

# **Fate of Tar Sands Pipelines Crucial for Climate Justice**

#### September 2011

President Barack Obama is facing a crucial decision that will define where he stands on climate justice. He can heed the advice from the Environmental Protection Agency (EPA) and refuse a permit for the construction of the Keystone XL pipeline from the Alberta tar sands to refineries in Texas. Or Obama could cave in to the petroleum industry lobby and approve the pipeline. With the EPA strongly opposed and Secretary of State Hillary Clinton "inclined" to approve the project the final decision will fall to Obama himself.

Construction of the Keystone XL violates the principle of Free, Prior and Informed Consent as enshrined in the UN Declaration on the Rights of Indigenous Peoples, a principle for which KAIROS has campaigned for many years. It also creates a situation in which tar sands production would need to be accelerated beyond projects currently approved. KAIROS has taken the position that there should be no further approvals of tar sands projects due to their projected carbon emissions, negative impacts on land and biodiversity and on the rights of Indigenous peoples.

### **The Keystone Pipeline: Impacts**

KAIROS and our many allies in the climate justice movement recognize that building the Keystone pipeline would violate Indigenous peoples' right to Free, Prior and Informed Consent before development projects can traverse their lands and potentially lead to extensive ecological destruction. Both the Keystone pipeline and the proposed Northern Gateway pipeline from Alberta to a new shipping terminal at Kitimat, B. C. would necessitate a substantial expansion of oil extraction from the Alberta tar sands. Since November, 2009, KAIROS has called for no further approvals of tar sands projects due to their projected carbon emissions, negative impacts on land and biodiversity and on the rights of Indigenous peoples.

Many opponents of the pipeline, including Indigenous peoples, ecologists, climate scientists and church groups such as Quaker Earthcare Witness, believe that stopping the Keystone pipeline is so essential that they have been willing to risk arrest in acts of non-violent civil disobedience at the gates of the White House from August 20th to September 3rd. 2011.1 Similar peaceful protests will take place in Ottawa on September 26th 2011.2 Prominent Canadians who have endorsed acts of civil disobedience include Council of Canadians chair Maude Barlow, scientist and broadcaster David Suzuki, and author Naomi Klein. The Massachusetts Council of Churches sent a delegation to meet with the Canadian Counsel in Boston to advocate against the pipeline, and on August 20, 2011 the Rev. Dr. Jim Antal, President of Massachusetts Conference of the United Church of Christ, was arrested at the White House demonstrations.

The case for opposing both the Keystone XL and the Northern Gateway pipelines is very strong. Both projects are crucial for industry plans to expand tar sands production that has already destroyed much of the boreal forest, polluted waters and undermined the health of Indigenous

peoples in northern Canada. Moreover, the tar sands are the fastest growing source of greenhouse (GHG) emissions in Canada. If industry expansion plans that are dependent on new pipelines are allowed to proceed, GHG emissions from the tar sands will triple to 92 million metric tons by 2020, wiping out all the GHG reductions achieved by closing coal-fired power plants.3

Current tar sands production capacity is 1.9 million barrels a day (mbd). In addition approvals have been given for the construction of projects capable of producing another 1.8 mbd<sup>4</sup> for a total capacity of 3.7 mbd. Current pipeline capacity for moving crude from Northern Alberta to markets totals approximately 3.8 mbd, sufficient to handle current and approved production capacity.5

However, the tar sands industry has ambitious expansion plans. In addition to the 3.7 mbd of installed and approved capacity, the industry has made applications for approval to build another 1.8 mbd of capacity and has disclosed or announced plans to apply for a further 2.2 mbd of capacity some time in the future.6 Hence the industry is anxious to win approval for the Keystone XL pipeline with an initial capacity of 700,000 barrels a day, eventually expandable to 1.5 mbd lest tar sands producers find themselves "landlocked in bitumen" with nowhere to market expanded production.7 The Gateway pipeline would transport 525,000 barrels of petroleum products each day, 70% of which would be bitumen from the tar sands. The industry says that new pipelines are essential.

