

Pronteau Plateau Pipeline

A Plan Forward



ADM TEAM

Sara Gasparello

Ministry of Municipal Affairs & Housing

Tom Harrison

Ministry of Environment & Climate Change Strategy

Samira Manfon

Ministry of Indigenous Relations & Reconciliation

Melissa Micu

Ministry of Energy, Mines, & Petroleum Resources

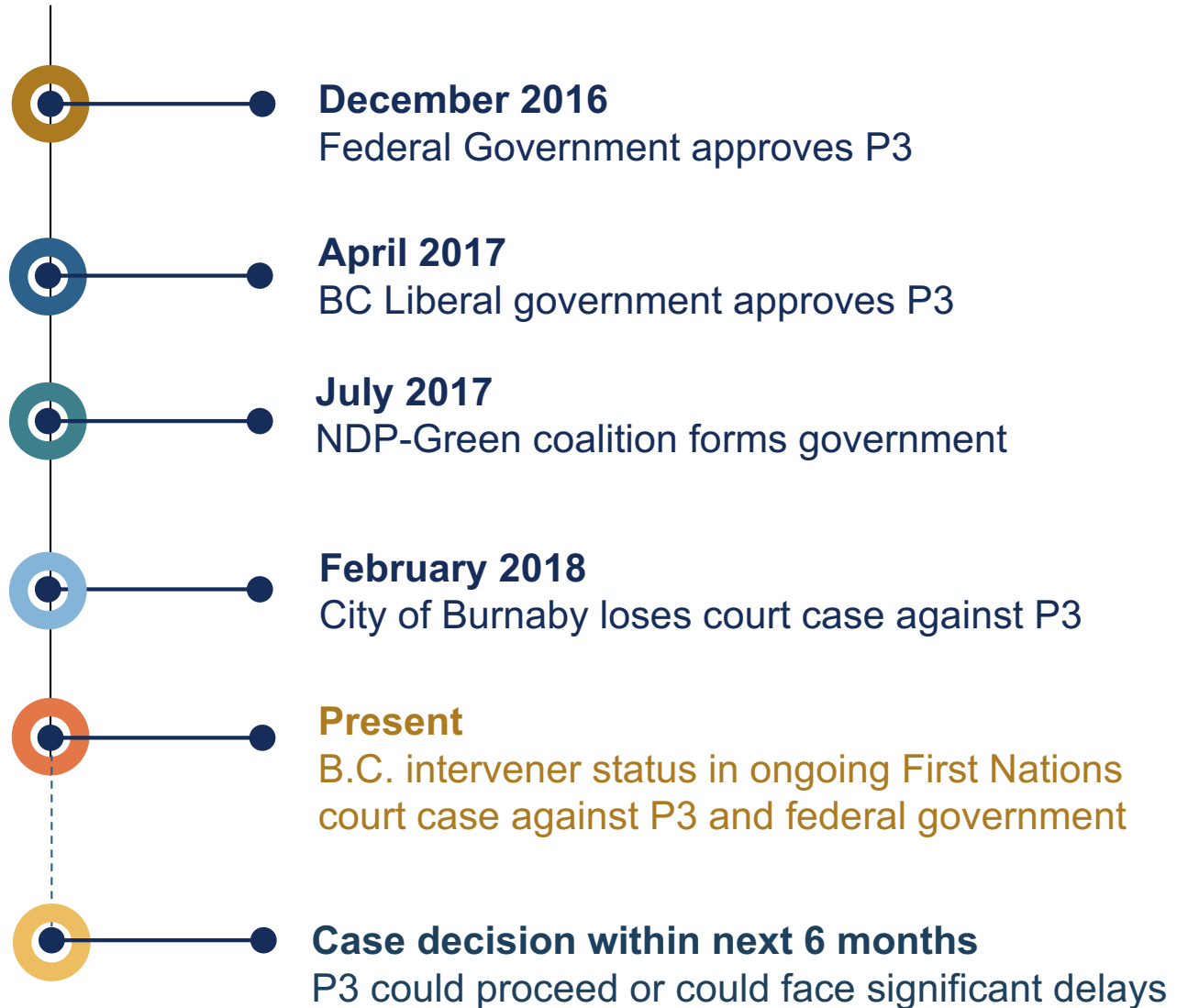
PROBLEM

Communities affected by Pronteau Plateau Pipeline (P3) have concentrated environmental risks and no guarantee of long-term economic benefits

