

EnCana's Proposed Northeast B.C. Cabin Gas Plant Accounting for the Climate Change Implications

Key Facts About the Project

EnCana proposes to build a natural gas processing plant approximately 60 kilometres northeast of Fort Nelson. At full operational capacity, the plant would process up to 800 million standard cubic feet per day of raw natural gas from the Horn River Basin. It would emit 2.2 million tonnes of greenhouse gases per year. To put these emissions in perspective, operating the proposed plant would be the equivalent of adding almost 450,000 cars to B.C. roads.¹ The facility would be B.C.'s largest point source emitter, doubling the 1.1 million tonnes of greenhouse gas emissions released in 2007 by B.C.'s current largest emitter, Rio Tinto's aluminum smelter in Kitimat.²

The plant is now going through the provincial environmental assessment process. The Environmental Assessment Office is accepting comments on the proposal until August 21, 2009.

Concerns With the Project

The environmental and climate issues raised by the EnCana Cabin Gas Plant proposal are substantial. As B.C. moves towards a low carbon economy, only responsible long-term infrastructure and sustainable resource development decisions will position the province to uphold its place as a leader on climate action. Focusing on the climate change implications of the proposal, the Pembina Institute believes the following four recommendations need to be addressed in the project's environmental assessment:

- 1. Include the greenhouse gas emissions from the facility in relation to B.C.'s provincial emission reduction targets.
 - If approved, the EnCana Cabin Gas Plant would increase B.C.'s emissions by 3.27% (based on 2006 emissions).
- 2. Require the proposed facility to meet emissions standards equivalent to a gas processing facility equipped with zero or low emissions technology, such as carbon capture and storage.
 - Spectra Energy is investing significantly in carbon capture and storage technology for its Fort Nelson gas processing plant. EnCana is not proposing to meet the same standard.
 - Planning for and implementing solutions to reduce greenhouse gas emissions is considerably more cost effective during initial construction rather than as a retrofit.

¹ Pembina Institute calculation based on a vehicle with fuel economy of 10 litres per 100 kilometres (for example a 2005 Dodge Caravan minivan, based on Natural Resources Canada Fuel Consumption Guide), driving an average of 55 kilometres per day.

² Environment Canada's Large Final Emitter database accessed August 2009.

- 3. Include the greenhouse gas emissions that would result from the expanded upstream gas production needed to supply the processing capacity of the proposed facility.
 - The natural gas needed to fill the proposed facility's capacity will be above and beyond current gas production levels in B.C. Each natural gas well, access road, and pipeline associated with the new production will result in new greenhouse gas emissions that need to fit under B.C.'s greenhouse gas reduction targets.
- 4. Include the greenhouse gas emissions that will be released when the gas processed by the proposed plant is used by end consumers (for example, for home heating, natural gas-fired electricity generation, or oil sands processing).
 - These emissions should be included and evaluated as part of the environmental assessment in order to ensure that B.C. is living up to its commitment to demonstrate leadership on climate change action.

Learn More and Get Involved

To learn more about the environmental assessment process and EnCana's submission, visit <u>http://www.eao.gov.bc.ca</u> and search for "Cabin Gas Plant Project" in the Project Information Centre.

To learn more about the Pembina Institute's concerns with the proposed project, please download our submission to the B.C. Environmental Assessment Office at <u>http://bc.pembina.org/pub/1867</u> or contact Matt Horne, director of the B.C. Energy Solutions program:

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If you or your community has concerns about the proposed EnCana plant, the Environmental Assessment Office is accepting written submissions until August 21, 2009. Submissions should be addressed to:

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