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Government, Regulators and Energy Policy

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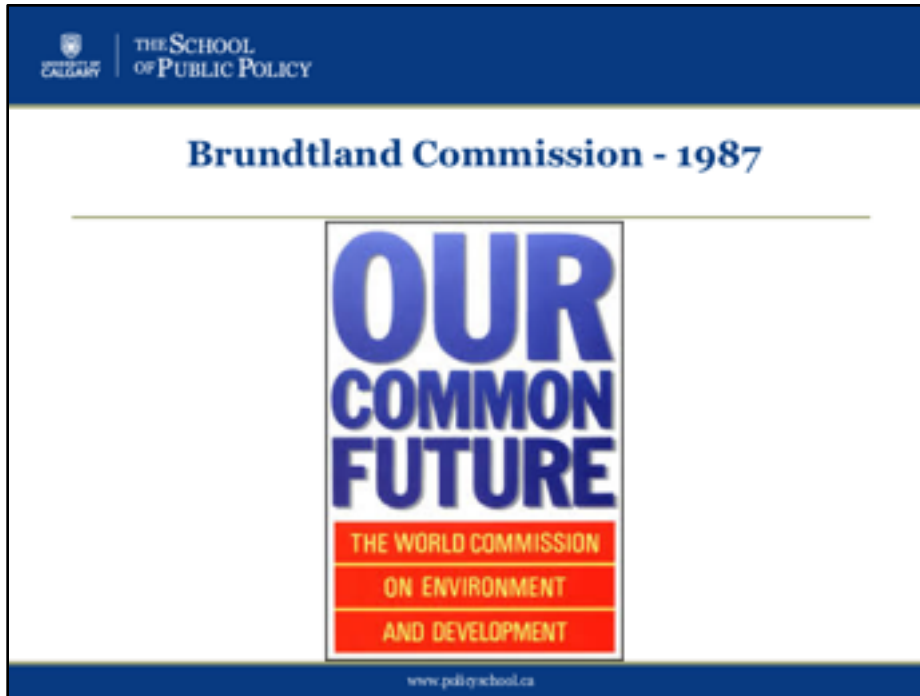
Thank you for inviting me to this prestigious event. You have asked me to cover a very broad topic, with an lot of interconnecting elements.



What is going on?!?! Does anybody know?

- Recall Brundtland?
- Recall the Greek?
- Assume success following COP 21
- Public policy on the move !!!
- Canadian energy and its future: is the glass half full or half empty?

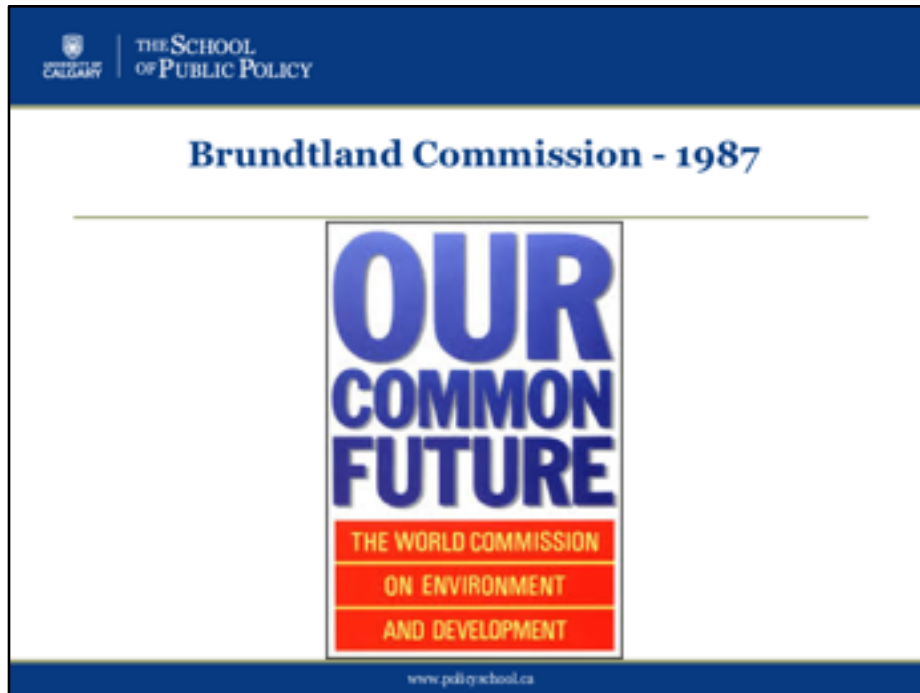
Even as a full time observer and commentator in the field of public policy, I find it hard to keep track of all the changes!



The Brundtland Commission produced their report in 1987. This was before COP -1 (Berlin, 1995), Conference of the Parties, Framework Convention on Climate Change. Many people see in the Brundtland report the foundation of the sustainability movement.

