



Northern Gateway tanker shipping flawed, risks are poorly understood

Professional Engineers claim risk of tanker spill too high; will likely leave Canadian taxpayers and environment paying the bill

(Vancouver, BC, March 12, 2014) A flawed assessment of risk, potential burden to taxpayers, and environmental uncertainty have led a group of Professional Engineers to question the National Energy Board's approval of the Northern Gateway project to ship diluted bitumen from the western terminus at Kitimat, BC to the open ocean. To substantiate its claims, the Concerned Professional Engineers (CPE) today released a series of three "risk-focused" white papers – 1) *Northern Gateway Risk Analysis Flawed; Joint Review Panel Irresponsible to Approve Project Without Investigating Issues*, 2) *Taxpayers Will Have to Pay for Cleanup and Damage Costs in the Event of a Major Tanker Spill* and 3) *Significant Uncertainty Remains Regarding Ability to Cleanup Marine Dilbit Spill*.

CPE is hopeful these white papers will alert British Columbians, Albertans and other Canadians that the project, specifically the shipment of heavy oil by tankers on the BC coast, carries significant risks.

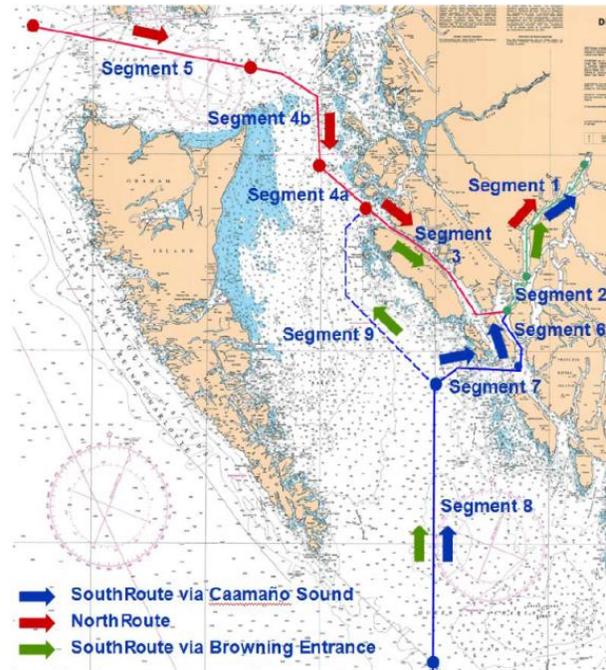
"The National Energy Board's Joint Review Panel (JRP) was irresponsible in its decision to approve the project," says Brian Gunn, spokesperson for CPE. "They ignored testimony and evidence and simply accepted assurances from Northern Gateway that the risks of a major oil spill were small. We had hoped they would address our concerns in their 209 conditions of approval, but we haven't seen anything that answers our questions."

The key CPE concerns focus on financial responsibility for spills, adequacy of the Quantitative Risk Analysis, transportation risks, and the potential for oil spills in the confined channel between Kitimat (northwest coast of BC) and the open ocean. The CPE membership consists of registered Professional Engineers and a Professor Emeritus of Civil Engineering at UBC.

Gunn claims that the group is not opposed to the development of natural resources, nor to their transit through British Columbia. "We've spent our careers in engineering working on resource-related projects, that's why we have the expertise to perform this analysis," says Gunn. "We understand that resource development is important to Canada and that shipment through BC is required to reach international markets."

"That's obvious," says Gunn. "But, that doesn't mean these kinds of projects should be rushed through without the proper review."

The National Energy Board (NEB) recently approved the Kitimat trans-shipping port to act as the western terminus for Northern Gateway oil coming from 1,200 km away in the Alberta oil sands. Supertankers, some more than 300 meters



(m) long, will be filled with diluted bitumen (dilbit is chemically thinned bitumen—so it can flow through pipes) in Kitimat before making the 16 hour, 300 km trip through Douglas Channel and Wright Sound to the open ocean.

CPE is critical of the JRP's approval of the project in December, 2013, claiming that they failed to live up to their mandate of conducting a thorough, science-based analysis of the proposal. "Northern Gateway's own calculations show that there is a 9% chance of a major spill on the BC coast," says Gunn. "We went through their math to figure out how they came up with this number, and at the root of it all we found a bunch of unjustified assumptions. This is not how complicated engineering projects are done."

Gunn says it was the JRP's responsibility to investigate these assumptions, something he claims they failed to do. "Canadians shouldn't be lulled into a false sense of security just because this project has been approved by the National Energy Board. Enbridge talks about how the 209 conditions are very tough and how they're going to build a world class oil spill response. But none of those statements mean anything unless someone is investigating the details. The JRP failed to do that."

In addition to the risk analysis, CPE also focused on the financial consequences of a major oil spill. "If there is a major spill on the coast taxpayers will be on the hook," says Gunn. According to CPE's whitepapers, Enbridge clearly acknowledges that they have no responsibility for oil spills once the tankers leave Kitimat. CPE cites figures from the JRP report that show the total funds available to pay for tanker spills are limited to just over a billion dollars. CPE points out that the Exxon Valdez is estimated to have cost as much as \$7 billion in cleanup and damages.

"Cleaning up tanker oil spills in such a complex environment may be impossible," said Gunn. "Environment Canada's scientists are not convinced that spills can be cleaned up effectively. It's clear from the JRP hearings that there are conflicts between Environment Canada and Transport Canada about whether or not this product can be cleaned up properly," Gunn said. He adds, "If that's the case, how can they pretend to know how much it will cost to clean up a spill?"

The CPE summarize their concerns in letters sent to: Prime Minister Harper; the Premiers of British Columbia and Alberta; Natural Resources Minister, Joe Oliver; as well as Jim Prentice at Enbridge. Samples of the letters can also be found at www.concernedengineers.org. CPE encourages Canadians to review their materials and to put pressure on their elected officials to strengthen the regulatory process.

The white papers can be found at CPE's website (www.concernedengineers.org) along with maps and images supporting the CPE position.

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To learn more or to arrange interviews, please contact:

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Concerned Professional Engineers (CPE) is a group of professional engineers and a professor emeritus of civil engineering at UBC in British Columbia, Canada. Together we have many decades of experience in the design, construction and operation of large projects for the extraction and transportation of natural resources such as coal and oil. We are keenly aware of the inherent conflict between environmental protection and resource development proposed by large projects like the Northern Gateway.