



Jonathan Wilkinson
Member of Parliament for North Vancouver

Open Letter to the Constituents of North Vancouver
Regarding the TransMountain Expansion Project

Jonathan Wilkinson, MP for North Vancouver

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North Vancouver is a community with a significant stake in the federal government's decision to approve the TransMountain pipeline expansion project.

That so many of you have been vigorously connected to this issue over these past many months speaks well of our collective sense of duty as citizens to be engaged in key decisions that affect our future.

As your Member of Parliament, it is my responsibility to be accountable to you by providing this overview of how and why the decision was made and how it affects us locally and nationally.

In August, I wrote this in my monthly column in the North Shore News:

“Approaching this important issue in a rigorous and thoughtful manner requires a level of dialogue and discussion that can be extremely challenging within the context of a polarizing issue such as this.

As your MP for North Vancouver I feel compelled to highlight the complex range of issues, ensure we've discussed and investigated them fully and to emphasize these considerations in Ottawa.

As a community, let's commit to a rational consideration of risks and benefits and an objective assessment of the extent to which concerns and risks can be appropriately mitigated.

Legitimate questions and concerns have been raised by people in North Vancouver that must be weighed by government as it moves towards the December decision – the most significant being:

- *How the proposed pipeline expansion fits with Canada's pledge to combat climate change and with Canada's commitment to a renewed relationship with Indigenous Peoples?*
- *The potential for spills in our harbour and questions about whether spills of diluted bitumen (as opposed to conventional hydrocarbon products) can be effectively cleaned up*

- *The potential for increased tanker traffic that may have an adverse impact on marine life and, in particular, on the Southern Resident Killer Whale population*

Each of these matters requires thoughtful, well considered responses that are grounded in data if we are to be able to appropriately assess risks and benefits.”

The position I took publicly at that time and to which I continue to hold today is that potential risks must be weighed against potential benefits. Given that the potential benefits of the proposed project are significant, both for Canada and for BC, I have consistently stated that if the key concerns of North Vancouverites could be effectively addressed, there should then be a legitimate and well-considered path to project approval. If they could not be addressed, the project should not proceed. I believe these concerns have been. Here’s why:

PROJECT BENEFITS

Key benefits associated with the proposed project that have been highlighted in the media recently include:

- It will provide a transportation mechanism for oil getting safely to market – one that is far safer and produces lower emissions than transporting oil by rail:
 - is the alternative currently available for transporting oil while international demand for the product continues to exist
 - is presently already being utilized to a significant extent given the lack of pipeline capacity, and
 - will be utilized further going forward in the absence of incremental pipeline capacity being available.
- ~\$4.5B in government revenues will be generated over 20 years (\$1.2B in federal and provincial taxes during construction and \$3.3B during the first 20 years of operation) which can assist in the investments that will be required to enable the Canadian economy to truly transition to a lower carbon future and can be used to fund important services such as health care and education
- \$300M in impact benefit agreements to First Nations communities + job opportunities
- \$6.8B capital investment to build the pipeline expansion by Kinder Morgan that will generate significant economic activity and thousands of associated jobs in both BC and Alberta
- Will enable strategic access to new global markets for Canadian resources that will unlock the full value of these resources (will improve the price/value received by producers). Clearly Canada should be striving to get full value for the products that it produces and exports
- More than 15,000 jobs will be created across Canada during construction – a significant portion of these in BC
- 440 permanent jobs will be created during operation of the pipeline

The potential benefits of the project are significant. However, these potential benefits need to be weighed against key potential risks in the context of the government coming to a decision.

KEY RISKS/CONCERNS

Climate Change

Addressing climate change has been a major focus of this government since its election. It is something I have dedicated the past 20 years of my life to through my involvement as an executive in the BC cleantech industry. It is something I currently spend a very significant portion of my time in Ottawa in my role as the Parliamentary Secretary to the Minister of Environment and Climate Change.

The government has consistently said that the path Canada and the world takes to a low carbon future will require an extended transition – it is not something that can happen overnight. The Paris Agreement on Climate Change fully recognizes this fact in its overall design and architecture.

