

301-2994 Douglas St. Victoria, BC V8T 4N4 T (250) 386-5255 F (250) 386-4453 E info@sierraclub.bc.ca W www.sierraclub.bc.ca

January 8, 2016

Premier Christy Clark PO Box 9041 Stn Prov Govt Victoria, BC V8W 9E1

Dear Premier Clark.

The Province's upcoming submission to the National Energy Board regarding Kinder Morgan's TransMountain proposal provides an opportunity for your government to show leadership on B.C.'s economic and environmental future. In particular, it offers a chance to shift your claim to climate leadership from an emphasis on successes in the increasingly distant past to substantive, visionary action to secure a prosperous, liveable future.

In 2012, your government established five conditions for the approval of heavy oil pipelines in British Columbia. Enbridge failed to meet those conditions, which provided the basis for the Province, in final arguments to the Joint Review Panel, to reject the Northern Gateway pipeline in 2013. In taking this commendable stance, your government also helped further the conditions for British Columbians to embrace Prime Minister Trudeau's commitment to ban oil tankers on our north coast.

Next week, your government is expected to submit its final argument regarding the Kinder Morgan proposal. Like Northern Gateway, Kinder Morgan's TransMountain pipeline and tanker proposal fails to meet the five conditions. Your government can justify no other stance than to firmly oppose the TransMountain proposal. The time has come for an emphatic "no" to Kinder Morgan.

The failure of Kinder Morgan to meet the five conditions is obvious after even the most cursory glances at the evidence:

## Condition #1: Successful completion of the environmental review process.

The N.E.B. process has been widely and justifiably criticized as deeply flawed and biased in favour of Kinder Morgan. Among other failings, the N.E.B. has: curtailed public participation; denied participants adequate and timely funding; allowed Kinder Morgan to submit incomplete information and ignore information requests; disallowed the consideration of upstream and downstream impacts; disallowed the consideration of climate; and failed to ensure Kinder Morgan's environmental and risk assessment conform to best practices.

Sierra Club BC has detailed these failings in our report, *Credibility Crisis*.

## Conditions #2 and #3. "world-leading" spill response for land and sea.

A recent study commissioned by your government showed that effective spill response is impossible much of the time on the B.C. coast. Even under the best and most accessible of conditions, 10 to 15 per cent clean-up is the industry standard, leaving the rest of the oil behind in marine ecosystems, poisoning coastal and marine life and the communities that depend upon them. No amount of safety precautions can justify the extreme risk of dramatically increasing tanker traffic on B.C.'s coast.

In December 2015, the U.S. National Academy of Sciences released a report on spill impacts of diluted bitumen (dilbit), describing how it separates in the environment. The diluents evaporate to create an explosive, toxic airspace, while heavy bitumen sinks. This makes it impossible to track or clean up using any available technology (e.g. dispersants or skimmers). This report completely contradicts Kinder Morgan's lab-based evidence that dilbit behaves like other types of oil.

The N.E.B. rejected inclusion of this evidence on the grounds Kinder Morgan would not have enough time to review and respond to it. It did, however, recognize the report's relevance and it should be a factor in the Province's rejection of TransMountain.

The bunker fuel debacle of the *Marathassa* in English Bay last summer also illustrates the inadequacy of current marine spill response, even to a relatively small and local spill. The state of land spill response is little better, as the devastating legacy of the Kalamazoo River spill in Michigan attests. And let's not forget the inadequate response to the 2007 Burnaby spill from Kinder Morgan's facilities.

## Condition #4: Legal requirements regarding Aboriginal and treaty rights are addressed

Multiple First Nations along the proposed pipeline route have been vocally opposed, including 12 nations who signed an open letter challenging the N.E.B. process. In their own, independent assessment, the Tsleil-Waututh Nation has rejected Kinder Morgan's proposal, and went to court last October. These conflicts will not go away quickly or quietly, as current court actions and conflicts over Northern Gateway and Site C attest—highlighting the title, rights and consultation concerns that will continue to bedevil large resource extraction projects if not addressed properly by proponents and governments alike.

## Condition # 5. Getting B.C.'s fair share

No amount of cash will satisfy British Columbians that the risks posed by Kinder Morgan are even remotely worthwhile. Even under better market conditions for the tar sands, your overtures regarding revenue sharing were rejected by the Alberta government. Today, with the Alberta government struggling to manage a massive revenue shortfall due to falling oil prices, the prospects of success are non-existent.

The five conditions provide more than enough justification to say "no" to this pipeline. Yet they do not even mention climate.

At the recent Paris climate talks, you positioned British Columbia as ready to lead in reducing greenhouse gas emissions. Sierra Club BC continues to advocate for the application of a robust "climate test" to all project proposals that would generate emissions above a certain threshold. We have outlined how this could be achieved in a report we commissioned from the University of Victoria's highly respected Environmental Law Centre, entitled *Blind Spot: The Failure to Consider Climate in British Columbia's Environmental Assessments*. It is an idea whose time has come in British Columbia and Canada, and is already in place in numerous national and subnational jurisdictions worldwide.

Simply put, a climate test would determine if a proposed project would make climate change worse. Given all the evidence shows this project would cause unacceptable climate harm far into the future, true climate leadership demands it be rejected.

The new federal government has promised to overhaul the N.E.B.'s deeply flawed environmental assessment process. Almost seven in ten British Columbians, according to recent polling, favour halting the Kinder Morgan review until the federal process has been fixed. We strongly encourage the Province to call on the federal government to put the current Kinder Morgan review on hold while the process is revamped, and include a climate test that will assist Canada in meeting its international commitments.

If humanity is to achieve its goal of limiting global temperature rise to 1.5°C, British Columbia must do its part in walking the talk of climate leadership. The market has already begun to pass judgment on the value of fossil fuel assets and the corporations and economies that exploit them. British Columbia can choose to wager its economic future on potentially stranded assets like tar sands oil and LNG, or it can chart a new course developing a climate-friendly economy dependent on truly renewable energy sources such as solar, wind and geothermal.

Your government has a chance to be on the right side of history, beginning with an unambiguous rejection of Kinder Morgan's proposal.

Bob Peart Executive Director Sierra Club BC

cc John Horgan, Leader, Official Opposition

62 But