

The Top 9 Reasons Why Energy East Is Bad for the Climate

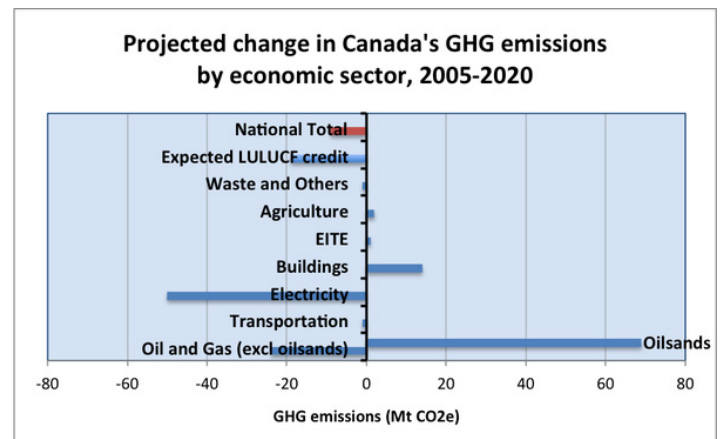


The proposed Energy East pipeline is getting a lot of attention these days, and for very good reasons. Proposals to build new pipelines like Energy East matter because they're the key to unlocking tar sands expansion, which is a huge problem for the climate. Here's why that's an issue.

1. Building Energy East means expanding the Tar Sands – which we can't afford to do

Right now, Canada's tar sands are producing about 2 million barrels of oil per day. The industry would like that production to more than double to 5.2 million barrels per day by 2030. Energy East, which would transport an estimated 1.1 million barrels every day, would make up a huge part of that projected growth.

The tar sands are already the fastest-growing source of greenhouse gas pollution in Canada. Government data shows that between 2005 and 2020, all other parts of Canada's economy are projected to achieve a reduction of 43 million tonnes, while tar sands would grow by 67 million tonnes. This means the growth in tar sands emissions would nearly wipe out all the reductions other parts of the economy are on track to make. This is illustrated in the chart.





The planned growth in the tar sands is the single biggest reason that Canada is now on track to miss our national 2020 climate target by a huge margin. Prime Minister Stephen Harper backs the tar sands industry's growth plans 100 percent, and that support is poisoning Canada's approach to climate change.

2. The world's limited "carbon budget" makes no room for tar sands growth

From a climate perspective, we all need to start burning less oil — and policies like better fuel efficiency standards for vehicles and smarter city design to encourage public transit use are making a difference now.

We can't phase out all fossil fuels immediately: the world's economies will continue to use some oil, gas and coal in the years ahead. But compared to other sources of oil, tar sands is among the dirtiest, producing more pollution than nearly any other crude option.

As researchers at MIT concluded in a 2010 paper that looked at how global climate action changed the demand for tar sands, "the niche for the oil sands industry seems fairly narrow and mostly involves hoping that climate policy will fail."

Betting on the tar sands means betting against the world doing what it takes to tackle climate change.

3. Energy East would lock in growing emissions

Today's pipeline network is essentially able to move today's tar sands production level. So the pipeline proposals on the drawing board now are not needed to maintain what we already have; they're needed only if we want to grow tar sands production and export more bitumen.

New pipelines and the new tar sands operations they would support are multi-billion dollar investments designed to last for decades. Once they're built, you can guarantee that the companies who spent that money will want to get a return and they'll fight any climate policies that could lead to "stranded capital," arguing that it's not fair to change the rules of the game halfway through.

Energy experts call this phenomenon "lock in," meaning that a specific piece of infrastructure can lock in its full lifetimes' emissions once it's built.

Think about what that really means. Tar sands companies want to keep growing their operations for decades to come; their share prices depend on continuing to develop their reserves and finding new ones. This is a vision of the future that is fundamentally at odds with a safe climate.

Energy East is a proposed \$14.4 billion pipeline, that would be estimated to operate for around 40 years, if not more.

So the decision about whether to build a new tar sands pipeline isn't about two years' worth of construction jobs. It's really about the kind of future we want to see 20, 30, even 40 years from now.

4. Other tar sands pipelines are nearly full

Thanks to growing U.S. oil production, the existing pipeline network is almost at capacity already. So the tar sands industry's expansion plans depend on finding new transportation options to move tar sands to markets, preferring pipelines to rail.

Think of new pipeline proposals Energy East, Keystone XL or Northern Gateway as superhighways to tar sands expansion: they offer companies affordable, predictable access to the refineries and markets the industry wants most.