According to the Brundtland report, sustainable development (now called sustainability) is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts:

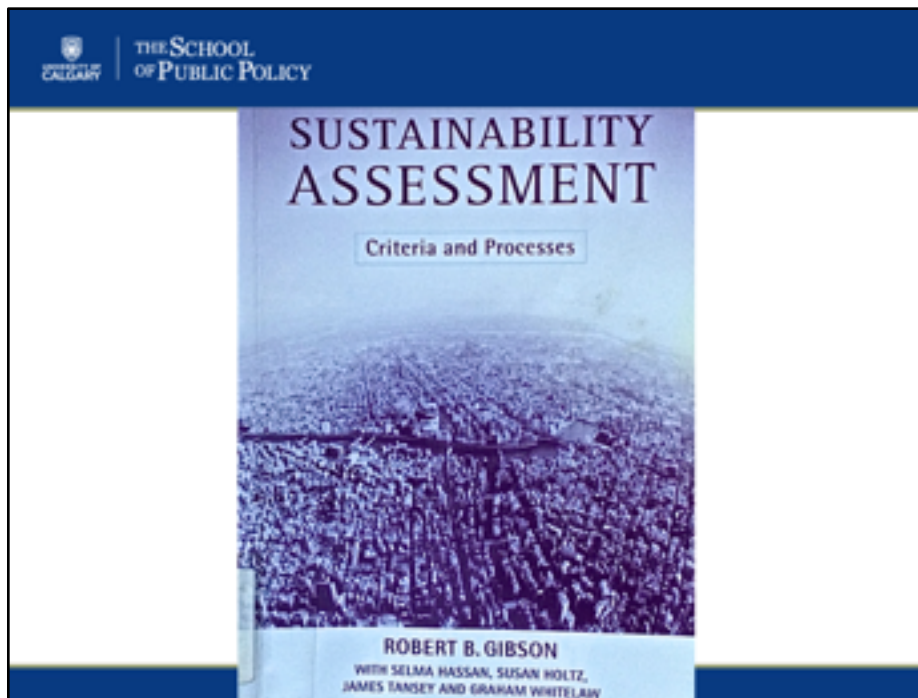
- the concept of 'needs', in particular the essential needs of the world's poor, to which overriding priority should be given; and
- the idea of limitations imposed by the state of technology and social organization on the environment's ability to meet present and future needs.



Aside from its intended outcomes, sustainability is also a decision-making process. In the language of the Brundtland Commission:

- “Together, we should span the globe, and pull together to formulate an interdisciplinary, **integrated** (emphasis added) approach to global concerns and our common future.”
- “Environment and development are not separate challenges; they are inexorably linked.”
- “Thus economics and ecology must be completely **integrated** (emphasis added) in decision making and lawmaking processes not just to protect the environment, but also to protect and promote development. Economy is not just about the production of wealth, and ecology is not just about the protection of nature; they are both equally relevant for improving the lot of humankind.” (a few words later on Human Development)
- “The concept of sustainable development provides a framework for the **integration** (emphasis added) of environment policies and development strategies”

(Incidentally, this is very much the language used by Prime Minister Trudeau).



The concept of integration has been developed in a practical way by Professor Robert B. Gibson, from Waterloo University, and four colleagues, in a landmark book on the practice of conducting sustainability assessments. According to Gibson *et al.*:

“...sustainability is the proper central concern of decision making. It is not one item of a list of relevant considerations, but a broad conceptual framework and set of general values for integrating the full suite of relevant considerations...The full concept...is comprehensive of all factors, at all levels, that may affect the desirability and durability of future conditions.”

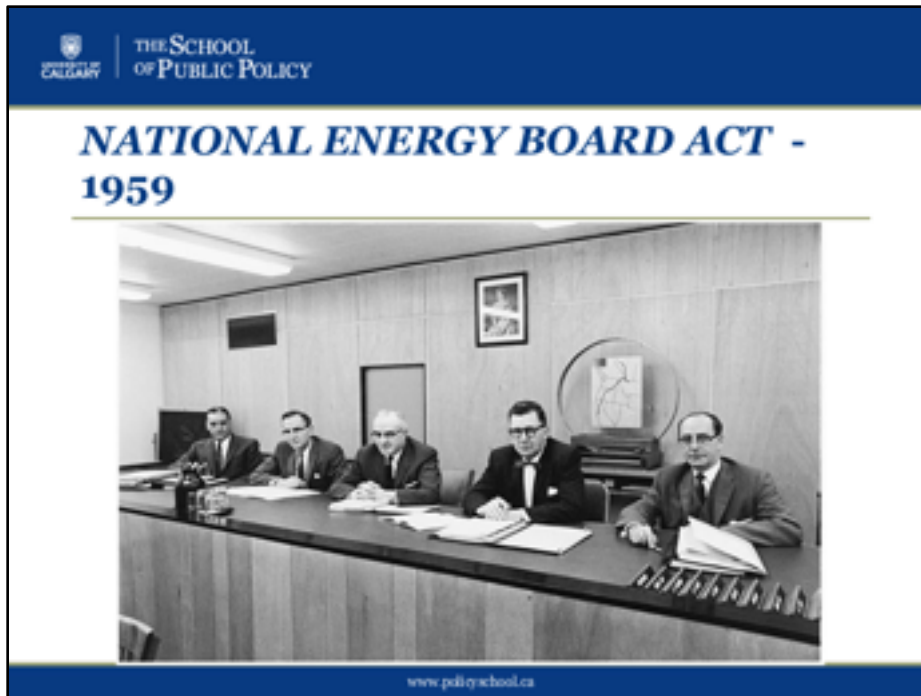
NATIONAL ENERGY BOARD ACT - 1959



In 1959, the Diefenbaker government, based on the hard lessons learned during the Great Pipeline Debate of 1956, and the defeat of the Liberal Government 1957, commonly believed to have been caused in large measure by the Debate, decided to depoliticize discussions about pipelines and asked Parliament to create the National Energy Board. In its mandate, still fundamentally the same today, Parliament asked the NEB to approve or reject pipeline projects based on the following:

