

**Letter of Comment([A69534](#))**

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Hearing Information

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Company: Trans Mountain Pipeline ULC
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Comments**1.0 INTRODUCTION**

1.1. Thank you for providing the Wilderness Tourism Association of BC with the opportunity to submit comments on the Trans Mountain Pipeline Expansion Project. The viability and competitiveness of British Columbia's nature based tourism industry is directly dependent upon the responsible management of our province's natural resources, and as such this matter is of enormous interest to our membership.

1.2. The Wilderness Tourism Association of BC (WTABC) represents the interests of approximately 2,000 nature based tourism (NBT) businesses in British Columbia, employing over 25,000 people in diverse industries such as guide outfitting, sport fishing, whale watching, kayaking, and other activities described as "ecotourism" and/or "wilderness tourism."

1.3. These businesses contribute significantly to BC's economy by offering world-class travel experiences in our diverse and majestic province, including its coastal regions. Many of our operators have won prestigious international travel awards and other recognition, including in regions along the proposed pipeline and tanker routes. These businesses provide long-term, stable, diversified revenue streams and jobs in BC communities. The businesses have also established positive working relationships with local First Nations communities, employ skilled First Nations workers, and support their communities and traditional territories.

1.4. We are pleased to submit this Letter of Comment on behalf of our stakeholders.

1.5. In general, the WTABC is not supportive of the project as it is presently conceived. We have however outlined a number of interests and concerns in this Letter of Comment, and provide recommendations that could potentially address and mitigate some of our sector's more pressing concerns related to the proposed pipeline expansion, and particularly the increase in marine-based oil tanker traffic.

1.6. I would like to emphasize that the WTABC is not unconditionally opposed to the extraction and export of non-renewable resources, as we recognize that diversified economies, including primary resource extraction, are the backbone of healthy and thriving societies. Our industry also relies upon the use of hydrocarbons to transport our visitors to and from our region, and for other tourism-related purposes.

2.0 OUR EXPERTISE

2.1. The expertise of the WTABC is in understanding the requirements for an economically competitive and sustainable nature-based tourism sector, and supporting the development of the sector through stakeholder engagement, research, policy analysis, outreach, and advocacy. To fulfill this mandate we possess a thorough understanding of the nature-based tourism business environment, business operations, product-market matching, and product branding.

2.2. The WTABC regularly works with governments at all levels, tourism businesses in other (non NBT) sectors, First Nations communities, and resource industries to ensure that our NBT sector is both competitive and sustainable.

2.3. On the issue of nature based tourism interactions with other resource industries, the WTABC routinely provides these stakeholders, such as in forestry, mining, and other resource industries, with specific technical information related to nature based tourism land and resource planning, consultation requirements, visual landscape management, noise impact mitigation, access / transportation management, and other areas that are directly relevant to these proceedings.

2.4. We also monitor and evaluate market-based information regarding our sector, including consumer values and preferences, visitation levels and expenditures, and nature based tourism sub-sector development trajectories (which sectors are growing fastest/slowest and in which regions).

3.0 TOURISM AND MARINE-BASED TOURISM IN BRITISH COLUMBIA

3.1. The economic impact and contribution of tourism cannot be under-stated, as it is one of the fastest growing sectors in the BC economy. In February 2015 Destination BC, British Columbia's tourism marketing and management organization, reported \$13.9 billion in direct tourism business revenues for 2013. In the past ten years alone, tourism revenues have increased by 42%, resulting in its real GDP now being three-times higher than agriculture, fish, and forestry combined. It is the primary economic diversification strategy employed by many of BC's coastal communities that are seeking ways to diversify their economies.

3.2. The vast majority of tourism in our province is directly related to our reputation for unparalleled natural spaces, clean air and water, and abundant wildlife. The most common trip activities of tourists in BC's coastal regions are as follows:

1. Visiting a beach
2. Visiting a national, provincial or nature park
3. Hiking or backpacking
4. Wildlife viewing or bird watching

3.3. Nature based tourism in BC had direct economic output (business revenues) of an estimated \$1.2 billion per year in 2007. As of 2015 we estimate that total direct revenues for our sector have increased to approximately \$1.6 billion per year, and the sector is responsible for over 25,000 direct jobs.

