TransCanada’s Plan to Send Tar Sands Crude East – and Beyond
by Maryam Adrangi

When New Brunswick Premier David Alward began speaking with oil industry representatives about getting tar sands to the port of Saint John, it became clear that Easterners could face the serious environmental threats that come with pipelines and massive oil tankers – the same threats facing people on the West Coast today.

TransCanada Corp. is looking to convert a partially used natural gas pipeline that brings gas to Quebec to an oil pipeline that will send tar sands crude to Eastern Canada for refining, and then into massive shipping tankers for export. These plans could not have come at a better time for the oil industry as fierce opposition to export pipelines such as the Northern Gateway, Trans Mountain, and Keystone XL put a chokehold on further tar sands expansion.

The company wants to convert the pipe to an oil pipeline, and extend it to the Irving refinery in Saint John, New Brunswick. Eighty per cent of the intended project is already constructed. If there are significant barriers to constructing the pipeline all the way to Saint John, TransCanada may take advantage of the ports in Montreal and Quebec City. Tankers would then be sent through the St. Lawrence River to transport the crude.

Proponents of the TransCanada pipeline say that it will reduce Canada’s dependence on oil imports. But there is good reason to believe that this pipeline isn’t about providing people in Canada with oil. TransCanada representatives have already said the company plans to send oil to the highest bidder.

Economists have identified the “highest bidders” as international buyers in foreign markets, not domestic consumers.

The oil sector and many politicians are looking for ways to get tar sands crude to Asia. Politically, it may be easier to sell the conversion of an old pipeline rather than proposing the construction of a completely new pipeline. Proponents also want to get crude to India and the European Union – basically to any country that will pay top dollar.

“[Oil companies] tell us they can get higher prices for exports in foreign markets,” says Robyn Allan, a former CEO of the Insurance Corporation of British Columbia who is now an independent economist. Then, she says, the companies will ask Canadians to pay more. “They fully intend to charge these higher prices to Canadian consumers and businesses.” Export pipelines will mean higher oil prices for people and larger profits for the oil companies.

There is another solution to reducing dependence on oil imports: we must reduce our dependence on oil. The federal government can – and must – redirect subsidies from the fossil fuel industry to sectors that will reduce Canada’s dependence on fossil fuels altogether. These sectors include public mass transit and building retrofits, which create up to four times as many jobs as the fossil fuel industry per $100,000 invested.

No public input
There has been little information shared publicly about TransCanada’s pipeline proposal. Politicians and TransCanada Corp. representatives are talking with each other, but people along the route of the pipeline are being left in the dark. Last summer, one Saint John city councillor said the pipeline talks are moving along swiftly: “things have progressed [to the point] that they have their imaginary pipeline . . . already made.”

This past February, Premier Alward spoke with Quebec Premier Pauline Marois, hoping to bring her onside with the pipeline project. Still, little has been said publicly in Quebec. It raises the question: If this pipeline is such a good idea, why aren’t people hearing more details about it?

Proposed export pipelines to bring fossil fuels to the West Coast have been met with fierce opposition from people living along the routes, and from many others who are acting in solidarity. More than 130 First Nations have signed the “Save the Fraser Declaration,” opposing tar sands projects (including pipelines and tankers) from crossing their territories. At the 2012 Union of B.C. Municipalities, participants representing cities across B.C. passed a resolution opposing “projects that would lead to the expansion of oil tanker traffic through B.C.’s coastal waters.” Communities along the pipeline routes are sounding the alarm about the environmental devastation that happens as the result of a spill, and are voicing concern about further tar sands expansion.

Let's hope that the campaigns to fight pipelines in B.C. do not just send the problem east.

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