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Tuesday, March 1, 2011

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Chair

Mr. Leon Benoit

Standing Committee on Natural Resources

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• (1530)

[English]

The Chair (Mr. Leon Benoit (Vegreville—Wainwright, CPC)):
Good afternoon, everyone. We're here today to continue our study on energy security in Canada.

We have two panels with us. The first is on offshore drilling, and the second is on the west coast pipeline and offshore activities there. We will start with the first panel in the order listed on the agenda.

Monsieur Pomerleau, you have a point of order.

[Translation]

Mr. Roger Pomerleau (Drummond, BQ): Yes. Thank you, Mr. Chair.

I have heard that the witnesses we suggested for one of our upcoming meetings on transporting dangerous nuclear material or waste on the St. Lawrence Seaway have not been contacted at all.

I would like to know if that is true. I would also like to know if they will be contacted, if they have not already been.

[English]

The Chair: Can we deal with this at the end of the meeting? Can we leave 15 minutes? Is that acceptable?

[Translation]

Mr. Roger Pomerleau: Yes, that is not a problem.

[English]

The Chair: We can talk about it then. To answer your question simply, all of the members mentioned in the motion have been contacted, as have most of the other witnesses, but not all.

I'll go back to the order of business on the agenda for today and the first panel.

I'd like to thank you all for being here today. We have Jeff Lehrmann, president of Chevron Canada Resources. Welcome, and thank you for coming today.

By video conference from St. John's we have the Honourable Shawn Skinner, Minister of Natural Resources and Minister Responsible for the Forestry and Agrifoods Agency, Government of Newfoundland and Labrador. Thank you very much for being here, Minister. Welcome.

We'll start with Mr. Lehrmann, from Chevron Canada Resources.

Go ahead with your presentation for up to seven minutes, please.

Mr. Jeff Lehrmann (President, Chevron Canada Resources):

Thank you for the opportunity to appear before the Standing Committee on Natural Resources.

On behalf of Chevron Canada, I am pleased to share with the committee details of the deepwater exploration program that we successfully executed during the summer of 2010 in the Orphan Basin off the coast of Newfoundland and Labrador. We completed this drilling program without incurring a single lost-time incident.

Before I talk in greater detail about the Lona 0-55 well, I would like to explain how Chevron's commitment to uncompromising standards of operational excellence gave us the confidence to proceed with this well, despite the uncertainty that followed the Deepwater Horizon incident in the Gulf of Mexico.

Chevron Canada Limited is a wholly owned subsidiary of Chevron Corporation, one of the world's leading integrated energy companies. Chevron employs 60,000 professional men and women who are committed to delivering safe, efficient, reliable, and affordable energy sources to the communities and economies around the world.

We have been operating in Canada since 1938. Headquartered in Calgary, with an office in St. John's, our upstream arm is focused on exploration and production activities in Atlantic Canada, Alberta, and the Canadian Arctic. Chevron's corporate vision is to be the global energy company most admired for our people, our partnerships, and our performance. Protecting people and the environment is one of our seven shared values, along with integrity, trust, diversity, ingenuity, partnership, and high performance. Ensuring the health and safety of our employees, contractors, and the communities in which we live and work is a foundational value I and the employees of Chevron Canada commit to daily.

Chevron's global systematic approach to ensure safe, healthy, environmentally responsible, reliable, and efficient operations is our operational excellence management system. The constant corporate-wide application of this system has created a step change in our performance and our ability to manage risks. Chevron's commitment to operational excellence is summarized in our ten tenets of operations. The tenets are prefaced by two principles: do it safely or not at all, and there's always time to do it right.

I'd also like to share with you one important aspect that characterizes our overall approach to ensuring safe and incident-free operations. It's called "stop-work authority". It obligates any employee, contractor, or business partner to stop work if they suspect an unsafe condition or are just unsure of what is happening. During the Lona drilling program, more than 400 stop-work authorities were exercised. In each case, work was halted until the operations staff confirmed that no unsafe work conditions existed.

Chevron drilled the Lona O-55 exploration well approximately 430 kilometres northeast of St. John's in a water depth of 2,600 metres between the months of May and September of 2010. This was Chevron's second well in the Orphan Basin. The Lona well underwent two levels of environmental assessment. Regulatory approval was in place for all aspects of the program.

In response to the Deepwater Horizon incident, the Canada-Newfoundland and Labrador Offshore Petroleum Board, C-NLOPB, instituted a number of additional regulatory oversight measures on the Lona operation. Chevron complied fully with all of these measures. In appendix III of our submission, you will also see a detailed list of additional steps taken by Chevron in this well program to ensure safe and incident-free operations. In some cases, these additional steps had already been built into our well plan, while others were implemented by us as a result of the April 20 Gulf of Mexico incident. Allow me to highlight a few of those measures.

From February 8-10, 2010, Chevron management hosted a three-day safety leadership workshop in St. John's involving all Orphan Basin project contractors and observed by the C-NLOPB.

In April, Chevron led a risk assessment meeting facilitated by an external deepwater organization to review step-by-step well design and contingencies.

On May 1, prior to commencing operations and after taking possession of the drill ship, Chevron conducted two seven-hour safety sessions, one for each of two crews on board the Stena Carron, to deliver Chevron's commitment to an incident-free operation.

Chevron added additional functional tests to the secondary well control systems.

The blowout preventer was fully pressure-tested on surface and after subsea installation in the 2,600 metres of water. Prior to drilling into the potential hydrocarbon zone, Chevron conducted a second emergency response exercise to ensure that all the emergency protocols were in place and functioning. The C-NLOPB was witness to this exercise. The well abandonment technique was reviewed upon final casing configuration when total depth was reached, to adjust for any new information gained while drilling the Lona O-55 well.

Prior to drilling the Lona O-55 well offshore Newfoundland and Labrador, Chevron Canada had expressed a high degree of confidence in our ability to safely execute this challenging deepwater exploration well. As I indicated in my opening remarks, we succeeded in this endeavour, completing the Lona well without a single lost-time incident. This performance was achieved by our adherence to Chevron's uncompromising safety standards in all aspects of our drilling program, and by our compliance to all special oversight measures instituted by the Canada-Newfoundland and

Labrador Offshore Petroleum Board. Indeed, throughout the planning and execution of the Lona well, our steadfast focus on ensuring safe and incident-free operations was underscored by our operational excellence tenets "Do it safely or not at all" and "There is always time to do it right".

Thank you for your time. I will now be pleased to answer your questions.

• (1535)

The Chair: Thank you very much, Mr. Lehrmann, president of Chevron Canada.

We have next, by video conference, the Minister of Natural Resources from Newfoundland and Labrador, the Honourable Shawn Skinner. He doesn't seem to be there right now.

Is the deputy going to make the presentation?

Oh, here he is.

I was going to stall by asking Monsieur Pomerleau, was your question answered? Because I want to know how to allocate the time between the two committees.

Do you need some time at the end, or was your question answered?

[Translation]

Mr. Roger Pomerleau: No, I will need some time at the end of the meeting, 5 to 10 minutes maximum.

[English]

The Chair: Okay, five or ten minutes. Sure. We'll leave that, then.

Thank you very much.

Okay, Minister, please go ahead with your presentation, for up to seven minutes. Thank you for being here.

Hon. Shawn Skinner (Minister of Natural Resources and Minister Responsible for the Forestry and Agrifoods Agency, Department of Natural Resources, Government of Newfoundland and Labrador): Thank you very much, Mr. Chair. I appreciate the opportunity.

As you've indicated, my name is Shawn Skinner, and I'm the Minister of Natural Resources for the Government of Newfoundland and Labrador. I appreciate the opportunity to appear before your committee today.

My opening remarks will touch briefly on the impact petroleum development has had on Newfoundland and Labrador. I will talk about deepwater drilling offshore, the potential for natural gas development, and the emerging unconventional plays in western Newfoundland. I will finish by relating how Newfoundland and Labrador's energy resources contribute greatly to Canada's energy security.

The challenging economic realities of the past in Newfoundland and Labrador have been replaced with a robust and expanding economy full of opportunities. This is largely due to the Atlantic Accord, which gives our province control of its offshore petroleum resources and ensures that we are the principal beneficiary of these resources.

In the decade after first oil in 1997, nominal GDP in the province increased by 170%. In 2005 our province's nominal GDP per capita surpassed the Canadian average for the first time and is now at nearly 130% of that average. This economic turnaround can be almost exclusively attributed to petroleum development. The petroleum industry is the largest contributor to the provincial economy, accounting for up to 40% of GDP in recent years, and it makes a significant contribution to our employment.

Our province typically produces approximately one-third of Canada's conventional light crude oil. In 2009 about 35% of this oil was shipped to Canadian refineries. The remaining 65% was sold into the United States. Our substantial crude resources form a steady supply of domestic crude oil for Canada and North America as a whole.

Employment associated with petroleum investments in our offshore, including the pending Hebron development, is expected to be 284,000 person-years of employment. Direct employment will rise to more than 104,000 person-years. These significant industrial benefits have led to a growing and maturing petroleum industry in Newfoundland and Labrador that is now being recognized around the world for its expertise.

Benefits are not just accruing to our province. The rest of the country is estimated to see \$64.5 billion in total business revenues and over 206,000 total person-years of employment from the development of our resources. Given that over 90% of our discovered oil resources are either in production or in the approval process, it is critical that we continue our quest to discover additional resources.

While all of our current and pending offshore developments are found in relatively shallow water depths, there are promising deepwater basins being explored. It is incumbent on us to ensure that this exploration is done responsibly, particularly in the wake of the Macondo disaster in the Gulf of Mexico last year.