#### **Greenhouse Gas Emissions**

In its draft Environmental Impact Statement (EIS) on the Keystone XL, the US State Department claims that tar sands oil is "similar" to other petroleum and that the impact of increasing reliance on tar sands oil "would be minor." In contrast, a letter sent by the US Environmental Protection Agency to the State Department states "We estimate that GHG emissions from the Canadian oil sands crude would be approximately 82 per cent greater than the average crude refined in the U.S. on a well-to-tank basis." This "well-to-tank" estimate (where the "tank" represents a vehicle's gas tank) downplays the actual difference. In fact, the extraction and upgrading of bitumen from the tar sands into synthetic fuel ready for refining emits 3.2 to 4.5 times more greenhouse gas than the production of conventional North American crude. 10

NASA climatologist James Hansen, a signatory to the call for sit-ins at the White House, has identified the Canadian tar sands as a prime source of carbon dioxide emissions that must be curbed. Hansen warns that "fully exploiting the tar sands will make it impossible to stabilize the climate." Hansen and colleagues sum up their authoritative study on levels of atmospheric carbon dioxide with the statement: "If humanity wishes to preserve a planet similar to that on which civilization developed and to which life on Earth is adapted, ... CO2 [concentration in the atmosphere] will have to be reduced from its current 385 ppm [parts per million] to at most 350 ppm, but likely less than that." 12 Since this study was published in 2008, CO2 concentrations have risen to 391 ppm. The approximately 1.7 trillion barrels of oil in the Canadian tar sands contain sufficient carbon to raise the concentration of CO2 in the atmosphere by about 150 ppm. If the 315 billion barrels of tar sands oil deemed to be recoverable with current technologies were all extracted, their combustion would increase global carbon concentrations by around 30 ppm. The 7 billion barrels

produced to date have already raised global CO2 concentration by approximately 0.7 ppm and if expansion plans are allowed to go forward over a ten year period, the Canadian tar sands would be responsible for more than a 2 ppm increase in global emissions.13

## **Indigenous Rights**

Indigenous peoples have protested vigorously against both the Keystone XL and the Gateway pipelines that violate their rights to free, prior and informed consent guaranteed under the UN Declaration of the Rights of Indigenous Peoples. The Indigenous Environmental Network has sponsored the Washington and Ottawa protests on the grounds that the Keystone pipeline would traverse sacred lands and endanger vital resources, including the Lakota aquifer. Similarly, the Athabasca Chipewyan First Nation in Alberta opposes further development of the tar sands because it endangers traditional hunting, trapping and fishing. KAIROS supports Canadian Indigenous communities' calls for independent studies into the cumulative impacts of tar sands development on health, water and ecosystems.

In the case of the Gateway pipeline the corporate sponsor, Enbridge, has tried to buy Indigenous peoples' support with offers of nearly \$1 billion in equity in the pipeline and other payments. However, Indigenous peoples have steadfastly resisted these offers. Five nations of the Yinka Dene Alliance in B.C., supported by the Dene National Assembly representing First Nations throughout Northern Alberta and the Northwest Territories, have rejected the offer. One half of the pipeline and tanker route would traverse the traditional territories of Indigenous peoples who oppose the pipeline.14 "Our lands and waters are not for sale, not at any price," declares Chief Larry Nooski of the Nadleh Whut'en First Nation.15 Similarly, Pete Erickson, a councilor from the Nak'azdli First Nation told Enbridge's annual meeting "We do not want your money. ... I'm asking you ... [to] respect our traditional law governing our own lands for us to determine our own future."16 Grand Chief Stewart Phillip, President of the Union of British Columbia Indian Chiefs stated "The UBCIC is opposed to the Enbridge Pipeline Project and stands with the many First Nations who are standing as a unified block in their opposition to this proposed Tar Sands pipeline."17 In addition to the danger of ruptures over land and streams in Northern British Columbia's sensitive watersheds for the Fraser, Skeena and Kitimat rivers, Indigenous peoples, ecologists and fishers are very concerned about the dangers of an oil spill at sea. Approximately 225 oil tankers would annually have to navigate through B.C.'s coastal archipelago bearing crude bound for Asia or the west coast of the USA. Memories of the Exxon Valdez spill in Prince William Sound nearby in Alaska that contaminated 2,100 kilometers of coastline are still very much alive among those who depend on the salmon fishery in British Columbia.18

## **Keystone XL would Extend Canada's NAFTA Obligation to Export Oil**

In addition to the threat it poses to ecosystems and indigenous rights, the Keystone XL pipeline would pose a further obstacle to Canada's ability to cut back on oil extraction in the future. The North American Free Trade Agreement (NAFTA) obliges Canada to make available to the US the same proportion of its total supply of oil and gas as was exported over the previous three years, even if these exports cause shortages for Canadians.19 According to the most recent data

available, if Canada were to choose to cut back ten percent of its oil production for conservation purposes and to fight climate change, Canada would still be obliged to make available 67.5 percent of its oil production for export to the United States. As a result Canadians would face a domestic shortfall of 46 million barrels of oil a year, equivalent to 26 days of domestic consumption. If Keystone XL pipeline were built and operated at its ultimate capacity Canadian exports to the US would rise by 1.5 million barrels a day. As a result Canada's obligation to make a portion of its oil supply available to the United States would also rise from 67.5% of total production currently to around 72%.20 If the Gateway pipeline were used to ship crude to US refineries instead of to Asia, the NAFTA obligation to make oil available to the US could be even higher.