52. (1) If the Board is of the opinion that an application for a certificate in respect of a pipeline is complete, it shall prepare and submit to the Minister, and make public, a report setting out
- (a) its recommendation as to whether or not the certificate should be issued for all or any portion of the pipeline, taking into account whether the pipeline is and will be required by the present and future public convenience and necessity, and the reasons for that recommendation; and
 - (b) regardless of the recommendation that the Board makes, all the terms and conditions that it considers necessary or desirable in the public interest to which the certificate will be subject if the Governor in Council were to direct the Board to issue the certificate, including terms or conditions relating to when the certificate or portions or provisions of it are to come into force.
- (2) **In making its recommendation, the Board shall have regard to all considerations that appear to it to be directly related to the pipeline and to be relevant, and may have regard to the following:**
- (a) the availability of oil, gas or any other commodity to the pipeline;
 - (b) the existence of markets, actual or potential;
 - (c) the economic feasibility of the pipeline;
 - (d) the financial responsibility and financial structure of the applicant, the methods of financing the pipeline and the extent to which Canadians will have an opportunity to participate in the financing, engineering and construction of the pipeline; and
 - (e) **any public interest that in the Board's opinion may be affected by the issuance of the certificate or the dismissal of the application.**

Section 52.(2) of the NEB Act is very much the language of integration in Brundtland. 28 years earlier.



Over the years, the mandate of the NEB has been fine-tuned. These provisions are from C-38, *Jobs, Growth and Long-Term Prosperity Act (2012)*.

52. (4) The report (*recommending approval or denial of a pipeline application*) must be submitted to the Minister within the time limit specified by the Chairperson. The specified time limit must be no longer than **15 months** after the day on which the applicant has, in the Board's opinion, provided a complete application. The Board shall make the time limit public.

55.2 On an application for a certificate, the Board **shall** consider the representations of any person who, in the Board's opinion, is **directly affected** by the granting or refusing of the application, and it **may** consider the representations of any person who, **in its opinion, has relevant information or expertise**. A decision of the Board as to whether it will consider the representations of any person is **conclusive**.



Legislation passed by the Members of Parliament (or provincial legislatures) we elect, such as legislation creating independent, quasi-judicial regulatory agencies, is a pure expression of democracy. Let's talk about democracy.

In the year 507 B.C., the Athenian leader introduced a system of political reforms that he called demokratia, or "rule by the people."

“Democracy is the worst form of government, except for all those other forms that have been tried from time to time.”

(from a House of Commons speech on Nov. 11, 1947)



The concept of the “common good” is central in a discussion of democracy. The concept was defined in Ancient Greece and further developed several centuries ago by philosophers such as Jean-Jacques Rousseau. In Encyclopædia Britannica, “common good” is defined as that which benefits society as a whole, in contrast to the private good of individuals and sections of society. There is a presumption that common goods must be pursued for the overall benefit of society, even if individuals or sections of society find it inconvenient or contrary to their interests to seek the common good.

Consistent with Churchill’s quote, until something better has been found and successfully tested, civil society is best served by democracy, seeking the common good, the rule of law and, in the Canadian context, the implementation of the decisions of Parliament and the provincial and territorial legislatures. Energy projects are to be assessed in the public domain by public institutions that are required, in law, to make decisions in the public interest.

It is inevitable that any project will inconvenience or be contrary to the interests of a number of people. Therefore, our public institutions must look for the common good, which benefits society as a whole, in contrast to the private good of individuals and sections of society.

Decisions made by public bodies will earn the support of some and the disapproval of others. This is the very nature of decisions made in the pursuit of the common good, for the overall benefit of society, even if individuals or sections of society find the decision inconvenient or contrary to their interests.



Canada is an advanced democracy, the envy of the world, where the rule of law prevails, under a Westminster form of government, supported by public institutions which are governed by fundamental principles of transparency, natural justice, procedural fairness, independence, and evidence-based.

Under our Constitution, broad policy is set by Parliament. Take for instance the provisions implemented through Bill C-38, *the Jobs, Growth and Long-term Prosperity Act*. As indicated earlier, it is through C-38 that the NEB has been asked to do its work under legislated time limits, and hear only from “directly affected” people. To be opposed to these provisions, and to criticize the institutions implementing them, is to be opposed to democratic choices made by elected officials. It is fair to do so, provided the response is to try and elect different people. It is not fair to criticize regulatory agencies for their implementation of the law.

