

February 24, 2022

Hon. Dominic Leblanc, Minister of Intergovernmental Affairs, Infrastructure and Communities Hon. Ginnette Petitpas Taylor, Minister ACOA House of Commons Ottawa, Ontario Canada K1A 0A6

Via email: dominic.leblanc@parl.gc.ca; ginette.petitpastaylor@parl.gc.ca

Dear Ministers Leblanc and Petitpas Taylor:

The Conservation Council of New Brunswick (CCNB) writes to you today to express our concerns about the proposed Bay du Nord deep-water oil project. We urge you, and your Cabinet and caucus colleagues to summon the courage to say no to this project in exchange for a truly transformative investment to convert Canada's fossil fuel dependent provinces into clean energy powerhouses.

In determining your decision regarding Bay du Nord, we ask that you consider the following:

- The Bay du Nord (BdN) offshore oil-drilling project, located in the Flemish Pass, roughly 500 kilometres east of St. John's, potentially holds up to one billion barrels of oil according to the Newfoundland and Labrador Oil & Gas Industries Association (NOIA).¹ The Impact Assessment Agency of Canada (IAAC) has conducted an environmental assessment (EA) of the project and we expect a decision by March 6 from the Minister of Environment and Climate Change.
- The Bay du Nord environmental assessment is deeply flawed. It cannot be the basis for determining whether the project should proceed. Please note:
 - 1. The Bay du Nord project cannot be reconciled with the urgent and critically important need to reduce greenhouse gas (GHG) emissions immediately and drastically in Canada and around the world.
 - 2. The environmental assessment relies on Bay du Nord projections of approximately 300 million barrels of oil over its lifespan. We now understand the potential is closer to 1 billion barrels, over 300 per cent more. Production at this level results in emissions of roughly 430 million tonnes of CO2e (including downstream emissions), which is equivalent to the emissions of 100 coal-fired power plants operating for an entire year.²

¹ https://www.noia.ca/2021/11/billion-barrel-bay-du-nord-oil-project-reboot/

² https://www.epa.gov/energy/greenhouse-gases-equivalencies-calculator-calculations-and-reference

- 3. It is significant that, in the United States, a federal judge recently cancelled oil and gas leases in the Gulf of Mexico. The judge rules the Biden administration did not sufficiently consider climate change when it auctioned the leases in 2021.
- 4. In a landmark 2021 report, the International Energy Agency (IEA) concluded that to reach net zero emissions by 2050 no new oil, gas or coal development is possible.³ Canada has made a commitment to reaching net zero. Canada can no longer approve new fossil fuel expansion projects. Carbon emissions from the full production of currently operating global oil and gas fields, and coalmines already mean global temperature rise will exceed 1.5°C and undermine our commitments in the Paris Agreement.⁴
- 5. The environmental assessment repeats the claim by Equinor, the project proponent, that the Bay du Nord project will generate 50 percent fewer emissions, compared to other offshore drilling rigs in Newfoundland. There is no evidence provided to support this claim. Downstream emissions are not included in the analysis.
- 6. The climate analysis in the environmental assessment report relies on an incorrect target of "30 percent reduction below 2005 emission levels by 2030", whereas in July of 2021 the government increased its target to a 40-45 per cent reduction by 2030.
- In its science review of the environmental assessment, the Department of Fisheries and Oceans reports: "DFO Science encountered multiple instances of mischaracterization and/or omission of available research from the referenced literature. Overall, reported baseline information was incomplete and outdated for almost all chapters reviewed. This installed a bias, significantly undermined the reliability and credibility of the assessment process, which sometimes led to inappropriate conclusions. In its current form...the EIS is not considered a reliable source of information for decision-making processes."
- Significant environmental impacts The Impact Assessment Agency of Canada (IAAC) identified numerous serious "adverse environmental effects" yet failed to explain how these impacts did not meet the *significant* adverse environmental effects benchmark.
- At a depth of up to 1200 metres, Bay du Nord is Canada's first deep-water oil production project. How is it that the IAAC is not requiring that a capping stack or relief drilling unit be kept anywhere near the project? In the event of a blowout it would take up to 36 days for a capping stack to arrive and drilling a relief well would take 100 to 115 days, during which an out of control well would release millions of litres of oil into the North Atlantic. Operators in Alaska are required to have a capping stack onsite within 24 hours.⁶

Ministers, the climate and biodiversity crises require that governments take decisive action, including the orderly transition of our energy sector toward electricity and non-polluting sources of supply. The Government must say no to Bay du Nord and ban offshore oil and gas development. Investments like Bay du Nord do not have a long-term economic future. Even in the oil-reliant province of Newfoundland and Labrador, thousands of people have demonstrated calling for a just transition for communities and

³ https://www.iea.org/reports/net-zero-by-2050

⁴ http://ggon.org/wp-content/uploads/2019/12/GGON OilGasClimate English Dec2019-1.pdf

⁵ https://www.dfo-mpo.gc.ca/csas-sccs/Publications/ScR-RS/2022/2022_003-eng.pdf.

⁶ https://www.federalregister.gov/documents/2016/07/15/2016-15699/oil-and-gas-and-sulfur-operations-on-the-outer-continental-shelf-requirements-for-exploratory

workers,^{7,8} and recent polls in the province have shown a strong majority support a shift to renewables and a just transition.⁹ Such a transition is vital to avert an economic collapse that could be similar to that of the cod fishery. Instead of spending more money on another oil project, the government should be investing in a just transition for NL workers.

The Bay du Nord project is in direct contradiction to global, national, and provincial climate targets and represents a doubling down of investment in the fossil fuel industry at a time when we need to move to renewable energy sources and energy efficiency. It also comes after a flawed environmental assessment process and conclusions from DFO that the assessment included "bias" and "inappropriate conclusions."

We call on you, all New Brunswick Members of Parliament and Cabinet to reject Bay du Nord in favour of clean and non-polluting energy. Now is the time to develop the financial and social supports to launch Canada and the Atlantic region towards a truly sustainable future that stands the test of time.

Respectfully,

Louise Comeau

Director of Climate Change and Energy Solutions

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Director of Marine Conservation

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Hon. Steven Guilbeault, Minister of Environment and Climate Change Canada

⁷ https://www.cbc.ca/news/canada/newfoundland-labrador/friday-climate-change-rally-1.5299400

⁸ https://www.saltwire.com/atlantic-canada/news/newfoundland-and-labrador-residents-want-to-go-green-poll-100602670/

 $^{^{9}\,\}underline{\text{https://canadians.org/update/poll-atlantic-canadians-overwhelmingly-want-shift-fossil-fuels-support-workers-and-equity}$