As you heard earlier, we have had some deepwater drilling experience in recent years, but the most relevant to this discussion is Chevron's Lona well, which was drilled in some 2,600 metres of water just last year. The Canada-Newfoundland and Labrador Offshore Petroleum Board required the operator to comply with additional oversight measures specific to deepwater drilling. In the end, the well was drilled safely, without incident.

We also committed to undertake a detached and objective review of offshore safety issues, and the province has commissioned a study on offshore spill prevention and remediation.

Drilling for oil in deep water represents a new frontier for petroleum development and will be necessary to ensure that Canada's, and indeed the world's, demand for oil and gas is met into the future. We are confident in the offshore safety regulatory

oversight provided by the CNLOPB and are supportive of further responsible deepwater drilling in our region.

The offshore is also home to significant gas resources. To date, over 11 trillion cubic feet of natural gas and 500 million barrels of natural gas liquids have been discovered, and an undiscovered volume of 60 trillion cubic feet has been estimated. While the North American gas market is currently impacted by a strong supply of unconventional gas, this major east coast resource has great promise as a secure energy supply.

This provides a great segue to mentioning the resources of western Newfoundland, which are being actively explored, and the involvement of the provincial energy corporation, Nalcor Energy.

There has been an increase in exploration activity in the past couple of years, including a trend toward drilling deeper wells, that has provided valuable information and data for the region. This is promising activity, and we look forward to future opportunities in our western region.

● (1540)

This brings me to the final area I wish to talk about, Newfoundland and Labrador's significant contribution to Canada's current and future energy security. Our province is an energy warehouse. In short, we have energy and we have lots of it. We have discovered oil reserves of more than three billion barrels and natural gas reserves of more than 11 trillion cubic feet. It is thought that future exploration will discover an additional six billion barrels of oil and over 60 trillion cubic feet of natural gas.

Additionally, the province boasts over 18,000 megawatts of developed and potential renewable hydro and wind resources. With respect to renewable electricity generation, our contribution to national energy security is potentially even greater. We currently produce over 5,000 megawatts at the Churchill Falls generating station in Labrador, one of the largest underground powerhouses in the world.

Last November the province's energy corporation, Nalcor Energy, announced a partnership with Emera Inc. of Nova Scotia to launch the development of the Lower Churchill River via the 824 megawatt Muskrat Falls generating station—a transmission link to the island portion of the province and a subsea maritime link that will connect the province to Nova Scotia.

The Muskrat Falls phase of the Lower Churchill project will facilitate the development of additional renewable energy in the whole of the Atlantic region, including the estimated 5,000 megawatts of wind potential in Newfoundland and Labrador alone. Developing these vast renewable energy resources will be an essential element of Canada's national energy security in the future.

In closing, I hope that I've adequately described the importance of the petroleum industry in our province and the tremendous economic and employment benefit that it has brought to our people. I also want to reiterate my confidence in the regulatory oversight provided by the Canada-Newfoundland and Labrador Offshore Petroleum Board with respect to deepwater drilling and the need to continue exploring for petroleum in deeper waters. Continued exploration is critical to adding to the scientific knowledge of our basins and unlocking the significant potential that is awaiting. The contribution of our province to Canada's energy security, both now and into the future, cannot be underestimated.

I hope my remarks have been helpful for the committee's deliberations and I thank you for the opportunity to address you. I would be pleased to answer any questions you may have.

Thank you for your time.

• (1545)

The Chair: Thank you very much, Minister, for your presentation.

We'll now go directly to the questions, starting with the official opposition.

Mr. Andrews, for up to seven minutes, please.

Mr. Scott Andrews (Avalon, Lib.): Thank you, Mr. Chair.

The first of my questions is for you, Jeff. You mentioned that the C-NLOPB were a witness to your exercise. How often were they on board the rig during the drilling of the deep well at Lona 0-55?

Mr. Jeff Lehrmann (President, Chevron Canada Resources): In the past, inspections by the regulator would happen anywhere from every two to three months. With the incremental oversight, that happened about every two to three weeks.

Mr. Scott Andrews: Okay.

Would you be opposed to the C-NLOPB being there as an independent observer more often or more frequently?

Mr. Jeff Lehrmann: Our commitment is to ensuring that we execute every operation that we have in our portfolio incident-free. We call upon all of the personnel on site to help us ensure that we do that. Having an extra set of eyes and expertise is a valuable contribution in that endeavour.

Mr. Scott Andrews: So you wouldn't be opposed to them being there more often as an independent observer?

Mr. Jeff Lehrmann: No, absolutely not.

Mr. Scott Andrews: A question to both you and Minister Skinner.... As we are studying our energy security and we're looking at exploration off Canada's east coast, how can we foster more exploration off the east coast of our country? It's my understanding right now that exploration has slowed down somewhat on the east coast. What recommendations could we make as a committee to foster more exploration off the east coast? This question is for both Jeff and Minister Skinner.

The Chair: Go ahead, Mr. Lehrmann.

Mr. Jeff Lehrmann: As far as access to the resources there, first of all, ensure that we have clarity on the regulations. It is critical that we have support and that the regulator is enabled to execute those

regulations efficiently and effectively. That's what we expect of all of our partnerships, whether that be setting policy from the government or setting the regulations from the regulator there. Speed and efficiency of that relationship and of the executing of those regulations are very important.

The Chair: Minister Skinner, if you'd like to answer that question as well....

Hon. Shawn Skinner: Yes, thank you very much.

We're working with a group here in Newfoundland and Labrador to help us look at being able to do more exploration, especially in deep water, and it's called the offshore continental working group. That group would consist of ourselves as a government, Chevron, Exxon Mobil, Suncor, Husky, and Statoil. We sit around the table and look at ways we can help facilitate the regulatory or other ways, and facilitate more exploration in offshore areas.

The Chair: Thank you.

Go ahead, Mr. Andrews.

Mr. Scott Andrews: I have a couple of questions.

Right now the province is commissioning a study, as you mentioned in your statement. When will that study be available?

Hon. Shawn Skinner: I believe what you're referring to, Mr. Andrews, is the Turner report, and the Turner report has been received by government. We are currently reviewing it, and I would expect that within a matter of a few weeks we would have our response on that document out to the public.

• (1550)

Mr. Scott Andrews: Will you be able to provide that report to the committee as we're putting together our report as well?

Hon. Shawn Skinner: Absolutely. I'd be happy to do it.

Mr. Scott Andrews: Minister Skinner, there are a couple of things related to our province's offshore safety. Where do you see the state of emergency response to cleaning up an oil spill, as such, off the east coast? Is there anything there that concerns you? How can we improve that situation?

Hon. Shawn Skinner: It is my feeling that there is a fair bit of overlap among regulatory bodies with regard to the offshore. The Canada Shipping Act has certain regulations. There are response organizations for which Transport Canada has regulations. The offshore operators themselves have requirements. There's an East Coast Response Corporation—you're probably aware of it, Mr. Andrews—here in Mount Pearl in Newfoundland. There are a number of people.

Making sure that the coordination of all of their activities and efforts comes together when it's needed and making sure that everybody understands their roles and their responsibilities would be the biggest concern that I would have, but there seems to be, from my perspective, ample resources and ample bodies in place to deal with an offshore spill. My concern would be making sure that they deploy and that they know what their responsibilities are once they're deployed.

Mr. Scott Andrews: With regard to the Cougar helicopter crash, do you see a need to go forward with regulation changes related to that particular incident?

Hon. Shawn Skinner: As you're aware, we have the Wells inquiry that's currently in phase two here in the province. Phase one of that report was presented publicly, and the province adopted all 29 recommendations, if my memory serves me correctly.

There was also a Transportation Safety Board report that was just released. It's being reviewed by the province, but the short answer is that we will be making any and all changes that we believe need to be made. We will certainly be making those changes if they're within our purview; we will be advocating and lobbying those that need to make them if it's not within our area of responsibility.

Mr. Scott Andrews: Finally, you mentioned some development on the west coast. I think you were talking mostly about land development. Where do you see the developing going with Old Harry Basin in the Gulf of St. Lawrence?

Hon. Shawn Skinner: A number of sites have been identified for drilling in the Gulf of St. Lawrence with regard to Old Harry. We certainly have no difficulty with drilling occurring there. There are some ongoing negotiations with Quebec with regard to the boundary, and we feel that it's something that can be done.

We've got drilling happening there. We have a company that's doing drilling, Corridor Resources, and they've got a project description for an exploration well. The C-NLOPB or the regulatory body will make a determination on that.

Mr. Scott Andrews: Have they gone through the environmental assessment process for that particular project yet?

Hon. Shawn Skinner: They just started that process, actually. It's not finished. They are just in the early stages of that process with the C-NLOPB.

The Chair: Your time is up, Mr. Andrews. I hate to interrupt that questioning.

Monsieur Pomerleau, you have up to seven minutes. Go ahead, please.

[Translation]

Mr. Roger Pomerleau: Thank you, Mr. Chair.

Thank you to both of you, minister and Mr. Lehrmann for meeting with us today and providing further explanations on the various activities you're involved in.

Mr. Lehrmann, you said there have been over 400 stop work authorities issued in your company. What type of things have happened, exactly, for people to want to stop work? Could you give us a few examples?

[English]

Mr. Jeff Lehrmann: That's a very good question.

As part of our management and leadership policy, we encourage the use of stop-work authority. Before any of our operations, any task we need to perform, we assess the task, we plan it, we identify the hazards, and we identify the role for each of the participants. In many cases, the work is stopped because one of the workers is not clear on the task duties, the responsibilities, or the coordination. Sometimes we identify an additional hazard that was missed during the first job safety analysis. Doing that throughout our operation over three months ensured that we delivered the Lona well incident-free.