In that regard, I believe that recent news coverage about the trust people have in institutions like the NEB is the result of the regulatory process having been politicized. The NEB has been blamed in political circles for implementing Bill C38 and making tough choices about sustainability. The people working at the NEB cannot defend themselves against vague and global condemnations. Yet, ask anybody to identify a specific error the NEB has made in a specific case, in law or in judgment, or in its reasoning. You will not find much, if anything. In the very few cases in its 57 years of existence the NEB has made errors, notably in matters of jurisdiction, its actions have been taken to the Courts and the Courts have corrected the error. In the Westminster form of government, this is how democracy is supposed to work. And it does work.



This takes us to the role of political leadership in a democracy. Leadership is well illustrated by the choices made recently by Prime Minister Trudeau on the gender balance on Cabinet.

Let us also talk about the social licence trap in the context of a democratic society like ours.



In the Liberal platform, you see the following quote:

“While governments grant permit for resource development, only communities can grant permission.”



In the Sumas 2 application for a power line across the Canada - US border near Abbotsford, a 1500-person protest was held outside a NEB hearing, demanding that the Sumas 2 hearing dates be pushed back. Local residents on both sides of the border protested that the environmental costs of the project would outweigh the economic benefits. Residents argued that natural gas emits greenhouse gases and that pollutants would be trapped in the Fraser Valley. To put pressure on decision makers, local residents first held public meetings, attracted the interest of local media and then enlisted the support of local politicians. They attended environmental hearings on both sides of the border, making submissions with help from environmental experts. As time went on, local Members of the Legislative Assembly and Members of Parliament joined in.

The NEB denied the project application, as being contrary to the public interest. In its decision, however, the NEB usefully clarified that “decisions by regulatory tribunals such as the National Energy Board are not made by conducting a plebiscite or merely on the basis of a demonstration of public opposition or support. Rather, such decision are made within a legal framework enacted by the legislature and applied by the courts. This is, of course, the essence of the rule of law.”

So people protest. They protest against the oil sands, against oil and gas pipelines, and against fracking. And they protest against other things too.



People protest against wind farms.



People protest against solar farms.



People protest against hydro-electricity.

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Green energy plan threatens marine zone

By Tom Perle

Sea Otter Ocean Correspondent

They contain some of the rarest and most beautiful sea creatures found around British coast and they finally were protected only 18 months ago. Now the 27 marine conservation zones (MCZs) are being the first test of whether these designations means much more than the paper it is written on.

The Marine of Cornwall Lizard peninsula, named after locally sub-merged lighthouses that have wrecked countless ships, is one of the zones, established for its pink sea fans, rag coral, jewel anemones, silver holothur and starfish jellyfish. Haddock, sharks, bottlenose dolphins and harbor porpoises are often seen from the coast path.

This month a company plans to apply to the Marine Management Organisation to build an L1000 breakwater and jetty in the area to what will be a test case of how much damage is permissible in a protected area for the sake of economic development.

Stone Club is seeking to intercept and largely expand a dormant coastal quarry and remove up to a million tonnes of rock a year on giant barges.

The company, and its sister company, Tidal Lagoon Power, have powerful supporters in government, including Ed Davis, the energy secretary, because they plan to use the rock for a

lagoon power station, generating low-carbon electricity from the incoming and outgoing tides.

Scientists fighting the proposal have asked the jury that the immediate threat to the area's wildlife is being justified partly on the grounds that the tidal lagoons would help to reduce the long-term threat of climate change.

The Marine Conservation Society fears that if the quarry is approved, it will set a precedent that weakens the protection of all MCZs.

Dr Juan-Luis Sotelo, the society's biodiversity policy officer, said that the breakwater would damage protected mud beds — coral-like structures that harbor anemones, anemones, crabs, sponges, sea cucumbers and dozens of other creatures. He said that it would interrupt the flow of water, causing sediment to smother the mud beds.

Gabriel Yvon Duchon, senior lecturer in the natural environment at the University of Exeter, has written to George Eustice, the marine minister, saying Stone Club's environmental assessment had failed to consider the likely levels of underwater noise from the construction and use of the breakwater and jetty. The company's claim there would be no impact on haddock, sharks, dolphins and porpoises was "not based on any evidence and therefore entirely bogus", he said. A diving

part with regards to noise, air, light and heat pollution. Stone Club is plans to turn the quarry into a superquarry extracting something up to 1 million tonnes per year. Other superquarries are built miles from villages and roads and are usually only accessible by sea.

Stone Club said that there would be "minimal impact" on local people and to "nature" from the development. It said that it could obtain the rock from a working quarry in Norway but that would be far more expensive, pushing up the cost of the lagoons and therefore the equity it needs to build it.

Climate Action said that the lagoons,



Godrevy Point in the Marazion, a conservation zone inhabited by haddock, sharks, jewel anemones and harbor seals, before



Back will be taken by large to increase that to build tidal lagoons

People protest against tidal power.



People protest against geothermal energy.