3.4. In recognition of the value of our natural spaces, the Government of BC via Destination BC has refocused and revitalized our core brand pillars related to our Super, Natural British Columbia® brand.

3.5. A 2007 report produced for the BC Ministry of Environment entitled “Economic Contribution of the Oceans Sector in British Columbia” by GS Gislason & Associates estimated that the total Ocean Sector economy in B.C. is valued at \$11.6 billion in economic output, accounting for roughly eight per cent (8%) of BC’s total GDP. Among component industries, “ocean recreation” was by far the largest contributor to the BC Oceans Sector, with \$3.8 billion in annual direct economic output. These revenues were divided into marine-based tourism activities such as whale watching, kayaking, sport-fishing, power / sail cruising, and wildlife viewing, as well as other tourism-related industries, such as cruise and ferries.

3.6. Assuming a similar rate of growth in ocean recreation as the overall BC tourism industry, this would amount to \$4.8 billion in direct economic output as of 2013.

3.7. Multiple BC-based tourism economic impact studies in recent years have indicated that the total economic impact, including indirect and induced impacts, is typically two-times the direct revenues of the industry. The majority of these economic impacts and benefits are in the following industries:

- Finance, Insurance and Real Estate
- Manufacturing
- Construction
- Other Transportation
- Other Retail

4.0 OUR UNDERSTANDING OF THE PROPOSAL

4.1. This \$5.4 billion proposed pipeline expansion project would result in the twinning of Kinder Morgan’s existing Trans Mountain Pipeline (TMP), with an origin in Edmonton, Alberta and a terminus at the Westridge Marine Terminal in Burnaby, British Columbia.

4.2. Figure 1: Proposed Trans Mountain Pipeline Expansion Route (see attached)

4.3. The pipeline travels through or directly adjacent to some of the most significant nature based tourism areas of British Columbia, including Mt Robson Provincial Park (near the headwaters of the Fraser River) and Wells Gray Provincial Park (near the headwaters of the Thompson River), which contain some of the province’s (and the world’s) most abundant wild salmon stocks, grizzly and black bear habitat, caribou, moose, wolves, and other “charismatic mega-fauna” upon which our province’s tourism brand is built.

4.4. The marine (shipping) component of the proposed expansion project entails seven segments as outlined below in Kinder Morgan's commissioned Risk Analysis of the project.

4.5. Figure 2: Trans Mountain Tanker Route to/from Westridge Terminal (see attached)

4.6. The proposal would result in an approximate tripling of existing pipeline capacity, from an estimated 300,000 to 890,000 barrels per year.

4.7. If approved, the project would involve capital upgrades at the Westridge Marine Terminal in Burnaby, resulting in the creation of three new berths.

4.8. Most notably and concerning to the WTABC, the project would result in an increase in bulk crude tanker loading at Westridge Marine Terminal, from five (5) tankers per month to thirty four (34) tankers per month. This would mean that the present approximately 60 tankers per year navigating the pristine coastal waters of BC's west coast would increase to 408. This is an estimated 580% increase in tanker traffic in the Strait of Juan de Fuca, Haro Strait, Salish Sea (Georgia Strait), English Bay and Burrard Inlet. The pipeline expansion would also entail expanded transportation of light and heavy crude products by both rail and transport truck, although these increases may be variable and have not been quantified by the proponent.

5.0 SUMMARY OF INTERESTS AND CONCERNS

5.1. Our comments will focus primarily on potential risks of the proposed project on nature based tourism in British Columbia, with a particular emphasis on marine-based shipping of oil products. We will therefore focus on the following areas of interest requested by the NEB for these hearings:

- The potential environmental and socio-economic effects of marine shipping activities that would result from the proposed Project, including the potential effects of accidents or malfunctions that may occur.
- The appropriateness of the general route and land requirements for the proposed project.
- The terms and conditions to be included in any approval the Board may issue.

5.2. The WTABC is not unconditionally opposed to the Kinder Morgan Trans Mountain Pipeline expansion project and related shipping activities, per se. We recognize that a strong, diversified economy is in the best interests of the NBT sector, and we continually support responsible resource extraction, transportation and use.

5.3. However, we do not support the present project as it is constituted, and believe that the risks to businesses in our sector are immense, with little or no regard being given, to date, to preventing and mitigating these potential risks. The areas of concern are highlighted below.

