

March 31, 2014

Introduction

I support the position put forward by the Yukon Conservation Society opposing the development of LNG by Yukon Energy. In the alternative, I think that is much wiser for us as a society in the Yukon to make do now with diesel energy at Yukon Energy while putting scarce funds into green, renewable technology and other ways to reduce our dependence on fossil fuels. I have come to this conclusion after thinking through the merits of and problems with the current LNG project proposed by Yukon Energy.

Today, we had the Intergovernmental Panel on Climate Change stating “ Climate change is already having sweeping effects on every continent and throughout the worlds oceans” (New York Times lead article, March 31, 2014.) The scientists to warn that: “ the problem is likely to grow substantially worse unless emissions are brought under control.”

Part of the evidence for global warming is the tremendous variability of weather patterns, which has resulted in droughts, floods, rising ocean levels, torrential rains, falling glacial levels to name just a few. This variability also impacts the costs of fuel. The US Energy Information Short Term Outlook on Natural Gas March 11, 2014 this variability in their comments about this past winter: “ three of the top five months for total natural gas demand over the last eight years have occurred this heating season (December 2013, January 2014, and February 2014). “

High demands force up the costs of fuel, and since we cannot predict long-term weather patterns with much degree of reliability, is it any wonder that we cannot with any accuracy predict fuel costs for the proposed LNG project.

In Canada we have not had any leadership from the current federal government on global warming and how Canada is to meet its proposed reduced levels of emissions by 2020. On the contrary, Canada and Alberta are pushing full steam ahead for oil sands development and export with these oil sands being the largest source of new Greenhouse Gases in the atmosphere.

We have had some leadership at the provincial and city levels in Canada. For example, former Premier Campbell of BC traveled to China and experienced global terrible pollution first hand, and then returned to BC and successfully implemented Canada’s first carbon tax. Ontario has taken initiatives to develop green energy alternatives along with BC.

Internationally, there are lots of examples of other countries taking leadership for the green technologies of the future. China itself has developed an active green technology being the largest producer of solar panels in the world. I had the opportunity last fall to travel to Scotland and Germany where local people are working with authorities to reduce reliance on fossil fuels with wind farms in Scotland and lots of evidence of solar panels in Germany.

This brings me to my final point in this introduction to the topic. Yukon can take leadership in the energy and environment field, if it chooses to do so. It will take courage and foresight but these are qualities we expect from our governments and those who charged with making recommendations to government.

This point was underlined today by Christopher B. Field, co-chairman of the group that wrote the earlier mentioned UN climate change report and an earth scientist at the Carnegie Institution for Science in Stanford, California, when he stated: “ I think that dealing effectively with climate change is something that great nations do” (New York Times March 31, 2014.

The following detailed points on this proposed LNG project have been made available to me by the Yukon Conservation Society and I agree with these points.

This project is not in the public interest.

- It will entrench and expand the Yukon's reliance on fossil fuels, leaving us exposed to the escalating financial costs of finite fossil fuels as well as the environmental costs of extracting and burning them.
- Spending \$40 million of public funds on a fossil fuel facility will mean fewer financial resources are available to develop renewable energy and implement other solutions to the Yukon's challenges of an isolated grid and a cold climate
- LNG is not a suitable backup fuel because it is not stable in storage (boil off gas must be vented, flared or burned whether the energy is needed or not), whereas diesel fuel is stable in storage.
- The primary component of natural gas is methane, a potent greenhouse gas. The extraction, processing, liquefaction, transportation and combustion of liquefied natural gas leaks, releases and emits methane that worsens climate change - the economic and environmental costs of which will be high.
- The safety risk of having LNG offloading, storage, vapourization including flaring, and combustion infrastructure close to the dam, the airport, Riverdale, the south access to Downtown is unacceptable.

This project will have negative impacts and no benefit to the public

- It will increase the Yukon's consumption of fossil fuels, but we must do the opposite and reduce our fossil fuel use to ensure a sustainable energy future.
- The massive public investment will create a barrier to the development of renewable energy.
- The claims that we will experience cost savings from the difference between LNG and diesel fuel are very short sighted and simplistic. When LNG is exported from BC, the cost of this fuel will spike. Ratepayers will be on the hook with this stranded asset. This project will justify local gas extraction activity that would require fracking - a wasteful and polluting process that removes vast quantities of water from the ecosystem and returns it forever contaminated.

YUB should recommend to government that YEC's LNG project not proceed.

- YUB should recommend to government that YEC needs to be held accountable for financial commitments already made to this project in the absence of any regulatory approvals, and that YEC has manufactured urgency for this project that is not warranted and unproven.
- At the very least, the YUB should recommend to government that the project be deferred until we have a better understanding of where natural gas and LNG prices are going, and until reasonable alternatives to the project have been fairly and adequately considered and investigated.

There are far better alternatives to the LNG project that have not been fairly or adequately considered or investigated.

- Load management technologies that shift electrical demand away from peak times and maximize the use of available renewable energy on the grid will reduce our backup capacity requirements.
- Construct a wind project on Mount Sumanik to meet winter energy requirements.
- For emergency backup, the preferred alternative is to replace the two aging diesel generators with two new efficient diesel generators in the same diesel plant, instead of constructing an entirely new facility in a new location with unknown infrastructure to accommodate a new fuel type.
- Diesel is more complementary to efficiency and conservation programs that would include load management to reduce the peak electricity demand thus reducing our requirement for backup capacity.

It is not prudent to construct this facility at this time.

- YEC has presented questionable economics from its rosy and short-term forecasts for fuel pricing and overstated load forecasts that support the manufactured urgency that YEC has associated with this project.
- If the new LNG facility is not built, if we take the time to practice due diligence, we will not freeze in the dark. We will simply allow ourselves time to have the conversation about our energy needs and how best to meet them with the least environmental and economic impacts, without compromising future generations.

The economic risks are clear, but the risks and costs of this project to our climate, water, land, air and communities are not accounted for in this or any process reviewing this project. This is wrong and must stop. The YUB must incorporate the fact that harming the environment has economic costs associated with.

Conclusion

It is also my understanding at least one First Nations in this Whitehorse area has raised concerns about this project and in particular, on December 2013, the Taan Kwachan First Nation has withdrawn support for the LNG project by stepping back from an earlier agreement with Yukon Energy. It is further my understanding the Taan Kwachan decision related to their concerns that natural gas imports/ LNG from Alberta would eventually lead to a Yukon government decision to have fracking to find natural gas in the Yukon.

I understand also that Yukon Energy has already expended huge sums on infrastructure for this project. If this is the case, this is a clear betrayal of public trust while environmental and Public Utility Board hearings were still underway. From my perspective, this is also unethical.

As the above rationale makes clear, there are plenty of advantages to turning down this LNG project and exploring existing alternatives. I would ask that the Public Utilities Board consider carefully my submission.

Respectfully submitted,

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