



**Executive Committee
Electronic Meeting Agenda**

Date: June 15, 2018
Time: 9:00 am
Location: Islands Trust Victoria Boardroom
200-1627 Fort Street, Victoria, BC

	Pages
1. CALL TO ORDER	
2. APPROVAL OF AGENDA	
2.1 Introduction of New Items	
2.2 Approval of Agenda	
3. TRUST COUNCIL MEETING PREPARATION	
3.1 Trans Mountain Pipeline Expansion Project - RFD	1 - 6
4. NEW BUSINESS	
5. NEXT MEETING - June 19, 2018	
6. ADJOURNMENT	



REQUEST FOR DECISION

To: Trust Council **For the Meeting of:** June 20, 2018
From: Executive Committee **Date Prepared:** June 15, 2018
SUBJECT: Open Letter re opposition to Trans Mountain Pipeline Expansion

RECOMMENDATION:

1. That Trust Council invite trustees to be signatories to an open letter to the federal government defining why Islands Trust Council opposes the expansion of the Trans Mountain pipeline and supports the action of the Province of British Columbia in seeking to protect our environment, our coast, and our coastal waters, AND THAT San Juan County councillors be invited to be co-signatories to the open letter.
2. That Trust Council approve an appropriation of surplus of \$65,000 into the 2018-19 budget to place an open letter to the federal government defining why the two governments oppose the expansion of the Trans Mountain pipeline in national and local newspapers as paid entry.
3. That Trust Council request staff to prepare a communication strategy and materials regarding Trust Council's open letter to the federal government about the expansion of the Trans Mountain pipeline.

CHIEF ADMINISTRATIVE OFFICER COMMENTS: The impact of an oil spill within the islands and waters of the Islands Trust Area has long been of significant concern to residents of the Islands Trust Area and their elected representatives. The Islands Trust was established forty-four years ago to protect the environment and unique amenities of this area, including its communities, lifestyles, and economies. While the risk of an oil spill from a tanker is low, the magnitude of impact would be devastating and difficult to imagine. The Trans Mountain Pipeline Expansion Project would increase oil-tanker traffic sevenfold, putting an estimated 350 more tankers a year in the Salish Sea. There is concern that the primary type of oil to be transported, diluted bitumen, could have particularly difficult consequences if spilled because of the significant lack of response strategies.

The proposed open letter and communication strategy could result in significant attention for the Islands Trust and its mandate. Staff would retain a media relations contractor to assist in order to minimize the workload impact and maximize the campaign effectiveness.

Undertaking paid advertising, in national/central Canada newspapers, as well as local/regional newspapers, would result in the widest possible exposure provincially and nationally. This would require appropriating funding from surplus.

PURPOSE: To seek Trust Council's support for a communications campaign about the Islands Trust Council's opposition to the Trans Mountain Pipeline Expansion project.

1 BACKGROUND:

On June 6, 2016, the Islands Trust Executive Committee considered correspondence from Trustee Grams recommending that the Islands Trust Council should take a robust and high-profile public stand against the Trans Mountain Pipeline Expansion Project, and requested that staff prepare a RFD for Trust Council from the Executive Committee based on the ideas discussed at the meeting. This RFD was approved at a special Executive Committee meeting on June 15, 2018.

The Islands Trust Council has a unique and compelling voice on this topic and has been concerned with oil spill and oil tanker issues since 1979. As early as 1983, the Islands Trust Policy Statement included a policy to oppose increased oil tanker traffic in and adjacent to the Islands Trust Area waters and to support measures to reduce such traffic.

An oil spill within the Trust Area could have devastating impacts on the abundant biodiversity of the region and significantly affect species already at risk, as well harm the livability and economic well-being of local communities.

In 2011, the Islands Trust was the first local government to study and respond to Kinder Morgan Canada's plan to lay the financial foundation for its expansion of the Trans Mountain pipeline. The Chair sent a [letter](#) to the National Energy Board (NEB) requesting more consultation and opposing Kinder Morgan Canada's application due to concern that it would lead to more tanker traffic through the Trust Area.

