

September 16, 2016

4609 West 11th Avenue
Vancouver, B.C. V6R 2M6

Joyce Murray
Member of Parliament for Vancouver Quadra
206 – 2112 West Broadway
Vancouver, B.C. V6K 2C8

Re: Kinder Morgan upstream emissions assessment (May 19, 2016)

Dear Ms. Murray,

I attended the public meeting held on Wednesday, September 7, 2016 at Simon Fraser University convened by Terry Beach, Liberal MP for Burnaby North-Seymour. The meeting was billed as a gathering of Liberal Members of Parliament from British Columbia to discuss the Kinder Morgan pipeline expansion and Canada's energy policy. You participated, seated at the head table with three of your caucus colleagues. A large crowd attended to hear what you would say.

We were told, at the start of the meeting, that you and the other Liberal Members of Parliament would not be answering questions. We were instructed that our questions were to be directed to the panel members, described as "experts". We were told that you and the other elected members were there to "listen".

The entire meeting unfolded without any discussion at all, by you or by any of your colleagues, about the central issue of increasing CO₂ emissions from expanding oil sands production, or the impact the Kinder Morgan expansion will have on Canada's ability to achieve its commitment to reduce our total emissions to 524 Mt by 2030. Not one of the invited experts was qualified to speak on that subject or about the implication of continued emissions increases on the climate system.

One expert spoke positively about the prospects of cleaning up oil spills in English Bay. Another, an expert on China, told us that China would be the most efficient market in the world to refine Alberta's oil sands bitumen.

A third, a businessman promoting carbon capture and storage technology (CCS), suggested that CCS will help reduce emissions in the oil sands (without any details of the

timelines), but he omitted to mention that in 2014 the Alberta government under Jim Prentice abandoned Alberta's plan, originally announced in 2008, to achieve large-scale use of CCS technology to control the growth of oil sands emissions. Prentice declared that CCS was "not capable of achieving the reductions in emissions that are required", that it was "expensive", "quite unproven", and "a failed science experiment". The current NDP government in Alberta, elected in 2015, campaigned on a promise to end the "costly and ineffective CCS experiment". Any informed expert on CCS technology would have advised our meeting that – mainly for reasons of cost and economic viability – CCS is unlikely to play any significant role in reducing carbon emissions in the oil sands during the next fifteen years.

A fourth panel member, Robyn Allan, spoke informatively about the failures in the NEB's *economic* analysis of the case for building pipelines to export bitumen to Asia. But she did not touch on the emissions issue, and nor would we expect her to do so.

The fifth expert, a respected economist from UBC, spoke in philosophical terms about the need to ensure that economic calculations of the benefits of resource development do not leave out of account the costs of environmental destruction. But he did not touch at all on the question of rising emissions from oil sands production, or the consequences.

In the question period (which allotted each person two minutes to ask questions on these complex issues) I asked you a question, directed also to the other Liberal MPs present, about the recent *Review of Related Greenhouse Gas Emissions Estimates for the Trans Mountain Expansion Project* ("the Kinder Morgan report"), released on May 19, 2016. I pointed out that the Kinder Morgan report did not examine the question of whether the projected doubling of oil sands production from 2.4 million barrel per day (bpd) in 2014 to 4.8 million bpd by 2040 could be consistent with Canada's commitment to reduce our total emissions 30% by 2030. That projection of doubled production by 2040 was based on a forecast by the National Energy Board (NEB) published in January 2016 (*Canada's Energy Future 2016: Energy Supply and Demand Projections to 2040*), which was expressly adopted by the Kinder Morgan assessment report in section B.2.5. I asked you to explain if, in your view, the emissions assessment was "adequate", and whether you could assure us that the projected oil sands expansion and Canada's climate commitments are compatible.

You did not address the question at all. Nor did Mr. Beech. The meeting ended without any discussion about whether continued oil sands expansion is consistent with Canada meeting its emissions reduction target by 2030. None of you mentioned the Kinder Morgan report.

The background to my question, as you well know, is that the NEB during its environmental reviews refused to admit or consider any evidence (including scientific

evidence) about the impact of rising CO₂ emissions that will be released as a result of expanded oil sands production, enabled by proposed pipeline projects. Three major pipeline projects are pending: Kinder Morgan, Energy East, and the Line 3 expansion.

