

# Pronteau Pipeline Project:

*Briefing Update and  
Implementation Options*



Ministry of Forests,  
Lands & Natural  
Resource Operations



# Interdepartmental Working Group

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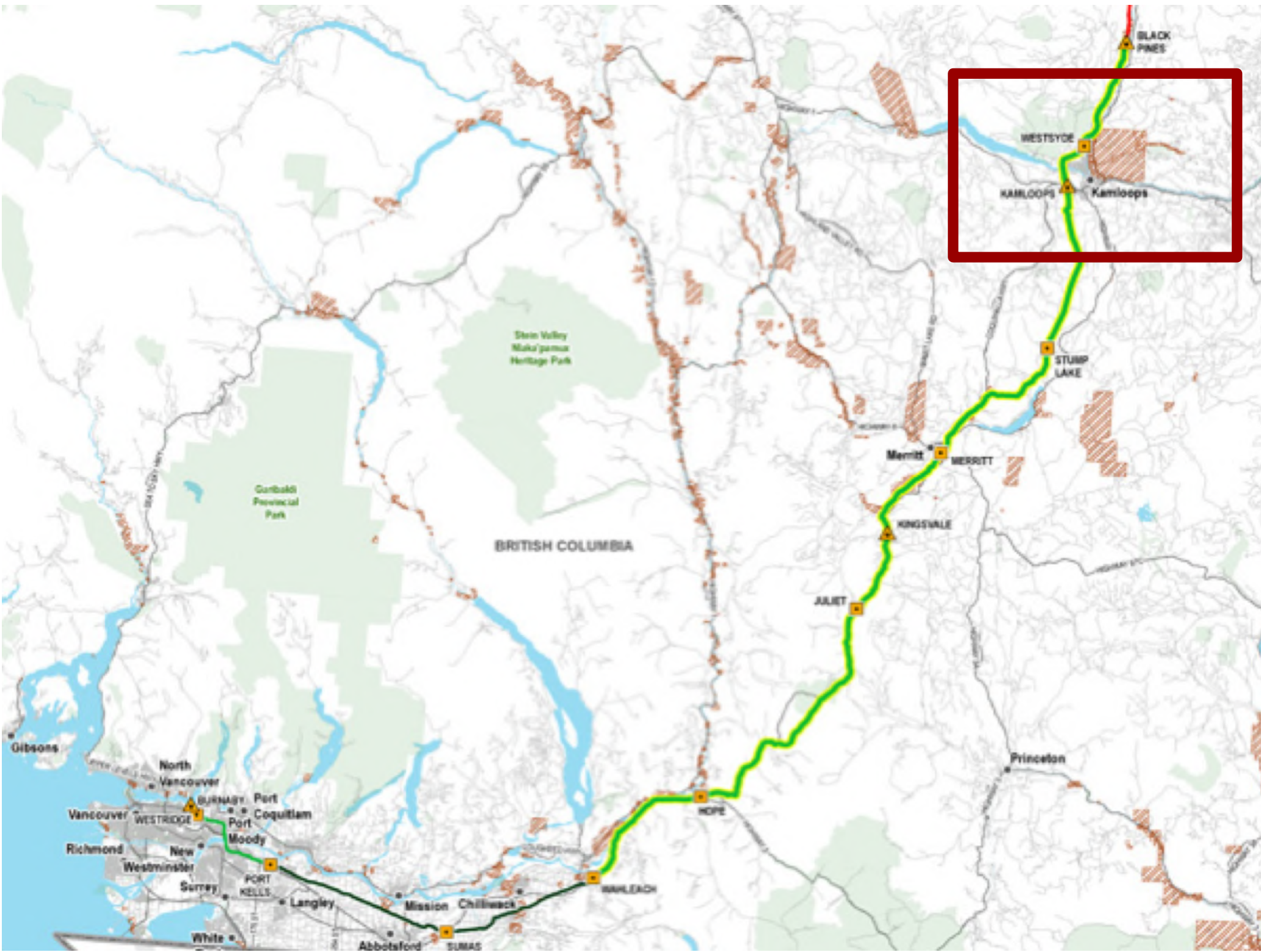
## **Aaron M. Haddish**

ADM Municipal Affairs & Housing



Our purpose is twofold:

- To provide background for briefing MLAs in order to build support for the project
  - To offer options for implementation along the pipeline route, drawing on the Kamloops case
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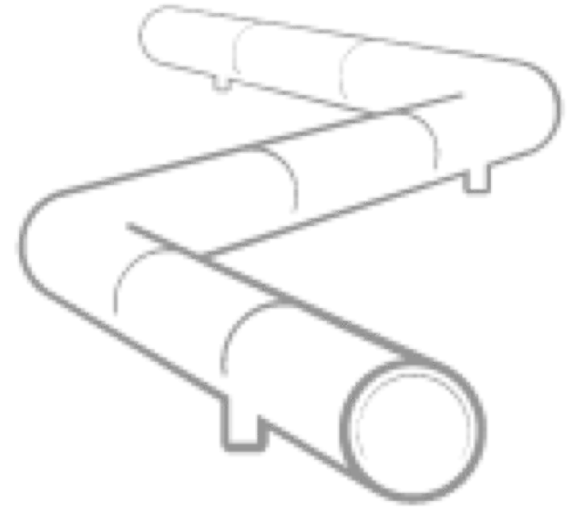