The Canadian Association of Petroleum Producers (CAPP) is absolutely upfront about the need for more pipelines and rail. Its forecast of rapid tar sands expansion estimates that producers will need "additional transportation capacity exiting western Canada" to avoid the risk of tar sands production being landlocked.

5. The tar sands industry needs every pipeline proposal on the books and more

Hitting industry's production goals doesn't just depend on the Energy East pipeline, even though the pipeline alone would allow a one-third increase in the crude being shipped out of western Canada. To realize the more than 9 million barrels per day that companies eventually foresee, they will need every pipeline proposal now on the books and more after that.

Companies can also put tar sands on rail, but it's more expensive for the companies. As CAPP writes in its market forecast, "pipelines will remain the preferred mode of transportation for crude oil." And in the wake of the Lac-Mégantic tragedy, the Canadian public's appetite for a massive expansion of rail infrastructure to transport crude oil is likely to be limited.

There's no way that Stephen Harper's government and the Government of Alberta would be pushing so hard for these pipelines if they didn't matter. Government and industry have said it again and again: pipelines allow the tar sands to grow.

6. Energy East would lead to a huge increase in climate change emissions

According to a recent article published in Nature, scientists now estimate that in order to have a chance at preventing dangerous levels of climate change, about a third of all oil reserves must never leave the ground. Their warnings about the tar sands are more dire: 85% of those reserve must never be touched, because they produce so much more emissions.

If we were taking that message seriously, Canada would be in the process of slowing, then stopping altogether, the expansion of new tar sands operations.

Instead, if built, the Energy East pipeline would generate at least 30-32 million tonnes of additional greenhouse gas emissions, every year – just from the process associated with extracting the bitumen. This doesn't even take into account the end-product of the oil, which may be burned, generating even more emissions.

This is a significant number – approximately equaling the emissions saved by Ontario's closing of its coal plants, or the amount of emissions generated every year by every car in Ontario, or approximately 7 million cars. We simply can't afford Energy East.

7. Energy East must be a turning point for the tar sands' future

In the US, President Barack Obama has signalled that he may be prepared to reject the proposed Keystone XL pipeline. If he does, it would demonstrate that climate change is now a critical factor in making decisions about our energy future. A 'no' on Keystone XL would force everyone to challenge the assumption that oil reserves will inevitably be developed, making potential tar sands investors think twice about other expansion plans.

In Canada, we have a similar decision to make around the proposed Energy East pipeline. We want our political representatives to recognize that the future they would be locking us into with the Energy East pipeline is one that is incompatible with avoiding the worst impacts of climate change.

Instead, we can avoid locking in new tar sands emissions, and instead towards channeling our investments into renewable alternatives.



If more than one pipeline fails to go ahead, industry would be looking at a changed landscape: growing transportation bottlenecks with no relief in sight, matched with a growing emphasis on lower-carbon options supported by people power. Suddenly the sector's growth plans would shift from being inevitable to being very questionable. Investors would start looking at other options for their energy dollars.

8. We need serious policies to reduce tar sands emissions. We don't have them

Here in Canada, we need strong oil and gas sector greenhouse gas regulations to reduce emissions from tar sands production. Those rules must be strong enough to at least get Canada to meet its 2020 climate target and make deeper cuts after that.

While the federal government has been set to introduce potential rules for years, there are currently no federal limits on greenhouse gas pollution from the tar sands. In reviewing the Energy East pipeline, the federal government has signalled that it is not interested in looking at the pipeline's climate change impact, which we think is a grave mistake.

Canada can also do more to cut its own use of oil. Investments in sustainable transportation — such as, more walkable cities, better public transit, and electric vehicle infrastructure — are all important. Tight-

ening up fuel efficiency standards for vehicles over time will also make a difference.

But much of Canada's oil and gas development is for export, so we need to support a strong global climate treaty that reduces the world's demand for oil. We also need a national clean energy strategy that helps us plan for success in a low-carbon world.

9. We don't need to put our future on the (pipe)line

There are many, many valid local reasons to say no to the Energy East, including the risk of dangerous spills to communities like ours along the route. There are similar concerns from other proposed methods of shipping oil, including by train, tanker, or truck.

None of these transportation methods help us transition to a less carbon-intensive world. More than anything, pipelines like Energy East would lock us into an outdated energy model for decades to come, as other countries and economies move on to technologies of the future. We're not so much saying 'no' to Energy East as we are saying 'yes!' to all the better alternatives that exist.

Contact Information

TarFree613 Website:
www.tarfree613.ca

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