

# **Canaport LNG Project**

## **Canaport Community Environmental Liaison Committee (CCELC)**

Minutes of Meeting CCELC # 65  
Monday, 13 December 2010  
Red Head United Church Hall, Saint John, NB  
Meeting 6:05 pm – 8:40 pm

APPROVED AS AMMENDED

### **Committee Present:**

- Armstrong, Carol Resident
- Brown, Alice Resident
- Dalzell, Gordon SJ Citizens Coalition for Clean Air
- Debly, Teresa Resident
- Forsythe, Fraser Co-Chair (Canaport LNG)
- Johnston, Jan Resident
- McNeill, Pam Resident
- Smith, Elsie Resident
- Thompson, David H. Fundy Baykeeper

### **Committee Who Attended the CLNG Christmas Banquet:**

- Garnett, Vern SJ Citizens Coalition for Clean Air
- Johnston, Jan Resident

### **Committee Absent:**

- Court, Ivan Mayor of Saint John
- Garnett, Vern SJ Citizens Coalition for Clean Air
- Griffin, Glenn Resident
- Hunter, Roger Resident
- Kumar, Hemant Enterprise Saint John
- MacKinnon, Claude ACAP Representative
- Perry, Yvonne Member
- Rogers, Kathy Member
- Thompson, David Member
- Turner, Rick Saint John Board of Trade

### **Resources:**

- Caines, Crystal Fundy Engineering
- Norton, Erin Fundy Engineering
- O'Brien, Kevin City of Saint John

### **Observers:**

- 1 person

## **(1) OPENING REMARKS:**

The meeting commenced at 6:05 pm with Fraser Forsythe welcoming everyone. The agenda was approved.

Some members of the committee expressed displeasure that the CCELC meeting and the CLNG Christmas banquet were held on the same night. Some members thought the meeting should have been cancelled in lieu of the above, as well as the fact that a representative from the Department of the Environment was not able to make the meeting.

David Thompson stressed the importance of having a representative from the Department of the Environment at the CCELC meetings, and suggested an alternate be appointed to attend the CCELC meetings in the event David Peterson can not attend.

It was also suggested that if no representative from the Department of Environment could be present at the meeting that they could provide their monthly update report to the members for that meeting.

Fraser Forsythe explained that the Christmas banquet was originally scheduled for a different date, but due to scheduling constraints on behalf of the venue, the event could not be held on the planned date and had to be rescheduled to the same night of the CCELC meeting. David Peterson from the Department of the Environment could not attend the meeting due to a family emergency.

### **Review & Approval of Minutes from Meeting #64 (13 September 2010):**

The minutes of meeting #64 on 13 September were revised to include the following:

- Page 3, final paragraph, and Page 4, first paragraphs were rephrased:

*Carol Armstrong indicated that she was in a situation recently (Saturday, July 24<sup>th</sup> at 4:30 pm) where she smelled an odour in her house. She called Andrew Langille from Brunswick Pipeline, and he sent a technician out to look into the problem. Mr. Langille phoned Carol back 2 hours later and advised her of the problem.*

*Stephanie More commented that the situation was stable following the inspection, and if it were a significant incident, a number of people would have called. In this case, the odourant pump leaked a couple drops of mercaptin. Carol Armstrong commented that there are only a few houses are in the immediate vicinity of the Terminal, and most were not home at the time of the incident.*

- Page 3, the website for Spectra Energy was added:

*<http://www.spectraenergy.com/>*

- Page 5, Question 13: Following Mr. Dalzell's question, the following was added to September's minutes: Although the rust on the structure does not affect its integrity, Mr. Dalzell suggested that perhaps painting it would improve perception that it is well maintained and make it more aesthetically pleasing.
- Page 5, below answer 15: The following text was added: For further information on incidents relating to pipelines, refer to the National Transportation Board Website at <http://www.nts.gov/>, as well as the Chemical Safety Board at <http://www.csb.gov/> and the US DOT at <http://phmsa.dot.gov/pipeline>.

The minutes were motioned by Gordon Dalzell, and seconded by David Thompson with the above changes. **Please Note:** Where the attendance of the CCELC meeting was low, further opportunity to make changes to the minutes will be provided at the next CCELC meeting in March for those members not in attendance.

