginning of January and then quarterly following that.

Q39: (Gordon Dalzell) What is the rationale for this decision?

- A39: (Fraser Forsythe) Construction is now almost complete and there are no longer any issues that have not been previously addressed that require continued monthly meetings.
- Q40: (Teresa Debly) What if the committee writes a letter requesting the monthly frequency is continued?
- A40: (Fraser Forsythe) That is at the discretion of the committee.

The following motion was put forth by Teresa Debly. The motion was voted on 10 to 3 in favour of monthly meetings and it was noted that all of the residents who are members of the committee voted in favour of monthly meetings. The motion was carried.

Motion: The CCELC vote on the number of members who wish to continue monthly meetings. If the vote is in favour of monthly meetings then the committee will write a letter to the minister of the environment requesting that the monthly meeting schedule remain.

(4) MEMBER UPDATES

Gordon Dalzell brought to the attention of the committee the upcoming public meeting for the Eider Rock EIA on 18 November 2009 at 7:00 PM at the Simonds Lions Auditorium. Mr Dalzell also noted that on Saturday, 7 November 2009 a workshop to review TRC comments on the EIA is being held at the Irving Oil Refinery.

(5) NEW BUSINESS

Carol Armstrong asked if Canaport LNG would consider giving a donation to a long term Red Head resident who has Wagner's Disease. Fraser Forsythe stated that he would take this to Canaport LNG and look into what could be done.

- Q41:(Pam McNeill) I asked a couple of months ago about repairs being done on Red Head Road?
- A41: (Kevin O'Brien) I will look into this.

ADJOURNED:

8:15 pm Submitted by: Fundy Engineering

NEXT MEETING DATE:

Monday, 14 December 2009 at 6:00 pm Red Head United Church

ATTACHMENTS:

Table of Outstanding Action Items

Table of Actions/Responsibilities – 2 November 2009

No Actions were recorded for the November meeting.