PURPOSE

Create a model for communities affected by P3 project that fosters long-term sustainable economies

WHERE WE ARE



BACKGROUND

Government's Position

“Employ every tool available to defend
B.C.'s interests in the face of the
expansion of the Plateau Pipeline”

- Premier Jordan Hahn

BACKGROUND

Government's Priorities

- Making life more affordable
- Delivering the services people count on
- Creating a strong, sustainable economy

BACKGROUND

Implications of P3 Project

Political: Divisive issue

Economic: Revenue and job growth

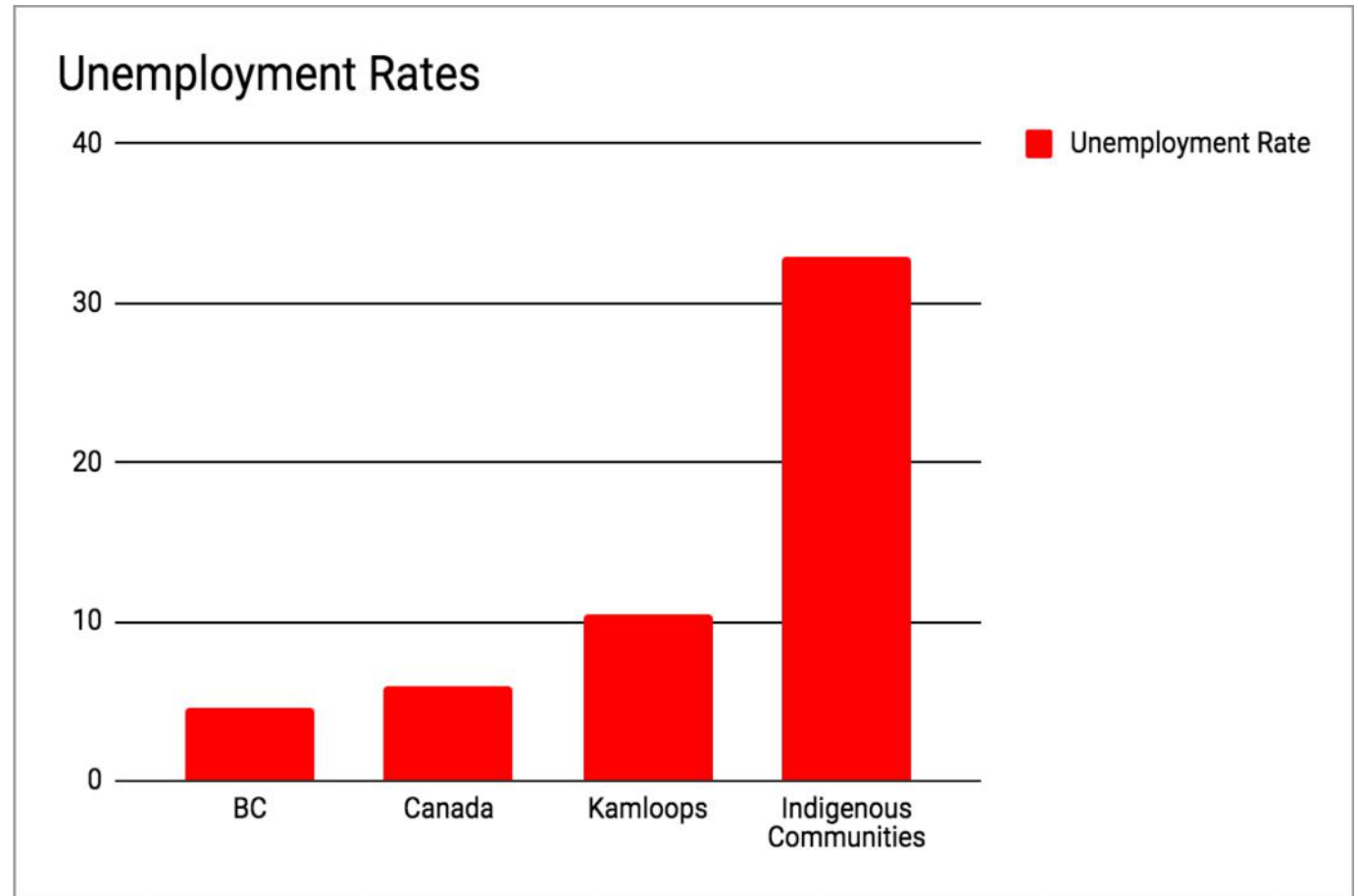
Environmental: Increased risk of spill,
disruptions to wildlife, pollution