The TransMountain decision fits within the government’s commitment to address greenhouse gas emissions domestically and also fits within the architecture of the Paris agreement on climate change. To understand this it is useful to consider three key points:

1) Alberta’s Greenhouse Gas Emissions Cap

The Notley Government in Alberta has been very progressive with regard to the climate agenda. Last year it announced it would be putting in place a hard cap on greenhouse gas emissions from the oil sands. This is something for which environmentalists and others have been pressing for many years. The imposition of this cap has been applauded by leading environmental organizations and has recently been introduced as law in Alberta. All upstream emissions associated with oil sands development will henceforth have to fit within this cap – irrespective of whether this oil is transported from the oil sands by pipeline or by rail.

Further, the Alberta Government has brought forward an aggressive climate plan that has led the country in a number of respects – including its plans to accelerate the phase out of coal fired power and its intention to significantly reduce fugitive methane emissions associated with oil and gas production.

However, for Alberta (and Saskatchewan) to feasibly and successfully transition to a low carbon economy will take time. Alberta will require a thoughtful and measured plan over the coming years to take revenues associated with oil and gas production and to invest these in economic activities focused on the emerging clean growth economy.

That Alberta and Saskatchewan are successful in making such a transition is critically important for all of Canada. It is very much in the interest of those who care deeply about the climate issue to ensure that this is successfully accomplished. For Canada to have an effective and a long lasting climate change plan, we simply cannot leave whole regions of the country behind.

2) The Pan Canadian Framework

The Government of Canada’s plan to achieve or better the emissions targets committed to under the Paris Agreement effectively already assumes that Alberta reaches its emissions cap. This means we have assumed that this level of emissions would be realized – once again irrespective of the mode of transportation (rail or pipeline) used to get the product to market.

Given this, the starting point for Canada's emissions reduction plan (the Pan-Canadian Framework on Climate Change and Clean Growth) is from a point that includes all upstream emissions associated with the TransMountain project. The plan will then be focused on the emissions reductions required to meet our targets from that point.

Many of the upstream-related emissions would be realized whether or not the TransMountain pipeline is approved and built. Presently, a significant portion of the oil that will eventually flow through an expanded pipeline is leaving Alberta by rail – a less safe, more emissions intensive and more expensive mode of transportation.

This government is fully committed to achieving the targets it committed to in Paris. A number of elements of the Pan-Canadian Framework we have been developing have already been announced including:

- putting a national price on carbon
- early phase out of coal fired electricity
- development of a Low Carbon Fuel standard
- regulations to significantly reduce emissions of methane in upstream extraction
- international agreement to eliminate harmful HFCs

An overall plan that will provide Canadians with a clear and full picture of how Canada will meet its 2030 commitments will be brought forward for public discussion following the First Ministers Meeting on Climate Change and Clean Growth that will take place later this week.

3) International Climate Action

Some have asked why Canada would increase exports of oil at a time that the world is looking to reduce the use of fossil fuels. This is a reasonable question.

The architecture of Paris is set up in a way where much of the industrialized world will begin to focus on measures that will begin to reduce the consumption of hydrocarbons in the near term. However, for key countries in the developing world such as China, their Paris commitments are to slow the rate of growth of consumption of hydrocarbons and to peak in terms of overall usage in the 2030s before then starting to decline. There are significant, historic reasons relating to how economies have developed as to why the agreement has been set up in this manner.

However, given this, it is expected that there will continue to be incremental consumption of some hydrocarbon fuels for a period of time driven via demand that will exist in the developing world.

Finally, and perhaps most importantly in my mind, the focus on the mode of transportation (pipeline) effectively misses the real point for those of us concerned about climate change.

As a global community, we collectively are not going to stop using oil because we are running out of it – because we are not. We are not going to stop using oil because it has become too expensive – because it has not. So long as there is significant demand and a market price for oil, it will be produced from jurisdictions that possess this resource.

If we are to move to a low carbon future, it will be because governments and citizens around the world have made conscious decisions that are focused on reducing domestic consumption of hydrocarbons. This is precisely what the Pan Canadian Framework on Clean Growth and Climate Change is focused on.

Canada will make part of its contribution in the fight against climate change by achieving or bettering its own domestic targets through carbon pricing, through regulatory and standards related initiatives and through investments in technology and technology development. And make no mistake, we are committed to achieving or bettering these targets.

Canada will also contribute globally to addressing climate change through the financial assistance we will provide developing countries to transform their economies in a different manner than we did and through technology and business transfers to the developing world.

For those of us who care deeply about the issue of climate change, my view is that our collective focus should be on taking actions both domestically and internationally that focus on reducing consumption. The focus, with respect to climate change, should not be on specific delivery/transportation mechanism for the product. It is only through a direct and active focus on consumption that the battle against climate change can effectively be won.