In June 2012, the Islands Trust Council voted to oppose (in principle) oil pipeline projects that lead to the expansion of oil export by barge and tanker from Canada's West Coast due to concern about the risk of oil spills that could irrevocably damage coastal environments, economies, and communities. In June 2012, the Islands Trust Council also decided to [encourage](#) the federal Minister of Natural Resources to support the phasing out of crude oil export from Canada's West Coast by tanker and barge as part of a national energy strategy.

In December 2013, Trans Mountain Pipeline ULC, operated by Kinder Morgan Canada and owned by Kinder Morgan Energy Partners, filed a Facilities Application with the NEB for authorization to build and operate the necessary facilities for the company's proposed Trans Mountain expansion project.

In June 2013, the Islands Trust Council invited Kinder Morgan Canada to give a [presentation](#) on Mayne Island.

In February 2014, the Islands Trust Council chose to participate as a commenter in the National Energy Board's hearing into the Trans Mountain Pipeline Expansion Project rather than become an intervenor. Trust Council had been advised that staff estimated up to \$190,000 in costs to intervene and sustain current Trust Area Services department capacity.

In August 2015, Chair Peter Luckham sent [a letter of comment](#) to the NEB, opposing the expansion of the Trans Mountain Pipeline.

In August 2016, Chair Peter Luckham spoke in person to the Government of Canada's Ministerial Panel reviewing the Trans Mountain Pipeline Expansion Project and followed up with a [letter](#) in September, 2016.

On November 29, 2016, the federal government approved Kinder Morgan's Trans Mountain Expansion Project, subject to 157 binding conditions that will address potential Indigenous, socio-economic and environmental impacts, including project engineering, safety and emergency preparedness. The federal news release about the approval stated that in making its decision to approve the Trans Mountain Expansion Project, the government took into consideration a wide variety of information and data, including the NEB's recommendation report, Environment and Climate Change Canada's assessment of upstream greenhouse gas emissions, the views of Canadians and enhanced consultations with Indigenous peoples. The report from the Ministerial Panel for the Trans Mountain Expansion Project was also considered.

On December 12, 2016, Chair Peter Luckham sent a [letter](#) to the Prime Minister, expressing Trust Council's profound disappointment regarding the Trans Mountain Pipeline Expansion approval. The Prime Minister's office [responded](#) on February 15, 2018 with a message that stated, among other comments, that the Government of Canada has a commitment to grow the economy while protecting the environment Canadians cherish.

On January 30, 2018, the Province of B.C. announced proposed regulations to improve preparedness, response and recovery from potential spills and announced that it was looking for feedback on five key themes for the regulations including restrictions on the increase of diluted bitumen ("dilbit") transportation until the behaviour of spilled bitumen can be better understood and there is certainty regarding the ability to adequately mitigate spills.

On April 26, 2018, after concerns were raised that Province of B.C. did not have jurisdiction to enact Environmental Protection Act regulations concerning diluted bitumen, the province filed a [reference case](#) with the B.C. Court of Appeal.

On April 30, 2018, the Islands Trust Chair [wrote](#) to George Heyman, Minister of Environment and Climate Change Strategy, to provide comment on the proposed regulations.

On May 29, 2018, the federal government announced a deal with Kinder Morgan to purchase the existing Trans Mountain pipeline as well as the expansion project to twin the pipeline for \$4.5 billion. The agreement, which must still be approved by Kinder Morgan's shareholders, is expected to close in August 2018. Media reports suggest Kinder Morgan has already spent about \$1 billion on the pipeline expansion, and in December Kinder Morgan estimated the project expansion would cost \$7.4 billion overall.

The project will increase the number of oil tankers from 60/year to 408/year. Tanker accidents are low probability/high magnitude events.

