

Challenges associated with Proposed Tar Sands Pipelines

Enbridge's Northern Gateway (525,000 bpd)

Enbridge's proposed Northern Gateway project is a controversial 525,000 barrel per day (bpd) tar sands pipeline across the mountainous terrain and salmon-bearing rivers of north-central British Columbia. In May 2013, the British Columbia government opposed the project in its formal comments to the federal review panel.¹ Polling shows that more than two-thirds of British Columbians oppose the Northern Gateway project.² Moreover, First Nations, with powerful treaty rights which were substantially strengthened by a recent Canadian Supreme Court ruling, have brought a dozen lawsuits against the Northern Gateway project.³ Amid controversies surrounding the project and following a damaging referendum in Kitimat, British Columbia, Northern Gateway's Executive Vice President Janet Holder, the public face for the project, announced her retirement.⁴ In its environmental review of Keystone XL, the State Department considered Northern Gateway too uncertain and speculative to include in its forecast.⁵

Kinder Morgan's TransMountain Pipeline (additional 590,000 bpd)

The expansion of the TransMountain pipeline, another pipeline through British Columbia, would require new permits, the renegotiation of landowner agreements along the route, agreements with First Nations, the dredging of the Vancouver harbor and changes in regulations to allow increased tanker traffic. TransMountain passes through fifteen First Nation's communities and affect many more traditional territories, many of which have stated opposition to the project.⁶ Objections from local political leaders and the public have already prompted the National Energy Board to delay its final report on the project to January 2016.⁷

TransCanada's Energy East Pipeline (1.1 million bpd)

TransCanada's Energy East pipeline would require converting around 3,000 kilometers (1,864 miles) of existing natural gas pipeline and construction of around 1,400 kilometers (870 miles) of new pipe, with the most construction expected in Quebec. While TransCanada only filed its application in late October, 2014, opposition to the project is already significant and growing. Both the governments of Quebec and Ontario have filed as interveners for the project's review.⁸ The impact of building a new pipeline creates a significant hurdle for TransCanada, as Quebec has long touted its pro-environment stance and is not eager to play a role in enabling tar sands expansion plans in Alberta.⁹ At the same time, Ontario's

¹ Argument of the Province of British Columbia Re: Hearing Order OH-4-2011 and File No. OF-Fac-Oil-N304-2010-01 01 Enbridge Northern Gateway Project Application, May 31, 2013, http://www.env.gov.bc.ca/main/docs/2013/BC-Submission-to-NGP-JointReviewPanel_130531.pdf; "B.C. officially opposes Enbridge Northern Gateway pipeline," CBC News, May 31, 2013, <http://www.cbc.ca/news/canada/british-columbia/story/2013/05/31/bc-northern-gateway-rejected.html>.

² "Your Insights on the Northern Gateway Pipeline," *Insights West*, February 4, 2013, <http://www.insightswest.com/news/your-insights-on-the-northern-gateway-pipeline/>.

³ Mychaylo Prystupa, "Janet Holder Quits Northern Gateway Pipeline," *Vancouver Observer*, November 12, 2014, <http://www.vancouverobserver.com/news/janet-holder-quits-northern-gateway-project>.

⁴ *Ibid.*

⁵ State Department, Final SEIS, Jan. 31, 2014, 2.2-34, <http://keystonepipeline-xl.state.gov/documents/organization/221155.pdf>.

⁶ Julie Gordon, "Kinder Morgan Canada pipeline plans hits a mountain of opposition," *Reuters*, October 21, 2014, <http://www.reuters.com/article/2014/10/21/us-canada-pipeline-kinder-morgan-eng-idUSKCN0IA15N20141021>.

⁷ Markham Hislop, "Social license: Enbridge, Kinder Morgan losing BC battle," *Beacon News*, November 15, 2014, <http://beaconnews.ca/blog/2014/11/social-licence-enbridge-kinder-morgan/>.

⁸ Shawn McCarthy, "Opposition builds to Energy East," *The Globe and Mail*, October 13, 2014, <http://www.theglobeandmail.com/report-on-business/opposition-builds-to-energy-east-pipeline-plan/article21082836/>.