The potential environmental and socio-economic effects of marine shipping activities that would result from the proposed Project, including the potential effects of accidents or malfunctions that may occur.

5.4. The majority, although not all of our concerns are related to marine-based transportation, in light of the fact that the land-based component of this project results primarily in the replacement and expansion of existing pipeline capacity in mostly the same regions as the existing pipeline.

Impact of a Catastrophic Oil Tanker Spill

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5.5. As shown by the pipeline rupture at the Kalamazoo River in Michigan, crude products such as diluted bitumen can be extremely difficult to contain and remediate from waterways. When a spill occurs from a pipeline or from a tanker the condensate evaporates and forms a poisonous cloud. The bitumen, being heavier than freshwater, sinks in waterbodies such as streams and rivers. In salt water, it sinks to a point in the water column where it reaches the density of the salt water, making surface containment a literal impossibility.

5.6. With the region's tides and currents being renowned for their strength and severity, particularly in the challenging navigation channels near Haro Strait, the diffusion of crude oil products would be immediate, unmanageable, and catastrophic.

5.7. The bitumen and oil products, known to be toxic to fish and wildlife at relatively low concentrations, would coat the benthic zone of our most critical marine habitats, and would spread to shoals, reefs, floodplains, and the overall intertidal zone of one of the most biodiverse temperate marine regions of the world.

5.8. Notably, a number of the region's keystone species are already under threat and/or have sensitive and declining populations. Most notable is the region's once-abundant salmon populations, including Chinook, Sockeye, Pink, Chum, and Coho. Many other important species that are relied upon by the tourism industry in this region include orcas, dolphins, sea otters, seals, sea lions, and others. A catastrophic spill in this region would threaten most or all of these species.

5.9. Most of these marine species rely directly and/or indirectly upon benthic invertebrates that would be immediately and perhaps irreparably damaged in the event of a catastrophic oil spill, such as sponges, corals, anemones, mussels, sea urchins, jellyfish, clams, octopus, shrimp, sea stars, and crabs.

5.10. We were shocked to learn that Trans Mountain's own estimate of the probability of a notable spill over the next 50 years is 19%, whereas the probability of a major, catastrophic spill (8.25 million litres or more) is ten percent (10%). According to the DNV report commissioned by Trans Mountain, the probability of a catastrophic oil spill in the region is "only" increased by 30% with the introduction of this single project. The likelihood of a minor oil spill (<10m³) increases from once every 234 years to once every 34 years, while the probability of a worst-case spill increases from once every 1,655 years to once every 234 years. The very use of qualifying terms such as a spill "only" once every 34 years is troubling and calls into question the grasp of the seriousness of the issue by the project proponent, Kinder Morgan / TMP and its consultants. We would consider this risk increase to be significant. The same DNV report also comments that "...in the majority of these vessels the bunker oil tanks will be protected by a double hull," and are less likely to rupture in the event of minor accidents. For an issue of this magnitude, the qualifier "majority" provides little comfort to our stakeholders regarding quality control of these vessels. Are 51% of the bunker oil tanks protected by a double hull? 99%? Are double hulls not a statutory requirement for these Aframax vessels?

Impact on BC's Super, Natural® Brand

5.11. Prior experiences in regions that have suffered from environmental catastrophes such as oil spills have had a significant and lasting impact upon traveller perceptions of the region. Any spill in B.C. would affect the entire provincial tourism industry and the Canadian tourism industry.

5.12. When the Exxon Valdez oil spill occurred in 1989, 27% of businesses in other parts of Alaska reported significant or moderate losses in the immediate aftermath of the spill.

5.13. When the Deepwater Horizon oil rig exploded in 2010, significant numbers of tourists shifted away from the entire Gulf Coast region including areas well beyond the sites directly affected by the spill. The expected economic impacts were estimated at \$22.7 billion over three years, with potential mitigation actions such as an emergency marketing fund of \$500 million minimizing the impacts – though only by one-third.

5.14. Figure 2: Oil Spill Impacts on Tourism in Gulf States (see attached)

5.15. In an evaluation of TripAdvisor searches in the early summer of 2010, consumers searched 65% less for information on coastal destinations in Alabama than in the same period of 2009, and 52% less for Florida.

