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Navigating the Future of Unconventional Resources

What to do about tanker traffic on the West Coast

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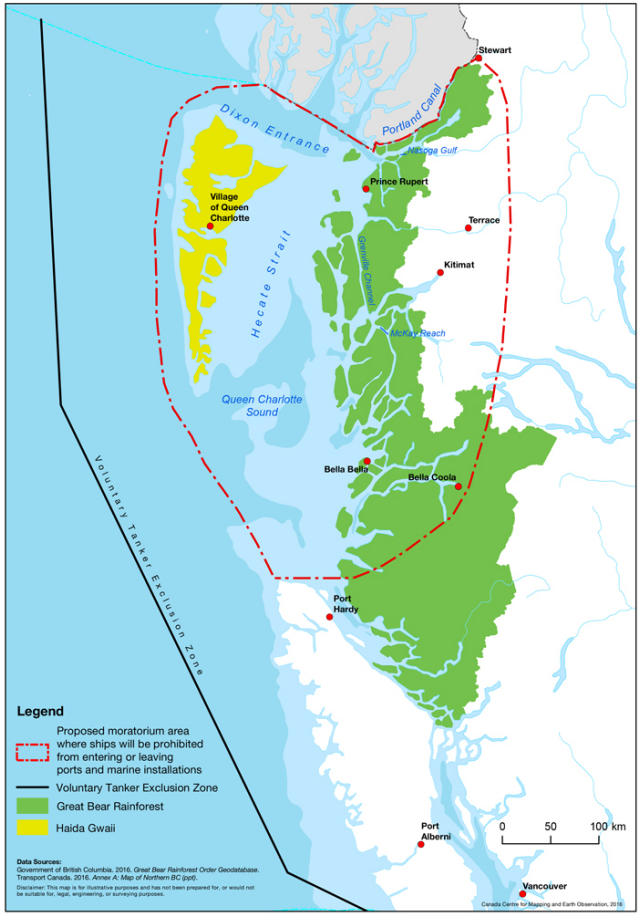
NS17 - 193

Overview

- History of the oil tanker moratorium
- Ocean Protection Plan
- Bill C-48 – Oil Tanker Moratorium Act
- What it does and does not do
- What to expect

History of Moratorium of tanker traffic on the West Coast

- Tanker Exclusion Zone
  - Created in 1985
  - Voluntary
  - Introduced to avoid close proximity potential spills of oil tankers travelling from Alaska to the west coast USA, and to prohibit the transiting of oil tanker traffic within the Inside Passage



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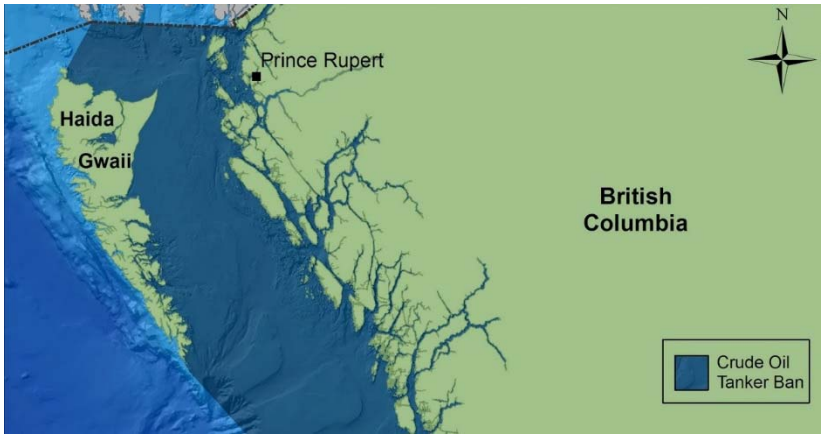
History of Moratorium of tanker traffic on the West Coast

- Tanker Exclusion Zone
  - About 70 nautical miles of B.C.`s coast
  - Exception is the southern tip of Vancouver Island where it extends only 25 miles
- Laden tankers servicing the Trans-Alaska Pipeline System between Valdez and Puget Sound must travel west of the Zone
- North-South restriction - does not apply to laden tankers travelling to and from Canadian ports

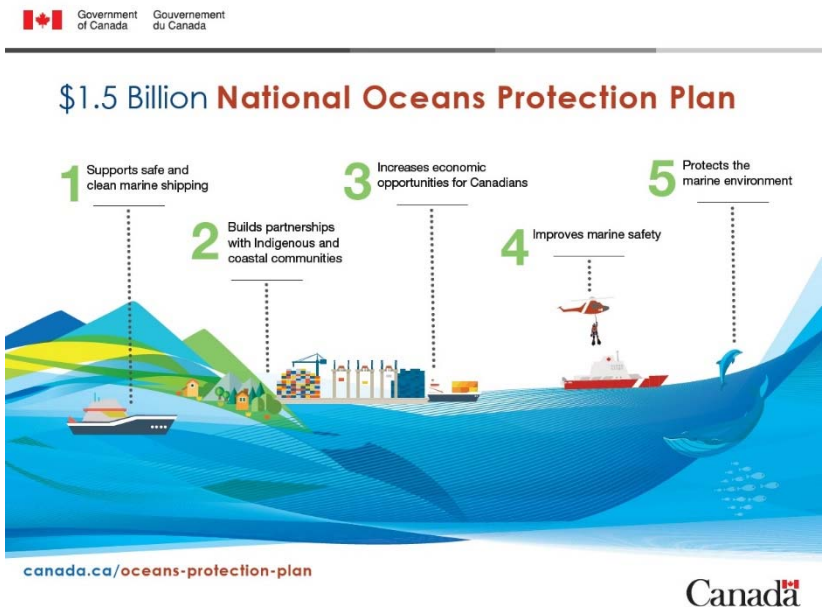
History of Moratorium of tanker traffic on the West Coast