Marine Safety

Approval of the TransMountain expansion project will mean more traffic in the Burrard Inlet and in the Salish Sea. Once constructed, oil tanker traffic will increase from approximately 5 per month to 34 per month (approx. 60/yr to 400/yr).

Currently approximately 3,100 large vessels utilize the Port of Vancouver each year. The increase in vessel traffic in the Port from the expansion project will thus be ~10%.

With regard to total vessel movements in the areas of the Salish Sea adjacent to the Burrard Inlet and the Port in Delta – these are ~206,000 annually. Larger ships of a size that would be similar to those that will be utilized by the TransMountain project have approximately 120,000 vessel movements annually. Viewed in this context, the increase in overall shipping traffic in the relevant area will thus be less than one percent.

However, irrespective of the size of the traffic increase, very legitimate concerns exist with respect to clearly addressing marine safety concerns given the nature of the product being shipped out of the TransMountain facility

The recently announced Oceans Protection Plan addresses the very legitimate concerns that exist with regard to spill prevention and spill response. Specific measures that the government has committed to implementing include:

Spill prevention and marine traffic management

- Strengthening the Coast Guard's Communications and Traffic Centres (Canada's eyes and ears on the water) to ensure uninterrupted communications with mariners
- A plan for enhanced sharing of marine traffic information with local communities along the coast and on Vancouver Island in real time

- Increasing Coast Guard towing capacity by adding two large vessels capable of towing commercial vessels and large container ships
- Increasing Coast Guard towing capacity by installing towing kits on all major Coast Guard vessels (to improve capacity to take swift action to avoid significant issues)
- Making navigation safer by providing for modern hydrography and charting in key areas of high traffic commercial port and waterways and providing additional new navigational aids
- Adding new radar sites in key strategic locations to improve marine safety in key traffic areas
- Removing the limit of liability from Canada's Ship-Oil Pollution Fund and enforcing a "polluter pays" approach to any issues.

Spill response

- Strengthening the role of the Coast Guard in leading the management of response to any incidents
- Requiring industry funded spill response organizations to provide quicker spill response time
- Improving the availability of science-based expertise during incidents by placing additional emergency and enforcement officers on the coast
- Building new lifeboat stations in strategic locations to ensure faster response times
- Creating additional Primary Environmental Response Teams comprised of dedicated, specially trained personnel, to strengthen Coast Guard on the scene capacity during marine pollution incidents
- Conducting further scientific study of the behaviour of diluted bitumen in water. Work done to date by the federal government has demonstrated that such products behave very similarly to conventional crude oil
- Investing in additional technology development to continue to advance the effectiveness of spill clean-up measures and expertise.

All of these measures will provide significant additional protection to the Burrard Inlet and the Salish Sea for oil tankers that already today transit the harbour and for the myriad of other vessels that also do so.

Indigenous & First Nation Communities

Our government is committed to renewing the relationship of the federal government with Indigenous Peoples. Federal government officials consulted with potentially affected Indigenous groups and the outcomes of these consultations are available for review in the Crown Consultation and Accommodation Report. The objective of these consultations was to better understand perspectives, to identify outstanding issues and to discuss potential accommodation measures to mitigate impacts on rights should the project proceed. The government provided significant participant funding to ensure these consultations were substantive.

When the time came for a decision, different Indigenous communities had different perspectives. On the one hand Kinder Morgan has signed impact Benefit Agreements with 39 Indigenous groups along the pipeline path. \$300M was committed to Indigenous groups under these agreements. On the other hand, coastal First Nations including the Tseil-Waututh and the Squamish First Nations in North Vancouver were and are opposed.

The government did make significant efforts to address concerns that were raised during these consultations and it has committed to continuing to do so going forward. Key elements in this regard include:

- Discussions with Indigenous communities were very important in the context of the development of the Oceans Protection Plan – which includes not only the measures noted earlier but also measures relating to training and equipping coastal communities to deal with marine incidents
- The Government will provide \$65M in funding to establish an Indigenous Advisory and Monitoring Committee that will work with federal regulators and the project proponent to oversee environmental aspects and the fulfillment of the full 157 project conditions that have been established by the federal government
- The Government will establish an Economic Pathways Partnership which will make it easier for Indigenous groups to access existing federal programs that support job training and business opportunities
- The Minister of Transport has indicated that he wishes to explore the potential of including a dedicated Indigenous seat on the Board of the Port of Vancouver
- The Government recently committed to re-establishing regional planning forums in southern BC waters. These forums, modelled on the former Fraser River Estuary Management Program (FREMP) and the Burrard Inlet Environmental Action Program (BIAEP), will be aimed at ensuring active community and Indigenous participation in long term regional planning and in discussions relating to the consideration of cumulative effects.