I have a story I'll share with you. In offshore operations we deal with a lot of heavy equipment that we have to get from shore to our vessels and onto our drill ships, and we use cranes to lift the equipment. Before we do any lift, we look at the manifest, we do a job safety analysis, and we ensure that everyone involved understands what we're going to do before we do that lift. We verify the equipment and the certification of that equipment. On one such occasion, as they went through all of the standard processes, the crane operator was uncertain. As he looked at the load and as he looked at the manifest, he was concerned. So he stopped the work. The crew re-measured the load, recalculated it. In fact, the weight of the load was a bit over. For that instance, it was well within the weight capacity of the crane, but the operator was uncertain. Because of his actions, they reassessed the load, repositioned it, did a safe lift, and everyone involved with that operation went home safe. We recognized that man within our corporation for that behaviour.

• (1555)

[Translation]

Mr. Roger Pomerleau: Can you tell us whether the Lona 0-55 is simply an exploration well or is it also functional? Is it operational?

[English]

Mr. Jeff Lehrmann: The Lona 0-55 well was the second well in our exploration program for the Lona lease. That well was drilled, it was abandoned in August, and then the drill ship was released. The primary focus of the well was to capture data for that reservoir and to look at the data to assess the potential of the entire basin and the entire lease. We are currently assessing the value and the data that we got and determining our next steps of operation.

[Translation]

Mr. Roger Pomerleau: You said that, despite the safety measures you have always included in your security plan, following the incident, some would say the tragedy, that occurred in the Gulf of Mexico, you added new safety measures.

Could you expand a little as to the type of measures you have implemented since the problem in the Gulf of Mexico?

[English]

Mr. Jeff Lehrmann: As you stated, the incident in the Gulf of Mexico was tragic—eleven families were affected. We as an industry have taken that very seriously. Chevron, being active in the Gulf of Mexico, has gained a lot of valuable information and applied it worldwide to our operations, as we did in the Lona operation.

Some of the procedures now evolving as requirements in the Gulf of Mexico that we implemented in the Lona operation had to do with our blowout preventer—the testing of it and the protocol we use. Before we installed that piece of equipment, which is a critical piece for our secondary well control containment, we full-pressure-tested the electronics of the system on surface and at the wellhead, subsea. We tested our secondary systems that connect or operate the BOP with our acoustic system to ensure its integrity and operability. We tested our remote operating vehicle, which we could send subsurface. If those two systems fail, we can intervene and close the blowout preventer. We incorporated that into our protocol. We also have redundancy in our ROVs, our remote operating vehicles, so if one fails we have a backup.

• (1600)

[Translation]

Mr. Roger Pomerleau: Thank you very much.

My next question is for the minister.

Thank you very much, minister, for appearing before us today. I know that, like all ministers, you have a great deal of work to do. So again, I thank you.

[English]

Hon. Shawn Skinner: You're welcome. Thank you.

[Translation]

Mr. Roger Pomerleau: You are telling us, and I'm sure you're quite right, that oil industry development in the province of Newfoundland and Labrador has been extraordinary and has brought great wealth, many jobs and significant economic benefits. I am very pleased to hear this and I hope everyone will be able to do the same one day.

My question is very general in nature. If we look at the way Canada has evolved historically—I believe there were no other ways for it to happen—we see that it has mostly happened through major investments from the central government. For instance, the east to west railroad. We often refer to Americans as having invented "Go West", but we came up with it before they did. The St. Lawrence Seaway was another major investment involving the movement of people and capital and the creation of wealth. There was also the automobile industry, as well as the Hibernia project out your way. There was also Atomic Energy of Canada Limited that received billions of dollars in government investments. And, in the coming years, there will certainly be investments in new energy to meet Canada's energy needs.

For the entire time when these economic developments were taking place, it was mostly outside of Quebec, but with a good proportion of Quebec money. In fact, since the beginning of Confederation, we have been providing between 20% and 30% of Canadian revenue. We are currently at 20%. So, any time there are major developments of this nature, Quebec pays 20%.

There were never any investments in electricity in Quebec, which was the form of energy we decided to promote in our province, and nothing is expected in the coming years either. That is what led Lucien Bouchard, in 1993, to say that in Canada—this is why he was a sovereigntist—any time Canadian interests...

[English]

The Chair: Monsieur Pomerleau, you're over time. Quickly ask a short question, and I hope we can count on a short response. Go ahead, please.

[Translation]

Mr. Roger Pomerleau: I am getting to my question. The development of Canada is done at the expense of the development of Quebec. I was quoting Lucien Bouchard; what do you think of what he said about the situation?

[English]

The Chair: Would you like to answer, Mr. Minister?

Hon. Shawn Skinner: Thank you, yes.

There is lots of development happening that will have provincial benefit, regional benefit, and country-wide benefit. I would just ask you to cast your eyes to a development that we are currently proposing in Newfoundland and Labrador, the Muskrat Falls development, which will see great benefits accrue to the province of Newfoundland and Labrador, great benefits accrue to the whole of the Atlantic region, and great benefits accrue to our neighbours in Quebec and Ontario. I see these developments as opportunities for all of Canada to benefit, and I think that the development I just referred to would be one that would see great benefit for all of us.

The Chair: Merci, Monsieur Pomerleau.

Thank you, Minister.

Mr. Cullen, go ahead for up to seven minutes, please.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Thank you, Chair.

Thank you, gentlemen.

Mr. Lehrmann, just for the committee's interest, the study we're engaged in right now is on the energy security of Canada, a topic relatively undeveloped here in the country. We've heard from a number of energy companies, a number of oil companies, that they have no aversion to, and in some cases they desire, an energy strategy for Canada. Do you, as Chevron's representative here today, have any opinion on that?

Mr. Jeff Lehrmann: I think for any business, certainty in the environment in which we operate is of value to our business, so to understand the policies of whatever area we operate in is important. It can add value for us to make current and future business decisions.

Mr. Nathan Cullen: In terms of export policy, in terms of foreign ownership policies, when it comes to the energy sector, has the Government of Canada given explicit direction to you, given you any sense of what the guidelines are for Chevron over the next 10 or 50 years?

•(1605)

Mr. Jeff Lehrmann: Based on my knowledge, there has been no direct suggestion that would give indication to our business interests here in Chevron or in Canada. We are looking at the vast resource potential that is here within Canada, in Atlantic Canada, in Alberta, and in the Arctic. We believe that we can bring to bear our expertise and our performance to be able to realize those resources for the benefit of Canada and potentially the rest of the world.

Mr. Nathan Cullen: Thank you.

To Minister Skinner, with regard to the Wells report, we heard from the mayor of Bay Bulls, and heard what I think committee members would agree was an impassioned plea. One of the recommendations that came out of the report asked for the C-NLOPB to create an independent safety authority. In order to do that, I believe Newfoundland has to do it in conjunction with the federal government.

Have discussions begun to create such an independent safety authority?

Hon. Shawn Skinner: The Province of Newfoundland and Labrador has supported that recommendation. We have engaged with federal officials on trying to see that recommendation get satisfied.

Mr. Nathan Cullen: Do you have a sense of when that will be created? Do you have a timeline, do you have a deadline, as to when the independent authority would be established?

Hon. Shawn Skinner: At this point in time, I can't give you any timeline. There are a number of legislative amendments that we see would need to be made. It does involve the C-NLOPB. It does potentially involve Nova Scotia, maybe, in terms of the accord that Nova Scotia has. A number of things would have to be done.

At this point, I'm not in a position to give you a timeline. We immediately supported the recommendation. We immediately contacted the federal government. We are hoping to, with some urgency, move it forward. But I don't have any sense of a timeline at this point.

Mr. Nathan Cullen: Thank you.

Mr. Lehrmann, there have been some questions over the regulations that exist in Canada on the three coasts. The three coasts are obviously very different operationally. They look very different to you as a company.

This is your field of expertise, this exploration and development. Does Chevron believe there are some places in the ocean environment where it's not suitable to drill for oil?

Mr. Jeff Lehrmann: Each opportunity is dependent on many factors. There's the subsurface, the sea conditions if we're talking offshore, the available technology, and the practices. Our role in the partnership there is to comply with all regulations and requirements as we see fit, to bring to bear our capabilities there.

I'll go back to our operating principles: do it safely or not all, and there's always time to do it right. If we do not believe it's safe to execute any operation, we will not do it.

Mr. Nathan Cullen: To that specific question, then, a recent report from a U.S. presidential panel on Arctic drilling said that

there's no ability to deal with blowouts in Arctic conditions. That's on the U.S. side; I assume it has to be similar for the Canadian side—the same water, the same ice, the same conditions.

You won a bid for \$103 million for drilling rights in the Arctic. You're bidding again for another \$103 million for 200,000-plus hectares. The same-season relief well has been argued against by your company and other companies...the ability to drill same-season relief wells, which we know is a challenge in the Arctic.

After the experiences in the gulf, though, is it not prudent, under the stipulations that Chevron claims, to put a halt to continuing to develop these leases if you're not able to contain a blowout in a same-season manner?

Mr. Jeff Lehrmann: I would have to go back to the performance in the Beaufort during the sixties and seventies, when almost 90 wells were drilled and executed efficiently without blowout there. I look at the performance over the last three decades since that time with regard to advancements of technology and capabilities that have come to bear. We have the NEB review, which is going to explore those very questions there.

We're going to be a primary participant in that discussion, because we believe we can bring to bear the capabilities and the processes to be able to effectively and safely operate in the Beaufort. The reason for our commitment there is that there are vast resources that have been discovered there. We personally, at Chevron, have ten discovery leases in that area.

So the potential is proven there. It's an important energy source for Canada and the world. We're committed to working with the regulators to find efficient ways to explore and produce there.

•(1610)

Mr. Nathan Cullen: I understand that, and I understand that the resources may be vast. The question I have....

You speak proudly of Chevron's record, but there of course have been blemishes, if we can say...the Ecuadorian experience, what's happened in New Jersey, Salt Lake City, the Shetland Islands, Angola, California, the Louisiana gulf itself. There have been problems. The company is not without blame in cases of spilling many millions of barrels, in some cases.