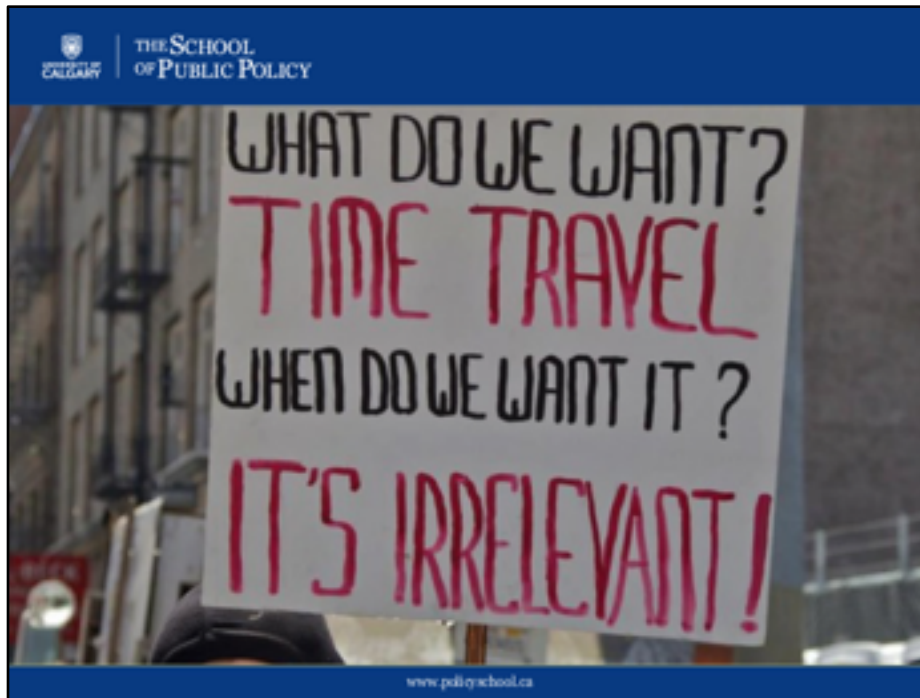
People protest against oil, of course, having their own reasons...



People protest against the World Cup.



People protest against bad pie charts.



People protest against the lack of progress on time travel.



People of all ages protest against the complexity of English spelling.



People sometimes protest against public hearings held by democratically-created bodies such as Québec's Bureau d'audiences publiques sur l'environnement (BAPE). This slide shows a picture taken at the beginning of the BAPE hearings on the Energy East Pipeline Project near Québec City on March 7, 2016. Demonstrators tried to interrupt the public hearing, as they apparently did not want citizens to participate in a public debate about the merits and demerits of the project.

See their banner. Do you recognize the quote on it?

And in the end...

The public interest is inclusive of all Canadians and refers to a balance of economic, environmental and social considerations that changes as society's values and preferences evolve over time.

NEB Strategic Plan



In the end, in my view, leadership in a democracy is about seeking the common good and the public interest, recognizing that individuals or sections of society will find their leaders' actions inconvenient or contrary to their interests.

Phrases such as social licence, social acceptability or social acceptance mean very different things to different people, like ships passing in the night. Their use does not contribute to any further clarity.



In its 450 Scenario, the International Energy Agency provides a forecast of energy supply and demand that seeks to limit the rise in earth's temperature by 2°C.

Under the environmentally progressive assumptions of the 450 scenario (2014 edition), total world demand for fossil fuels remains significant until 2040 and beyond, changing marginally from 10,917 Mtoe in 2012 to 9,294 Mtoe in 2040. In barrels of oil equivalent, the 2040 fossil fuel demand amounts to 182 million barrels per day, of which 63 Million barrels are oil and oil products, the rest being coal and natural gas. This is a significant data point: even when assuming that the world becomes united in action around climate change, that broad-applied carbon pricing is in place, that all sectors of the economy, including transportation and end use, are subject to carbon taxes, the world in 2040 would still require vast amounts of fossil fuels to function in the world assumed by the IEA in its assumptions.

So, OK. Let us pull out all the stops on renewables. Meanwhile, there is a residual role for hydrocarbons between now and 2040, and likely until 2100.



This situation of significant presence of fossil fuels in a future green planet is consistent with the notion of sustainability affirmed by the Brundtland Commission. By making more current the language used by the Commission in 1987, one must take stock of the fact that today's planning for future energy needs must take into account the inevitably growing energy needs of developing nations, "to which overriding priority should be given". People in Africa, China, India and many other countries aspire to a quality of life they have never experienced, and which the Western World has become accustomed to. Their aspirations are those of people vying for legitimate human development. While every effort is being made under the 450 scenario to promote renewables, technology, and conservation, much of that future energy in the developing world will come from coal, oil and natural gas. Giving overriding priority to these future energy needs means continuing production of vast amounts of fossil fuels. Fossil fuels will need to be found, developed and transported to feed a sustainable world's demand and replace declining supplies from existing sources. These fossil fuels must be found and produced somewhere, and be transported where they will contribute, together with renewables, to human development. Not to develop all of the energy the world will need in 2040 is to deny to billions of people the quality of life they have been aspiring to, in complete opposition to the vision of sustainability of the Brundtland Commission.