## (2) BUSINESS ARISING FROM PREVIOUS MEETING

### Action Items from 13 September 2010 Meeting:

64-1 Fraser Forsythe provided the members with a comparative LNG throughput for a variety of different Terminals (including Canaport) from an industry news service. Operating capacity in November was estimated to be 12 – 13% at the Canaport Terminal, and is expected to ramp up in December.

Gordon Dalzell referenced an article from the 13 December 2010 edition of the Globe and Mail titled: *"Low natural gas prices immune to the worst winter has to offer"*. The article is attached.

Fraser Forsythe commented that the price of natural gas is a governing factor based on the New England market. New England, where all of Canaport's regassified LNG's gas goes, is essentially controlled by the heating demand of the area in the winter months. The base price of natural gas is dictated by the cost to deliver to the Henry Hub in Louisiana which dictates anticipated price to deliver in \$ / m BTU in the New England market. In Canaport LNG's instance, the selling price of gas doesn't directly matter so much as Canaport LNG is paid per mmBtu we provide to the pipeline. There has been minimal production in the United States, with several terminals not producing any gas this week (*i.e.*, deep water Terminals off of Massachusetts).

Fraser Forsythe noted that the Maine Board of Environmental Protection has recommended that the Calais LNG application be returned to the company due to loss of right and title to land required for the terminal.

Gordon Dalzell commented that the focus for LNG supply should be on the LNG Terminal that already exists in Saint John, not the exploration of shale gas in NB.

Q1: (Fraser Forsythe) Will there be a community liaison committee formed to deal with the shale gas issue?

A1: (David Thompson) A committee will likely be formed as a result of the EIA process.

David Thompson brought forth the notion of having the CCELC recommend to government to those interested in shale gas not proceed where we have an existing source in Saint John.

Teresa Deby suggested individuals from the committee voice their own concerns on behalf of themselves and / or their organizations regarding the issue of shale gas in New Brunswick.

64-2 Canaport LNG's number was published within the Canaport Connections.

Teresa Deby asked how many newsletters go out. As Fraser Forsythe was unsure of the answer, the question will be forwarded to Kate Shannon.

*Action 65-1: Report back to the CCELC on the numbers of Canaport Connections distributed*

Gordon Dalzell asked what the criteria are for choosing community involvement programs. Mr. Dalzell suggested checking with Canadian Association for Community Living (CACL) to confirm charities are not in conflict with their values. The CACL strive for an integrated community, and do not label anyone with a disability, but rather human beings with needs.

*Action 65-2: Determine the criteria for choosing community involvement programs*

64-3: Canaport presently mail copies of the newsletter to all members of the CCELC, Minister of the Environment, and DENV representative on the committee. For those members who have supplied e-mail addresses, we also send via e-mail.

64.4: This action is pending a response from Brunswick Pipeline.

*Action 65-3: Determine the force the pipeline can withstand*

David Thompson suggested it may be worthwhile to have Brunswick Pipeline come in once a year to present for an hour, and suggested to invite them to the March or September's meeting.

*Action 65-4: Invite Brunswick Pipeline to come speak to the CCELC at one of the upcoming meetings and have this invitation as a recurring annual event.*

64-5: Fraser reported the Red Head United Church's request to Canaport LNG. Canaport will continue to look at the requests for upgrades to the Church Hall on a one by one basis, but will not consist of major renovations.

Q2: (Teresa Deby) Who would have decided the above?

A2: (Fraser Forsythe) The CLNG management team and the amount CLNG able to budget for any particular year.

## **NBDEV Site Update**

No site update was provided as David Peterson was unavailable to attend the meeting.

## **CLNG Site Update**

Fraser Forsythe provided an overview of the site activities. The plant has been running at about at 12 – 13% capacity during the month of November, and is anticipated to operate at 50 – 60% capacity by the end of December. There was a known technical glitch with New England pipeline system which reduced gas supply in New England, and Canaport LNG made up for the shortfall.

