

July 26th, 2019

URGENT: Trans Mountain Pipeline

To [insert company],

This letter is sent on behalf of 32 environmental, Indigenous and citizens organizations.

It has come to our attention that [insert company] is listed as an insuring company on the Certificate of Insurance for the Trans Mountain pipeline in Alberta and British Columbia, Canada. Your policy on this project will be up for renewal on August 31, 2019. Considering the risks of this project, we are writing to request that your company not renew this policy and rule out any insurance services for all aspects of the Trans Mountain Pipeline.

The Trans Mountain project consists of a new pipeline which would connect the oil sands in northern Alberta to the pacific coast of British Columbia, and would have a capacity of 590,000 barrels per day.

In late May of 2018, the Canadian government announced it would purchase the project from Kinder Morgan, who abandoned the project due to growing financial and political risks. This leaves insurance as a critical source of financial support for the project.

Oil sands expansion and proposed pipelines like Trans Mountain are arguably the most contentious environmental projects in Canadian history. Of major concern is the impact the growth of the oil sands would have on climate change.

The Carnegie Oil-Climate Index, along with many other sources, reports that Canadian oil sands are one of the dirtiest, highest carbon sources of oil on the planet. Emissions from oil and gas production are one of the primary reasons Canada cannot meet its Paris commitments. These emissions now represent the largest and fastest growing source of [emissions](#) in Canada. A recent study in the journal [Nature revealed that emissions from the oil sands have been vastly underreported by as much as 13-123%](#). Despite these serious climate impacts and their impact on Canada's Paris Accord commitments, the oil sands industry plans to nearly double the size of the oil sands in the next 20 years.

The Canadian government has allowed the gap between Canada's climate targets and our emissions to continue to move in the wrong direction. [When Paris was signed the gap stood at 44 MtCO2, today Canada is 78 MtCO2 away from meeting its targets.](#)

“Our recent report shows very clearly that if we are going to ensure we stay below 1.5C of warming no further expansion of the oil industry or new oil infrastructure, such as the Trans Mountain pipeline, is possible. We must ensure emissions go down significantly over the next decade starting now.” — Dr. Kirsten Zickfeld, a Simon Fraser University Department of Geography associate professor of climate science and lead author of the

[UN Intergovernmental Panel on Climate Change special report](#) *Global Warming of 1.5 °C*

The insurance industry worldwide is rapidly coming to terms with the existential threat climate change poses to its business model. Providing insurance services to a project that would allow exponential growth of the oil sands, effectively removing any remaining chance of Canada staying within the goals of the Paris climate change agreement, would critically undermine the continued viability of your industry.

A myriad of social and environmental impacts would result from the Trans Mountain pipeline project, including:

- **Climate change:** If built, the Trans Mountain Pipeline would expand the production of Canada's oil sands, and the increase in emissions would be the equivalent of putting 2.2 million cars on the road (see submission to the [National Energy Board by the City of Vancouver](#) by Dr Mark Jaccard).
- **Indigenous rights:** We call on your institutions to avoid financing Indigenous rights abuses through the Trans Mountain pipeline and to recognize First Nations as decision-makers and rightful Title Holders. More than 150 First Nations and Tribal Chiefs have joined [the Treaty Alliance Against Tar Sands Expansion](#), which includes opposition to the Trans Mountain Pipeline. The [Union of BC Indian Chiefs](#) (UBCIC), [Tsleil-Waututh Nation](#), [the Coldwater Indian Band](#), [the Neskonlith Indian Band](#), [Squamish Nation](#), and many other First Nations in British Columbia are outright opposed to the project, as well as [Lummi Nation](#), [the Swinomish Indian Tribal Community](#), [Tulalip Tribes](#), and [Suquamish Tribe](#) in Washington state. Many of these Nations have launched successful lawsuits in the past that have stopped the project and [have vowed to do so again](#).
- **Government opposition:** Opponents to the Trans Mountain Pipeline includes [Governor Jay Inslee of Washington State](#), [Premier John Horgan of the Province of British Columbia](#); the Mayors of Vancouver, Burnaby, Victoria; and 19 other municipalities in British Columbia.
- **Oil spills:** If the Trans Mountain Pipeline is built, it will lead to a 700% increase in oil tanker traffic in the Salish Sea, with the likelihood of an oil spill in the 50-year lifespan of the project as high as 79-87% (evidence on oil spill likelihood and impact from [City of Vancouver](#)).
- **Economy:** An oil spill would put at risk the 98,000 coast-dependent jobs in British Columbia. By comparison, the Trans Mountain Pipeline [would create an average of 2,500 jobs a year for two years during construction](#), with 90 full-time jobs after construction.
- **Endangered orca whales:** Even without a spill, the [increased tanker traffic and the resulting underwater noise disturbance](#) will have a huge impact on the endangered Southern Resident Orca population, and could push the struggling population toward extinction.

