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A REPORT OF THE NORTHERN PIPELINE AGENCY

August 198

PIPELINE

Northeastern B.C. Native Groups Prepare for Mega Projects

As large-scale development projects start to materialize in northeastern British Columbia, the isolated native communities spread through the region have begun to seek a voice in the decision-making process. In the past year, two new organizations have been formed — the Kaska Dena Council, which represents 830 status and non-status Kaska Indians in the communities of Good Hope Lake, Lower Post, Fireside, Muncho Lake and Fort Ware, and the Treaty 8 Tribal Association, which speaks for about 1,000 status Indians from the bands at Fort Nelson, Prophet River, Doig River, Blueberry River, Halfway River, Salteau, and West Moberly.

"We're not totally opposed to economic development," explains Peter Stone of Lower Post, the Chairman of the Kaska Dena Council. "But where it occurs, we want to be directly involved in deciding how and when it should happen and where the benefits are going." In the past the resource exploration and timber companies, for instance, have come in with little or no prior consultation, Mr. Stone says.

The Kaska people, most of whom follow the traditional native lifestyle of trapping, hunting and fishing, are faced with several mega-size developments in their area. British Columbia Hydro is proposing to build a multi-billion dollar power project along the Liard River, with two major dam sites located within 240 km (150 mi.) of Lower Post. Said to be the fourth largest hydroelectric development in the world, the Liard project would involve flooding the Muddy River Reserve at Fireside and large portions of lands traditionally used by the Kaska people for trapping, hunting and fishing. Cyprus Anvil Mining Corporation is also planning a multi-million dollar mine near Fort Ware to extract lead and zinc. In addition, the route of the Alaska Highway gas pipeline passes through the area, with an 800-person construction camp proposed near Lower Post.

In a claim to some 40,000 km^2 (15,000 sq. mi.) of land in northeastern B.C., presented last February to the Hon. John Munro, Minister of the Department of Indian Affairs and Northern Development (DIAND), the Kaska Dena Council stressed the urgency of government recognition of aboriginal land title "in light of the major economic development proposals slated for our area which will dramatically assault the fabric of our communities."

Until the land claim is not only recognized by the federal government, but also negotiated, settled and implemented, the Kaska Dena's position is "No heavy industrial development," states Mr. Stone, "However during the land claim negotiations there should be a process whereby we can participate in the planning, since we'll have to deal with the impact from these projects once they go ahead." Mr. Stone is hopeful the claim will be recognized by the end of 1982, at which time the Council would receive federal funds to undertake detailed research into the historical, environmental, cultural, social and economic aspects of the lands in question. Mr.

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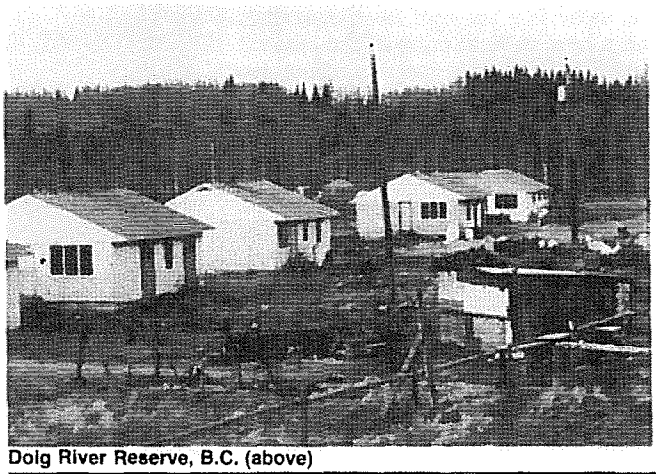
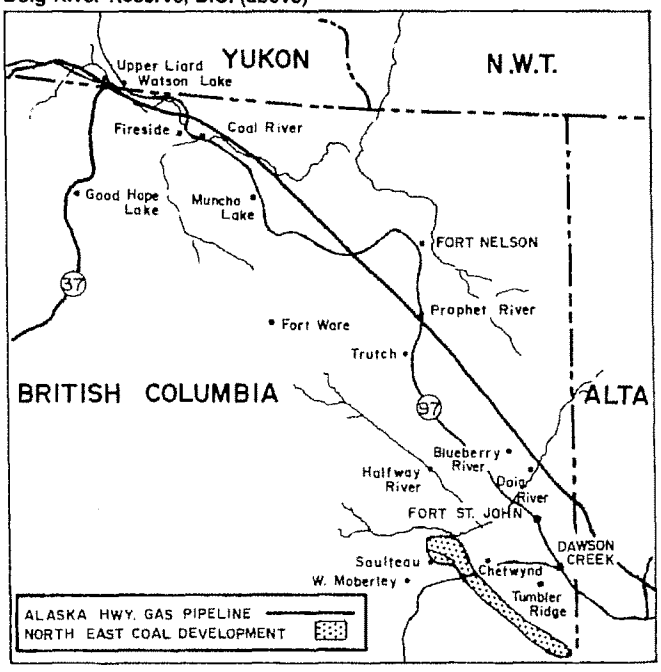