Indigenous: Unsatisfactory consultation

KAMLOOPS: A Model for Learning

- ❑ Challenge of balancing risks with sustainability
- ❑ Largest remaining community without benefit agreement
- ❑ Divided public opinion for P3 Project

KAMLOOPS: Unemployment Rates



Foulds, 2018. "Of unemployment rates and working Kamloopsians." *Kamloops This Week*

KEY CONSIDERATIONS

**Economic
Benefits**



**Environmental
Protection**



**Indigenous
Engagement**



KEY CONSIDERATIONS

Economic Benefits

- High unemployment (10.4% vs. 4.6%)

Environmental Protection

- Resident concerns over safety & disruptions

Indigenous Engagement

- Wildlife disruptions
- Aquifer pollution

RISK MITIGATION: PROACTIVE

RISK	PROBABILITY	IMPACT	MITIGATION STRATEGY
Loss of support from environmental groups	High	Medium	Secure Green Party support
Perceived disregard of public will	Medium	High	Effective communication strategy and public consultation

RISK MITIGATION:

REACTIVE

RISK	PROBABILITY	IMPACT	MITIGATION STRATEGY
Political uncertainty	High	Medium	Continue intergovernmental discussions
Economic delays	Low	Low	Regular updates on status of negotiations

OPTIONS

1. Maintain Existing
Programs

2. Gas Tax Fund

3. Pipeline Communities
Development Trust
(Preferred)

1. Maintain Existing Programs

Communities continue to negotiate impact benefit agreements with Pronteau Oil and province mitigates risks through existing programs

Advantages

- Makes use of existing institutional frameworks
- Provides autonomy to communities in economic decision making

Disadvantages

- Government less able to encourage sustainable growth
- No significant Indigenous engagement
- Does not address broader public opposition

2. Gas Tax Fund to Local Sustainable Projects

Ministry of Municipalities & Housing creates new stream from the Federal Gas Tax funds for local sustainable economic projects

Advantages

- Tailor-made initiatives
- Predictable and stable funding
- Administrative and accountability frameworks in place
- No new funding required

Disadvantages

- Local rather than regional focus
- Project-based
- Limited Indigenous/public input
- Federal-Provincial agreements may change

3.

Pipeline Community Development Trust

Creation of a public trust dedicated to enhancing regional capacity and stimulating sustainable growth

Advantages

- Meaningful engagement
- Builds trust across sectors
- Shared resources
- Long-term opportunities for growth

Disadvantages

- Significant initial investment
- Requires more resources for project development and decision-making