The Islands Trust Council has not participated in any court actions regarding the Trans Mountain Pipeline Expansion Project. Background on the Islands Trust Council's advocacy for oil spill prevention and response improvements is at: <http://www.islandstrust.bc.ca/trust-council/advocacy/marine-environment/oil-spill-prevention-and-response-advocacy/>

The objectives of undertaking an open letter supported by a communications strategy include:

- Demonstrate to a national audience that the depth of concern about increased tanker traffic in this region is broad and deep; it is more than just the B.C. government / radical protestors;
- Provide support to a provincial position on Kinder Morgan;
- Provide a voice for our Salish Sea island communities, the majority of who are likely against the pipeline expansion;
- Contribute to the national debate an informed, local voice that can speak rationally about the severe impacts and transboundary nature of oil spills;
- Build awareness of the Islands Trust, our mandate and the value of transnational partnerships.

Challenges that the campaign may have to address/overcome include:

- Opinions on this issue appear to be entrenched;
- We don't know where the debate is going but it's been happening and may have died out by the time we're ready;
- A message from communities associated with islands in the Salish Sea could appear to be motivated not by "national interest" and framed by news outlets or pro-pipeline advocates as NIMBYism;
- Some First Nations in the Islands Trust Area may support the pipeline and tanker traffic and may be vocal in expressing that opinion. The Islands Trust has not engaged with First Nations to seek their opinions on the project or this advocacy proposal;
- The Islands Trust Chair would need to commit substantial time to preparing for and responding to media interviews.

The key messages in the letter and any associated communication products would be targeted to a national audience and focused on:

- We represent a fresh voice in this debate: the island government at the front line of risk for the proposed project, *the guardians of the islands in the Salish Sea*;
- The nature, including its internationally recognized value in terms of biodiversity, of the region that the authorities represent (including defining "what is the Salish Sea");
- The scale and nature of freighter / tanker traffic through the whole region (including how it's been recognized as particularly vulnerable);
- The nature of product being transported;
- Potential environmental impact of an oil spill, "everything could change in 24 hours";
- Potential community impacts of an oil spill, "these people live by the Salish Sea".
- Potential economic impact of spill (correctly framed given our limited mandate).

2 IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL: Trust Area Services staff estimate up to five–ten days of staff time to draft the open letter, secure electronic signatures from participating trustees/councillors, arrange for graphic design of the final advertisement, and execute an associated communications plan. Agreeing to this new work will, however, cause delays in other TAS related projects and communications initiatives. Staff would engage a communications contractor to provide expert advice regarding timing and media relations, as well as a subject matter expert to review communications materials for accuracy.

FINANCIAL: Staff cannot release advertising quotes received from media outlets but advise that for \$65,000 advertisements can be placed in national, regional, and local newsletters. The appropriation from surplus for this activity would be guided by Trust Council's [Budget Adjustment and Control Policy \(6.5.ii\)](#).

POLICY: No implications for existing policy.

IMPLEMENTATION/COMMUNICATIONS:

Staff/Islands Trust Chair will communicate with San Juan County to ask if they are interested in signing the open letter. Staff will then prepare a draft open letter to be signed by willing trustees/councillors with an associated detailed communications plan for consideration by the Executive Committee.

The letter would be placed in newspapers in July 2018.

Staff will work with the Chair to prepare him to respond to media enquiries and interviews on the topic.

FIRST NATIONS: The Islands Trust has not directly heard directly from First Nations about their positions on the Trans Mountain Pipeline Expansion Project. Given the Islands Trust Council's commitment to establishing and maintaining a mutually respectful relationship with First Nations, the Islands Trust Council will offer the Islands Trust position while being ready to respectfully consider First Nations positions.

OTHER: None.