The plant is working well, and the Terminal employees have been preparing the site for the cold weather. Cold weather preparations consist of topping up water in the SCV (submerged combustion vaporizer) baths, cold weather insulation and heat tracing, installation of insulation blankets on valves, and contracting snow removal r. One of the arms on the jetty is undergoing a yearly maintenance cycle, and weather (wind) is delaying the completion of the cycle. The next ship is scheduled to arrive on the 20 or 21<sup>st</sup> of December.

Q3: (Teresa Debly) How long does it the maintenance take?

A3: (Fraser Forsythe) 24 hours; however, they are only working day shifts. They have to get it positioned, bring it down to the deck, and then perform necessary maintenance.

Fraser continued on with the update, and indicated a successful emergency drill had been completed at the site, and resulted in improvement actions on the emergency response plan.

Q4: (Observer) Does the City get a copy of the improvement actions?

A4: (Fraser Forsythe) Yes.

Fraser Forsythe noted that Canaport LNG's operating system is not connected to the Internet. Precautions followed in order to protect the plant from potential computer hackers, include receiving notifications / updates from ITAC ((Integrated Threat Assessment Centre) whose role is to help prevent and reduce the effects of terrorist incidents in Canada. ITAC brings together experts from across the Canadian security intelligence community to produce integrated threat assessments (i.e., CSIS, etc.) The plant guards against computer viruses with a two person IT team and

Gordon Dalzell re-emphasized the seriousness of terrorist attacks as a 'potential Canadian terrorist target list' was released by Wikileaks which included nine locations including Point Lepreau.

Fraser Forsythe noted that Canaport LNG follows Transport Canada's MARSEC (Maritime Security) levels when determining what level of security the plant operates. The MARSEC levels are as follows:

MARSEC Level 1(lowest): Appropriate security measures under normal operating conditions.

MARSEC Level 2: Increased security measures maintained for a heightened security threat or incident for a limited period of time.

MARSEC Level 3 (highest): Additional security measures when a security threat or security incident is probable or imminent (i.e., when there is a specific threat to Canaport LNG)

Q5: (David Thompson) How many ships have been in to date?

A5: (Fraser Forsythe) Thirty-five. A ship comes to the Terminal approximately once every 3 weeks. Prior to their arrival, advance notice is provided to the fisherman. If there are any changes, Fraser apprises them of the change. Fundy Traffic would also advise them of the changes.

Q6: (Carol Armstrong) What construction was occurring the first week of November? It sounded like banging on steel?

A6: (Fraser Forsythe) There has been construction activity going on at the site (i.e., interior coating of the SCVs), but nothing to my knowledge that would have been producing a loud banging noise.

Q7: (Teresa Debly) What kind of coating is being applied?

A7: (Fraser Forsythe) The coating is a latex concrete mixture that is applied to the concrete baths to ensure no water is leaking through the concrete. (The LNG is warmed up to a gas as it is running through coils that are placed in the concrete water baths.

Q8: (Carol Armstrong) Why is the emergency access road being used?

A8: (Fraser Forsythe) The crude oil employees use that access road to circumvent going through Canaport LNG security. The access road was a stipulation from Canaport LNG's approval that a second means of egress be constructed in the event of an emergency. It is on Irving's property; however, Canaport LNG has the right to use it in the event of an emergency.

Q9: (Carol Armstrong) Was there an accident at the site on Wednesday, or Thursday night?

A9: (Fraser Forsythe) The accident occurred at the Crude Oil Terminal.

Q10:(Teresa Debly) Would there be a possibility that an intruder could enter through the emergency access, and get closer in proximity to the plant and pose a threat?

A10: (Fraser Forsythe) The threat would be the same as if an intruder came through the woods. The Terminal's perimeter is fenced, and there are only two entry gates the Main gate and one shared with the Irving Crude Terminal..

Q11:(Gordon Dalzell) Wouldn't that be a vulnerability? Two access roads to the LNG Terminal, with two different security plans?

A11: (Fraser Forsythe) This is common of other Terminals. The cruise ship terminal contains different facilities, yet each one has their own security plan. Transport Canada assesses the security of the facility independently.

Gordon Dalzell expressed again his apprehension of the emergency access road where it is so close to the main facility, and it is off the beaten track. Fraser commented that there is only one entry to the site through the gate, and the rest of the Terminal perimeter is fenced and under surveillance. Gordon Dalzell suggested raising the issue with Transport Canada.