5.16. In a separate study, two months after the Deepwater Horizon oil rig explosion in April 2010, 26% of people who had previously intended to visit the State of Louisiana had postponed or cancelled their trip entirely. According to the same study, 25% of people incorrectly believed that unrelated leisure activities were closed indefinitely because of the spill. In addition, more than 60% of the region's hotels experienced cancellations related to the oil spill.

5.17. For BC's many small-to-medium sized tourism businesses, with highly seasonal revenue streams and often thin profit margins, this kind of adverse consumer reaction could be catastrophic.

Other Potential Negative Impacts

5.18. There are a number of potential negative impacts on the BC nature based tourism sector that could result from this project. These are itemized below.

Tanker Impacts on Viewscapes

5.19. The estimated 580% increase in bulk crude tanker traffic in the confined straits and channels of the southwest coast of British Columbia would have a notable impact on the overall quality of the natural surroundings in the region.

5.20. In primary industries such as forestry in British Columbia, impacts such as landscape visuals are protected by provincial statute, and need to be managed in such a manner as to mitigate potential negative impacts where they are most notable.

5.21. In the case of the TMP project, the cumulative visual impacts of an estimated 800 or more (one-way) passages of bulk crude tankers in the narrow confines of the region's marine corridors would pose a range of potential deterring impacts for clients of some specific nature based tourism product sectors, particularly whale watching, sport fishing, pleasure cruises, kayak tours, scuba diving, and other activities that are predicated on the pristine environment of the region. There would also be ancillary and likely lesser impacts – though still noteworthy – on land-based activities such as beach-going, golfing, and hiking, where the oil shipping routes would be in prominent view.

5.22. Trans Mountain indicates that it will conduct an environmental and socio-economic assessment (ESA)

related to “Human Activity & Land Use” in relation to this project, and provides a list of questions it will answer on its website.

5.23. However, these potential impacts on human activity, including but not limited to tourism, appear to focus exclusively on the land-based component of the project and not the marine component. In addition, the actual ESA is not published on the Transmountain website so we have no way of knowing the details of the potential risks and mitigation strategies being considered.

5.24. We thus conclude that, to date, no analysis or planning has been undertaken to assess visitor sensitivity to visual impacts of bulk crude tanker or other container ship traffic in ecotourism-intensive zones. Based on prior research in the field of forestry, however, we expect these impacts to be low to moderate for the type of visual impact that could be expected to result from this project, a level of impact that would require some mitigation.

Tanker Air and Water Pollution

5.25. The estimated 580% increase in bulk crude tanker traffic would also result in incremental deterioration of the region’s air quality and water quality. These impacts will be exacerbated in the more constricted navigational points such as near Sidney Island, Turn Point, South Pender Island, and Saturna Island, where delays in passage may occur. These cumulative impacts on air and water pollution could be notable, particularly during the summer peak tourism season.

5.26. According to the Government of Canada Commission of Inquiry into the Decline of Sockeye Salmon in the Fraser River (the “Cohen Commission”) report, Volume 2, published in October 2012, the most likely cause of decline of the Fraser River sockeye run in 2009 was “ocean conditions (physical and biological) inside Georgia Strait.” The report cites cumulative impacts of municipal wastewater/sewage, industrial activity, shipping, and other non-point source contamination to be potentially significant factors impacting water quality and marine habitats, creating adverse oceanic conditions for migratory salmon. Adverse water quality in the Georgia Strait in particular was singled out as a potentially significant stressor of wild salmon along their migratory paths.

Pipeline Rupture

5.27. As mentioned previously, the WTABC is also concerned about a possible pipeline rupture in the overland corridor of the Trans Mountain Pipeline. While some of these concerns are mitigated by the fact that this project primarily replaces and expands on an existing pipeline, the overall project nonetheless increases the incremental pipeline rupture risk over the long term. With two pipelines in place, and a tripling of capacity, a potential rupture is both more likely and would be more severe.

Construction Impacts

5.28. During construction of the pipeline, it is expected that there will be some positive and negative impacts on nature based tourism related to construction employment. There may be some nominal positive economic impacts in our industry resulting from the induced impacts of work crews (spending of construction crew salaries on nature based tourism and/or lodging). While these have not been quantified, they are expected to be minimal for the nature based tourism sector. We expect that the overall accommodation and foodservices sector will stand to benefit more significantly from these induced impacts.

