

## **Trans Mountain revenue will fund clean-energy projects, says Morneau**

### ***Liberal government says Trans Mountain pipeline could fund \$500-million a year in clean energy projects***

The Liberal government says it expects to get \$500-million a year out of the expanded Trans Mountain pipeline and is promising to spend it all on cleaner sources of energy and projects that pull carbon out of the atmosphere.

Finance Minister Bill Morneau told The Canadian Press in an interview this week that the expanded pipeline is not fodder for negotiating with other parties in the minority government. Rather, he said, it is a crucial piece of the puzzle of financing Canada's transition to a clean-energy economy.

"We purchased it for a reason," Mr. Morneau said. "We now see how it can help us accelerate our clean-energy transition by putting any revenues that we get from it into a transition to clean energy. We think that is the best way we can move forward in our current context."

The Liberal government bought the existing pipeline for \$4.5-billion in 2018, in a bid to overcome the opposition of the British Columbia government to the expansion.

Federally, the NDP and Greens – the two parties with the most in common with the Liberals on climate change – say the expansion should be cancelled. NDP Leader Jagmeet Singh underlined that point in a statement Thursday about a phone call the previous day with Alberta NDP Leader Rachel Notley.

"Ms. Notley repeated her support for the Trans Mountain pipeline expansion and I told her that I continue to oppose the pipeline expansion," Mr. Singh said, though he added: "While we disagree on TMX, we share concern for the workers."

The NDP has enough seats to support the Liberals through any confidence votes. But while the Mr. Singh has said he wants tougher climate action, he has stopped short of using the pipeline as a line in the sand, suggesting that ship has effectively sailed.

Mr. Morneau said construction on the pipeline is under way and the decision to go forward has been made, which means there is really no way to use it as a bargaining chip in the minority government.

"My expectation is that we have much common ground between the other parties that have been elected to the next Parliament," Mr. Morneau said.

"We will be seeking consensus on how we can move forward on that common ground. This project we've already moved forward on. It's one that we've said that we're moving forward on, we've actually already gone through that process."

The Liberals were accused Thursday of a "lack of coherence" on plans to expand the pipeline and fight climate change, with environmental groups urging the government to better protect nature and animal species at risk.

“From our perspective, there’s strong concern with the lack of coherence between moving ahead on a plan to address climate change while investing in fossil-fuel infrastructure,” said Nature Canada campaigns director Gauri Sreenivasan during a news conference on Parliament Hill.

“In these early days, when we’re identifying the first priorities for Canada, let’s focus on an action that has a lot of support from Canadians across the country, that will make big advances for our climate goals.”

Construction on the expansion is supposed to be done by the middle of 2022. The Liberal platform has forecasted that the government can take \$125-million in revenue from Trans Mountain Canada in 2021-22 and \$500-million in each of the subsequent two years.

Mr. Morneau said the plan is to eventually sell the pipeline back to the private sector with all of the proceeds from going to clean energy development and other climate-change action projects.

The one specific promise the Liberals made that they connected to pipeline revenue was a \$300-million annual fund for natural climate solutions including tree planting, as well as conservation and restoration of forests, grasslands, agricultural lands and coastal areas.

Construction on the pipeline was halted in September, 2018, after the Federal Court of Appeal overturned federal approval citing insufficient environmental and Indigenous consultations.

Cabinet undertook new rounds of both and approved the expansion a second time in June.

Construction on the pipeline then resumed in August, starting with work on the marine terminals in British Columbia and pumping stations in Alberta. The first 50 kilometres of new pipeline will start being laid in the Edmonton area shortly, a spokesperson for Trans Mountain Canada said Wednesday.

Thus far, more than 2,200 workers have been hired.

The pipeline route goes from a terminal east of Edmonton to a marine terminal in Burnaby, B.C.

The expansion will see a second pipe, roughly parallel to the existing one, which can carry almost twice as much crude oil every day.

There is however a new federal court challenge under way from Indigenous communities who argued the secondary consultation process undertaken by the government earlier this year was a sham.

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<https://www.theglobeandmail.com/business/industry-news/energy-and-resources/article-liberal-government-says-trans-mountain-pipeline-could-fund-50/>