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Submission made to [EAProjectComments@gov.nl.ca](mailto:EAProjectComments@gov.nl.ca)

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**RE: Placentia Bay Liquefied Natural Gas (LNG) Facility and Marine Terminal (Reg. 2177), opportunity for public comment**

I write to you on behalf of the Council of Canadians, a grassroots social justice organization with more than 150,000 supporters across Canada who are concerned with protecting our water, environment, and democracy for future generations. We work to eliminate the social harm and inequality that the climate crisis perpetuates, protect water as a common good, build economic justice through domestic and international policy, and address the historical injustices that Indigenous peoples and people of colour continue to experience in the present day.

The Council of Canadians is working with community activists across the country to move towards rapid decarbonization across the economy, and to push for just transition legislation at the federal level. In this submission, we point to several areas of concern with the Placentia Bay LNG Facility and Marine Terminal for your consideration in the context of the need for a just transition.

**We are in a climate crisis**

This summer, 595 people died as a direct result of a heat wave in western Canada that can be directly attributed to climate change. Fires raged across B.C. and Alberta, and floods slammed the Prairies. In the autumn months, those same B.C. communities that were hit by fires were then hit by floods that knocked out roads, homes, and whole towns. In Atlantic Canada, we are experiencing more intense weather than ever, with multiple consecutive storms in the past month alone.

The cumulative impact of greenhouse gas emissions is well understood – they contribute to climate warming that is destabilizing life-sustaining ecological systems on this planet. This year, [The International Energy Agency released a report](#) warning that fossil fuel infrastructure should be considered unwise investments and strongly recommended that countries move quickly toward a new energy economy, and veer sharply away from fossil fuel extraction and expansion. [Climate scientists issued a “code red” warning for humanity](#) to tackle the climate crisis by ending fossil fuel extraction and cutting greenhouse gas emissions globally.

Within this context, we have an opportunity to fundamentally change our economic development strategies and create a transition towards a decarbonized economy that respects the limits of the global

climate and creates stability and opportunity for people. We can address the rapidly growing inequality in our communities by creating community driven transition plans.

People in Newfoundland and Labrador already support this transition – [four out of five people in the province agree](#) that as the provinces recovers from the COVID-19 pandemic, priority should be placed on moving away from fossil fuels and towards renewable energy and efficiency systems, which should include training and income support for affected workers. Intentional government support for new and growing sectors required by the decarbonization transition - like energy efficiency retrofits, for example - can create jobs across the province.

The province would not be alone in building this transition; it could follow in the footsteps of local and national organizations leading the way, and countries around the world who are implementing their own just transition plans. Organizations and individuals in Newfoundland and Labrador collaborated in early 2021 to create The People’s Recovery – a set of principles and demands for a just recovery out of the COVID-19 pandemic. [This report](#) details community-focused economic development opportunities within the energy sector and across the economy.

The Canadian Centre for Policy Alternatives [laid out basic principles](#) for a just recovery in Canada. It must recognize and enshrine basic rights, including labour rights and human rights, include the participation of affected workers and communities, expand the social safety net, create new economic opportunities, and drive inclusive workforce development.

Countries like Denmark and New Zealand have started winding down their fossil fuel industries using just transition principles and practices. Common threads between these countries’ successes are proactive economy-wide planning, engaging workers and communities to make regionally-relevant plans, and driving the transition with substantial public investments. With forward-looking policy aimed at diversified economic development and intentional support for workers, Newfoundland and Labrador can create prosperity and stability for its peoples within the liveable limits of the global climate.

### **LNG is not a clean fuel, does not lower global carbon emissions**

In the project registration document, the proponent repeatedly claims that LNG is sustainable, and that this facility would produce the “world’s cleanest LNG.” The idea that LNG is a low or non-emitting source of fuel is unfounded.

The Grassy Point facility is proposed to produce 4 million tonnes per annum (MTPA) of LNG. For comparison’s sake, the recently abandoned Goldboro LNG facility in Nova Scotia was expected to produce 10 MTPA, and would have produced 3.7 megatons of carbon dioxide equivalent, [according to energy analyst Dr. Larry Hughes](#).

Using Dr. Hughes’ assessment as a touchpoint, one could estimate that a 4 MTPA facility would produce about 1.5 megatons of carbon dioxide equivalent annually. Newfoundland and Labrador’s emissions totalled 11.1 megatons in 2019; adding 1.5 megatons would constitute a 12 per cent increase in the

province's emissions. This is contrary to the proponent's unqualified suggestion that this facility would lower emissions by 400,000 tonnes per year (see page 59).

Earlier this year, Quebec's environmental review board ruled that the environmental and social risks of the proposed GNL Quebec project would [outweigh any potential benefits](#). This research included a robust look at the company's potential greenhouse gas emissions and the potential savings that could be accrued by switching from other more polluting fossil fuels to natural gas. It found that the company could not demonstrate that their project would lower global greenhouse gas emissions. As such, the government denied permission for the project to proceed.

Science has already shown us that even the existing supply of fossil fuels has the potential to jeopardize maintaining a limit of 1.5 degrees Celsius of global warming. Creating new export facilities that will run for decades will make it impossible to limit warming to a tolerable level. The [Global Energy Monitor](#) reported in 2021 that "proposed gas plant capacity in many countries outnumbers recent coal plant cancellations" and "emissions from long running LNG and pipeline capacity will be operating well beyond 2050–2060 carbon neutral targets."

It is illogical and incorrect to consider a new LNG export facility that will facilitate the extraction, export, and burning of fossil fuels well past 2050 as a way to bring global carbon emissions to net-zero in the next 30 years.

