An opportunity to limit the power of Big Oil to increase climate change

NB: The present mindset of oil interests, which is embedded within government and the finance sector (e.g. in UK's "Carbon Capital"), *is the main force blocking effective climate legislation* (this is especially apparent in Canada and the US - where Congressmen have been 'bought' by 'Big Oil'). The EU Fuel Quality Directive (**FQD**) is one of the best legislative instruments that *we* have right now to curb this abuse of power. We must urge for an effective FQD to be implemented ASAP - especially to tackle one of Big Oil's worst and most rapidly expanding offenders - the tar sands industry - which is pushing for a 2 to 3 times expansion in production of its high emissions products.

'Carbon bomb' or 'carbon bubble'? - TAR SANDS background - updated for 2013

a near-final draft before it's hopefully uploaded onto SLACC website

The production of oil from tar sands **emits 3 to 5 times more CO2** than from conventional sources - a fact that the tar sands industry and the governments of Alberta and Canada (and even the UK!) - are trying to dodge - as it conflicts with their aim to *treble* **production** by circa 2035. They wouldn't want such awkward facts to get in the way of profits! This planned increase is one of the 14 massive fossil fuel "**carbon bomb**" projects that if allowed to all go ahead - "would raise global emissions from fossil fuels by 20% and keep the world on a path towards 5°C or 6°C warming." [REF: 'Point of No Return' - recent Greenpeace-commissioned pdf report].

Crucially - due to the Alberta tar sands being 'land-locked', this planned expansion requires extra pipeline access to the sea to reach new markets (such as China and Europe) - and these proposed pipelines are facing resistance - much to the frustration of the industry as tar <u>sands oil is backing up in mid USA</u> causing its sale price to have dropped. Furthermore - USA is now no longer dependent on the tar sands oil - now that its own new production of oil from shale is hyped as becoming a "game-changer". The tar sands industry thus faces financial problems if proposed pipelines for export are stopped, and the Keystone XL pipeline to the Texas coast refineries for export to e.g. Europe is a major one of these.

US refinery companies also have an oily profit motive for the pipeline: their Mexican Gulf refineries on the Texas coast have already built specialized plant to refine the extremely heavy 'oils' such as tar sands bitumen - and with financial support from the US government. Tar sands bitumen will be a cheaper 'feedstock' than the alternative very heavy oil from Venezuala - because the latter has been kept at a high price by Hugo Chavez. Amongst the refinery owners are the billionaire Koch brothers who have 'bought' a lot of control over Congress.

We are now awaiting Obama's decision on the central section of the **Keystone XL tar sands pipeline**. He OK'd the Southern section last February - but now post-election - having dared to speak the words "climate change"(!) - and with Kerry now heading the US State Department - there was a chance he may say no. But recently the State Department has disappointingly released a sham EIS with major omissions (re climate change) and false conclusions (e.g. KXL won't affect tar sands expansion - despite both pro and anti tar sands parties strongly stating KXL as essential for expansion). It assumes the Tar Sands industry will expand anyway (false). This deceit was hardly surprising when it was revealed that the EIS was produced by a contractor for the pipeline company and written by specialists whose previous projects had been redacted as they were for the oil industry (no conflict of interest there!). There has been strong criticism of the EIS, and KXL pipeline protesters are keeping up the pressure, resulting in more arrests. Let's hope Obama strangles the pipeline and hence tar sands expansion - so making investors more fearful of a 'bitumen bubble'; but the sham EIS appears to be an ominous signal of Obama and Kerry's intent - to make false pretence that it's environmentally acceptable for KXL to proceed.

So markets beyond America are needed for tar sands expansion, and it is thus no surprise that Alberta and Canada's governments are continuing to try and stop, dilute or delay EU's climate proposal for the **Fuel Quality Directive** (FQD) - which if implemented would limit import into the EU of tar sands fuel products due to their

greater 'life-cycle emissions'. But the two sides fighting over the FQD - tar sands versus climate interests - are finely balanced - neither wishing to give way. This is causing frustrating delay towards implementation - which benefits the dirty industry as expansion of tar sands infrastructure can proceed towards potential 'lock-in' if the pipelines get permission [though 'stranded assets' of a 'carbon bubble' would be preferable! - though not to RBS - who have risked taxpayers' bailout money in the tar sands industry]).

Later this year, EU member states will be voting again on the FQD proposals. Their last vote - on 23feb12 ended in stalemate - with UK abstaining - so failing to provide a signal to Obama prior to his pipeline decision. The UK abstention was 'decided' by DfT's LibDem Minister Norman Baker - who favours a more complex UK alternative yet to be fully revealed - but his veiled aims and strategy, and his echoing of false or misleading assertions by Canada and oil interests both prevent trust in what he and DfT have as their priority goal. Baker wants to delay implementation of the FQD until detailed emissions figures for every type of oil source ("feedstock") are obtained - which will take ages to complete, and deliberately ignores the fact that the present EU proposal allows for updating with such information. Also he's proposing an alternative method (including 3 carbon intensity bands) - which is bound to cause extra delay in agreement between member states.