I don't understand, though; if you're committed to environmental stewardship and protection of the environment, we know the importance of at least having the capacity of the same-season relief well, which is currently on the books in Canada. Your company and others argued against this regulation, partly because same-season relief wells are impossible to drill in an Arctic environment. The U. S. presidential panel came down and said that there's no ability to deal with blowouts in Arctic conditions, and warned against issuing any permits on the U.S. side. This is not a panel struck by Greenpeace; these are folks who work in the industry. They were set up by the President.

Shell has scrapped its plans to drill in the Arctic this year. You folks are going ahead.

Mr. Jeff Lehrmann: Let me just clarify, Mr. Chairman, that Chevron has not requested the sanctions and relief policy being dropped. We have never argued that. What we have made a commitment to is applied technology and advancement to accomplish the goals of what we want to do there.

In 2006 we entered into a technology development program with Cameron International to develop a new generation of secondary well containment that is advanced far beyond what we use today, which enables both shearing and sealing at the same time there.

We're in the process. The proof of concept has been accomplished there. We're in final testing there. We're looking forward to getting certification for that. That type of technology and capability we would be bringing to bear in the NEB review.

The Chair: Thank you, Mr. Cullen.

We'll go now to the government side, to Mr. Anderson, for up to seven minutes. Go ahead, please.

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Mr. Lehrmann, it's great to have you here today.

I want to follow up on the technology issue. Before last summer, we had talked about the blowout preventers and had some folks in to explain how they worked. What's different about the new technology that you're talking about, in terms of containment?

Mr. Jeff Lehrmann: Much of the design of the technology is very akin to many of the recommendations that came out of the Macondo incident in the Gulf of Mexico. It's really looking at the capability to handle very large pieces of pipe, very heavy pieces of pipe, and the ability to shear that pipe and seal it in the same operation.

We've proven that the concept works. We're doing the testing, both for a system that would be installed at surface and for a system that would be installed subsea. That's been focused on the Arctic environment, but, as you can imagine, many people have inquired about that system, based on the outcome of the Gulf of Mexico incident.

Mr. David Anderson: You mentioned a little bit earlier about abandoning the Lona well. I'm just wondering, can you tell us—I don't think the committee has actually covered this—what you do when you abandon an offshore well? What's the procedure and what's the final result?

Mr. Jeff Lehrmann: As we shared, among many of the incremental requirements with the CNLOPB was a review of the termination program before we were to execute it, based on the information that we gained through the reservoirs, the pressure, and the conditions that we had.

We worked with the regulator to review that. The regulator then approved it, as well as was on site to observe the operation. What's involved with an abandonment or well termination program is once you're completed to TD, you've got a well bore in the well where you've installed a series of, in this case, four different sets of pipe or casing. It is then secured and placed with cement that both holds that

in place as well as holds back the pressure and the fluids there. Below that, you have an open-hole section.

The program is designed to set cement plugs across those intervals to contain the pressure or the migration pathways of those fluids as you move up the well bore. In this case, we set four cement plugs in the open-hole lower section.

Then in the casing section, we set mechanical devices—packers, cement retainers—that then sealed that part of the well bore, set a cement cap on top of that, pressure-tested each one of those plugs to ensure it would hold and had integrity, and then on the last cap on the top of the surface, near the sea floor, we set that final plug. It is tested, both positively and negatively, and we take the pressure off to make sure that it holds back that pressure.

Once all of those conditions are met there, our philosophy is to keep at least three different barriers to flow in the well bore at all times and in the final abandonment.

• (1615)

Mr. David Anderson: Minister Skinner, we've had quite a lot of discussion about shale gas at the committee over the last couple of months. I take it that you're comfortable with the development of shale gas, that you think it can be done safely. Is that accurate?

Hon. Shawn Skinner: We don't really have any shale gas, so it's not something I would want to pass a comment on. It's not something that, in my time of being minister, we've had any discussion on. It's not really something we have in the province.

Mr. David Anderson: One of the other things we talked about to the mayor the other day was manpower. He talked about the positive effect of the oil and gas industry on his community.

I'm just wondering, what are you doing to address the manpower issue? Do you believe you're going to have one in the future? In western Canada we do have challenges with that, and I'm just wondering what you folks are doing about that.

Hon. Shawn Skinner: We certainly have manpower—or personpower—problems in trying to get people ready for the developments that are currently occurring and that we see occurring into the future.

About four years ago we struck a skills task force to do a review of the projects we had going and the potential projects we saw coming to Newfoundland and Labrador. We worked with the unions to identify the requirements—the people who would be needed, the specific job requirements. We did inventories of the people we had available. We worked with the unions to see how many people working in western Canada or in Ontario or other parts of the world we might be able to bring back, and we made investments in our high schools and our junior high schools to attract our younger people into the skilled trades. With this, we have been able to increase the number of people we have available. We've also tried to attract non-traditional people, such as women and persons with disabilities, while working on our immigration policy. We don't have a lot of immigration in Newfoundland and Labrador, but we've developed an immigration policy and we are trying to attract more immigrants into the province.

We've had some success in reducing what we felt was going to be a shortage of supply, but still there will be opportunities for people to come in and work in Newfoundland and Labrador as these projects mature and as new projects come on stream.

Mr. David Anderson: You talked a bit about the necessity to diversify, and you are the minister responsible for forestry, agrifoods, and natural resources. I'm wondering if you could address that a bit more. What kinds of things are you doing to diversify your economy? You have some new resources, but I'm wondering if there are additional initiatives that you're taking.

Hon. Shawn Skinner: The principle we have as a government is that we will use the money that we make from our non-renewable resources to try to make sure we put money into our more renewable resources, and we have certainly done a lot. To use forestry and agrifoods as an example, we are opening up more land. We have a lot of land in Newfoundland and Labrador. Very little of it has been prepared for agriculture, so we have programs. Working with the federal government through the Growing Forward program, we have funds available for farmers to open up more land. We've done work with the local agriculture industry, the Newfoundland and Labrador Federation of Agriculture, to attract younger people into agrifoods and into the agriculture industry. We are working with a lot of our research firms to find spin-off opportunities that would come from our oceans.

We've basically used the oceans for the last 500 years to extract resources, to take fish out of the water. We now have industries here in Newfoundland and Labrador that are helping us with things like using remotely operated vehicles, working in harsh Arctic conditions, North Sea conditions, using the wind and tides. We now refer to a blue economy, by which we mean the ocean. There are spin-off industries and the expertise we're developing here in Newfoundland and Labrador can be taken elsewhere. We're doing things with ice studies and icebergs that come down from the Arctic and pose hazards to ships and to offshore oil rigs.

So there's work like that we're doing. We're trying to diversify our industries, trying to build on our successes. Wind farms are a big thing. We have a lot of wind in Newfoundland and Labrador. We have a couple of pilot projects going. One is off our southern coast, where we're powering a whole community, a community called Ramea, with wind energy. It's a pilot project, and we'll look at those

results over the next couple of years and see what other isolated rural communities we're able to provide electricity to by using wind power as opposed to diesel generation.

• (1620)

The Chair: Thank you, Mr. Anderson.

We'll go to Mr. Tonks and Mr. Hoback.

So go ahead, Mr. Tonks.

Mr. Alan Tonks (York South—Weston, Lib.): Mr. Lehrmann, in the drilling of the Lona O-55 exploration well, and under the stop-work authorities, were those simulations that you referred to, or were they actual incidents of the stop-work provision?

Mr. Jeff Lehrmann: No, in doing the work, work was stopped, reassessed, and then restarted.

Mr. Alan Tonks: What was the degree of severity? For example, you talked about the secondary well control systems. Were they testing the secondary response capability of that technology?

Mr. Jeff Lehrmann: The degree of all the stop-work authorities varied. They involved everything from an individual who was unclear about the operation to an unseen hazard. One example of stop-work authority that we instituted was with our secondary well containment system, our blow-out preventer.

Mr. Alan Tonks: Are those required under the C-NLOPB legislative regime, or are they technology applications that you have and Chevron has implemented?

Mr. Jeff Lehrmann: Following requirements from the regulator as well as our standards, we ensure that all our systems have the highest integrity and can function at any time.

Mr. Alan Tonks: Mr. Skinner, you've heard the concerns raised in Mr. Cullen's line of questioning. You've heard Mr. Lehrmann's response about the technology. We don't have time to pursue the in-season capability in the same-season response.

Under the C-NLOPB regime, are you and your ministry looking at expanding the provisions of the legislative regime under environmental assessment to address potential problems that might come up in an oil spill similar to what happened in the gulf?

The Chair: Minister Skinner, could you give a short answer, please?

Hon. Shawn Skinner: I'll do my best.

The short answer is that we have concerns based upon the experience in the gulf. We believe we have adequate safety regulations and legislation now, but this is something that is fluid and we are currently reviewing it. I would expect we will continue to review to try to make sure we have the best possible legislative and regulatory environment.

The Chair: Thank you, Mr. Tonks.

Mr. Hoback.

Mr. Randy Hoback (Prince Albert, CPC): Thank you.

I must say, when I look at Newfoundland and I look at Saskatchewan, where I come from, I see two provinces that have done very well the last few years.

Mr. Skinner, you've done very well in the oil sector. In fact you have the same issues we have in finding labour and employment and skills training and everything else. It sounds like a parallel universe in some ways.

I want to talk to you about the hydro project that you're proposing and the benefits it would bring to all of Canada, not just Newfoundland. I wonder if you could highlight that for me.

• (1625)

Hon. Shawn Skinner: The project you're referring to is Muskrat Falls, or the Lower Churchill. The Lower Churchill is really two projects, Muskrat Falls and Gull Island.