### **Greenhouse gas emissions must be accounted for**

This application includes no substantial assessment of the anticipated climate impacts of the proposed project. It provides only inconsistent and poorly described comments on the greenhouse gas emissions associated with the project. On page 27, the proposal says, "There will be no substantive processing or regasification of LNG; hence, there will be no significant generation of hydrocarbon by-products, emissions, or effluents." Then on page 39 the report indicates that one of the expected environmental interactions is: "Atmosphere - During operations thermal power using natural gas will be used for electricity generation which will represent a source of GHG emissions."

Vague suggestions about climate impacts or lack thereof are insufficient. It is essential to accurately calculate the GHGs the proponent expects to result from this project so we can judge that against the remaining carbon budget, which is dwindling.

As noted above, several other similar LNG projects have been expected to produce huge emissions, and other government have found that the environmental and social risks of LNG outweigh the potential benefits. Creating another major source of emissions in Newfoundland and Labrador would seriously hinder the ability of both the provincial and federal governments to meet their emissions reductions targets of 30% and 40% below 2005 levels by 2030, respectively.

Remember that these climate targets are not just numbers: they are changes we need to make to our energy systems and economy that could protect stable human society on this planet. The physical climate cannot be negotiated with— these targets are rooted in physics, not politics.

## **Carbon Capture and Storage is not a viable solution**

The proponent suggests it will use Carbon Capture and Storage (CCS) to capture any emissions that are created by this project, and will use this captured carbon to conduct enhanced oil recovery (EOR). This suggestion warrants serious investigation by the Minister.

CCS does not stop fossil fuel production and consumption, which are well understood to be fundamental drivers of the climate crisis. Instead, it prolongs reliance on fossil fuels and increases oil production through enhanced oil recovery, as the proponent intends to.

There is no evidence that CCS is either economically sound or feasible at the scale the proponent is proposing. In fact, there is some evidence showing that “industrial carbon removal” is a [net-contributor to carbon emissions](#) - that is, the process of CCS produces more emissions than it captures.

Carbon capture and storage is a dangerous distraction from real climate solutions. International scientists and economists have made it clear that we do not need to fix fossil fuels; we need to rapidly transition away from them. We need to invest resources to meaningfully replace the fossil fuel industry, not prop it up. As noted above, we urge the Minister to consider economic development through diversification and a just transition, rather than continued fossil fuel extraction and export.

## **This proposal is significantly different than the 2008 proposal that it references**

In the registration document, the proponent references environmental approvals and risk assessments associated with a project it proposed in 2008 - the Grassy Point LNG Transshipment and Storage Terminal (see pages 5, 9, 26, and 34). [The 2008 comprehensive study report for Grassy Point LNG](#) states that “this facility will operate as a component of the LNG delivery chain, providing transshipment and storage services for clients with pre-existing supply arrangements.” The core purpose of that project was to receive and ship LNG, not to liquefy natural gas from its gaseous state.

The 2021 proposal is for a different project – it is a liquefaction and export facility, which is substantially different than the first proposal in 2008. To rely on the environmental assessments from 2008, which assessed different industrial activities under a different regulatory regime, is not appropriate.

Additionally, the 2008 proposal and environmental approval are now 13 years old. As we know, the global climate is changing rapidly, and marine and terrestrial ecosystems are changing in step. The proponent should provide up-to-date data on the environment in which they are proposing this work as part of this project registration.

It would be inappropriate for the Minister to approve this project based on the approvals for the 2008 Grassy Point proposal, as they do not apply to this new and different project.

## **This registration document lacks critical information, contains errors**

There are gaps in the proponent’s proposal that raise alarm. For example, on page 25 the document states that the “current resource use of the Grassy Point area is likely restricted to small game hunting

(otter trapping and duck hunting), fishing, berry harvesting and domestic wood cutting.” It is concerning that while the proponent claims to have a long-standing relationship with the municipality, it seems to be unaware of the current land use of the area, and instead speculates about the “likely” resource use.

The presentation slides attached to this registration also include errors and inaccuracies. Slide 22 states that Goldboro LNG had a conditional loan guarantee from the German government. In reality, Goldboro LNG proponent Pieridae Energy boasted about this loan guarantee, but German officials later clarified that there was no loan guarantee in place, [only a non-legally binding letter of interest](#). This inaccuracy is concerning because it paints a picture of LNG projects as attractive to investors, when in reality the [majority of global LNG projects](#) are likely to fail due to lack of investment.

The registration document notes that “Newfoundland LNG could therefore reduce its carbon footprint by 400,000 tonnes/year meeting the most stringent carbon emission standards in the world of about 0.16 tonnes of CO<sub>2</sub>/tonne of LNG,” but provides no justification for this claim. As noted in the sections above, liquefying natural gas is an energy-intensive process that can result in enormous greenhouse gas emissions, so claims that this project will lower emissions should be rigorously examined.

These inaccuracies and unsubstantiated claims raise doubts about the credibility of this registration document and the information it contains. The proponent does not supply the Minister with adequate information to properly assess the risks of this project.

## **Conclusion**

We are in a climate crisis. The best available science compels us to stop expanding our use and export of fossil fuels and invest instead in existing technologies and industries that can provide power and prosperity to our communities and ensure a safe future for everyone. Despite the proponent’s claims to the contrary, there is no evidence that the Placentia Bay LNG Facility will lower global emissions.

In addition, this proposal relies heavily on environmental approvals from a different project that do not apply to the current review. It contains numerous errors and does not give the minister enough information to make an informed decision under current regulatory systems.

For these reasons, the Council of Canadians implores the Honorable Minister to reject the Placentia Bay LNG Facility and Marine Terminal.

Sincerely,

Robin Tress  
Climate and social justice campaigner  
On behalf of the Council of Canadians