

September 16, 1993

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Minister of Municipal Affairs
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Toronto, Ontario
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Bud Wildman
Minister of the Environment and
Energy
135 St. Clair Avenue West
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Dear Ministers,

Re: Georgian Bay Pipeline Proposal

This letter expresses the concerns of several Ontario and Great Lakes public interest groups, the Canadian Environmental Law Association, Great Lakes United, the Georgian Bay Association, STORM (Save the Oakridges Moraine) and Groundwater Alert about the TransCanada Pipeline proposal to supply water to York and Waterloo regions by pipeline from Georgian Bay.

We understand that this proposal is now being considered by the Provincial government. We would like to outline to you our collective concerns about a variety of process and policy questions in regard to this proposal.

Conservation Concerns

We recognize that the Province's management of its water resources is in transition with the formation of the Ontario Clean Water Agency and the reorganization of the Ministry of Environment and Energy to achieve a multi-media focus. This makes it very important now to build strong conservation objectives into these new agencies and their programs. The Water Efficiency Strategy for Ontario drafted by MNR holds promise if it is implemented.

We are concerned that the TransCanada Pipeline proposal might mitigate against local and provincial initiatives to achieve conservation. For instance, the Region of Waterloo is currently undertaking a study, "Reassessment of the Long Term Water Supply Strategy". This process will determine regional priorities and is examining alternatives to importing water into the region. Since Kitchener-Waterloo has pioneered groundwater protection and conservation in the province, they should be encouraged and supported in their initiatives to solve resource management problems locally.

On several occasions in the past few years, the Province of Ontario has opposed water withdrawal and diversion proposals originating in the U.S. The Province's latest objection was to the Michigan Mud Creek irrigation proposal (to pump 14 million gallons a day) because it could result in large consumptive use (5 million gallons a day) of Great Lakes water. Ontario's international stance has been effective in upholding the intent of the Great Lakes Charter to conserve and protect the region's water resources. At the last meeting of Great Lakes jurisdictions, Ontario's representatives were influential in getting their U.S.

counterparts to commit to draft a basin-wide water conservation plan. The Georgian Bay pipeline proposal could seriously weaken Ontario's international stance. While it is an intrabasin proposal, its withdrawal volume of 50 to 60 million gallons a day exceeds recent U.S. withdrawal and diversion proposals. The pipeline amounts to a bypass of some or all of these volumes out of the St. Clair, Detroit and Niagara River flows and out of the Lake Erie watershed.

Trade Agreement Implications

Trade specialists have interpreted provisions of the U.S.-Canada Free Trade Agreement and the proposed NAFTA to allow the treatment of water as a good. They point out that in these agreements once water is diverted between countries continuous supplies must be provided regardless of supply problems and local demands.

TransCanada already moves natural gas in pipelines from Canada to the U.S. We are concerned that they are planning to do the same with Canada's water resources. The Georgian Bay proposal could be the first step in providing key portions of the infrastructure to bring Ontario's northern waters south. Is TransCanada Pipelines positioning its company to respond to future demands to continentalize North America's water systems to relieve shortages in the U.S. and Mexico? We would urge your Ministry of Intergovernmental Affairs to consider these concerns.

Environmental Impacts

The damaging impacts of water diversions are well documented. This proposal could result in ecological disruption for both Georgian Bay and for the water bodies receiving increased volumes of wastewater discharges resulting from the pipeline.

Lowered lake levels influence all shoreline and riparian uses. Habitat loss can result. Harmful species can migrate between watersheds through man-made connections. Contamination can do the same, imperiling ecosystem and food web health. Recreation uses can be negatively impacted by these changes. As well, aboriginal rights and treaties could be violated.

Regulatory Concerns

This range of impacts and geographical areas impacted, and the cost of the TransCanada Pipeline proposal, estimated at \$500 million, makes it appropriate that this project receive the benefit of a full Environmental Assessment. Because TransCanada Pipeline is asking local municipalities to act as proponents for each phase, the pipeline is clearly a public project. Indeed, with the implementation of full cost pricing, the public could be asked to pay for the cost of this water delivery system. Affordability will need to be carefully considered.

We would urge you to examine all phases of this project under one EA rather than severing

it into smaller approvals. It is our experience that the full range of impacts, alternatives, evaluation of need and conservation options cannot be weighted adequately when a large water or sewage project is considered in segments under Class EAs. It is important that the cumulative impacts of this proposal be evaluated in one process.

Planning Concerns

The work of the Province's Sewell Commission, MNR's Watershed and Subwatershed Guidelines, and MMA's Growth and Settlement Policy Guidelines all emphasize the necessity to move toward watershed planning to ensure that development proposals and infrastructure are planned in such a way so as to protect the environment. There is currently no master planning for provision of water and sewer infrastructure, very inadequate groundwater mapping, and little integration of water supply decisions with resultant sewage discharges.

We strongly feel that this proposal should be subject to new Ontario planning guidelines to integrate the impacts this project will have in various regions.

In conclusion, we would ask that the TransCanada Pipeline proposal not be given further consideration until it is subject to a full Environmental Assessment. We urge your government to consider the precedent-setting nature of this project and to consider the full range of policy implications of this proposal for municipal planning, water conservation, environmental impacts and international trade. We would appreciate it if we could be kept informed of your work in this regard.

Yours truly,

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c.c. Honourable Bob Rae, Minister of Intergovernmental Affairs
Ken Sharrett, Water Policy Section, Ministry of Natural Resources