Action 65-5: Canaport LNG to discuss the Emergency Access Road with Transport Canada, and whether or not the access road presents a security risk to the Terminal

### **(3) NEW BUSINESS**

David Thompson made the following motion in regards to having an alternate named from the Department of the Environment in the event Mr. Peterson can not attend the CCELC meetings.

**Motion 65-1: Request the New Brunswick Department of the Environment appoint an alternate to attend the CCELC meetings in the event Mr. Peterson can not attend.**

Gordon Dalzell seconded the motion, and all members in attendance were in favour.

Q12: (Teresa Deby) Is CLNG currently doing corporate research? (Ms. Deby received a call, questioning her on her perception of LNG, and other LNG related questions).

A12: (Fraser Forsythe) I don't know that we are, but I can follow up with Kate Shannon (Communications) and Robert Williams (Planning & Control Manager) to find out.

Action 65-6: Determine if Canaport LNG are conducting phone surveys, and report back to the committee on the details

David Thompson suggested the committee follow-up with those members who have regularly not been in attendance at the CCELC meetings.

Action 65-7: Send another letter to those members who have not been in regular attendance and determine their intentions

Teresa Deby suggested that Canaport LNG should try to make the public more aware of the committee, and its' meetings. Ms. Deby suggested placing details of the committee in every Canaport Connections (*i.e.*, details on the meetings, link to minutes, information for those who may wish to observe, CCELC meeting schedule, etc). Ms. Deby suggested something be sent out (*i.e.*, something small, post card size, or a newspaper article) in January with the above CCELC information, as well as Canaport LNG's emergency phone numbers, and website.

Action 65-8: Look into sending a publication, or posting an advertisement, with details on the CCELC and Canaport's website and emergency numbers.

Action 65-9: Send out a draft CCELC yearly report for 2010 in February, and finalize the report at the March meeting.

Q13: (Gordon Dalzell) Was there a meteor that fell near the Canaport Facility?

A13: (Fraser Forsythe) There was a meteor sighting near the Canaport Facility that was caught on one of security video cameras. The camera captured the meteor falling and from the view it would appear to be very far from Canaport LNG.

Q14: (Gordon Dalzell) Was it reported publicly?

A14: (Fraser Forsythe) No CLNG did not report .

### **ADJOURNED:**

8:40 pm

Submitted by: Fundy Engineering

### **NEXT MEETING DATE:**

Monday, 14 March 2011 at 6:00 pm

Red Head United Church

### **ATTACHMENTS:**

- Table of Action Items
- Article submitted by Gordon Dalzell *"Low natural gas prices immune to the worst winter has to offer"*

**Table of Actions/Responsibilities – 13 December 2010**

<b>Action #</b>	<b>Action Item</b>	<b>Responsible Party</b>	<b>Due Date</b>
65-1	Report back to the CCELC on the numbers of Canaport Connections distributed	CLNG	14 Mar. 2011
65-2	Determine the criteria for choosing community involvement programs	CLNG	14 Mar. 2011
65-3	Determine the force the pipeline can withstand	CLNG	14 Mar. 2011
65-4	Invite Brunswick Pipeline to come speak to the CCELC at one of the upcoming meetings and have this invitation as a recurring annual event	Fundy Eng	14 Mar. 2011
65-5	Canaport LNG to discuss the Emergency Access Road with Transport Canada, and whether or not the access road presents a security risk to the Terminal	CLNG	14 Mar. 2011
65-6	Determine if Canaport LNG are conducting phone surveys, and report back to the committee on the details	CLNG	14 Mar. 2011
65-7	Send another letter to those members who have not been in regular attendance and determine their intentions	Fundy Eng	14 Mar. 2011
65-8	Look into sending a publication, or posting an advertisement, with details on the CCELC and Canaport's website and emergency numbers.	CLNG	14 Mar. 2011
65-9	Send out a draft CCELC yearly report for 2010 in February, and finalize the report at the March meeting	Fundy Eng	14 Mar. 2011

**Motions:**

Motion 65-1: Request the New Brunswick Department of the Environment appoint an alternate to attend the CCELC meetings in the event Mr. Peterson can not attend.