3 RELEVANT POLICY(S):

- [Islands Trust Act](#), section 3
The object of the trust is to preserve and protect the trust area and its unique amenities and environment for the benefit of the residents of the trust area and of British Columbia generally, in cooperation with municipalities, regional districts, improvement districts, other persons and organizations and the government of British Columbia.
- [Islands Trust Policy Statement](#) Part 1: Roles and Responsibilities section
The Islands Trust Council cannot effectively implement the Policy Statement without the support of all stakeholders. Assistance, cooperation and collaboration are required from local trust committees, island municipalities, the Trust Fund Board, the Provincial Government, other government agencies, non-government organizations, communities, First Nations, property owners, residents and visitors.
- Islands Trust Policy Statement Part 1:
To achieve its object, the Islands Trust must be an educator, coordinator, and initiator, guiding individuals, organizations and other agencies in support of the object. While the Islands Trust can provide the necessary leadership, responsibility for stewardship of the Trust Area rests with many. Individuals, other government agencies, organizations, and the Province itself all have important roles to play. Cooperative actions are required of other agencies, organizations and individuals to ensure that activities are carried out in a manner that is sensitive to the needs of Trust Area ecosystems and island communities.
- Islands Trust Policy Statement policy 3.1.9:
Trust Council encourages actions and programs of other government agencies which place priority on the side of protection for Trust Area ecosystems when judgment must be exercised; protect the diversity of native species and habitats in the Trust Area, and prevent pollution of the air, land and fresh and marine waters of the Trust Area.
- [Advocacy Policy 6.10.iii](#)
- [Budget Adjustment and Control Policy 6.5.ii](#)
- Islands Trust Council's 2014-2018 Strategic Plan section 2.3 includes the strategy "Advocate for oil spill prevention and response."

4 ATTACHMENT(S):

- 1 September 30, 2016 Trans Mountain Pipeline Expansion Project (TMX) Ministerial Panel re Islands Trust Council comments on the proposed Trans Mountain Pipeline Expansion Project
- 2 December 12, 2016 Chair letter to The Right Honourable Justin Trudeau, Prime Minister of Canada re Trans Mountain Pipeline Expansion Approval
- 3 February 15, 2017 Response from The Right Honourable Justin Trudeau, Prime Minister of Canada re Trans Mountain Pipeline Expansion Approval

RESPONSE OPTIONS

Recommendation:

- 1. That Trust Council invite trustees and San Juan County councillors to be co-signatories to an open letter to the federal government defining why the two governments oppose the expansion of the Trans Mountain pipeline and support the action of the Province of British Columbia in seeking to protect our environment, our coast, and our coastal waters.**
- 2. That Trust Council approve an appropriation of surplus of \$65,000 into the 2018-19 budget to place an open letter to the federal government defining why the two governments oppose the expansion of the Trans Mountain pipeline in national and local newspaper as paid entry.**
- 3. That Trust Council request staff to prepare a communication strategy materials regarding Trust Council's open letter to the federal government about the expansion of the Trans Mountain pipeline.**

Alternative:

1. No action.
2. Proceed with recommended resolutions #1 and #3 only.
 - For \$12 - \$14,000, staff can undertake a comprehensive communications strategy that does not involve paid advertising. This could be funded from existing Trust Area Services communications (\$15,000) and contractor (\$18,000) budgets. The funding would be used primarily for contract assistance so would reduce Trust Area Services ability to enlist contractor assistance for other initiatives. The communications strategy could include the use of inter-related platforms / delivery methods of key messages and help ensure that the campaign is more than just a one day action and has 'legs'. The methods could include:
 1. Open Letter to the Prime Minister in PDF form with signatures, published on the Islands Trust website;
 2. News Release and joint press conference with San Juan County, announcing that the letter has been sent;
 3. Contact key journalists and editors about the statement to maximize coverage
 4. Write Opinion Editorials by Islands Trust Chair and attempt to place in key newspapers (e.g. Ottawa Citizen, Toronto Star, Vancouver Sun or Victoria Times Colonist). Potentially, these op-eds could focus on different key messages (i.e. contain slightly different content than the letter);
 5. A short video (or a series of quick videos covering each key message);
 6. Downloadable fact sheets on each key message;
 7. Social media strategy (customized to our limited presence).

Prepared By: Clare Frater, Director, Trust Area Services

**Reviewed By/Date: Russ Hotsenpiller, CAO, June 13, 2018
Executive Committee June 15, 2018**