# Current Situation

- Federal approval in November, 2016
  - BC Government determined that delay tactics would be costly, diverting resources from other priorities
  - Community Benefit Agreements (CBAs) under negotiation, 22 completed
  - NEB route hearings taking place, with one scheduled in Kamloops in 90 days
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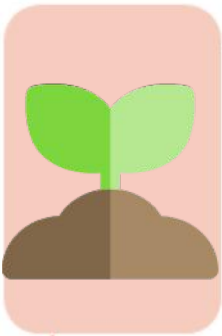
# Key Public Concerns

- Distribution of benefits at the local level
- Real and potential environmental effects
- Indigenous consultation





Economic  
Development



Environmental  
Protection



Indigenous & Local  
Engagement





## Economic Development

*“Work with communities and industry to develop a fair, lasting strategy to create more jobs” FLNR*

### Provincial Benefits

- \$6 billion over 20 years
- Investment, operations, tanker traffic

### Municipal Benefits

- \$500 million over 20 years
- \$10 million in Community Benefit Agreements (P3)

### Job Creation

- 4000+ associated position openings





Environmental  
Protection

*“Protect our land, water  
and air” EMPR*

## Oil transportation management

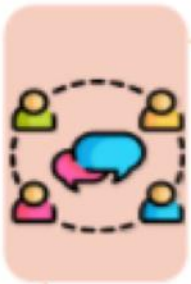
- Pipelines are 4.5x safer than rail (NRCan)

## NEB's environmental conditions must be met by P3

- Monitoring systems for air, wildlife, water and land

## \$2.5 billion Clean Futures Fund (P3)

- Provide grants for stream rehabilitation, beach cleanup and recycling programs



## Indigenous & Local Engagement

*“Work collaboratively and respectfully with First Nations to establish a clear, cross-government vision ” IRR*

Document and address impacts on traditional land and resource usage

- 96 Indigenous groups
- \$12 million in Mutual Benefit Agreements (P3)

Open forums with stakeholders

- 22 municipalities
- \$10 million in tailored Community Benefit Agreements (P3)

# Heat Map of Risks

Risk	Severity	Low	Medium	High
Increased Likelihood	Low	<b>Greenhouse Gas Emissions</b>	Species-at-Risk	Economic Disruptions
	Medium	Decreased Tourism	Habitat Loss	Water Pollution
	High	<b>Oil Leaks</b>	Litigation	<b>Oil Spills</b>

# Mitigation of Priority Risks

Case	Concern	Current Actions
<b>Greenhouse Gas Emissions</b>	Climate Change	Carbon pricing and caps
<b>Oil Leaks</b>	Land Pollution, Water Pollution	Implementation of Monitoring Systems
<b>Oil Spills</b>	Water Pollution	Ocean Protection Plan, Marine Oil Spill Response Plan



# Risk Management Vulnerabilities

- Slow oil spill and leak response times
  - Outdated pipeline monitoring systems
  - Dissatisfactory consultations with Indigenous and local groups
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# Options

**1**

## **SHORT TERM**

Local Training and Contingency Plans

**2**

## **MEDIUM TERM**

Pipeline Monitoring and Assessment Unit housed in FLNR

**3**

## **LONG TERM**

Provincial Energy Lab

# Option 1

## **Local Training & Contingency Plans**

- Train local emergency responders in oil leak and spill containment
- Develop contingency plans tailored to local conditions with municipalities and Indigenous communities
- Pronteau to administer and fund

# Option 2

## **Pipeline Monitoring and Assessment Unit**

- Interdepartmental unit to monitor pipeline to ensure compliance and develop consultations with Indigenous groups and local communities
- Publish annual pipeline report
- Unit accountable to Ministers of Indigenous Relations, Municipal Affairs, Environment, Energy & FLNR
- Regular briefings for MLAs to be arranged



# Option 3

## **Establish Provincial Energy Lab**

- Invest in R & D for innovative pipeline technologies
  - GPS, SCADA and oil absorbent polymers
- Funded by Public/Private Partnership
  - CEPA, private firms, the federal government, Indigenous peoples and academics
- Pilot projects and research grants
  - Environmental groups and communities



# Recommendation

## **Training Program + Pipeline Monitoring and Assessment Unit**

- Improve response times and clean-up efforts
  - Enhance monitoring of pipelines
  - Address concerns of local communities and Indigenous groups along the route through ongoing consultation mechanism
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# Implementation

**0-3  
Months**

Negotiate with Pronteau

**3-6  
Months**

Launch Pipeline Monitoring and Assessment Unit  
15 staff members  
\$2 million

**6-12+  
Months**

Consult with local communities and Indigenous groups  
Develop Local Contingency Plans

**12+  
Months**

Release first annual report

# Key Messages

## **Significant economic benefits for British Columbia**

- Job creation (4000+), CBAs (\$10 million), provincial revenues (\$6 billion)

## **We can manage the environmental risks**

- Strong protocols, training programs, monitoring oversight

## **Our environmental standards are high**

- Committed to NEB environmental standards and Paris Agreement on Climate Change, Clean Futures program, ECCC Report

## **Community safety is our priority**

- Pipeline Safety Act, Local Contingency Plans



# Communications Strategy

- Briefing for all MLAs (early-March)
  - Joint press conference with PM, Premiers of BC and AB in Vancouver (mid-March)
  - Ministerial Speech at Kamloops for the NEB route hearing (mid-May)
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# Questions?