5.29. On the other hand, there are anticipated negative impacts that are expected to result during the construction phase. The pipeline traverses regions that are extensively used by tenured tourism operators such as wilderness guides and public recreationists (hikers, skiers, snowmobilers). Some of these areas may be closed to tenured tourism operators, there will be increased vehicle traffic and noise, and other possible impacts on tourism businesses.

5.30. A summary of risks is provided in Table 1, below. (see attached)

5.31. Table 1: Risk Analysis of TMP Expansion on B.C. Nature Based Tourism

The appropriateness of the general route and land requirements for the proposed project.

5.32. The primary though not exclusive concern registered by the WTABC in these proceedings is related to the specific routing of the marine shipping component of this project. This region has the highest density of marine-based “trails” (common marine recreation pathways), docks, mooring sites, beach campsites, and other amenities used by tourists and recreationists in B.C.

5.33. The following map provides an overview of the intense clustering of marine-based recreation usage in Southwestern B.C.

5.34. (Note to Map: Dark green circles are sanctioned marine-use campsites, light green circles are other commonly used sites, red circle are day use sites, and blue circles are access sites. The numerical figure within circles indicates the number of sites within each specific sub-region).

5.35. Figure 3: Recognized Marine Recreation Use Areas in SW B.C. (see attached)

5.36. As Figure 3 (above) demonstrates, there is a dense clustering of marine recreation sites in the Southwestern corner of B.C. These regions would be impacted by a catastrophic oil spill as well as from cumulative impacts from minor spills, and/or ancillary impacts from visuals, noise, air, and water pollution.

5.37. Perhaps most notable, the Northern Saanich Peninsula and Southern Gulf Islands are world-renowned recreation and boating destinations, and pillars of BC’s nature based tourism sector. This region is also the most significant navigational constriction point (outside of the Burrard Inlet bridges), making an increase in bulk crude tanker traffic in this region a higher risk to nature based tourism revenues in B.C.

5.38. Figure 4: Recognized Marine Recreation Use Areas – Haro Strait / Southern Gulf Islands (see attached)

5.39. Within the Salish Sea (Strait of Georgia), navigational challenges may abate somewhat, however the concentration of nature based tourism amenities and businesses remains high. This is particularly the case for the eastern shoreline of Vancouver Island, Howe Sound, and the Sunshine Coast. These regions are highly dependent upon nature based tourism to provide income and employment.

5.40. Figure 5: Recognized Marine Recreation Use Areas – Salish Sea (Strait of Georgia) (see attached)

6.0. RECOMMENDATIONS AND INFORMATION REQUESTS

6.1. We would like the NEB to consider the following recommendations in its deliberations regarding this proposed project.

6.2. That the project applicant, Trans Mountain, be compelled to consult directly with the Wilderness Tourism Association to review the details of this Letter of Comment.

6.3. That a condition of NEB approval of this project be the development of a comprehensive and public ESA that includes the identification of potential impacts on nature based tourism of the marine shipping component of the project, including but not limited to the potential risks identified in this Letter of Comment, and a comprehensive risk mitigation strategy related to the relevant risks identified.

6.4. The WTABC would also like to make an Information Request (IR) to receive all relevant documentation related to the “Environmental and Socio-economic Assessment: Human Activity & Land Use,” and any other relevant documentation related to impacts on marine-based tourism operators in British Columbia.

7.0. SUMMARY

7.1. Based on our analysis of this project, the nature and probability of minor and catastrophic oil spills on land or at sea, as well as other related cumulative impacts on air quality, visuals, water quality, and nature based tourism tenure areas, the WTABC concludes that this project should not proceed as presently proposed.

7.2. We urge the NEB to consider tourism and recreation values and interests as one of the primary areas of risk related to the project, and develop mandatory mitigation strategies to be put in place in the event that the project is authorized to proceed.

7.3. The WTABC would like to close by stating our interest in remaining engaged in this process, and we emphasize our willingness to consult with the proponent and/or the appropriate regulatory agencies in the further assessment of this project.

Sincerely,

Jim DeHart, President
Wilderness Tourism Association of BC

Attachments

Document Name	Document Type	Size
WTA NEB Submission - KM TMP-04-15-15	Letter of Comment	3.2 MB