

Exploring the FUTURE of Offshore Oil and Gas DEVELOPMENT in BC: Lessons from the ATLANTIC

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Downturns in the Province's fishing and forestry industries have left BC coastal communities searching for economic alternatives that will ensure their survival. One such alternative is the development of offshore oil and gas reserves. While some coastal representatives are urging provincial and federal governments to lift the moratorium on exploration drilling that has been in place for nearly 30 years, others maintain that the risks to an already threatened fishery and marine ecosystem remain too great and the socio-economic benefits uncertain.

To address this important and timely debate, Simon Fraser University, Centre for Coastal Studies (formerly the Institute of Fisheries Analysis), in collaboration with Memorial University of Newfoundland, is sponsoring a two-day forum to bring stakeholders, leading experts and members of the public together to examine the facts. The forum will facilitate an informed public discussion on the current implications of offshore oil and gas development in British Columbia. Changes in the offshore oil and gas industry, and in our understanding of the impacts of oil and gas development on marine ecosystems since the issue was last contested in the Province in the 1980s will be highlighted. International and national experts will provide valuable insights drawn from lessons learned in Newfoundland, elsewhere in Canada and around the world.

The forum has been designed for participation by key stakeholders, including communities, industry, research institutions, industry, labour, environmental and other non-government organizations, along with all levels of government.

BACKGROUND

Exploration for oil and gas resources on the north coast of BC dates back to the early 1900s. According to 1998 estimates from the Geological Survey of Canada, reserves in the Queen Charlotte Basin may exceed those of Newfoundland's Hibernia field by more than five times. However, concerns about the impact of oil and gas development on the coastal environment and resulting political pressure have prohibited further exploration of the potential for this sector of the BC economy.

In 1959 the Province of British Columbia imposed a moratorium on exploration drilling on the coastal waters between Vancouver Island and the border of Alaska and British Columbia. The moratorium was temporarily lifted in 1966 to permit the drilling of 14 exploratory wells. In 1972, both the Government of Canada and the Province of British Columbia re-established the moratorium.

In 1984, consideration was given once again to lifting the moratorium so that petroleum companies holding leases in the region could undertake exploration. Public information meetings were held throughout northern British Columbia during the fall of 1984 and winter of 1985. In April 1986 the appointed review panel submitted a report containing 92 recommendations that outlined conditions under which development could proceed. The report aimed to help both governments negotiate a Pacific Accord (similar to one instituted in the Atlantic in 1985) which would have allowed the lifting of the moratorium. Then, in 1989, the Exxon Valdez disaster along with other spills raised

public concern and persuaded the two governments to extend the moratorium indefinitely, with no mechanism for its review.

Ten years have passed since the last review. In the meantime, the British Columbia economy has weakened, particularly in coastal communities, technological improvements have taken place in the industry (exploration, drilling, extraction and transport), and significant developments on the east coast of Canada have taken place from which lessons can be learned. Employing state-of-the-art technology for exploration, drilling and environmental assessment the Hibernia Project was launched in the late 1980s, followed by the Terra Nova project also in Newfoundland and the Sable Offshore Energy Project in Nova Scotia in the 1990s. British Columbians now have an opportunity to learn from these experiences.

Delegates at conferences on ocean opportunities held in Prince Rupert in 1996 and 1998 came out in favour of lifting the moratoria on oil and gas exploration. In 1997 the Prince Rupert-based North Coast Oil and Gas Task Force was formed to encourage provincial and federal governments to move in this direction. In 1999 a resolution of BC's Coastal Community Network urged further investigation into the opportunity and the government's Northern Development Commission hired a consultant to undertake a study into the feasibility of lifting the moratorium. Meanwhile, a number of First Nations, fishing and environmental organizations have begun to organize in opposition.

The time to revisit the subject of oil and gas exploration and drilling in BC has come. This forum will provide an unbiased, fact-based venue for this debate.

Proceedings from Workshop edited by Patricia Gallagher, Director, Continuing Studies in Science, SFU, with assistance of Jennifer Penikett, Research Assistant, Centre for Coastal Studies, SFU, Laurie Wood, Program Assistant, Continuing Studies in Science and Craig Orr, Centre for Coastal Studies.

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