South Resident Killer Whales

The issue with regard to the long term survival of the South Resident Killer Whale population (presently 80 whales) is indirectly related to the pipeline expansion proposal. The long term viability of the SRKW population has been a major concern for several years.

Growth of the Port of Vancouver over the past number of years has brought jobs and economic activity to Vancouver and to Canada. However, it has also meant a significant increase in overall shipping noise. This is one of the key issues associated with the current challenges facing the South Resident Killer Whale population. It is worth noting that some of the noisiest and thus most problematic vessels include those belonging to BC Ferries – which are obviously critical to the movement of both BC residents and visitors.

The most significant issues threatening the long term viability of the South Resident Killer Whale population are threefold: a) reductions in the availability and quality of prey (mainly Chinook salmon); b) contaminants in the ocean; and c) noise from shipping traffic and collisions with ships.

Regardless of the TransMountain pipeline approval, there is an urgent need for a comprehensive, robust and well defined recovery strategy if we are truly committed to the continued existence of this species.

This is precisely what this federal government has committed to as part of the Oceans Protection Plan. Key specific measures will include:

- An immediate science-based review of the effectiveness of current management and recovery actions already under underway. The review will be completed by summer 2017 and will identify further targeted efforts that will maximize the chances of recovery

- Putting in place a number of measures to address key known issues, including a real-time Whale Detection System that will ensure vessels are aware of the location of whales and a new Coastal Restoration Fund to promote chinook salmon habitats in critical South Resident Killer Whale habitats
- Putting in place stringent conditions with regard to addressing noise impacts from vessel movements associated with the TransMountain project, including a Marine Mammal Protection Plan that will be built on world-leading best practises – before any additional vessels are allowed to operate.

Key additional measures on which the Government has already begun to act include:

- Expanding our network of hydrophones in the Juan de Fuca Strait to build our understanding of vessel noise
- Implementing a vessel slow down regime in the Haro Strait on a trial basis
- Providing sustainable funding for a Whale Sighting and Notification system
- Developing marine training courses on noise-reduction techniques
- Working with the Port of Vancouver to provide a new noise reduction incentive on Vancouver harbour dues for all vessels

CONCLUSION

The federal government made a difficult decision with regard to this project – one that was, however, grounded in evidence and an appropriate consideration of the national interest.

I would be the last to say that the risk of a spill is zero or that the recovery of the South Resident Killer Whales is simple. However, the measures included in the various commitments the government has made with regard to ocean protection and with regard to climate change make these risks reasonable ones. Such risks then need to be measured against potential benefits and national considerations that are relevant.

Many Canadians, and particularly many Canadians in the Lower Mainland of BC, have expressed very legitimate concerns and questions regarding the TransMountain pipeline expansion proposal.

In my capacity as MP for North Vancouver, it was and is my job to ensure that the government was fully aware of these issues, that they gave these matters active consideration and that it worked to address these concerns in substantive ways.

Moreover, beyond simply raising these issues, I worked extremely hard over the past several months to find ways in which these concerns could be substantively and appropriately addressed.

In my role as Parliamentary Secretary to the Minister of Environment and Climate Change, I am proud to have had a significant impact in several important areas:

- I was actively involved in and had significant impact on the development of the recently announced Oceans Protection Plan.

- I was also very engaged in discussions and work relating to the development of an appropriate recovery strategy for the South Resident Killer Whale population.
- I strongly raised the concerns and perspectives of the two First Nations of the North Shore and worked to facilitate their direct engagement with the Minister of Natural Resources and with the Minister of Environment and Climate Change.
- And finally, I spend much of my time every day in Ottawa working to ensure that we, as a government, fully deliver on Canada's climate change commitments.

Some will disagree with government's line of reasoning. The essence of any healthy democracy is the ability to have strong and legitimate debate about important decisions that must be made.

However, to all constituents of the riding I am charged with representing, I say to you, this government heard your concerns, it very seriously considered your concerns, it worked to mitigate those concerns and, I believe, it has done an effective job of addressing them.

Yours sincerely,

Jonathan Wilkinson
Member of Parliament, North Vancouver