We are currently proposing to do the Muskrat Falls portion. It's a \$6.2 billion project. It will for the first time ever allow Newfoundland and Labrador to be connected to the North American energy grid. It will allow us to have security of supply. It will allow us to get rid of diesel generation, to help Canada, and to help the region reach its greenhouse gas emission targets. It will be a major construction project. Quebec will benefit, being right next door to Labrador. This project is occurring in the Labrador portion of our province. So Quebec workers and companies will benefit. We also believe that Ontario, because of its manufacturing base, will benefit. We know that the Atlantic region is going to benefit. There is surplus electricity that will be generated. Some 824 megawatts are being generated. Forty percent of that we need for our own purposes. Twenty percent is going to Emera down to the maritime link, and forty percent of it is available as surplus for development in Labrador, for development in the province, or to sell into the northeastern market.

Basically, we're going to create a construction project, we're going to make sure we have green energy, and we're going to get rid of what we call dirty Holyrood. Holyrood uses diesel fossil fuels and is sending thousands of tons of pollutants into the air every year, and we can get rid of that with this project. It's a great project all around—Atlantic, Quebec, Ontario—and will bring us markets in the northeastern U.S.

Mr. Randy Hoback: I hear all those benefits. I just wonder why anybody would be opposed to it. It's kind of beyond me, I guess.

The Chair: Thank you, Mr. Hoback.

Thank you very much to all members for their great questions.

And for the information the witnesses have provided today, it is very much appreciated, Mr. Lehmann from Chevron and Minister Skinner from Newfoundland and Labrador.

We will suspend the meeting just for a couple of minutes as we change to the next panel.

• (1625)

_____ (Pause) _____

• (1630)

The Chair: We will resume the meeting with our second panel.

In our second panel we have Elmer Derrick, hereditary chief, from the Gitksan Nation. Welcome, sir. And we have John Carruthers, president of Enbridge Northern Gateway Pipelines. Welcome to you.

As I indicated before, we are continuing our study on energy security. We're looking at the west coast this time.

We will go to presentations in the order they are on the agenda.

Mr. Derrick, go ahead, please, for a presentation of up to seven minutes. We will have your presentation translated and distributed later.

Go ahead, please.

Mr. Elmer Derrick (Hereditary Chief, Gitksan Nation): Thank you, Mr. Chairman.

I want to say a few words in my own official language before I speak to the presentation.

(Witness speaks in Gitksan language)

First of all, I want to thank the committee for inviting me. It's an honour to be here to make a presentation on behalf of the chiefs, the *simigat*, of the Gitksan Nation.

I would like also to thank Nathan Cullen for taking time in our community a couple of days ago. He took the opportunity to have some dialogue on economic opportunities with a number of people in our community.

I don't want to be disrespectful of the meeting here because I was taught as a young fellow to respect those who invite you to meet on their turf, but it's important for me to be straightforward. I'll try to do that without any disrespect to the committee, and to your House, to Parliament.

What I want to do is to offer some challenges. The challenge we offer from our nation is fairly straightforward; it has to do with the honour of the crown. I know that the crown does its best, and I know the committee or Parliament holds up its role to make sure the crown lives up to expectations.

Part of what I'm going to ask all of us around this table to do is reflect a bit on what this committee is dealing with. I know the topic of energy security is important, and I know that the topic of energy security has to have a long-term focus.

I'm going to ask all of us to step back a bit and think about 50 years or 100 years down the road—the short term. I reflect back on the way this country was formed, the way this country was developed a bit more than 100 years ago. The perspective that we bring to the development of this country goes back several thousand years. It's important for us to sit back a bit and try to focus on what can be done to build a better country for all of us.

From the perspective of our people, from the perspective of the leadership at home, the country has not been kind. A lot of our people live in an impoverished state. We have a lot of suicides because a lot of young people don't see any future for them. Our member of Parliament, Mr. Cullen, knows how suicides affect most of the villages in our area. We look forward to better days, and better days can be planned for all of us if we focus on the long term.

Part of what we're looking at is to have a set of legislative objectives that firmly direct what may happen to this country over the next 50 to 100 years. If you think back to what the Supreme Court of Canada spoke about on the Delgamuukw decision, it said that the crown has to pay some attention to certain things.

The document I'll be circulating deals with title and rights. When you fall back into a position of how the crown can deal with title and rights, it has to be done through the establishment of legislative objectives. Legislative objectives set goals, such as what happened when the national policy was able to create Confederation. When you go back to that process, it's quite easy to see the process that the Fathers of Confederation looked at to create this country we live in today.

• (1635)

So it's important for all of us to think long-term. I know it's mighty difficult at times when you run for political office to think beyond the terms of four years, but I think it's important for us to consider setting up legislative objectives that focus on energy security. And part of that process will enable aboriginal communities to become engaged in the consultation process, which we now can't seem to get engaged in too well.

Part of the weak side of that engagement process has to do with attitudes of people within government, where a defensive approach is taken to having dialogue or the necessary consultation with the aboriginal title holders at the community level.

So it's important, first of all, for the crown to set up legislative objectives. It's also important for the crown to accept its responsibilities in recognizing the title that we have. It's also important for the crown to be ready to have meaningful dialogue with the people at the community level, which it does not do now.

Without that dialogue leading to consultation, projects like the Enbridge Northern Gateway Pipelines project cannot proceed, because no dialogue can seem to take place. There is nothing to focus on. All I'm saying is that the crown has to step up to the plate and look at legislative objectives and really come onside with what the Supreme Court of Canada and the other courts have ruled upon in terms of the title that we do have.

That is the message I wanted to give.

At the outset, the hereditary chiefs of the Gitksan Nation do fully support any development activity that happens. We've been familiar with this particular project for quite a while, and we'll die on the hill to protect our food supply. We rely primarily on salmon that returns into our river systems. We rely on keeping the water clean to protect our food supply, and we will die on the hill to protect that food supply.

• (1640)

The Chair: Thank you, Mr. Derrick, hereditary chief from the Gitksan Nation.

Now we go to Mr. John Carruthers, president of Enbridge Northern Gateway Pipelines.

Go ahead, please, with your presentation for up to seven minutes.

Mr. John Carruthers (President, Enbridge Northern Gateway Pipelines): Thank you, Mr. Chairman.

Thank you for the opportunity to appear before your committee and to contribute to the study regarding energy security in Canada.

I am pleased to be able to provide you with an update on the Northern Gateway Pipelines. It's a project that has the potential to provide a fundamental and long-lasting boost to the economies of not only B.C., Alberta, and Saskatchewan, but all across Canada. It is a project of national strategic importance and significance.

Our country enjoys both a Pacific advantage and a world-class energy resource advantage. It is time for us to translate that competitive edge into increased market diversification and security, and stronger economic growth and opportunities.

Canada has an undeniably strong history of delivering on visionary projects that improve our security and position us for growth. From canals that connected industries to key markets, to the railway that linked the east to the west, or the Trans-Canada Highway that brought communities together across the nation, we have built infrastructure that has strategically positioned our country for long-term prosperity. Now the Northern Gateway Project is set to diversify energy markets and boost Canada's economic and global stature.

As you may be aware, the National Energy Board data from 2009 shows that less than 1% of Canada's petroleum exports went to any country other than the United States. Sole reliance on one market does not, cannot, and will not effectively position our country to capitalize on our world-class energy resources. Northern Gateway provides much-needed large-volume capacity to deliver Canadian energy to our Pacific trading partners.

In terms of some background on Northern Gateway, the proposal comprises two parallel pipelines extending nearly 1,800 kilometres from Edmonton to a marine terminal at the port of Kitimat in British Columbia. The projected cost for the project is \$5.5 billion.

The port of Kitimat itself offers a safe and protected harbour to grow trade with Asia. I would like to share some key facts with the committee regarding the port and traffic off the north coast.

The project would add about one tanker movement a day to the existing shipping on the north coast. Northern Gateway will install what is among the most modern and sophisticated marine safety infrastructure in the world for this project. As a result, the status of our project will be similar to that adopted by Norway, which has had an excellent safety record for more than 30 years. The stringent technical infrastructure we will install will raise the safety bar for traffic on the north coast.

Our project will increase the potential volume of trade with our Pacific partners and generate an additional \$2 to \$3 of benefit for Canada for every barrel produced. In other words, the port of Kitimat is a key strategic component of Canada's Pacific advantage.

Last May we filed the regulatory application for the project with the National Energy Board. The application will be reviewed by the NEB as well as the Canadian Environmental Assessment Agency. Our filing began the formal public discussion and consultation regarding the project through what is known as the joint review panel. The JRP will consult with stakeholders and study the application to address key issues, including those related to aboriginal, marine, and environmental consideration.

I want to report to you that since 2002 we have been in dialogue with every first nation community along the right-of-way of our project. I am confident that when we have had a chance to present the marine and environmental safety records of our project and the benefits to their communities and to Canada, we will gain the support of most of the first nations communities involved.

I recognize that there have been debates and discussions in the House of Commons around introducing tanker bans off the north coast of British Columbia. It is important to remember that tankers currently safely call on Canada's ports from east to west, including Kitimat, and have done so for decades.

I would also like to take the opportunity to respectfully request that the work being conducted by the NEB and CEAA, two institutions created by Parliament, not be ignored in the rush to come to judgment without the benefit of reviewing or testing the evidence on the matter.

In conclusion, I would like to thank you for the opportunity to share a brief update with you today highlighting the importance of the Northern Gateway Pipelines, a project that will build on Canada's Pacific advantage to help ensure our nation's long-term prosperity and strong global standing as a responsible, sustainable, and ethical energy superpower.

•(1645)

The benefits for Canada are substantial, including a \$270 billion increase in gross domestic product over 30 years. And the legacy of local investment, tax revenue, and jobs for the north further supports the significant opportunities from our project.

Thank you.