When this project was in private hands, the then owner Kinder Morgan struggled to find investors and financiers that were willing to either lend them the funds needed to build the project or come in as a joint venture partner. Under this cloud of financial uncertainty, legal pressure from Indigenous lawsuits and the provincial government of British Columbia, and growing protests, Kinder Morgan decided to abandon the project, and the Canadian government took the unusual step of buying the company.

In August of 2018, the Federal Court of Appeal quashed the permits for the project based on a failure to consult Indigenous Peoples and the absence of an assessment of the impacts that increased oil tanker traffic would have on endangered orca whales. Since then, the Government of Canada has been attempting to address the deficiencies raised by the court and has recently reissued permits for the project. However, at least six First Nations have indicated that plan to challenge that decision and the project is headed back to the courts. In addition, the province of British Columbia is still reviewing 658 permits for the project and has yet to receive applications for a further 243 permits that the project will require.

We urge you to avoid the reputational and financial risk of supporting this destructive project, and to follow through on your institutions' commitments to support the goals of the Paris Climate Agreement and respecting human rights, especially those detailed in the *U.N. Declaration on the Rights of Indigenous Peoples*. Indigenous Peoples' right to free, prior, and informed consent, and their right to determine the use and development of their territorial lands and resources must always be respected and protected.

The opportunity still exists to prevent this disastrous project from proceeding, but a critical financial service Trans Mountain requires to proceed is the re-issuing of its insurance policies.

We urge you to publicly announce that you [will drop your policy on / will not insure] the Trans Mountain pipeline when it expires in August 2019 and rule out any insurance services that would enable the construction and operation of this project. Furthermore, due to the dire climate and human rights impacts of the oil sands industry, we urge you to adopt a policy to not insure any project connected to this dangerous form of energy extraction. Several European insurance companies already have policies in place that restrict oil sands insurance, including [Zurich](#), [AXA](#), and [Swiss Re](#), while [BNP](#) and other banks have announced that they will no longer finance the oil sands or oil sands pipelines due to the climate impacts.

We ask that you respond to our letter by August 6th, and welcome the opportunity to discuss this issue before that time. If we do not hear from you by August 6th then, we will assume that your company is planning on renewing insurance for this destructive project.

Yours sincerely,



Tzeporah Berman
International Program Director
Stand.earth

On behalf of the following organisations:

Grand Chief Stewart Phillip
President
Union of BC Indian Chiefs

Chief Don Tom
Vice-President
Union of BC Indian Chiefs

Kukpi7 Judy Wilson
Secretary-Treasurer
Union of BC Indian Chiefs

Christianne Wilhelmson
Executive Director
Georgia Strait Alliance

Karen Wristen
Executive Director
Living Oceans Society

Doug Norlen
Director, Economic Policy Program
Friends of the Earth U.S.

Mark Hefflinger
Communications Director
Bold Alliance

Beatrice Olivastri
CEO
Friends of the Earth Canada

Kelly Martin
Director, Beyond Dirty Fuels Campaign
Sierra Club

Eugene Kung
Staff Lawyer
West Coast Environmental Law

Kuba Gogolewski
Senior Finance Campaigner
Fundacja "Rozwój TAK - Odkrywki NIE"

Chris Wilke
Global Advocacy Manager
Waterkeeper Alliance

Regine Richter
Energy Campaigner
Urgewald

David Turnbull
Strategic Communications Director
Oil Change International

Bahram Fazeli
Policy Director
Communities for a Better Environment

Cam Fenton
Canada Team Lead
350.org

Laura Ackerman
Energy Program Director
The Lands Council

Stephanie Buffum, MPA, MURP
Executive Director
Friends of the San Juans

Asti Roesle
Senior Campaigner
Greenpeace Switzerland

Charlie Cray
Political and Business Strategist
Greenpeace USA

Daniel Mittler
Political Director & Global Campaign Leader
Greenpeace International

Yuki Tanabe
Program Director
Japan Center for a Sustainable
Environment and Society

Kees Kodde
Campaigner
Greenpeace Netherlands

Jamie Court
President
Consumer Watchdog

Allison Fisher
Outreach Director, Climate and Energy
Program
Public Citizen

Anthony Swift
Director, Canada Project
Natural Resources Defense Council

Gene McGuckin
Spokesperson
Burnaby Residents Opposing Kinder
Morgan Expansion

Peter McCartney
Climate Campaigner
Wilderness Committee

Damon Motz-Storey
Healthy Climate Program Director
Oregon Physicians for Social Responsibility

Takayoshi Yokoyama
Team Lead of 350.org Japan
350.org

Alex Speers-Roesch
Head of Oil Campaign
Greenpeace Canada

Sonia Theroux
Co-Executive Director
Leadnow

Lucie Pinson
Référente de la campagne Finance Privée
Les Amis de la Terre France