OPTIONS ANALYSIS

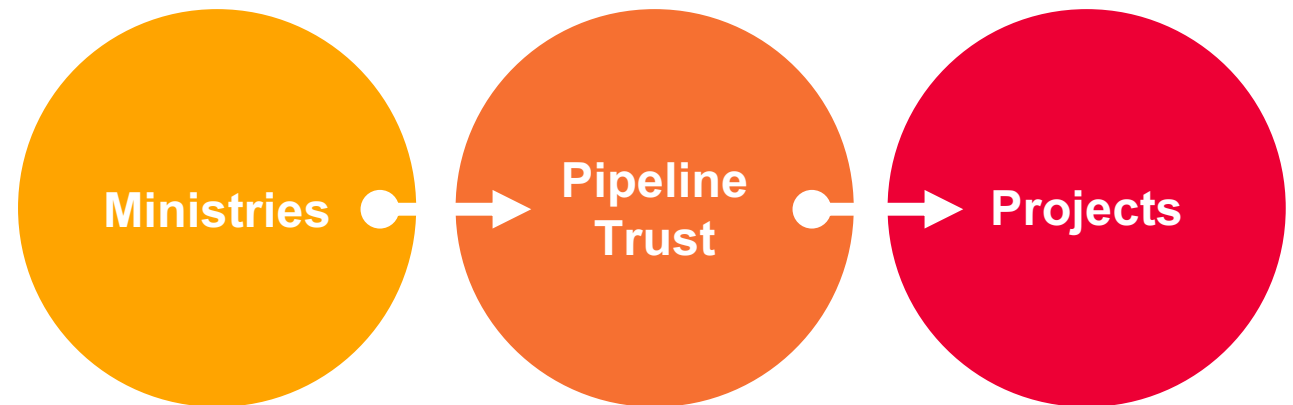
Option	1	2	3
--------	---	---	---

Economic Benefits	X		
-------------------	---	--	--

Environmental Protection			
--------------------------	--	--	--

Indigenous Engagement	X	X	
-----------------------	---	---	--

Implementing Pipeline Community Development Trust



**Return on
Investment:
Northern
Development
Trust
Example**

\$185 Million

Initial Investment for Northern Development Trust



**2800 projects
6000 jobs**



\$1 Billion

Returns to region





\$50 Million

Initial Budget Estimate

RISK MITIGATION:

PIPELINE COMMUNITIES TRUST

Risks

Mitigation Strategy

Readiness of groups to participate

- Enhance local capacity

Fear of loss of decision-making autonomy at municipal level

- Foster shared vision and common goals
- Build trust and develop relationships across geographic and sector boundaries

Some communities' needs not represented

- Regular consultations with key community groups

Short-Term Outcomes

1-2 Years

- ❑ Establish provincial legislation, modelled on the Northern Development Initiative Trust Act (2004)
- ❑ Establish initial composition of the Board of Directors and community advisory committees
- ❑ Hire an external auditor for annual audits

Long-Term Outcomes

3-5 Years

- ❑ Strategic plans including multi-year goals related to key objectives and evolving situations
- ❑ Evaluation of Pipeline Community Development Trust after 5 years

COMMUNICATION STRATEGY

Key messages

- Proactive policy planning in light of uncertain judicial outcome beyond provincial control
- Facilitation of long term sustainable community planning
- Effective stakeholder engagement

COMMUNICATION STRATEGY

Target Audience

- BC public
- First Nations
- Pipeline Municipalities
- Local MLAs
- Local businesses
- Community organizations

Means

- Premier press conference in Kamloops
- Social media awareness campaign
- Information sheets to local organizations
- Information meetings with local MLAs

Thank you

Questions?

Appendix 1

Pipeline Jurisdiction

Constitution Act, 1867

Section 92, subsection 10: Local Works and Undertakings other than such as are of the following classes: (a) Lines of Steam or other Ships, Railways, Canals, Telegraphs, and other Works and Undertakings connecting the Province with any other or others of the Provinces, or extending beyond the Limits of the Province

Campbell-Bennett v. Comstock Midwestern Ltd. [1954] S.C.R. 207

Appendix 2

Relevant Reports

CP, The Canadian Press. "Burnaby files appeal over tree cutting permits involving Trans Mountain pipeline." Calgary Herald. February 17, 2018.

[http://calgaryherald.com/news/national/burnaby-files-appeal-over-tree-cutting-permits-involving-trans-mountain-pipeline.](http://calgaryherald.com/news/national/burnaby-files-appeal-over-tree-cutting-permits-involving-trans-mountain-pipeline)

Foulds, Christopher. "Of unemployment rates and working Kamloopsians." Kamloops This Week. January 11, 2018. Accessed February 23, 2018.

[https://www.kamloopsthisweek.com/foulds-unemployment-rates-working-kamloopsians/.](https://www.kamloopsthisweek.com/foulds-unemployment-rates-working-kamloopsians/)

Ministry of Technology Innovation and Citizens Services. "Ministries." Province of British Columbia. October 13, 2017..

[https://www2.gov.bc.ca/gov/content/governments/organizational-structure/ministries-organizations/ministries.](https://www2.gov.bc.ca/gov/content/governments/organizational-structure/ministries-organizations/ministries)

Northern Development. Accessed February 23, 2018.

[https://www.northerndevelopment.bc.ca/.](https://www.northerndevelopment.bc.ca/)

"Renewed Gas Tax Agreement." UBCM | Renewed Gas Tax Agreement. Accessed February 23, 2018. <http://www.ubcm.ca/EN/main/funding/renewed-gas-tax-agreement.html>.

Appendix 3

B.C. Community Charter [SBC 2003] Chapter 26

Principles of municipal-provincial relations

2 (1) The citizens of British Columbia are best served when, in their relationship, municipalities and the Provincial government

- (a) Acknowledge and respect the jurisdiction of each
- (b) Work towards harmonization of Provincial and municipal enactments, policies and programs, and
- (c) Foster cooperative approaches to matters of mutual interest