The Chair: Thank you very much, Mr. Carruthers, president of Enbridge Northern Gateway Pipelines.

We'll now go directly to the questions and comments. We're starting with the official opposition, Monsieur Coderre, for up to seven minutes.

[*Translation*]

Hon. Denis Coderre (Bourassa, Lib.): Thank you, Mr. Chair. I will be splitting my time with my colleague Alan Tonks.

[*English*]

Mr. Derrick, do I understand that, as Mr. Carruthers just mentioned, you're not against this project, you just want to be included to discuss the future, to have your share?

Mr. Elmer Derrick: Our nation has been involved in trying to find a way out of our poverty for a number of decades, and that's how we got engaged in the court case known as Delgamuukw. So we have taken every opportunity to look for investment capital or

investors to come into our area and help deal with economic opportunities. We track a lot of development. Fortunately, I was on the B.C. Hydro board for about six years, and with the access that I had to information at the B.C. Hydro board level I was able to look forward to different stuff, and that's how I was able to get some knowledge about this particular project.

Hon. Denis Coderre: You said rightly that we had to look ahead to the future. It's important that it's not just a punctual approach, but what will happen in the future, 20, 50 years.

You still believe in the tanker exclusion zone?

Mr. Elmer Derrick: There are a couple of answers to that. The Gitksan Watershed Authorities have a working relationship with the Department of Fisheries and Oceans and with the Pacific Salmon Commission. We've developed a lot of scientific studies under contract for those two organizations. As I said earlier, we die on the hill to protect our food supply, our salmon. So we monitor what happens up and down the coast these days anyway. We monitor what happens on the Alaska coast as well as the British Columbia coast and the coast down to California. So we see a lot of tanker traffic there. We've watched a lot of tanker traffic coming in and out of Douglas Channel, and we believe that with the studies that have been done, there are ways to mitigate the traffic.

Hon. Denis Coderre: Our party believes the tanker exclusion zone should remain.

Mr. Carruthers, before I pass the mike to my friend Alan, explain something to me. If we want to expand the market, mainly Asia, how can you say we won't have more vessels? If we want to expand the market and if you want to send more oil to China, for example, you'll need more boats, no?

•(1650)

Mr. John Carruthers: You'll definitely need more boats. We would anticipate you'd need in the order of 220 ships a year to service both the crude oil we would be exporting to the Pacific Rim and bringing condensate back into Canada.

Hon. Denis Coderre: So it will have an impact on the tanker zone. So if you have more, you'll have the potential for more problems on the coast.

Mr. John Carruthers: Just to be clear, the tanker exclusion zone relates to ships carrying crude oil from Alaska to the state of Washington. Today it does not preclude tankers from going in and out of our west coast. In fact, they do so today and have done so for decades. So there's no impact on that.

It does increase traffic, but as I mentioned, we anticipate 220 tanker calls a year. That is just over one a day in terms of both in and out, but that's not a significant increase on the activity you'd see in the Prince Rupert area. It is more than what's on the Douglas Channel today, but again it is restricted to one a day.

Hon. Denis Coderre: Alan.

Mr. Alan Tonks: Thank you.

Thank you for your presentations today.

Chief Derrick, are you aware of the proposal through Encana to develop shale gas, to convert it to liquid natural gas, and to bring it by pipeline to Kitimat? Are you familiar with that project?

Mr. Elmer Derrick: Not as familiar as I am with other....

Mr. Alan Tonks: All right. Then perhaps after some reflection on it....

The direction I'm trying to go in is that it seems to me that first nations people have legitimate and in fact court-inspired rights. You have emphatically declared what you believe those to be and that there should be dialogue.

Mr. Elmer Derrick: I don't think they're court-inspired rights. They're rights we have from our own laws.

Mr. Alan Tonks: All right. I'll certainly acknowledge that. I think both, but let's just leave that for the moment.

We heard from Mr. Robert Reid, who is the president of Mackenzie Valley Aboriginal Pipeline LP, who gave testimony similar to yours and also indicated the added value that he could see in that endeavour. You in fact have said that the chiefs support the development, obviously conditional upon the safety of clear water, your food systems, and so on and so forth.

Do you work with other first nations entities where it appears that all of your rights and all of your concerns are all one and the same?

Mr. Elmer Derrick: I wouldn't go as far as saying that all the rights are one and the same because of the locations where we are.

Mr. Alan Tonks: Okay.

What I meant was that the opportunity is there to deal with poverty issues, to deal with issues that have been long denied to first nations people, and that you have a first right to demand.

The thrust of my questioning is that you have Mr. Carruthers here, and I guess I'm going to try to redirect Mr. Carruthers.

Mr. Carruthers, as a corporate entity, do you feel the same compelling and urgent need to share the opportunities with first nations and aboriginal peoples, and are you in fact using instruments to achieve that?

Mr. John Carruthers: Correct. It is very important that we provide long-term sustainable opportunities for the impacted first nations. It's very important to us that we do that.

Through the dialogue we have had with the nations that are along the right-of-way, we've developed an economic package that we think would be very positive for the affected communities. That starts with an opportunity to be an equity owner and it also goes through to jobs and procurement.

The feedback we got in meeting with the communities was that many of them did not have funds to invest and to become joint equity partners, so we took that back and facilitated the funding such that they could be long-term partners with us, regardless of their financial capacity. So that's made available to them.

We've looked at commitments that we were able to achieve in our other construction in Alberta and across Canada and have made commitments for hiring, such that we would expect that 15% of the workforce during construction would be aboriginal and that we

would see some \$400 million in procurement benefits that would go to aboriginal communities. We brought the aboriginal communities and the historical contractors together in Vancouver to start sharing those opportunities and looking for opportunities to work together over the long term.

• (1655)

Mr. Alan Tonks: Thank you.

The Chair: Thank you, Mr. Tonks.

We go now to the Bloc Québécois, Monsieur Carrier, for up to seven minutes.

Go ahead, please.

[*Translation*]

Mr. Robert Carrier (Alfred-Pellan, BQ): Thank you, Mr. Chair.

Good afternoon, gentlemen. Welcome to our committee.

I am a substitute member of the committee. I find your presentations very interesting.

Mr. Derrick, I listened to your presentation. As you know, I represent a constituency in Quebec, which is also recognized as a nation, so I do somewhat share your concerns. I do not know your nation very well, but I think that I understand that you have some demands, some criticisms, regarding the project. However, they do not seem very well presented. I would like to give you the floor so you can tell me how you are being affected by this project. I have a map of the pipeline in question, but I do not know what land belongs to your nation.

Will the pipeline go over your land? Are you located on the coast; does that make you concerned by the potential pollution that the wreck of an oil tanker would cause? Could you explain that to me? I would also like to know whether you were consulted at all when this project was being developed.

[*English*]

The Chair: Mr. Derrick, I think the question was directed to you.

Mr. Elmer Derrick: In the process of arriving at a project, it is important for us to realize the establishment of legislative objectives by the crown. The role of this committee and the role of Parliament is critical in enabling things to happen over the long term. The courts set up a process whereby the Supreme Court of Canada reflected on the establishment and the role of legislative objectives in respect of infringing or dealing with titles and rights. The crown, unfortunately, has not heeded the voice of the courts. It has not heeded the direction that the courts gave the country for dealing with major issues, like elevating the objectives of legislation and focusing on legislation that will enable dialogue to take place within the community—not just within Parliament, but in the community as a whole.

Our wish is for the crown to heed what the courts have said about setting legislative objectives, so that all of us can reflect upon the future of this country. Part of what I see with energy security for this country is transmission lines that go from east to west, as opposed to going north to south, as they do now.

•(1700)

[Translation]

Mr. Robert Carrier: Was your nation consulted on the development of this project? Are you in favour of it? I see that you have a sound philosophy on the needs of the country, but I would like to know whether you were consulted.

[English]

Mr. Elmer Derrick: The whole purpose of consultation is to overcome certain things. There are things we fully recognize, and the thing I personally recognize is that the courts cannot say that Gitksan title is stronger than crown title. I can never expect that from the courts. The courts have come back and said that the Gitksan titleholders can decide to what uses the lands may be put. That's from paragraph 166 of the Delgamuukw ruling. That whole process of consultation is necessary to engage the titleholders from the aboriginal community and the crown titleholder.

Once we arrive at a project, we can properly reflect on each other's interests without getting to the point where the crown recognizes the titleholder or the crown doesn't engage in dialogue, and projects like the Northern Gateway Pipeline can't be advanced.

[Translation]

Mr. Robert Carrier: I think I have enough time to ask Mr. Carruthers one last question.

I note that the current study deals with energy security in Canada. In the presentation on your project, the focus is on exports. You want to focus on the Pacific Rim and emerging Asian markets. So you would prefer to focus more on export markets than on energy security in Canada. Would you agree with me on that?

[English]

Mr. John Carruthers: Yes, the project is very much focused on ensuring that Canada gets full value for its resources. It is an export project. What we're working from is a world-class resource. The oil sands themselves would have 170 billion barrels of oil. So it's certainly a world-class resource that will be available for a long time.

The Chair: Merci, Monsieur Carrier.

Mr. Cullen, go ahead please.

Mr. Nathan Cullen: Thank you, gentlemen, for being here today.

Elmer, I'll go first to you. The Canadian government has set up the oil and gas commission. For this particular project, it's set up a joint review panel process. Is this adequate consultation, in terms of the federal government's role in regard to the Gitksan, to satisfy the chiefs you represent?

Mr. Elmer Derrick: The joint review process is just one process that exists. The opportunity to be with this committee is another part of the process of dealing with an issue that's important to our hearts, and that's energy security. There are other processes that are ongoing. We meet with the different people who work not just with the pipeline company but with other people who are involved in development activities who come to our office. I think it's important that all those meetings take place.