- Inside Passage Prohibition
  - Oil tankers of over 40,000 tons are prohibited from transiting within the Inside Passage
  - Between the islands and coastline of North America`s northwestern Pacific Coast
  - Extends from the Alaska panhandle to British Columbia and Washington State



Ocean Protection Plan

- Introduced November 7th, 2016
- National strategy to create a world-leading marine safety and pollution prevention and response system
- $1.5 billion over 5 years to improve infrastructure



Oil Tanker Moratorium Act – Bill C-48

- Introduced in Parliament on May 12th, 2017
- Applies to oil tankers carrying more than 12,500 tons of crude or persistent oil (as defined in the schedule).
- Comes into force – must pass through Parliament and obtain Royal Assent

Oil Tanker Moratorium Act – Bill C-48

What does it apply to

- Oil – liquid hydrocarbon mixture that occurs naturally in the Earth
- Persistent oil – examples include bunker C, synthetic crude oil, partially upgraded bitumen, feedstock oil for cracking processes (Schedule 1 to the Act)

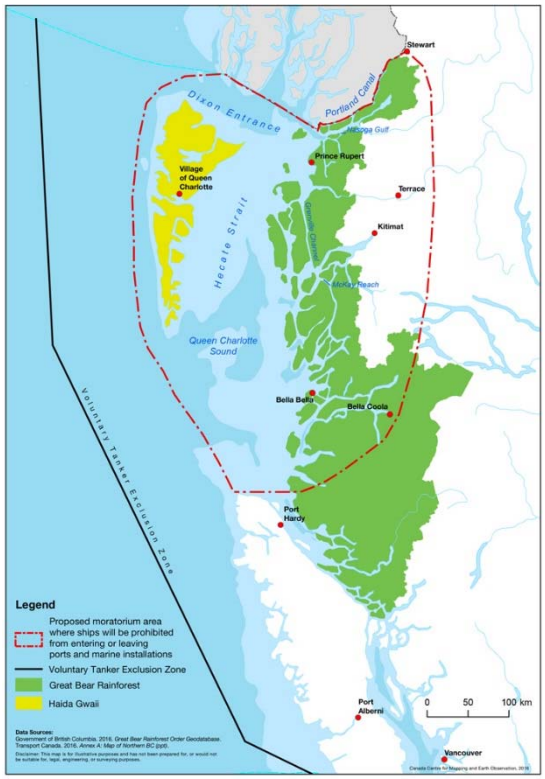
What it does it not apply to

- LNG
- Gasoline
- Naphtha
- Jet fuel
- Propane

Oil Tanker Moratorium Act – Bill C-48

What it does

- Prohibits oil tankers from anchoring, loading or unloading crude or persistent oil at any port located on the coast of B.C. from the northern tip of Vancouver Island to the Alaska Border (covers Great Bear Rainforest / Great Bear Sea area and includes Haida Gwaii).
- Closes the gap that exists today with the voluntary Tanker Exclusion Zone



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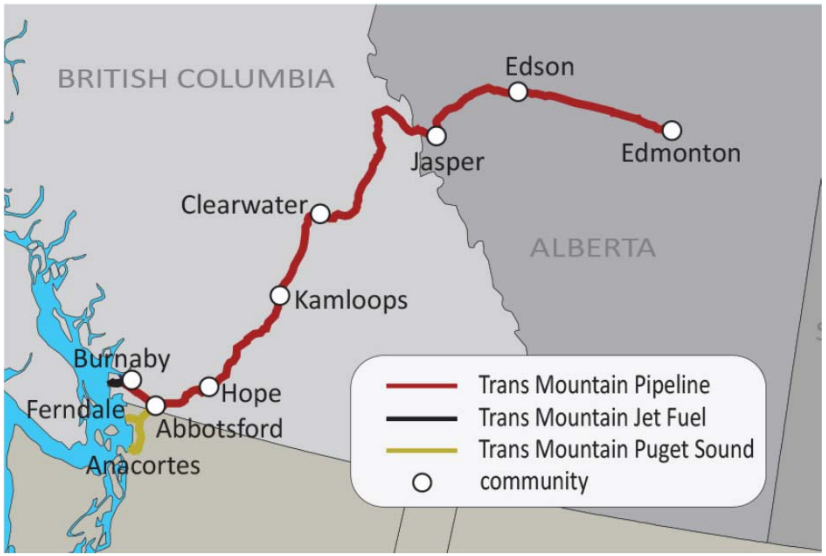
Oil Tanker Moratorium Act – Bill C-48

What it does not do

- Land-based movement - Crude oil not being carried by tanker – so no effect on Kinder Morgan Trans Mountain expansion project from Strathcona County to Burnaby.
- Minister may exempt shipment to community and industry re-supply
- Does not limit ability of tankers to anchor in area for safety or medical reasons.



Oil Tanker Moratorium Act – Bill C-48

Enforcement

- Pre-Arrival Notice 24 hours prior to anchoring or mooring.
- Rights of inspection and detention of vessel

Fines

- Up to $1 million for summary conviction offence, or up to $5 million on indictment
- Possible imprisonment for any person (including master, crew, officers and directors of company) of up to 18 months if found guilty of directing or influencing the commission of the offence.

What to expect

What should happen

- Decrease in the level of oil tanker traffic that use B.C. ports other than Vancouver – east/west traffic

What should not happen

- Should not have a tremendous impact on tanker traffic in the area given that the Inside Passage Prohibitions and Tanker Exclusion Zones already in effect – north/south traffic
- As the moratorium is port based, not zone based, there should be no effect on the right of innocent passage provided for under UNCLOS.

Thank You

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