# NATIONAL THE TRANS MOUNTAIN PIPELINE - COURT RULING PUTS CONTROVERSIAL PROJECT ON HOLD



A planned expansion of the Trans Mountain Pipeline has been put on hold. Construction was to start this fall. However, on August 30, the Federal Court of Appeal overturned the **National Energy Board**'s (NEB) approval of the project.

The three judges all voted to cancel construction permits for the expansion. They gave two reasons. They said the federal government failed to properly consult with local First Nations before okaying the project. They also stated that the NEB did not fully assess the project's impact on the environment – and in particular, on endangered Southern Resident Killer Whales.

# PRO-PIPELINE PERSPECTIVE

Pipeline supporters were disappointed by the ruling.

They wanted the expansion to proceed. The reason: Canada's oil producers manufacture more oil than existing pipelines and railways can carry. That's costing Canada's oil industry about \$15 billion a year in lost revenue.

Expanding the Trans Mountain would eliminate that problem. It would also open the door to new markets. We could sell oil to China and other Pacific Rim countries, rather than mainly to the U.S.

Supporters point out that increasing capacity would benefit more than the oil industry. They argue that all Canadians would be better off. The oil and gas sector employs 710,000 workers. It generates eight percent of Canada's gross domestic product (GDP). It helps fund healthcare, education, and infrastructure through taxes. If

the industry grows stronger, so does the Canadian economy.

# FRUSTRATION AND DISAPPOINTMENT

Forty-three First Nations want the project to go ahead. They saw the court ruling as a big setback. Alberta businesses did, too.

"It's a really frustrating day," said Alberta businessman Ken Kobly. "Development delayed is development denied."

The Alberta government was outright angry. Premier Rachel Notley had pushed hard for the expansion. She wants the economic benefits the project would bring to the province. She blamed the federal Liberal government for the project's now-uncertain future. She said that Alberta would withdraw from the federal climate change

### DEFINITIONS

**GROSS DOMESTIC PRODUCT (GDP)**: the total value of all goods and services produced by workers and capital within one country in one year

**NATIONAL ENERGY BOARD (NEB)**: an agency created in 1959 by the federal government to oversee Canada's oil and gas industry. The NEB is responsible for approving new pipelines that cross provincial or national boundaries.

plan until it can ensure the project proceeds.

"Alberta has done everything right and we have been let down. It is a crisis," the premier said.

## A CAUSE FOR CELEBRATION

For others, though, the ruling was a triumph.

The B.C. government and environmentalists oppose the expansion. So do 90 Indigenous communities. Some were part of the lawsuit that stopped construction.

These opponents say that any expansion would put the B.C. coast at risk. They fear that bitumen could leak. They worry that more tanker traffic might lead to a spill in coastal waters. An expansion also goes against Canada's commitment to help slow climate change.

# THE FEDERAL POSITION

Meanwhile, the federal government was caught offguard by the court's decision.

The Liberals have strongly backed the expansion. In fact, in May, when pipeline owner Kinder Morgan wanted to walk away from the project because of opposition in B.C., Prime Minister Justin Trudeau made

# PIPELINE PRIMER

Pipelines move raw fuel over long distances to refineries. There, the fuel is converted into products such as heating oil or gas for cars.

Canada's pipeline network runs above and below ground. It covers about 840,000 kilometres. Many of these pipelines originate in Western Canada. That's where most of the nation's oil is found.

The 1183-kilometre Trans Mountain Pipeline moves up to 300,000 barrels per day (BPD) of crude oil and oil products from Edmonton, Alberta to Burnaby, B.C. In 2013, Trans Mountain owner Kinder Morgan Canada Ltd. proposed building a second pipeline alongside the original one. The new pipeline would carry diluted bitumen. Together, the twin pipelines could transport 890,000 BPD, almost triple the current capacity.

Kinder Morgan said the \$7.4-billion project would also include 12 new tanks, 19 extra pumping stations, and three more berths at the marine terminal in Burnaby. That terminal could then accommodate 34 tankers a month, instead of five - a seven-fold increase.

According to Kinder Morgan, the construction and the first 20 years of expanded pipeline operations would result in \$46.7 billion for the government: \$5.7 billion for B.C., \$19.4 billion for Alberta, and \$21.6 billion for the rest of Canada.

an offer. He said his government would buy the existing Trans Mountain pipeline and its infrastructure for \$4.5 billion.

Following the court ruling, federal government officials spent several weeks considering their options. Then, on September 21, Canada's Natural Resources Minister Amarjeet Sohi said Ottawa still supported the project. The Liberals asked the NEB to spend 22 weeks reviewing the expansion. They wanted a report on the potential

marine impact. Plans for more consultation with Indigenous Peoples would follow. The government said it wanted to build the pipeline the "right way."

"The plan does not sacrifice the environment for economic benefits. Canadians want both and we can have both," said former Natural Resources minister Jim Carr. \*

# DEFINITIONS

BITUMEN: a black, thick form of crude oil extracted from the oil sands

CRUDE OIL: oil that is still in its natural state

## ON THE LINES

| Answer the following in complete sentences:  |  |  |  |  |  |
|--|--|--|--|--|--|
| 1. What are pipelines used for?  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| 2. What is the <b>Trans Mountain Pipeline</b> ?  |  |  |  |  |  |
| 3. Describe the expansion project Kinder Morgan announced in 2013.                                       |  |  |  |  |  |
|  |  |  |  |  |  |
| 4. How much was this project expected to cost?   |  |  |  |  |  |
| 5. What did the federal government announce in May concerning the existing pipeline?                     |  |  |  |  |  |
|  |  |  |  |  |  |
| 6. Which agency is responsible for approving new pipelines that cross provincial or national boundaries? |  |  |  |  |  |
| 7. Which court overturned the NEB's approval of the pipeline expansion on August 30?                     |  |  |  |  |  |
| 8. What two reasons did the court give for its decision?   |  |  |  |  |  |
|  |  |  |  |  |  |
| 9. How did the Alberta government react to the court's decision?   |  |  |  |  |  |
|  |  |  |  |  |  |
| 10. How did the federal government react to the court's decision?  |  |  |  |  |  |
|  |  |  |  |  |  |

#### BETWEEN THE LINES

An *inference* is a conclusion drawn from evidence. A plausible inference is supported by evidence in the article and is consistent with known facts outside of the article.

