Re: Placentia Bay Liquefied Natural Gas (LNG) Facility and Marine Terminal
Proponent: LNG Newfoundland and Labrador Limited
Registration Number: 2177

Response to Registration

Council of Canadians, Avalon Chapter

We are submitting these comments as members of the Avalon Chapter of the Council of Canadians, the Newfoundland and Labrador affiliate of the Council of Canadians.

A thorough critique of the registration document, dated December 23, 2021 has been submitted by our colleague Robin Tress, on behalf of the Council of Canadians. The Avalon Chapter agrees with and endorses that critique.

As citizens and residents of Newfoundland and Labrador, we add our voices to the pleas that the proposal to construct an undersea LNG pipeline, transhipment facility and marine terminal in our province be rejected.

Following is our response to the registration document.
Predicted demand for LNG not consistent with Net Zero by 2050 goals

In the project registration document (p.12) the proponent cites a graph by Shell predicting a substantial increase in demand for LNG. Data from global oil and gas corporations should be viewed with caution as it is in their interests to promote these products. The graph is at odds with the IEA World Energy Outlook 2021 data of natural gas demand, 2010-2030. This data for the Announced Pledges Case (leading to a 2.1°C global temperature rise by 2100) shows natural gas demand rising by 10% in 2025 and declining to current levels in 2030 and then slowly declining. The IEA Net Zero Emissions scenario (leading to a 1.5°C temperature rise by 2100) again shows peak demand by 2025 of 4,300 bcm, declining to 3,700 bcm in 2030 (86%), and falling to 1,750 bcm (40%) in 2050. It should be clearly understood that the IEA NZE scenario is a non-negotiable narrow pathway in which there are no exemptions. Any relaxation will lead to unprecedented climate-related changes to our world.

‘Transition fuels’ not recognised by IEA and pose substantial problems

Although the concept of ‘transition fuel’ has been promoted by the oil and gas industry, the realities are not clear cut nor widely accepted. The IEA report Net Zero by 2050 has no mention of ‘transition fuel’—the gap left by decreased reliance on coal is filled by increased sustainable energy production. The report (p.102) states that “no new natural gas fields are needed in the NZE beyond those already under development. Also not needed are many of the liquefied natural gas (LNG) liquefaction facilities currently under construction or at the planning stage.”

A recent academic paper in Renewable and Sustainable Energy Reviews investigated the direct and indirect effects of natural gas on the energy transition and concluded that overlooked indirect effects of natural gas can negate its direct benefits. The authors concluded that “taking advantage of a transition fuel comes also with challenges. Initial investments to a potential transition fuel such as natural gas could lock-out emerging renewable technologies for extended periods.”

Hence a real danger of promoting a ‘transition fuel’ is that it delays necessary action on climate change. The huge capital investment in the proposed project reduces the pool of global capital that is urgently required to be invested in sustainable energy/zero carbon projects. The IEA report (p.21) gives priority to clean electricity generation, network infrastructure and end-use sectors as key areas for increased investment.
Investment in renewable energy a priority leading to long term gains

The Newfoundland and Labrador government’s excellent Renewable Energy Plan recognizes that the use and development of our abundant renewable energy resources can assist in reducing greenhouse gas emissions and stimulate clean innovation and growth. The report notes that there is plentiful opportunity to create new green jobs in this province.

In Newfoundland and Labrador if we invested an equivalent amount of capital in renewable energy projects such as wind, solar power and clean hydrogen production not only could the green projects be commissioned earlier than 2030 but these would be of lasting benefit to the climate.

The significant employment prospects noted in the project registration document could be easily matched by employment in similar projects in the renewable energy sector and GHG mitigation projects such as home retrofits, transportation and new low carbon industries. These new jobs are long-lasting and increase the necessary skills base for future projects in this Province. The employment in LNG is short-lived.

Advance 2030 plan not consistent with achieving Net Zero by 2050

Page 11 of the registration document cites Advance 2030 – A Plan for Growth in the Newfoundland and Labrador Oil and Gas industry as an indication of the government’s desire to commercialize offshore natural gas. Advance 2030 was written in 2017/18—the world, public opinion, climate science and the Provincial government have changed significantly since 2017. The plan barely mentions climate change; references ‘sustainability’ only in terms of the profitability of the industry and references the Pan-Canadian Framework on Clean Growth and Climate change only as “a concern for the industry”. The plan is totally inconsistent with achieving net zero by 2050 and will need to be abandoned soon if the Provincial government is still committed to its stated climate goals.

Carbon-intensive construction exacerbates climate change

Constructing the platform, vessels and pipeline will release significant amounts of GHG into the atmosphere. Concrete and steel manufacture are both highly carbon intensive. This is without the benefit of substantially reducing GHG emissions over the long term compared, say, to investments in wind and solar power.
Reliance on 2007 submission not appropriate

The current registration document relies heavily on an earlier submission based on field data and environmental and cultural information obtained in 2007 and earlier (Grassy Point Liquefied Natural Gas Transshipment and Storage Terminal, Comprehensive Study Report, CEAR Reference Number 07-03-26546 Newfoundland LNG Ltd.) There should be a re-examination in the present context of concerns raised but dismissed 14 years ago. It is not enough for the proponent to assert that “it is committed to further public consultation and will be developing and implementing an engagement strategy” (p.40).

Conclusion

In conclusion: the current proposal should be rejected as inadequate and the project itself rejected as being inappropriate to the global and local conditions that face the Province of Newfoundland and Labrador.

David Ellis

on behalf of the Council of Canadians, Avalon Chapter

stjohnscoc@gmail.com