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Critics want feds involved in refinery review

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Federal parties began staking out positions Tuesday on whether the proposed \$7-billion second Irving Oil refinery in Saint John should undergo a full federal environmental review.

While opposition environment critics with the Liberals and NDP favour federal involvement, unelected Green Party leader Elizabeth May argued only a review under federal rules would force Irving Oil to justify the refinery is needed.

"We've been far too quick to assume fossil fuels are the way to go," May said on her way into the gallery to watch Question Period.

"A full environmental assessment panel could open up a dialogue in New Brunswick about the other possibilities that would likely be better for the long-term economic sustainability of the region."

She said the market and investment evaluations that private-sector Irving Oil and their financial partners do shouldn't be the final word on the long-term need for a second refinery.

"One private sector company with its own profits in mind might not - would not - have the same ability to provide a 360-degree review of what our future looks like and assess the common good, not just what's in Irving's private interest," said May.

Any environmental review would realistically have to involve both the federal and provincial governments, given that the refinery would impact things under the jurisdiction of both levels of government.

But May argued a review conducted by the province wouldn't necessarily be as thorough, accessible by the public or transparent in its decision-making.

David Coon, policy director of the Conservation Council of New Brunswick, is urging a federal review panel.

But he's not persuaded the rationale for the project would be challenged.

"From our experience, there's never any serious questioning of the rationale or alternatives - it's just there on paper," he said.

Coon said with the Irving Oil refinery upgrade of a few years ago, documents released under right to information law revealed that provincial environment officials raised questions that did not become public until later. And with the Bennett Environmental soil treatment plant, there was significant pressure from Business New Brunswick to dispense with a full environmental review.

Coon also argued for a federal review of the second Irving refinery on the grounds that it would be a significant emitter of greenhouse gases, which the federal government has pledged to reduce under the Kyoto Protocol.

"Since it was the federal government that signed the treaty, in their environmental assessment process they

should need to look at major projects that could increase our greenhouse gas emissions," said Coon.

He said he'd be seeking opinions on whether that logic was legally binding on the federal government.

NDP environment critic Nathan Cullen said his party favours a joint panel review.

"We believe the federal government needs to be involved," he said.

Without elaborating on that point, Liberal environment critic David McGuinty said "why wouldn't there be" a federal review.

Saint John MP Paul Zed said it's premature for federal politicians to enter the fray until the provincial government has responded to the application for permits that Irving filed.

"It will come as no surprise I'm pro-growth and pro-environmentally friendly growth," said Zed. "I reject the view that the provincial government would not be capable of being objective.

"One jurisdiction or another, this matter is going to have a full and thorough and appropriate airing and the right thing will happen."

Irving Oil expects "a rigorous permitting process" no matter what rules the federal and provincial governments decide to use, said spokeswoman Jennifer Parker.

Irving director of refining growth Kevin Scott has said the refinery expects to sell its gasoline in the U.S. northeast and is looking at markets in western Europe for diesel.

He said last fall that looking to the future, the company did not see "conservation and the advent of alternative fuels taking away the market opportunity" of a second refinery.

Even if demand for its products declined, it would have an advantage as the most modern and energy-efficient oil plant in North America, where no refinery has been built for 25 years.

The federal environment minister has wide discretion to order a review panel, the highest degree of federal scrutiny. Even if there are not other technical factors triggering a review panel, the legislation allows the minister to cite "significant public concern" to order one, said Canadian Environmental Assessment Agency spokesman Nicholas Girard.

"It is foreseeable that this project would be evaluated by a review, likely a joint review," given that its impacts on shipping and fishing as well as air quality would need to be assessed.

Federal Environment Minister John Baird was not available for comment.