

# There Is **No “Right”** to Frack



by **Stuart Trew**

**When the people of Quebec spoke out against fracking, the provincial government listened. Quebec put a moratorium on the controversial and dangerous method for extracting hard-to-reach natural gas until the environmental impacts could be studied.**

As we have highlighted in this special section, fracking uses enormous amounts of water and sand, mixed with toxic chemicals, which are forced into the ground at high pressure to fracture shale rock or coal beds to release natural gas or oil. The process is linked to earthquakes and water pollution. More importantly, fracking creates an illusion of energy security while actually worsening the climate crisis, which is why communities around the world are trying to stop it.

You would think the Quebec government would be able to implement measures to protect its people and their environment – but a U.S. fracking company called Lone Pine Resources thinks otherwise.

Lone Pine wanted to frack for gas under the St. Lawrence River and has threatened to sue Canada under the North American Free Trade Agreement (NAFTA). The company is demanding \$250 million in compensation for Quebec’s moratorium, which it says violates the company’s “right” to frack.

Earlier this year, the Council of Canadians joined with other organizations to launch a petition demanding that energy company Lone Pine Resources drop its \$250 million NAFTA lawsuit.

The petition’s sponsors – the Council of Canadians, the Réseau québécois sur l’Intégration continentale (RQIC),

Sierra Club U.S., FLOW (For Love of Water), Eau Secours! and Amies de la Terre – sent letters to Lone Pine with signatures from more than 3,000 people calling on Lone Pine to drop their NAFTA suit.

“People across Canada and the United States are outraged that a company would claim it has a ‘right’ to frack under trade deals like NAFTA, and that we might have to pay Lone Pine Resources not to drill in the St. Lawrence,” said Emma Lui, a Water Campaigner with the Council of Canadians. “There should be no ‘right’ to frack, or to dig a mine, or lay a pipeline. Investment treaties cannot be allowed to override community decisions.”

“Governments must have the flexibility to say ‘no’ to fracking and other environmentally destructive practices without trade rules getting in the way,” said Ilana Solomon, Trade Representative with the Sierra Club. “The fact that a U.S. oil and gas corporation is bringing a trade case against the government of Canada over a law intended to protect the health and well-being of its citizens shows just how backward our trade rules have become.”

## **Quebec’s moratorium**

In 2011, the Quebec government placed a moratorium on all new drilling permits until a strategic environmental evaluation was completed. When the current Quebec government was elected last year, it extended the moratorium to all exploration and development of shale gas in the province. Last fall, Lone Pine indicated that it planned to challenge Quebec’s fracking moratorium. Instead of going to court, the Calgary-based company is using its incorporation in Delaware

to access the investment protection chapter of NAFTA, which is available only to U.S. and Mexican companies, to challenge the Quebec moratorium in front of a paid and largely unaccountable investment tribunal. The company says the Quebec moratorium is “arbitrary” and “capricious,” and that it deprives Lone Pine of its right to profit from fracking for natural gas in Quebec’s Saint Lawrence Valley.

“Lone Pine must drop its scandalous lawsuit against this legitimate policy of the Quebec government, which has just been listening to its people,” says Pierre-Yves Serinet, coordinator of the Quebec Network on Continental Integration (RQIC).

In an unfortunate but possibly fortuitous move, Lone Pine executives have decided to ignore the public outcry and move ahead with their \$250-million NAFTA lawsuit. The decision is bound to draw global attention to the injustices of investor-state arbitration and its abuse by oil and gas companies to hold back serious efforts to address climate change.

All communities, including Quebec, have a right to decide whether or not they want fracking. Companies like Lone Pine must not be allowed to abuse investor rights in treaties like NAFTA. We shouldn’t have to pay to protect ourselves and our environment. Communities, not private firms, should have the final say on fracking and other projects that threaten water sources, the environment and public health – and there should be no penalty for saying “no.”

---

Stuart Trew is the Trade Campaigner for the Council of Canadians.