Doig River Reserve, B.C. (above)



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Northeastern B.C. Native Groups Prepare for Mega Projects

Stone expects actual negotiations for the land claim will not begin for another two years. "It's a once-in-a-lifetime thing that affects future generations. We're not going to rush it."

With industrial development, the country will become more densely populated, notes Mr. Stone. "We have to protect ourselves culturally and at the same time prepare our children for a change in lifestyle as time goes on, since we won't be able to hunt, fish and trap all the time. The younger people need to learn new skills to cope in the modern world. Although we have to adjust, we don't have to lose everything, especially the land and how we treat the land and its resources."

In the meantime, the Kaska Dena Council has hired consultants with funds received from DIAND to assist with their research into the impact of the Liard power project. In the election of the Council next June, a position will be created for an executive member responsible for economic development. By working directly with the consultants, this person would also learn the skills of research and impact assessment, adds Mr. Stone.

The need for technically-trained people, such as biologists and ecologists, among northeastern B.C.'s native population is sorely felt, observes Stan Napoleon, Vice-President of the Treaty 8 Tribal Association. "We are obliged to hire outside consultants to substantiate what the local people are saying about the impact of certain developments on their hunting, fishing, trapping, food-gathering and spiritual burial grounds."

Although the Treaty 8 people are not involved in land claims, they share the Kaska Dena's concerns about the accumulation of industrial activity. "Little by little our land and interests have been eroded, not only by resource development, but also by agriculture", says Mr. Napoleon. "We should be consulted. It doesn't take an Indian too long to realize what he's going to miss in the future—what his children will be missing—and to wonder if they will trap, hunt and fish in the same places."

The communities represented by the Treaty 8 Tribal Association will be affected by three mega projects: the Alaska Highway gas pipeline, British Columbia Hydro's proposed Site C hydroelectric project on the Peace River near Fort St. John, and the North East Coal Development, a venture aimed at producing a potential of 30 million tonnes of coal a year from coalfields southwest of Dawson Creek. This will involve the opening of at least two new major coal mines, the creation of a new townsite at Tumbler Ridge, and construction of rail and road access and powerlines into the area.

"It's a triple-header," remarks Mr. Napoleon. So far, the Tribal Association has received "impact dollars" from DIAND to look into the potential effects of the Site C project. The Northern Pipeline Agency has also provided the group with funds to undertake community-level consultations on the anticipated impact of the pipeline on traditional areas used for trapping, hunting, fishing and cultural activities and ways to compensate those affected for loss of livelihood.