⁹ Gerrit De Vynck, "TransCanada Eastern Pipeline Draws Opposition: Corporate Canada," *Bloomberg News*, August 6, 2013, <http://www.businessweek.com/news/2013-08-06/transcanada-eastern-pipeline-draws-opposition-corporate-canada>.

government has indicated concern that it will only serve as a conduit to a pipeline that provides only risks and no benefits to the province.¹⁰ Public opposition is growing.¹¹ What's more, natural gas interests have been lining up in opposition to the pipeline, concerned that converting this natural gas pipeline into a tar sands crude oil pipeline will cause rate hikes for customers.¹²

Enbridge's Alberta Clipper Expansion (additional 350,000 bpd)

While Canadian pipeline company Enbridge has proposed a significant expansion of its Alberta Clipper tar sands pipeline (also known as Line 67), the expansion would facilitate a capacity increase less than half of Keystone XL's capacity, adding just 350,000 bpd.¹³ Expanding the pipeline's cross-border capacity requires a comprehensive review by the State Department and is already facing considerable opposition from local communities.¹⁴ The State Department published a notice in the Federal Register in January 2013 acknowledging receipt of an application from Enbridge for this expansion; it published a subsequent notice in March indicating its intent to prepare a supplemental environmental impact statement (SEIS) and requesting scoping comments on the SEIS.¹⁵ Since this pipeline was originally permitted, the debate about tar sands has changed dramatically in the United States, with much more awareness and understanding about pipeline safety and climate risks from tar sands, and a strong coalition has come together to oppose this expansion project.¹⁶ In August 2014, the State Department issued another Federal Register notice indicating that even in the absence of an environmental review, Enbridge would be moving forward with a modified Alberta Clipper expansion plan; Enbridge aimed to skirt the environmental review process by expanding Line 67 outside of the small border crossing segment, and move the tar sands crude into Line 3 for the border crossing portion.¹⁷ There has been significant opposition to this plan, including a lawsuit launched by environmental and tribal groups in November 2014.¹⁸

¹⁰ Shawn McCarthy, "TransCanada's eastern path this snag in Ontario," *The Globe and Mail*, August 22, 2013, <http://www.theglobeandmail.com/report-on-business/industry-news/energy-and-resources/transcanadas-eastern-path-hits-roadblock-in-ontario/article13909022/>.

¹¹ Andrea Harden-Donahue, "Opposition Mounting To Energy East Export Pipeline Even Before TransCanada Files Official Application," Council of Canadians, May 20, 2014, <http://www.commondreams.org/newswire/2014/05/20/opposition-mounting-energy-east-export-pipeline-even-transcanada-files-official>.

¹² Shawn McCarthy, "Gas interests lining up against TransCanada's Energy East pipeline," *The Globe and Mail*, October 15, 2014, <http://www.theglobeandmail.com/report-on-business/industry-news/energy-and-resources/gas-interests-lining-up-against-transcanadas-energy-east-pipeline/article21117847/>.

¹³ Alberta Clipper (Line 67) Capacity Expansion Phase II, Enbridge, <http://www.enbridge.com/MainlineEnhancementProgram/Canada/Alberta-Clipper-Capacity-Expansion-Phase-II.aspx>. The expansion proposal would enable an increase in capacity from 450,000 barrels per day to 800,000 barrels per day.

¹⁴ Jim Snyder and Rebecca Penty, "Enbridge Expansion Could Turn Into Keystone-Like Fight," *Bloomberg News*, May 2, 2013, <http://www.bloomberg.com/news/2013-05-02/enbridge-expansion-could-turn-into-keystone-like-fight.html>.

¹⁵ See Federal Register Notices from January 2, 2013 <https://www.federalregister.gov/articles/2013/01/02/2012-31557/application-for-a-presidential-permit-to-operate-and-maintain-pipeline-facilities-on-the-border-of> and March 15, 2013 <https://www.federalregister.gov/articles/2013/03/15/2013-06039/notice-of-intent-to-prepare-a-supplemental-environmental-impact-statement-seis-and-to-conduct>.

¹⁶ Even before the State Department announced receipt of the application for the expansion project from Enbridge, tens of thousands of activists emailed the State Department requesting that this expansion require a Presidential Permit. State Department to Review Tar Sands Pipeline Expansion, January 7, 2013, <http://sierraclub.typepad.com/compass/2013/01/state-dept-to-review-tar-sands-pipeline-expansion.html>. There has also been significant activity from grassroots and environmental organizations calling for a robust Environmental Impact Statement.

¹⁷ Federal Register, "Amended Notice of Intent to Prepare a Supplemental Environmental Impact Statement (SEIS) and To Conduct Additional Scoping for the Proposed Enbridge Energy, Limited Partnership Line 67 Expansion Project," August 18, 2014, <https://www.federalregister.gov/articles/2014/08/18/2014-19538/amended-notice-of-intent-to-prepare-a-supplemental-environmental-impact-statement-seis-and-to>.

¹⁸ Center for Biological Diversity, "Lawsuit Targets Secretive Plan to Ramp Up Tar Sands Oil Shipments in Alberta Clipper Pipeline," November 12, 2014, http://www.biologicaldiversity.org/news/press_releases/2014/alberta-clipper-11-12-2014.html.