It is more than disappointing that Norman Baker has bent to oil interests - as he has been considered by the LibDems as one of their greenest MPs. He must have also been under pressure from those in government supportive of the intense lobbying aims by Canada and Big Oil to derail the FQD, whose dark dealings have been described as "dirty oil diplomacy". An example of oil lobbying was Vince Cable's letter from his past employer Shell, keen that he support their interests regarding the FQD - as "contact Minister for Shell". And we must not forget the lobbying by RBS. In December 2011, to assist the counter-pressure on Baker by activists, I wrote a detailed criticism of Baker's writings on the FQD and his disregard of its urgency to send a timely signal against the industry's KXL/export-related expansion plans. I emailed it to Tim Farron MP and Simon Hughes MP and uploaded it HERE as a pdf. It is still relevant now.

It is important that oil interests don't delay the FQD again, because we need an urgent clear signal to suppress the tar sands expansion and pipelines before they get 'locked in'. We need to continue to put pressure on LibDem DfT Minister Norman Baker to vote in favour and/or ensure his alternative is made as compatible as possible with the Commission's proposal and/or its essence - to avoid further delay that incompatible complexity would cause (or is delay the DfT's aim?). It is the uncertainty of DfT's veiled aims that needs clarifying, and my idea is that an independent critical assessment by the Environmental Audit Committee of MPs could help in highlighting this matter (the EAC demanded a moratorium on Arctic drilling - which although not adopted by the UK government (nor the EU) - nonetheless highlighted the issue) [This idea of mine is worth considering (though it might backfire if the EAC accept DfT's answers uncritically).

Another clear signal we can make is more local - to "set up a banner" showing we don't want tar sands fuel here, such as by aiming to be a 'tar free town', in solidarity with other communities who are doing just that - such as Oxford UK, and towns in USA, and/or campaigns such as by Pembrokeshire FoE, and especially the communities in Canada very seriously affected by the tar sands industry - the indigenous First Nations in Alberta and British Columbia - who have risen up in opposition under the banner and hashtag #IdleNoMore. Such is the power of social networking - that communities in North America are very pleased by whatever support they get here - however small.

This March (25th) Pembrokeshire FoE, UK Tar Sands Network (UKTSN) and other green groups <u>presented to Government</u> a <u>petition to Nick Clegg to keep tar sands out of the EU</u> - by UK voting for EU's proposals for the FQD. <u>SLACC 17</u> have a connection with this: In late summer 2011 having read Lorne Stockman's excellent research into Big Oil's plans to export tar sands diesel from the Texas coast refineries, and the maps by Valero (huge refinery firm) showing Pembroke UK as a destination. I googled 'Valero Pembroke' and was very lucky to

find that Valero had just bought Pembroke Refinery and UK's Texaco chain of petrol stations. I informed the UKTSN and posted this on my website. Lucy Coats of UKTSN then pursued this line with vigour to result last year in an excellent report - also including Valero's 2012 maps - even more ominous! And Valero's Pembroke Refinery is not the only point of import to the UK. But the KXL pipeline needs to be built before Alberta's tar sands fuel can get here in bulk - and hence the urgency for the FQD to be made effective - a point which appears to have been ignored (or given a very low priority) by Norman Baker.

What can we do in the Kendal and South Lakeland area?

I have a number of ideas - and will add these as soon as I can, but one that follows on from the above narrative I can introduce here:

"Tar Free {community name}" has become a banner name in North America and here in the UK/EU for communities wanting to show international solidarity as part of a network expressing strong disapproval (to put it mildly!) against the ingress of Tar Sands infrastructure (such as pipelines in North America) and fuel products (in UK and EU). How about starting with a "Tar Free Kendal", to follow the example of "Tar Free Oxford"? It would be up to you to decide how you want to set up its remit or agenda. Do visit the website tarfreetowns.org 'TAR FREE TOWNS' - 'Creating a network of communities against the use of tar sands fuel'. Also Lucy Coats has emailed SLACCTT offering us help with this if we want to give it a go.

I hope to find time to write a follow-on article on what we can do. One link to access it will be <u>HERE</u> (if a webpage) or <u>HERE</u> (if a pdf).

If you are interested in this idea or any others, or just keen to be occasionally updated on tar sands news or actions do let me know (it's unlikely to be often - as I just don't have enough spare time).

For more information on tar sands please visit our local tar sands website that I've constructed - www.dragonfly1.plus.com (but don't be put off by the primitive DIY presentation! - focus on the content). There you will find many other big negative aspects of the tar sands I couldn't cover in this article - each individually justifying a halt to the industry, such as the huge scale of environmental destruction and pollution - which make it one of the world's biggest examples of ECOCIDE.

Henry Adams, March 2013, for SLACCtt

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REFS and additional links (to be expanded)

Local tar sands website - www.dragonfly1.plus.com - this contains links to most of refs for above article.

Most refs also have links within the article.

Also see next page:

'Experts have warned of 'bitumen bubble' for years' Karen Kleiss, Edmonton Journal, 24feb13 http://www.edmontonjournal.com/business/energy-resources/Experts+have+warned+bitumen+bubble+years/8009291/story.html

'Pembrokeshire community urges Nick Clegg to keep tar sands oil out of Europe' No Tar Sands UK Tar Sands Network' 25mar13 (also links to YouTube video) http://www.no-tar-sands.org/2013/03/a-visit-to-the-cabinet-office/

http://eradicatingecocide.com/