In terms of the formal consultation, the consultation we expect as titleholders has to involve the crown. The crown really has to step up

to the plate and talk about where it's taking our country, and it hasn't done that.

•(1705)

Mr. Nathan Cullen: It's a good question and is part of why we're doing this study.

Mr. Carruthers, it is your policy to have a social licence to operate, correct?

Mr. John Carruthers: Yes.

Mr. Nathan Cullen: I'm wondering where that social licence comes from when more than 70 first nations, all of the coastal first nations, the Union of British Columbia Indian Chiefs, the fisheries union, the Wilderness Tourism Association, the Union of British Columbia Municipalities, the voices of local government, and hundreds of businesses have all opposed your project. I've never seen a poll in British Columbia with less than three-quarters of residents responding in opposition to the idea of your project. That's a significant portion of the public. If you're looking for social licence, I'm wondering where you're finding it to this point.

Mr. John Carruthers: It's a very important point that we do build support from all constituents for the pipeline project. That starts with making information available to them and having a dialogue so they have the information necessary to make an informed assessment, have the opportunity to voice their concerns, and have their questions answered, which is our obligation. So certainly over the course of the process we need to engage significantly with the affected people such that we can build that social licence.

Mr. Nathan Cullen: Right. With the list I read out so far, I wouldn't say it's necessarily going so well, particularly if more than 50% of the first nations that have territory on the pipeline and tanker routes have directly said they oppose your project—directly, not inferentially, not tangentially, but directly.

Do oil supertankers right now sail into Kitimat harbour?

Mr. John Carruthers: There would not be any VLCCs going into Kitimat at this time.

Mr. Nathan Cullen: The project as proposed over its 40-year to 50-year lifetime would imagine 15,000 sailings of supertankers into Kitimat through the north coast waters.

Mr. John Carruthers: Well, you would be looking at 220 ships coming in each year over an expected life of 30 years. Now, the project may go past that 30-year life.

Mr. Nathan Cullen: You've said publicly that Enbridge, of course, can't guarantee there won't be a spill.

Mr. John Carruthers: No.

Mr. Nathan Cullen: You have not said that?

Mr. John Carruthers: We cannot guarantee there won't be a spill.

However, we can put in place significant infrastructure processes that will make that remote. In fact, recognizing that's the biggest issue for people, whether the project can be built and operated safely, particularly from the marine environment, we ask that all those affected—be they coastal aboriginal or non-aboriginal communities—join with us in a study of what the chance is of an incident and hire those experts to make that assessment. We recognize that's the most important issue people have.

Mr. Nathan Cullen: It's an important issue, because take what happened in the Kalamazoo River this past year as an example. You spilled 3.2 million litres of oil into that river. It was 14 hours after the first signs of problems that the pipe was finally turned off—14 hours. Residents were forced to sign liability waivers in order to access the \$650 compensation on air filters, and you're being sued for that right now.

The chairman of the House Transportation and Infrastructure Committee, Jim Oberstar, who I'm sure you know, has dispatched investigators in to see how residents in Michigan were treated unfairly by the company. You've seen the testimony in front of Congress of people of very low means, modest means, signing these waivers to gain access to some of these air filters in order to regain access to their homes, because their air and water were polluted.

It seems to me that with 750 pipeline failures in Alberta alone every year, your inability to guarantee there won't be a spill, and the likelihood of a spill over a 50-year timeline.... You had inspected this pipe in Michigan five days before it started leaking and issued a report to the Environmental Protection Agency in the United States that the pipe was safe. You had just investigated it because the Americans asked you to after the disaster of the BP spill in the gulf.

It seems to me that the project you're proposing has inherent and significant risks for the people of British Columbia and the coastal waters, with relatively little benefit.

The point is this. In your proposal to the joint review panel, you don't have responsibility for the tanker traffic. Is that correct?

Mr. John Carruthers: No, we'll have responsibility to ensure that ships come in and exit safely into Canadian waters.

Mr. Nathan Cullen: That is part of your joint review proposal? You will guarantee the safety of ships?

Mr. John Carruthers: No, I'm not guaranteeing safety or that there won't be a spill. You've said a lot of things in there, Nathan, some of which would be questionable.

But the key part of that is the process we're about to go through, where we've filed significant information. So we've filed almost 20,000 pages of information such that people can make an informed assessment of whether the project can be built and operated safely, of our track record, and of what we're going to do to ensure the chance of an incident is remote.

Certainly, again, I think the tanker issue is a very key one. We'll need to ensure that those ships can come in and out of Kitimat safely, and certainly with what we're doing we would expect that.

Many people think of Norway as a coast that's not unlike British Columbia in terms of its beauty. Today, on an annual basis, you'd see something like ten times the number of ships going in and out of

Norway safely, and they have done for 30 years. Again, that's the type of project we're going to replicate in terms of world-class safety.

● (1710)

The Chair: Thank you, Mr. Cullen. You're out of time.

We go now to Mr. Harris for up to seven minutes.

Mr. Richard Harris (Cariboo—Prince George, CPC): Thank you, Mr. Chair.

I wish I had more time. A lot of questions have come up. I have some for you, Mr. Carruthers, and then some for Mr. Derrick.

It seems like a back-and-forth act. Those like Mr. Cullen and his followers say there is going to be a spill, with no evidence that there will be a spill in this particular project. They've been able to successfully fuel the anti-pipeline movement with statements like that, which I find a little disturbing. On the other hand, you rightly say that you cannot guarantee there won't be a spill. However, you have the technology to build a pipeline so that the physical structural integrity can go as far as it possibly can to ensure there won't be a spill. You also have the technology and the plan to put the pilot tugs in to guide the tankers in and out of the harbour, with one or two on each side—I can't remember exactly what the plan was—with a minuscule chance that anything could go astray. It's a challenge to go forward with a detailed plan, based on sound technology and sound engineering, for how you're going to do this pipeline exercise. Your battle is against the sky-is-falling type of message coming from the other side.

Can you take a couple of minutes? Can you briefly touch on the structural integrity of the actual pipeline itself and give us a brief refresher on how the tugs are going to play a role getting the tankers in and out of there?

Mr. John Carruthers: I very much appreciate the opportunity to speak to that.

Pipelines have proven to be the safest way to move large volumes of oil over time. They are very safe, and we continually learn how to improve them. Over time, compared to pipelines that were built before, you will have seen stronger steel, better coating, and improved construction practices, such that actually 100% of the welds themselves are X-rayed to ensure they meet the standards set by the National Energy Board. Certainly the steel, the process of building the pipe, and all the materials have been enhanced very much, such that there has not been any significant incident in terms of moving products safely through a pipeline that has been built within the last 35 years. Clearly, history has shown that pipelines are safe and are continually getting safer.

Of course we'll apply all of that learning to this one when we look at the country we are going through to ensure it can be built safely, since we will be crossing many world-class waterways. Certainly we'll go to the extreme to make sure it can be built safely and so that there's a good record about how that can happen.

With respect to the ships, the first thing we did was to model VLCCs—very large crude carriers—going into the Kitimat harbour using experienced B.C. pilots. That proved that the VLCCs could actually go unaided into the Douglas Channel safely. Notwithstanding that, to ensure safety we will make sure the ships are modern. They need to be double-hulled. The ships and crews will have to be vetted by independent agencies. As well, they'll operate under restrictions in terms of the speed they can travel in the normal course and whether they can access the channel if there are any wind, visibility, or wind-wave disruptions. Again, we're putting in operational procedures that will enhance safety.

The biggest thing we're doing is that notwithstanding that ships can go in unaided, we will tether the loaded ships to a tug. Those tugs are very powerful. They can change the course of a ship or stop it if it loses power. So that's the biggest one that reduces.... It takes a safe operation and makes the chance of an incident remote. There will also be a second tug in association with the ships travelling in and out, which will have first-response capacity in case there is ever an incident or to help the first tug. Again, we've gone to great measures to ensure we have a world-class safe operation.

Thank you.

• (1715)

Mr. Richard Harris: I appreciate that. Thank you, Mr. Carruthers.

Mr. Derrick, I want to tell you how much I appreciated your statement that when it comes to the food you're prepared to die on that hill. I really believe—and I'm sure everyone here believes—that you absolutely mean it.

I have to assume you have spent the time you needed with your community, with your nations, to assure yourself there is a distinct possibility that the preservation of the food, particularly the fish in the water, could coexist safely with the pipeline and the oil and the traffic. Am I assuming right, that you've arrived at a position where you see the possibility of coexistence and you're relatively secure in your thoughts?

Mr. Elmer Derrick: We have had a working agreement with the Department of Fisheries and Oceans for the past 25 years. We do

scientific work for them. We monitor a lot of things that go on, including the operations of commercial sports-fishing activities, which go unmonitored. Both the province and Canada are responsible for that activity, but there are not enough people on the ground to properly monitor what happens from that side of the salmon harvesting.

The other thing we have been involved in as a scientific group is studying what happens with fish farms. That's why as a nation we have opposed fish farms right from the beginning, and we'll continue to fight the operation of fish farms in our area. We believe the lack of monitoring of commercial sports fishing and the operation of fish farms pose a great threat to our food supply.

Mr. Richard Harris: So based on—

The Chair: Mr. Harris, your time is up.

Thank you, Chief Derrick, hereditary chief of the Gitksan Nation; and John Carruthers, president of Enbridge Northern Gateway Pipelines. Thank you both. It was helpful information.

Gentlemen, we will suspend for just a minute. If the witnesses could move away from the table as quickly as possible, we'll get right into our short discussion on future business.

• (1715)

_____ (Pause) _____

• (1720)

The Chair: We reconvene the meeting.

Monsieur Pomerleau, you had indicated that you needed a bit of time. You had some further questions on the meetings we have scheduled for March 10.

Mr. Cullen.