Human development is defined by the OECD as “...the process of enlarging people’s choices. Their three essential choices are to lead a long and healthy life, to acquire knowledge and to have access to the resources needed for a decent standard of living. - Additional choices, highly valued by many people, range from political, economic and social freedom to opportunities for being creative and productive and enjoying personal self—respect and guaranteed human rights.”



Let's talk about clean oil.

We must deal with the criticism that Canada's oil is not one to be looked for and developed. That oil is described by some as dirty, principally because of the natural gas which must be used to extract oil from the ground and make it transportable by pipelines, therefore having an impact on Canada's contribution to the world's production of greenhouse gases. It would follow from that judgment that Canada's oil should not be developed. The oil needed to make the world a sustainable one, from a social, economic and environmental standpoint, would come from elsewhere, from OPEC and non-OPEC countries. It is beyond the scope of this presentation to comment on the overall performance of many of these oil producing nations in areas such as environmental, human rights and transparency. However, a cursory review of available data suggests that Canada ranks much higher on these scales than any of these countries. (See for instance the Social Progress Index 2015 at <http://www.socialprogressimperative.org/data/spi> , the Environmental Performance Index at <http://epi.yale.edu/epi/country-rankings> , Freedom in the World (an annual comparative assessment of political rights and civil liberties) at <https://freedomhouse.org/report/freedom-world-aggregate-and-subcategory-scores#.VZ2E4HgVc20> , and the Corruption Perceptions Index at <http://www.transparency.org/cpi2014/infographic/global>)



Still, for the sake of argument, OK, let's shut down the oil sands and stop fracking for oil and gas in Canada. What would be the effects?

- it would be good for our conscience

- the impact on global oil and gas supply and demand would be nil, and be minimal in terms of resulting GHGs when looking at the margin.



...and much of the proceeds of oil revenues given the increased production from elsewhere would be re-invested by some oil producing countries in radicalism, extremism, militarism, and other forms of "...isms".

In effect, to shut in Canadian oil while sending oil revenues generated by our oil consumption to these countries is tantamount to working against human development, our values and freedoms, and sustainability of the planet at many levels.



So let us look at a few examples of policy action in Canada in the last 6 months. Many are very worthwhile.

Take the Alberta Climate Leadership Plan:

- Carbon tax: \$20/t in 2017, \$30/t in 2018, rising at inflation + 2% (2019 onwards)
- Oil sands emissions limit (100 Megatons)
- Phasing out coal-generated electricity by 2030, replacing with renewables
- Reducing methane emissions.

This is a great example of leadership in a democracy.



Another excellent example is the outcome of COP-21 in Paris last December. Provinces and the federal government are working together to achieve concrete goals in the fight against climate change. We are leading the planet with an aspirational goal of 1.5C temperature change from pre-industrial levels, which is much more ambitious than the 2C goal commonly used by the international community as the long-term goal.



Let us now look at the interim pipeline measures announced by Minister McKenna and Minister Carr a few months ago:

- Undertake deeper consultations with Indigenous peoples and provide funding to support participation
- For the TransMountain project:
 - Appoint a Ministerial Representative to engage communities, including Indigenous communities potentially affected by the project, to seek their views and report back to the Minister of Natural Resources
 - seek an extension to the legislated time limit for the Government's decision by four months
- For the energy east project:
 - Help facilitate expanded public input into the National Energy Board review process, including public and community engagement activities. The Minister of Natural Resources intends to recommend the appointment of three temporary members to the National Energy Board;
 - seek an extension to the legislated review time limit by six months (to 21 months in total) and seek an extension to the legislated time limit for the Government's decision by three months (to six months in total), for an anticipated total of 27 months.
- For both projects: Assess the upstream greenhouse gas emissions associated with these projects and make this information public; - I will speak about this particular provision later in my presentation.

