CBCNEWS British Columbia

B.C. Rejects Enbridge Northern Gateway Pipeline Proposal

'Our questions were not satisfactorily answered,' environment minister says

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The B.C. government has officially expressed its opposition to a proposal for the Northern Gateway pipeline

project, saying it fails to address the province's environmental concerns.

<u>Special Report: Northern</u>
<u>Gateway Pipeline</u>

The province made the announcement in its final written submission to the Northern Gateway Pipeline Joint Review Panel.

"British Columbia thoroughly reviewed all of the evidence and submissions made to the panel and asked substantive questions about the project, including its route, spill



Douglas Channel, the proposed termination point for an oil pipeline in the Enbridge Northern Gateway project, is pictured in an aerial view of Kitimat, B.C. (Darryl Dyck/Canadian Press)

response capacity and financial structure to handle any incidents," said Environment Minister Terry Lake.

"Our questions were not satisfactorily answered during these hearings."

Lake said the province has carefully reviewed the evidence presented to the panel.

"The panel must determine if it is appropriate to grant a certificate for the project as currently proposed on the basis of a promise to do more study and planning after the certificate is granted," Lake said.

"Our government does not believe that a certificate should be granted before these important questions are answered."

Enbridge to address concerns

The president of Enbridge's Northern Gateway Pipelines project, John Carruthers, called the B.C. announcement "part of the process."

"British Columbia needed to submit their evidence. We need to address it. We need to meet with the people of B.C.," said Carruthers.

"Even if there's a positive decision from the Joint Review Panel in December, we still need to meet with the public, meet with the province of B.C. and continue to dialogue with them, engage with them through the further development process, through construction and through operations."

In a news release, Enbridge executive vice president Janet Holder also said the province's five conditions can't be fully met until the end of the review panel process, saying the company is working hard to meet the conditions and earn the confidence of the government and the people of B.C.

"As a British Columbian, I am personally committed, as is Northern Gateway, to building a pipeline project that meets the highest possible safety and environmental standards anywhere in the world and a project that creates new jobs and opportunities for British Columbians," she said.

"At Northern Gateway, we are driven by our responsibility to do what's right for B.C.'s economy and for B.C.'s environment."

The review panel will hear final arguments starting next month, and must present a report to the federal government by the end of the year.

The federal government will have the final say on whether the pipeline goes ahead.

Alberta downplays rejection

Alberta's Environment and Sustainable Resource Development Minister Diana McQueen downplayed B.C.'s rejection of the project, saying the review process would continue.

"Alberta respects the hearing process underway for the Northern Gateway pipeline, and we trust that the panel will make its decisions based on science and all the evidence that has been presented," said McQueen.

"I understand from B.C.'s announcement today that the government is not comfortable supporting the project as proposed without more assurance that environmental protection and public safety are adequately addressed. B.C., like Alberta, wants to ensure that our energy development is responsible and safe.

"This is an ongoing, federally regulated review and I expect that the concerns brought forward by the government of British Columbia will be discussed and addressed through that forum."

Federal ministers say process ongoing

Federal Heritage Minister James Moore reacted to the announcement while attending the Federation of Canadian Municipalities Convention underway in Vancouver on Friday. He said his government supports B.C.'s five conditions for heavy oil pipelines, but said it won't make a decision about Northern Gateway until after the review is over.

"You know we'll see what it means in the long term. This is the provincial government responding to Enbridge's request. And we'll see what Enbridge's response is going forward. But there are many pathways for Canadian resources to get out of the country, and we'll see if Enbridge looks at other opportunities."

Moore says his government supports getting natural resources out of Canada, whether through Northern Gateway, or other projects, but any company must be accountable to the people living where it wants to build.

In a written statement, federal Minister of Natural Resources Joe Oliver said Ottawa will review the panel's recommendation when it's released in December.

"We have been clear: resource development will not proceed unless it is safe for Canadians and safe for the environment," he said.

B.C.'s 5 conditions

- Environmental review needs to be passed.
- World-leading marine oil spill prevention, response.
- World-leading practices for land oil spill prevention, response.
- First Nations opportunities, treaty rights respected.
- Fair share of the fiscal and economic benefits for B.C.

"That is why, for our part, we are moving forward with our plans to further enhance marine and pipeline safety ... We look forward to continued engagement with all provinces on market diversification for oil and gas."

Colin Kinsley who is chair of the Northern Gateway Alliance, a coalition of pipeline supporters, says he's extremely disappointed in the government's position, and questions the timing of the announcement.

"I can't imagine anybody saying that when the most rigorous, open review process of an industrial project in this country has been going on for over three years, and is in its final concluding processes."

He thinks final judgment on the project should be reserved until after the panel has made its decision.

'Little evidence' about good spill response

On Friday, the province also reiterated the five conditions it says would need to be met in order to approve the pipeline, including top-notch oil spill prevention and response measures.

"Northern Gateway has said that they would provide effective spill response in all cases. However, they have presented little evidence as to how they will respond," Lake said.

"For that reason, our government cannot support the issuance of a certificate for the pipeline as it was presented to the joint review panel."

However, the statement from the province goes on to say "the position adopted by B.C. on the Northern Gateway Pipeline project as currently proposed is not a rejection of heavy-oil projects," keeping the door open to Kinder Morgan's proposed expansion to the Kinder Morgan pipeline and a \$13-billion crude oil refinery near Kitimat proposed by B.C. newspaper publisher David Black.

- Read about Kinder Morgan's proposed expansion
- More on David Black's refiner proposal

The \$5.5-billion Northern Gateway project aims to construct two pipelines stretching 1,177-kilometres from the Alberta oilsands to a tanker port on the North Coast of B.C. with the capacity to move 525,000 barrels of oil per day.

B.C. is expected to present oral final arguments to the joint review panel in Terrace, B.C., on June 17.