Mr. Nathan Cullen: I have a point of order. I know we're trying to get through this, but we have to clear the room if we're going to do it. We're in camera, are we not? Are we not in camera for this?

A voice: We're not in camera yet.

Mr. Nathan Cullen: Typically we are in camera for committee business.

The Chair: Do you want to move in camera?

Mr. Nathan Cullen: I guess not. That's fine. I assumed we were, but if we're not, then....

The Chair: I thought it was just going to be a couple of questions. We normally do. I thought it would just be a couple of questions. I wasn't sure....

Mr. Nathan Cullen: Okay.

The Chair: Actually, I thought the question was answered.

But for March 8 and 10, Monsieur Pomerleau, what's the issue here? Do you have further questions? Do you have some proposals?

[*Translation*]

Mr. Roger Pomerleau: Mr. Chair, I simply wanted to draw your attention to the fact that we had submitted a list of witnesses who were supposed to be called but who apparently were not. We are not trying to find out what exactly happened, but we were wondering whether it would be possible to have an additional day so that they may be heard.

[*English*]

The Chair: Monsieur Pomerleau, first of all, to make it clear, all of the witnesses named in the motion have been called. Of the other witnesses, many were called, some from all parties. A vast majority of the witnesses have been invited. We have to go through the process of inviting and waiting for a response. So far we have only six witnesses absolutely confirmed, in spite of the fact that these invitations went out some time ago. We have another four or so who haven't responded. And there still are a few who haven't been invited—but not many. We've gone through the priority list as given to us, as we said we would. That's the situation. So in fact they have been invited.

Monsieur Coderre.

[*Translation*]

Hon. Denis Coderre: Thank you, Mr. Chair.

I would have been concerned about not seeing any representatives on the list from the Quebec Union of Municipalities. This morning, I spoke to the mayor of Salaberry-de-Valleyfield, Mr. Lapointe, and it is to our advantage that I did so. Not only does he participate in the Great Lakes and St. Lawrence Cities Initiative, but he is also the chair of the Environmental Policy Committee for the Quebec Union of Municipalities. So there will be a representative from the Quebec Union of Municipalities in addition to Mr. Ullrich.

I think those two days will be enough, but I cannot say that I would automatically rule out adding a third day. We have to wait to see how it all unfolds. I must admit that it is always somewhat frustrating to hear from the representatives of the CNSC and Bruce Power one day, and to have to hear a whole series of witnesses thereafter. We approve of what has been agreed to, that only two days will be set aside, the 8th and the 10th. I am sure that, in light of our discussions, we may need to delve more deeply into the issue. For now, I think that the normal process should run its course.

I would like to point out one thing. We did receive a comprehensive briefing from the CNSC, and we should thank them for that. Given that we are a standing committee, I am sure that the CNSC representatives could have been here for two hours. When we only have one hour to hear from a group of witnesses, we can only fit in one round of questioning, and each party has a mere two or three minutes to speak. What has occurred is no small potatoes. A lot of people and municipalities have signed the petition. It is important to take the time to clarify the situation to avoid any problems with perception. Personally, I would have preferred to see the last day allocated in its entirety to the CNSC. I would have liked to start with the representatives from Bruce Power, and then to hear from witnesses who are opposed to the project, so that they can explain

their reasons. We need to find out if they are simply afraid, if they have questions relating to the facts, or if they are afraid of setting a precedent, and so on. I don't think that one hour with the CNSC is enough, even if we did have a briefing. I would have preferred to devote an entire day to the topic, and that is why I want to keep the possibility of adding a third day. We can ask the Canadian Nuclear Safety Commission to present at the beginning, and then we could listen to what the representatives of Bruce Power have to say. Finally, we could meet with representatives from the municipalities and groups on nuclear safety, specifically the people from Ontario and Quebec. After that, we will be in a position to determine whether or not we need to add a third day.

Managing the perception of the project will be very important on this file, just as important as the facts.

• (1725)

[*English*]

The Chair: Merci, Monsieur Coderre.

Just so you know, there are mayors who have agreed to come, including from Quebec.

Hon. Denis Coderre: I know. That's why I'm saying that two days are sufficient for now. But because of the complexity and the perception level of that situation, I believe we might need a third one. For now, let's see what goes on in those two days, and then we'll pick it up from there. That's our position.

The Chair: Great. Thank you.

We're almost out of time.

Mr. Cullen.

Mr. Nathan Cullen: I appreciate this, and I guess I share some similar frustrations about trying to put eight panellists into a day and two on another.

We had on our list an additional five folks—I could list them—and from my understanding none of them were contacted. I expressed some concern to you. Perhaps you could clarify that for me. I'm looking at the additional lists for the two large panels. There has been no conversation with Bruce Power or CNSC, but we had Emma Lui, Chief Randall Kahgee, Theresa Mclenaghan, the office of Senator Feingold, and Sharon Skelly on our additions list. We've heard from them that they haven't been contacted at all.

Can you confirm that one way or the other for me?

The Chair: Mr. Cullen, you have requested at this committee—no matter which session it was—far more witnesses than any other party. That seems to be disproportionate, but that's the way it has been. In this motion you requested six different witnesses. They were all invited to come, and many of them are coming.

Mr. Nathan Cullen: Just to be clear, those weren't my requests. Those original six were committee requests.

The Chair: It was your motion, wasn't it?

Mr. Nathan Cullen: I hear your point.

The Chair: You can't expect one party, one individual out of how many on this committee...and you want to have all the witnesses. It can't work like that. It has to be fair.

Mr. Nathan Cullen: That isn't my question or my expectation, Chair.

The committee passed the first set, right?

I asked a specific question. Were any of the five additional witnesses who we submitted contacted?

The Chair: No. There were six in the original motion.

Mr. Nathan Cullen: Thank you. That's my answer.

The Chair: Mr. Anderson.

Mr. David Anderson: I'll be short and quick.

I agree with Denis. I would actually like to see CNSC's hour given to them, presenting, rather than our even having a round, because that presentation is important. I think it needs to be made and I think it needs to be publicly presented. So I'm going to make that suggestion. I'd like to see more time with them. I don't know what Bruce Power is going to say, but I think you're right there.

The other problem is that, again, as we usually have here, we have 25 or 30 witnesses. So we limit ourselves to one day. We have to have the discipline, again, or we're going to be here for three, four, or ten more days. We ask the witnesses who come back.... We try to find a priority mix from the four parties. We have one day to see what's going on, and then decide if we want to go further.

We have individuals writing us now who want to appear. Are we going to bring every person in who requests now? If so, we'll be doing this for a month, and our main report gets put off another month. It has gone on pretty much long enough, I think.

The Chair: The committee has only agreed to two meetings, of course.

Monsieur Pomerleau.

[Translation]

Mr. Roger Pomerleau: Mr. Chair, I am also a little disappointed with the way things are happening here. We had suggested calling representatives from the Quebec Department of Sustainable Development, the Environment and Parks, as well as representatives from the City of Montreal. Were they contacted?

[English]

The Chair: City of Montreal, that was from Madame Brunelle—no. But we have witnesses requested by Madame Brunelle who have been contacted. Two confirmed, at least. So you've had three witnesses at least who have been contacted: two are going to come and on one we're awaiting a response.

• (1730)

[Translation]

Mr. Roger Pomerleau: I am not satisfied with that. We agreed to submit the names of witnesses who were to be contacted. I don't

know who decided not to contact them, but that is not an appropriate course of action.

[English]

The Chair: If we requested all the witnesses in two meetings, then the problem you're talking about is going to be a very real problem. We could have had ten witnesses in each hour session, and that is unmanageable. So that's why your lists were submitted and prioritized. I believe certainly that's the way witnesses from all parties were approached.

Mr. Anderson and then Monsieur Coderre.

We are out of time here.

Mr. David Anderson: I just think the point needs to be remade. We've all submitted our witness lists. They were done in order of priority. That is how people are being called. We're not calling 30 people at a time and then saying that everybody has an invite. We take the top two or three and ask them. If they don't accept, then we work our way down the list. We're probably each going to get two or three of our witnesses, at the most, unless we're going to extend hearings here. So I think people need to allow the clerk to do the job here and let's just see what we get.

If your witnesses haven't been called, it's because the ones above them may have said yes. That's how the committee has worked in the past.

You can't have ten, because then we'd have 50 witnesses here.

The Chair: There is only one witness from the government side confirmed. What is happening here is fair. And it's being done in the order agreed to.

Monsieur Coderre.

[Translation]

Hon. Denis Coderre: I will be brief. This type of issue can take six meetings. We are here to get answers and to ensure that the responses and the points of view we hear are representative. I agree that, when we submit a list of witnesses to be heard, those are priority lists. Having said that, we must reconsider the position of the Canadian Nuclear Safety Commission for obvious reasons, if we want to get to the bottom of the matter. I don't think we are going to be repetitive in our questioning. Just one hour with them is really not enough. We will have to take an hour, but I think that perhaps we will have to think about bringing them back again afterwards, so that we could hold a third session, if not a fourth.

As I understand the motion at the moment, we will have two meetings, but the two meetings will remain open for others. Clearly, we will not discuss the tangled web of representatives at the municipal level, as the City of Montreal is not a member of the Quebec Union of Municipalities. Nor is the FQM. Simply calling in someone like Denis Lapointe, who represents the Environmental Committee at the Quebec Union of Municipalities and who is even chair of the Great Lakes and St. Lawrence Cities Initiative... I think that what we want are the views of Quebec municipalities. If need be, we as the official opposition are prepared to increase... Let's start

that way, but it is clear that we will need more time for the Canadian Nuclear Safety Commission.

[*English*]

The Chair: Merci, Monsieur Coderre.

I want to make a correction. Two witnesses recommended by the government have accepted, so there are two.

Thank you all very much. Good discussion.

The meeting is adjourned.

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