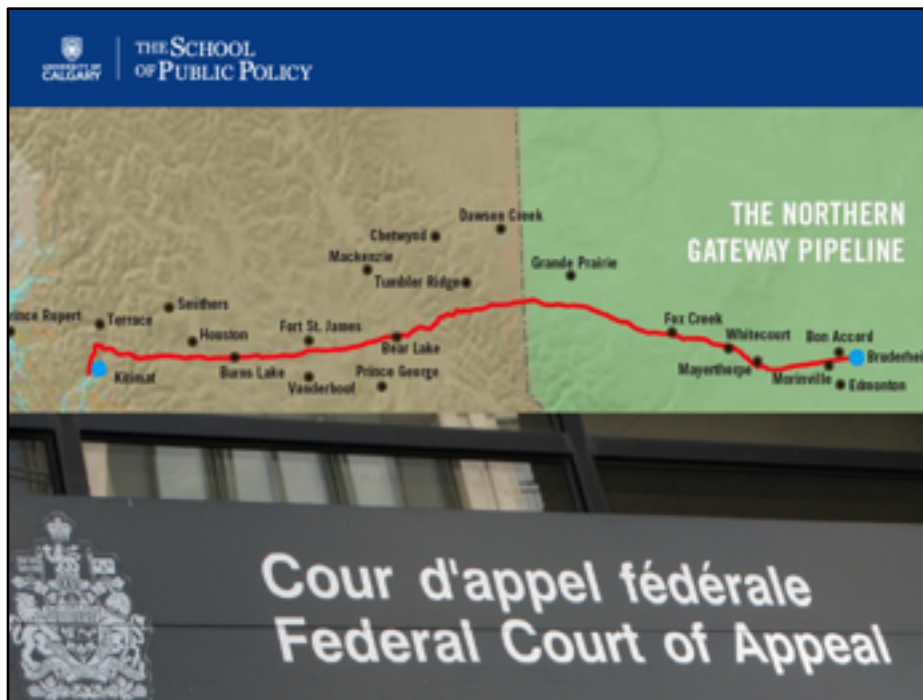


Another good example is The Prime Minister and the premiers continuing in Vancouver on March 2, 2016 the dialogue on climate change initiated in Paris at COP-21.



Energy policy can be very validly developed by bi-lateral or international treaties. A recent example is the US-Canada Joint Statement issued on March 10, 2016 on Climate, Energy and Arctic leadership.

The North American Free Trade Agreement is a less recent example. The passing of NAFTA illustrates well the role of leadership in the pursuit of the common good and the public interest. When NAFTA was passed, it is doubtful that free trade had earned its "social licence". Clearly, many individuals and groups sections of society found it inconvenient or contrary to their interests to implement free trade. Yet NAFTA was passed.



Another proper way to develop policy is to follow court decisions. Take for example the court actions related to respect to Northern Gateway Pipeline.

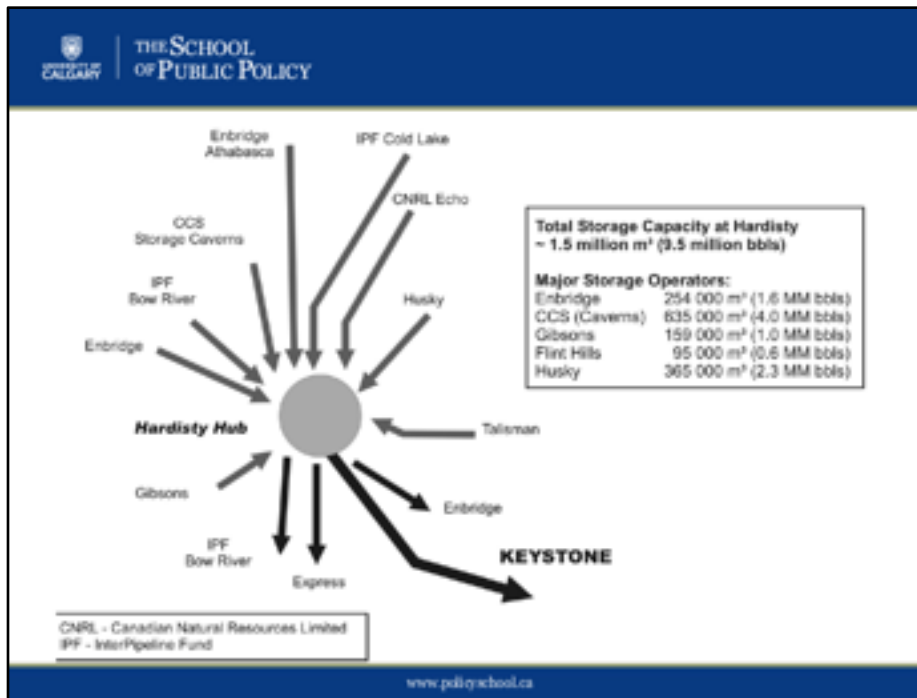
The applicants filed for leave to seek judicial review of the decisions of the Governor-in-council to accept the recommendation of the Joint Review Panel to approve the project. Issues raised relate to alleged errors made by the JRP; the adequacy of Crown consultation and accommodation of First Nations; First Nations rights and title; and adequacy of GIC's reasons for its decision.

The applicants filed for Leave to Appeal the Certificate of Public Convenience and Necessity OC-060 and OC-061 issued by the NEB on 18 June 2014 in respect of the Project. Issues raised are the alleged errors made by the JRP and by GIC.

The FCA granted the leaves on 26 September 2014. By order of the Court on 17 December 2014, the 9 applications for judicial review of the JRP report, the 5 applications for judicial review of the GIC decision, and the 4 appeals on the issuance of the NEB Certificates, were consolidated.

The Court set the consolidated matters down for a six-day hearing, starting on October 1, 2015, in Vancouver, BC. We are now awaiting the Court's decision. Based on past cases, I expect a decision in the Spring or Summer 2016. This will be a very important decision, likely of significant precedential value.

Parties to the Court action include: *ForestEthics Advocacy Association, Living Oceans Society and Raincoast Conservation Foundation, Haisla Nation, Gitxaala Nation, BC Nature; Unifor; Gitga'at First Nation; Kitasoo Xai'Xais Nation, and Heiltsuk Nation; Nadleh Whut'en Band and Nak'azdli Band, and Haida Nation.*



Now let us go back to the Interim Pipeline Measures and let's talk about the upstream and downstream effects of pipelines on Canada's GHG emissions.

