

From: Vandy Savage [<mailto:vlsavage@vitz.com>] **Sent:** Monday, February 04, 2013 11:44 AM **To:** Nicole Hostinsky; Beverly Grice; Brian McConnell; Jim Stephenson; Jon Cooksey; joy Silver; Judith Gordon; Linda Vance; Marcia Stephenson; Norma Morgan; Martha Veerman; Ruth Sherwood **Cc:** Stephen Atkinson; Lynn Sabourin **Subject:** National Energy Board Proposed Enbridge Pipeline presentation

Hi fellow BC CUSJ team members,

Last Friday, Jim Stephenson and I made a presentation to the National Energy Board regarding the proposed Enbridge pipeline. We co-wrote the presentation. In solidarity, Marcia Stephenson watched the proceedings, as mandated, from the "public viewing area" blocks away in a cold hotel conference room.

Jim and I made our presentation as BC CUSJ members. Wearing our best business attire, we spent the morning listening to other presenters, and preparing for our 10 minutes to sow the seeds of doubt. Two of the three National Energy Board members were from Calgary. None was from BC. Two Enbridge representatives were present as well.

Only one of us was allowed to speak, so I made the presentation because I was the person who had registered to speak. I mentioned my business background and proceeded to make our presentation analyzing the proposed Enbridge Pipeline project from a risk benefit analysis. Jim and I both have strong business backgrounds and we reasoned that other people presenting would address this proposal from other angles. In our morning of presenters, no one else did a business analysis. We were proud to represent Unitarians in BC and the CUSJ.

Vandy

FYI, Here's our 10 min. presentation:

NEB presentation Savage/Stephenson

Presentation by Vandy Savage to the National Energy Board 2013 02 01

Good morning, I'm Vandy Savage, mother, businesswoman and concerned citizen. As a businessperson, one of my main responsibilities was to weigh the risk and benefits of any business contract. As I looked at **the proposed Enbridge Pipeline**, I wanted to know – **What are the risks? What are the benefits?**

By now you've heard from many of us British Columbians. I won't need to discuss in depth **the inflation of our Canadian dollar and the ongoing loss of our manufacturing base** if we continue to pursue an oil-based economy. This is a risk. Canadian economist, Robyn Allan, presented this information to you in Jan. 2012.

This is what she says about the proposed Enbridge Northern Gateway project: "The real impact of this project is not an income generating growth opportunity as the proponent would have the Canadian public believe. Northern Gateway represents an inflationary price shock which will have a negative and prolonged impact on the Canadian economy by **reducing output, employment, labour income and government revenues.**"

What are the possible benefits?

I will assume that you've already heard about Norway's management of their oil reserves whereby their government owns 80% of the oil and earns 85% of the net revenues vs our 16% revenue take for Alberta and Canada combined. Norway's Petroleum Saving Fund has amassed \$664 billion vs Alberta's Heritage Fund at \$16 billion. Unlike the people of Norway, **we citizens do not own our oil nor the pipelines or tankers, we Canadians gain very few financial benefits.**

I'd like to talk about pipelines in BC. **In the pipeline business, oil spills are a certainty.** Enbridge self-reported 720 oil spills from its existing pipelines during 2000-2010. According to a recent UBC report, an oil spill off of our BC coast could cost \$9.6 billion dollars wiping out all economic pipeline benefits.

Quoting from an article by Glen Korstrom, " The study estimated that the proposed pipeline would create up to 8,500 full time jobs and produce more than \$600 million in economic benefits during the lifetime of the project. **Were a spill to occur, however, there would be \$9.6 billion in clean-up costs and more than \$300 million in cost to the region's commercial fisheries, port, ferry and tourism industries,** the report noted. The study used data provided by pipeline proponent Enbridge Inc." The risk benefit analysis mitigates against the Enbridge Pipeline.

There is a tendency to review a proposed project, like this pipeline, in the context of the way things are, or the way they have been during recent years. I would like to document some **important recent changes, which affect the need for and the long-term financial viability** of the proposed Northern Gateway pipeline, and which **should be taken into account in your evaluation.**

While the world's leading economic agencies have tended to ignore **the global warming threat** in the past, they have definitely started paying attention.

International Energy Agency Executive Director, Maria van Hoeven, on Dec. 3rd issued a statement saying; "...the need to rapidly transition to a more secure, sustainable global energy system is more urgent than ever. IEA analysis shows that achieving the internationally agreed climate goal of limiting warming to 2 degrees C is becoming more difficult and more expensive with every passing year."

The president of the World Bank, Jim Yong Kim, wrote last week [Washington Post, 24 January 2013] "If there is no action soon, the future will become bleak. The World Bank Group released a report in November [entitled "Turn Down the Heat: Why a 4°C Warmer World Must be Avoided". It] ... concluded that the world could warm by 4 degrees Celsius by the end of this century if concerted action is not taken now.

The president of the World Bank goes on to say "A world that warm means seas would rise 1.5 to 3 feet, putting at risk hundreds of millions of city dwellers globally. It would mean that storms once dubbed "once in a century" would become common, perhaps occurring every year."

Last March, the Carbon Tracker Institute (www.carbontracker.org) released its "Unburnable Carbon" report. Its purpose was to identify the risk to investors of holding fossil fuels which could lose their value when they were not allowed to be burned due to controls on carbon emissions. In the report's words, "if the 2°C target is rigorously applied, then up to 80% of declared reserves owned by the world's largest listed coal, oil and gas companies and their investors would be subject to impairment as these assets become stranded." Investments in fossil fuel infrastructure, including pipelines, would also be subject to impairment

The assumption that if you build it, you can go on using it for 50 years, is increasingly questionable in these changing times. **Please don't make a "yesterday" decision that won't stand up in tomorrow's world—a decision that commits huge financial resources, and puts the BC coast in environmental jeopardy to transport what may soon be "unburnable" oil.**

The proposed Enbridge pipeline is too risky. It poses an environmental risk, a risk to our national economy and our local economy, and a risk to investors.

This risk is not worth taking.

Thank you.

Note: I didn't read directly from our paper so this is my best reconstruction of what was said.