Let me summarize the sequence of events:

1. During the last election, in response to deep public anger about the NEB process, the Liberal Party (and individual Liberal candidates) promised the electorate that a new Liberal Government would replace the NEB process or reform it.
2. In Paris in December 2015, the Liberal Government confirmed Canada's commitment to cut the annual level of our total emissions 30% by 2030. The target is 524 million tonnes (Mt) of CO₂eq. Because Canada's total emissions are still increasing every year, any reductions will likely not begin until about 2020 at the earliest.
3. The existing NEB process for the Kinder Morgan and Energy East projects has in fact not been changed at all since the election. The government instead promised, in January 2016, that a new procedure to assess "upstream emissions" would govern the Kinder Morgan and Energy East projects (the procedure was also applied in the the Line 3 expansion). When the government published details of the new procedure on March 19, 2016, it assured Canadians that the new process would provide an assessment "*of the project's potential impact on Canadian and global emissions*".
4. In your Spring Newsletter, you assured the residents of Quadra – many of them families with very young children, including my family – that the new Liberal Government is acting on our behalf (and presumably on behalf of all the children) to address the grave issue of oil sands emissions and climate. Your own words at that time were that "we [the Liberal Government] ... created a principled supplementary environmental review for pipeline projects ...".
6. On May 19, 2016, the Liberal Government published the Kinder Morgan upstream emissions assessment report (the same day the NEB decision was released recommending approval of the Kinder Morgan expansion).
7. The Kinder Morgan report confirms that oil sands production will continue to grow between now and 2040. The assessment has adopted the NEB's view that global oil consumption, especially in Asia, will remain strong for at least another twenty-five years. Based on that forecast of growing global oil demand, the report adopts the NEB's forecast that *oil sands production will increase from the 2014 level of 2.4 million bpd to 4.8 million bpd by 2040* – a doubling of production over the next twenty-five years: see *Report*, section B.2.1 at p. 15, "Canada's Oil Supply Growth."

8. The Kinder Morgan assessment concedes that oil sands emissions will continue to increase, and they will be the main driver of growth in Canada's total emissions:

The growth in emissions to 2030 is driven largely by growth in the upstream oil and gas sector and, in particular, from the oil sands. ECCC projections indicate that GHG emissions from the oil sands could increase from 62 Mt in 2013, to 90 Mt in 2020 and up to 116 Mt in 2030.

— Report, section B.2.1, p.17

9. The assessment report also acknowledges that the Government of Canada's most recent projections (*Canada's Second Biennial Report on Climate*, February 2016) show that Canada's total emissions ("driven largely by growth in the upstream oil and gas sector") will increase to 815 Mt by 2030: Report, B.2.1.1.
10. The Kinder Morgan expansion, if built, will have the capacity to transport an additional 590,000 bpd, which is 25% of the proposed total expansion of oil sands production between now and 2040. This project is a major step down an unforgiving pathway. Together with Line 3 and Energy East (the two other pipelines that are already far advanced in this same un-reformed approval process), Kinder Morgan will furnish 80% of the additional shipping capacity needed to double Canada's oil sands production by 2040.
11. The fundamental question we must ask in any emissions assessment is this: *can we achieve a 30% cut in Canada's total emissions by 2030, down to 524 Mt (as promised in Paris), if emissions from expanding oil sands production keep rising?* That is the question a principled assessment would be bound to answer.
12. Can we get to 524 Mt? The problem is the "emissions gap" – the difference between the currently projected annual emissions level by 2030 (815 Mt) and the promised target (524 Mt).
13. We will not be able to take any share of the needed reductions from the oil and gas sector, if oil and gas emissions are still growing between 2020 and 2030.
14. The Kinder Morgan report does not answer the fundamental question. It doesn't even ask the question. The report is silent about whether we can obtain large enough reductions *from other economic sectors* to obtain the deep cuts we need and to offset the continued increases in oil and gas sector emissions. *The report provides no data or analysis to demonstrate that could be done.* The report is completely silent about the feasibility of meeting the 2030 target.

I ask that you publicly address the unanswered question. And I ask that you do that within the next 30 days, because the Liberal Government – which you support – has arbitrarily set December 2016 as the deadline for making a final decision on the approval of the Kinder Morgan expansion. We have our own urgency. We have a right to be provided in a timely way with the essential information we need to make an informed decision – so that we fully understand the consequences of project approvals now that will increase our annual level of CO₂ emissions during the next fifteen years.

1. Do you believe that we can achieve a 30% cut in Canada’s total emissions by 2030, down to 524 Mt, *if oil sands production keeps expanding* in line with the growth projections adopted by the Kinder Morgan assessment?
2. Do you believe that the Kinder Morgan assessment report provides Canadians with an adequate examination of *the potential impact on Canadian and global emissions* of the additional 13.5 to 17 Mt CO₂eq additional annual emissions that will be released by the expanded oil sands production enabled by this pipeline, if it is approved and built? Do you still maintain that it is a “principled supplementary environmental review” of the Kinder Morgan expansion project, as you assured your constituents six months ago?
3. If your answer to the first question is “yes”, please explain on what basis – on the basis of what Government of Canada studies or reports (or what other evidence) – do you hold that view? Do you claim that the Kinder Morgan assessment report provides support for that conclusion?

If your answer to the first question is “no” – if you think we are pursuing an oil sands development strategy that is inconsistent with our climate commitments, or that may be inconsistent – it is unconscionable that you do not speak with candour to your constituents and *tell us what you believe*.

Yours truly,

David Gooderham

dagooderham@gmail.com