These effects have been examined several times by the National Energy Board.

Take for instance the NEB's decision in the matter of the first Keystone Pipeline Project (the Canadian segment of the already built Keystone Pipeline).

In the words of the NEB, "...the Keystone pipeline commences at Hardisty, Alberta, a crude oil supply hub and delivers crude oil to markets at Wood River and Patoka, Illinois, points that form a major market hub for incoming and outgoing crude oil pipelines. Given that the Keystone pipeline may be supplied by numerous sources and may serve a number of refineries located in PADD II, the Board finds that the upstream and downstream facilities are not sufficiently connected to the Keystone pipeline so as to make the effects of those facilities relevant to the Board's NEB Act decision. (Reasons for Decision, page 46)



In a similar vein, the NEB made similar comments in respect of the Line 9 project of the Enbridge Pipeline:

“The Board’s analysis in this ESA has determined that the Project and oil sands production, or other Canadian oil production potentially supplying the Project, are sufficiently geographically separated that there is not likely to be any meaningful or measurable interactions between the likely residual environmental effects of the Project and those activities.”(Line 9 OH-002-2013 Reasons for Decision, page 75)

“The actual end use of oil to be transported by the Project and, more specifically, the related impacts of such product delivery on the overall mix or patterns of energy use in potential downstream markets, are either uncertain or insufficiently discernible or material to merit consideration. Therefore, any examination of potential environmental effects from such speculative impacts on the downstream mix or patterns of energy use in destination markets would be hypothetical and of no meaningful utility to the Board’s ESA or public interest determination. The Board finds that the potential for effects of downstream use of oil to act cumulatively with any potential effects of the Project is too speculative to merit consideration. Further, the construction and operation of any industrial facilities related to the downstream use of the oil transported on Line 9 (such as refineries in Ontario and Quebec) have or would be the subject of the applicable Province’s regulatory and/or environmental assessment and oversight.” (Line 9 OH-002-2013 Reasons for Decision, page 76)



The same kinds of conclusions were reached by the Joint Review Panel (of which the NEB was part) in the Northern Gateway regulatory review:

“The supply sources could be located in a variety of locations in the Western Canadian Sedimentary Basin, including various oil sands production facilities. Development and production of the supply has already been, or will be, subject to the relevant environmental assessment and regulatory approval process of the jurisdiction within which the supply is located. This existing and approved production could be transported to market on a number of existing and potential pipeline projects.

Oil that would be transported on the Project would be sourced from interconnecting pipelines and terminal or storage facilities, which do not form part of the Project. In turn, such feeder pipelines and terminal facilities would service a number of oil production facilities.

...we do not consider that there is a sufficiently direct connection between the Project and any particular existing or proposed oil sands development, or other oil production activities, to warrant consideration of the environmental effects of such activities as part of our assessment of the Project under the CEA Act or the NEB Act.

(JRP Hearing Exhibit A22-3, page 13, for above three quotes)

“In our view, it would be inappropriate and unmanageable to assess the environmental effects associated with downstream energy use as part of our mandate under either the CEA Act or the NEB Act. The actual end use of oil to be transported by the Project and, more specifically, the related impacts of such product delivery on the overall mix or patterns of energy use in potential downstream markets, are either uncertain or insufficiently discernable or material in our view to merit detailed consideration. Therefore, any examination of potential environmental effects from such speculative impacts on the downstream mix or patterns of energy use in destination markets would be hypothetical and of no meaningful utility to our environmental assessment or public interest determination. Further, the end use of transported hydrocarbons is likely to occur in jurisdictions outside of Canada and is more appropriately subject to the relevant regulatory or policy direction of those countries.” (JRP Hearing Exhibit A22-3, page 14)



Based on the foregoing, I would say an upstream GHG test for a specific federally-regulated pipeline:

- is public policy through the back door
- makes the Paris consensus and the subsequent Vancouver meeting disingenuous. How can the Prime Minister and Premiers say “we are doing a great job fighting climate change at the policy level”, and then the Prime Minister would say after looking at a specific pipeline, “Well, Premier Notley, after all, I am not satisfied Alberta is doing enough to fight climate change, so I am going to choke the flow of oil leaving Alberta by federally-regulated pipelines, forcing you to slow down the development of your natural resources”
- is contrary to the hard evidence that a specific pipeline at the margin does not generate GHGs upstream or downstream. It is a means to an end. What provinces do with their natural resources under their powers in the Constitution, and how people consume energy at the downstream end of the pipeline, is what matters.
- is an intrusion into the constitutional responsibilities of the provinces.

I am hopeful, in fact I am confident, that the work of Environment and Climate Change Canada on upstream GHG emissions will lead to comparable conclusions.



So OK, public policy in Canada is not perfect. Is the policy environment half full or half empty? Or more full, or more empty?

I believe much of the policy actions of the last six months will be very positive for the provinces and the nation overall. Canadians values are constantly changing and environmental excellence is one of the values gaining considerable strength. At the same time, the economy matters, and the Prime Minister and the Premiers, notably Premier Notley, fully understand that. Their task is to continually integrate the social, economic and environmental dimensions of a sustainable future for the nation.