

Support for TransCanada's Energy East Project – new jobs, investment and growth for Ontario

Greater Peterborough Chamber of Commerce

Co-sponsored by Belleville Chamber of Commerce, Sarnia Lambton Chamber of Commerce, Thunder Bay Chamber of Commerce, Toronto Region Board of Trade

Please select which category from the OCC economic vision best represents your issue (please **bold** your choice):

- Fostering a culture of innovation and smart risk-taking in order to become a productivity leader
- Building a 21st century workforce through workplace training, utilizing newcomers' skills, and apprenticeship reform
- Restoring fiscal balance by improving the way government works
- Taking advantage of new opportunities in the global economy
- **Identifying, championing, and strategically investing in our competitive advantages in the global economy**
- Other policies of strategic significance

Please see [Emerging Stronger 2014](#) as reference.

Issue:

All Canadians should benefit from Canadian oil. Energy East is a rare nation-building opportunity that will move oil from the West to refineries and terminals in the East, creating jobs and economic growth in Ontario, while reducing our reliance on foreign oil.

Background:

TransCanada is proposing to build a critical new piece of energy infrastructure that will directly connect western Canadian oil with eastern Canadian refineries and ports for the first time.

The \$12 billion Energy East Pipeline will draw upon Ontario's vast resources of skilled tradespeople, professionals, manufactured goods and services – including the 1,100+ businesses in Ontario that currently supply Canada's oilsands – with communities across Ontario seeing significant economic benefits.

According to the Conference Board of Canada, Energy East will support more than 4,200 direct and indirect full-time jobs in Ontario during the seven year planning and construction phases of the project. In addition, Energy East will generate nearly 1,400 full-time jobs in Ontario during the first 20 years of operation.

Most recently, GE Canada's heavy motor plant in Peterborough was awarded a contract by TransCanada to build 85 large electric motors for some of the 72 pump stations which will be built along the pipeline. That's 250 jobs in Peterborough and their central Ontario supply chain, if Energy East is approved.

Over the past 18 months, TransCanada has spent more than \$30 million for supplies and services related to the Energy East project in Ontario.

In addition, the Conference Board predicts Energy East will generate \$2.6 billion in additional tax revenues in the province during the construction phase and the first 20 years of operation. Ontario's GDP will get a major boost, estimated at \$15 billion over the same period – by far the largest share of any province along the pipeline.

Energy East will also add \$20 million per year in new property tax payments to municipal governments along the route in Ontario.

Energy East has already garnered significant support from a diverse group of stakeholders across Ontario, including the Canadian Manufacturers and Exporters, Ontario's Building Trades and three organizations representing over 120 municipalities across Northern Ontario. All recognize the rare, nation-building opportunity Energy East represents.

As with any national energy project, Energy East must first be approved by the independent National Energy Board. This review will have extensive public participation and will ensure the project is in the national interest based on economic, consumer and environmental considerations.

Recommendations:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Formally support the Energy East project before the National Energy Board.

Estimated Financial Impact to the Province (For AGM discussion-purposes only – will not appear in final compendium)

Please choose which option best fits your resolution (please **bold** the option).

Given the current economic climate, solutions to create a smarter, more fiscally sustainable government are a priority.

- **Create cost-savings for the government**
- Be cost-neutral to the government
- Entail a small cost to government (less than \$10M)
- Entail a medium cost to government (between \$10M and \$200M)
- Entail a large cost to government (higher than \$200M)