#### Conclusion

Prominent KAIROS partners including George Poitras, Former Chief of the Mikisew Cree First Nation at Fort Chipewyan, Alberta and several Nobel Laureates including Archbishop Desmond Tutu and Adolfo Perez Esquival have written to President Obama urging him not to approve the Keystone Pipeline.

Those who could not travel to Washington to deliver a message directly to President Obama are invited to go on line at http://www.tarsandsaction.org/obama-petition/ to sign a petition addressed to the President that says:

"The tar sands represent a catastrophic threat to our communities, our climate, and our planet. We urge you to demonstrate real climate leadership by rejecting the requested permit for the Keystone XL pipeline and instead focus on developing safe, clean energy."

KAIROS is planning a visual presence on Parliament Hill on September 26, 2011 along with allied Indigenous, civic and environmental organizations to protest against the Keystone pipeline. For information on plans for the September 26 peaceful protest in Ottawa see <a href="http://ottawaaction.ca/join-us">http://ottawaaction.ca/join-us</a>

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KAIROS unites 11 churches and religious organizations in faithful action for ecological justice and human rights.

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- 1 See Stop the Pipeline! Tar Sands Action web site at http://www.tarsandsaction.org
- <sup>2</sup> See http://ottawaaction.ca/join-us
- <sup>3</sup> Environment Canada projections cited in Nathan Vanderklippe. "Oil Sands expected to undo carbon cuts at power plants." *The Globe and Mail*. August 8, 2011 B3.
- <sup>4</sup> See R.B. Dunbar. *Existing and Proposed Canadian Commercial oil Sands Projects*. Calgary: Strategy West. January 2011. at http://strategywest.com/downloads/StratWest\_OSProjects\_2011\_01.pdf
- <sup>5</sup> See Michelle Mech. *A Comprehensive Guide to the Alberta Oil Sands*. May 2011. p.47. at http://greenparty.ca/files/attachments/a\_comprehensive\_guide\_to\_the\_alberta\_oil\_sands\_\_may\_20111.pdf
- 6 R.B. Dunbar. op. cit.
- <sup>7</sup> Nathan Vanderklippe and Shawn McCarthy. "Without keystone XL, 'landlocked in bitumen'." *The Globe and Mail* June 9, 2011.
- 8 Cited in "Wikileaks reveals State department discord over U.S. support for Canadian tar sands oil pipeline." At http://thinkprogress.org/romm/2010/12/31/207150/wikileaks-state-department-canadian-tar-sands-oil-pipeline
- <sup>9</sup> Cited in Keith Stewart and Melina Laboucan-Massimo, *Deep Trouble: The Reality of In Situ Tar Sands Operations*, Toronto and Edmonton: Greenpeace Canada, 2011, p.4.
- 10 Michelle Mech. op. cit. p. 6.
- 11 Leahy, Stephen. "Canada Spurns Kyoto in Favour of Tar Sands." IPS. June 13, 2011.
- 12 James Hansen et al. "Target Atmospheric CO2: Where Should Humanity Aim?". *The Open Atmospheric Science Journal*. 2008, 2, p.217.
- 13 Calculations based on author's correspondence with Michelle Mech based on data from the Intergovernmental Panel on Climate Change in consultation with Professor David Keith from the University of Calgary.
- 14 Barbara Yaffe. "Natives Aren.t Buying Northern Gateway Pipeline." Vancouver Sun. Feb. 16, 2011.
- 15 Cited in Shawn McCarthy. "B.C. Indian bands give thumbs-down to pipeline." *The Globe and Mail*. Dec. 17, 2010. B3.
- <sup>16</sup> Cited in Nathan Vanderklippe. "Enbridge looks to LNG export boom." *The Globe and Mail*. May 12, 2011. B3.
- <sup>17</sup> Press Release. "UBCIC Opposes Enbridge Pipeline Project." Vancouver: Union of B.C. Indian Chiefs. March 23, 2010.
- <sup>18</sup> Tyler McCreary. "Hundreds protest Enbridge Northern Gateway Pipeline in Kitimat, B.C." rabble.ca September 2, 2010.
- <sup>19</sup> Gordon Laxer and John Dillon, *Over a Barrel: Exiting from NAFTA's Proportionality Clause*, Ottawa and Edmonton: Canadian Centre for Policy Alternatives and Parkland Institute. 2008.
- <sub>20</sub> This calculation based on data from *Statistics Canada Energy Statistics Handbook* First Quarter 2011 Table 4.1 assumes that domestic demand and imports would continue at their 2010 levels and that the Keystone XL would be filled with new production from the tar sands.