What inference(s) can you draw from the fact that Canadian oil producers want to sell oil to China and

| other Pacific Rim countries? |  |  |  |  |  |  |
|------------------------------|--|--|--|--|--|--|
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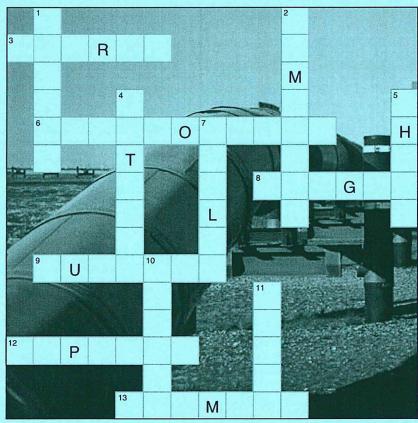
#### JUST TALK ABOUT IT

- 1. a) What is your understanding of the reasons for and against the Trans Mountain Pipeline expansion? Explain.
- b) Are you more in favour of or more opposed to the pipeline expansion? Give reasons to support your response.
- 2. Former Natural Resources minister Jim Carr says the Trans Mountain Pipeline does not sacrifice the environment for economic benefits. "Canadians want both and we can have both," he stated. Do you agree or disagree with the minister's statement? Give reasons to support your response.

#### ONLINE

Note: The links below are listed at www.lesplan.com/en/links for easy access.

- 1. Watch "The Kinder Morgan Trans Mountain pipeline controversy, explained," by Maclean's magazine at https://youtu.be/rcCZkFoZYv8 [9:16]
- 2. Find out more about the Trans Mountain Pipeline on the National Energy Board website at http://www.neb-one.gc.ca/nrg/ntgrtd/pplnprtl/pplnprfls/crdl/trnsmntn-eng.html
- 3. Watch "How are pipelines constructed" at https://youtu.be/Gap\_IhBIrGI [4:37]
- 4. Learn how oil sands are mined by watching the Alberta Energy Regulator's "What Really Happens at an Oil Sands Mine?" at https://youtu.be/SGQZMKoBoWI [3:34] and "Canada's Tar Sands: The Most Destructive Project on Earth?" at https://youtu.be/Sjia7BsP4Bw [7:49]. Compare these two accounts. In what ways are they similar? In what ways are they different? Explain.
- 5. Listen to a talk show on the proposed Trans Mountain expansion and why the project is so controversial at http://www.cbc.ca/radio/thesundayedition/the-sunday-edition-april-29-2018-1.4638038/a-primer-on-the-kinder-morgan-pipeline-1.4638118 [30:31]
- 6. Read about the plight of the Southern Resident Killer Whale population at https://www.whaleresearch.com/orca-population ★



(https://commons.wikimedia.org/wiki/File:Trans-Alaska\_Pipeline.jpg)

| ACROSS  | DOWN   |  |  |  |
|---|--|--|--|--|
| 3. NEB = National Board   | 1. most of Canada's oil is sold to the States  |  |  |  |
| 6. federal court ruled that Ottawa had not considered the pipeline's impact on the  8. Kinder | <ul><li>2. Trans Mountain pipeline starts here</li><li>4. thick form of crude oil extracted from the oil sands</li><li>5. Canadian oil producers want to sell to</li></ul> |  |  |  |
| 9. Trans Mountain pipeline ends here  | this Asian country   |  |  |  |
| 12. B.C. government is to the pipeline expansion project                                      | 7. provincial premier in favour of the pipeline 10. Federal Court of 11. federal court ruled that Ottawa failed to properly consult with local Nations                     |  |  |  |
| 13. Alberta said it would withdraw from the federal change plan                               |  |  |  |  |



Complete this map assignment to better understand the article *The Trans Mountain Pipeline*.

#### INSTRUCTIONS

- 1. Obtain the required resources and read all the instructions before starting.
- 2. Colour your map <u>after</u> all labelling is completed.
- 3. Print in pencil only first, then go over the printing in black ink.
- 4. Work carefully and neatly.

Resources Required: pencil, black pen, pencil crayons, ruler, eraser and an atlas.

Part A Locate and label the following provinces in CAPITAL letters and shade as indicated:

British Columbia (orange)

Alberta (yellow)

Part B Locate and label the capital of each province above and <u>underline</u> each city name.

Part C Locate and label the United States in CAPITAL letters and shade it green.

Part D Locate and label Jasper National Park and shade using a vertical pattern.

Part E Locate and label Banff National Park and shade using a diagonal pattern.

Part F Locate and label the following B.C. cities:

Vancouver

Kamloops

Prince George

Part G Locate and label Calgary, Alberta.

Part H Locate and label the route of the proposed Trans Mountain Pipeline Expansion Project.

Part I Locate and label the following rivers and shade them light blue:

Fraser River

Thompson River

North Thompson River

South Thompson River

Part J Locate and label Vancouver Island.

Part K Locate and label the following and shade all ocean water dark blue:

Pacific Ocean

Salish Sea

Part L Locate the Orca critical habitat and shade it purple.

**Part M** Complete your map with a frame, title and compass. ★



British Columbia



Alberta

