BC CLEAN TECHNOLOGY INDUSTRY VOICES

The Honourable John Horgan, M.L.A. Premier of British Columbia Legislative Buildings Victoria, BC March 21, 2018 #1002, 2135 Argyle Ave, West Vancouver, BC V7V 1A5

Dear Premier:

We are all members of the BC Clean Technology industry. A number of the Cleantech solutions we provide to the world target the climate change problem by reducing or eliminating the GHG emissions from the fossil fuels consumed by BC residents and others.

Unilateral action by BC to block the construction of the Trans Mountain Pipeline jeopardizes the progress made by Canada since 2015 in addressing its climate change responsibilities. It makes very likely the election of provincial and national governments that will actively dismantle recent Canadian progress on the climate change agenda.

Thus, we write to express our <u>strong concern</u> about the opposition by the BC government to the construction of the Trans Mountain Pipeline expansion.

We believe the path to a stable climate is long and arduous with no easy short cuts, such as stopping shipment to world markets of oil from Alberta. Such Canadian oil would just be replaced by oil from the US or other jurisdictions having easier access to ocean transport and no carbon pricing. By not constructing the pipeline expansion, Canada forgoes significant economic benefits with no offsetting global environmental gains.

We believe Canada and BC should focus on reducing emissions from the use of fossil fuels by our citizens and industries. We do this by regulating and pricing carbon emissions so they are reduced over time as agreed in the Canada Climate Strategy and the Paris Climate Accord. Some of our companies are recognized world leaders in developing technologies that can make that happen.

We understand a major concern for BC is the protection of our substantially pristine coastal environment. As sports fishers, recreational boaters, and beach walkers we too share that view. But, during our years on the water we have seen many thousands of freighters and barges, including the many oil tankers making their way to and from the nearby Washington State refineries. Since the Exxon Valdez, there have been <u>no spills from ocean going tankers</u> on the Pacific coast of North America. Indeed, oil has been safely shipped out of Vancouver Harbour for 60 years and diluted bitumen for 30. The oil spill prevention and cleanup measures being put in place for the increased traffic out of Vancouver are global best practices.

All of us know that the resource industries, including oil and gas, are key pillars of our economy and generate some of the provincial and national tax revenues needed to sustain

our society as it transitions to a low carbon economy. Indeed, we strongly believe that some of the technologies being developed and tested here in BC, supported in part by those tax dollars, will enable those industries to significantly reduce their carbon intensity.

But carbon intensive industries will only reduce their emissions if the regulatory and carbon pricing regimes now being put in place are maintained.

We believe that, instead of opposing the Trans Mountain Pipeline, BC, Alberta, and Canada would be better served by insisting on more aggressive de-carbonization action on the part of the oil and gas, LNG, cement, and steel industries. If, between now and 2030, Canadian oil and gas gets access to world prices, it will have more resources for decarbonizing solutions. Similarly, with world oil prices, our governments will have more revenue to support the development and demonstration of climate technology solutions and for other de-carbonizing needs such as public transit and personal electric vehicle infrastructure.

Post 2030 the hydrocarbons in the Trans Mountain Pipelines must have significantly lower carbon intensities. This can be achieved through the deployment of climate technologies under development today. These include the capture of CO2 emissions from the oil and gas and cement industries and their use in enhanced oil recovery, the production of concrete, or for long term sequestration. As well, CO2 captured directly from the air, can be used to synthesize very low carbon intensity hydrocarbon fuels using the abundant renewable energy resources of Western Canada.

In conclusion, we ask you to reconsider your opposition to the Trans Mountain Pipeline. Instead, we ask that you take a longer-term view that preserves the gains Canada has made re climate change. We also ask you to actively encourage the de-carbonization of the Western Canadian oil and gas industry, and to support the development and deployment of the very promising climate technologies being developed by BC companies.

Yours truly,

Denis Connor* Mike Brown Dan Friedmann Mike Volker Carl Hunter Susan Koch Edson Ng Bowie Keefer Matt Babicki Eric Schwitzer Brian Josling Chris Sacre Brett Henkel Dan Parmar Harold Copping Ron Britton Kirk Hamilton Mark Kirby Mike Walkinshaw Kirk Washington Mark Grist Darryl Wolanski Jim Fletcher Karen Hamberg Daryl Musselman Erik Johannes Soheil Khiavi

BC Clean Technology Industry Voices

CC: Honourable George Heyman, Honourable Carole James, Honourable Bruce Ralston