The native people in northeastern B.C. have faced considerable pressure in the last decade from increased resource ex-

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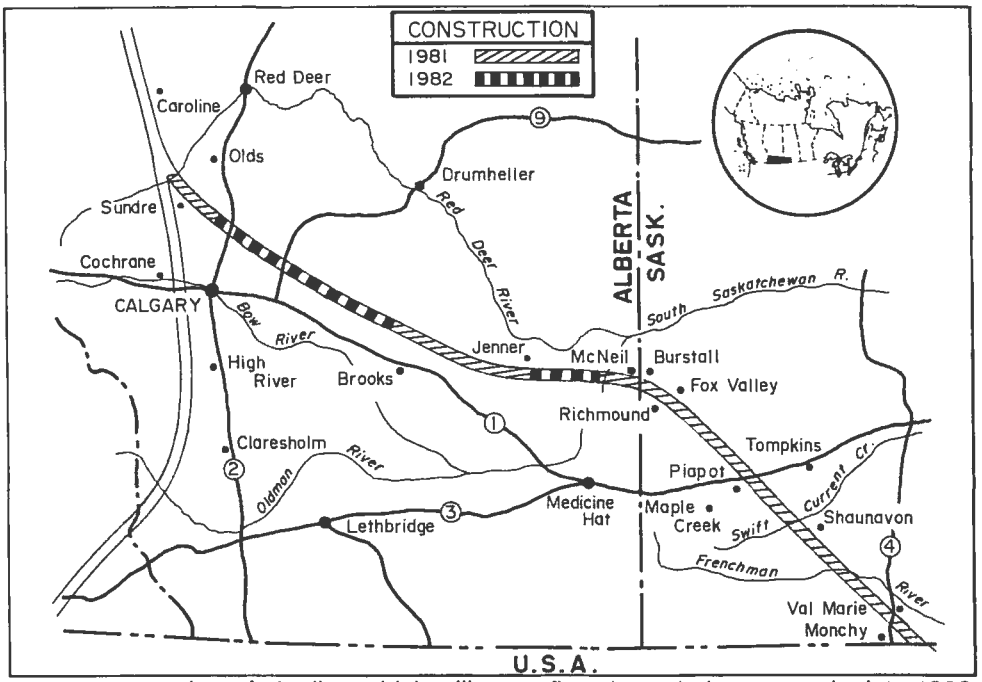
photo courtesy of the Kaska Dena Council

Kaska Dena hunting caribou (above) and executive members of the Treaty 8 Tribal Association (below). Left to right: Gerry Hunter, Bud Napoleon and Stan Napoleon.

Eastern Leg Nears Completion

The remaining 207 km (129 mi.) of the Alaska Highway pipeline's Eastern Leg in Alberta were installed by mid-July — three weeks ahead of schedule, despite rainy weather. As of August 1, the contractor, Marine Pipeline Construction of Canada Limited, has completed all road crossings and tie-ins along the line, about 85 percent of the hydrostatic testing and 70 percent of clean-up operations. Revegetation of the right-of-way is in progress and is expected to be completed in October.

Construction of the compressor station at Jenner, Alberta is completed, with the heavy-wall, yard piping installed, tested and tied in to the mainline system. Commissioning of the station is under way — a procedure which involves testing and proofing of the electrical, pneumatic (air-operated) and hydraulic systems to ensure everything will function as intended.



As a result of the continuing strike in the building trades in Saskatchewan, work on the compressor stations at Piapot, Richmound and Monchy and the meter station at Monchy has remained at a standstill since early May. To meet the September 1 scheduled start-up date for the first flow of gas to the United States through the Eastern Leg, the Northern Pipeline Agency on July 15 granted Foothills Pipe Lines (Sask.) Ltd. leave to proceed with construction of a temporary section of pipeline which will bypass the Monchy facilities. Extending approximately 880 m (2,887 ft.), the temporary bypass will connect the mainline in Saskatchewan directly with the United States Eastern Leg. The gas will be metered at McNeil, Alberta, approximately 241 km (150 mi.) northwest of Monchy, until such time as the Monchy meter station is completed and in service. A maximum volume of 22.6 million m^3 (800 MMcf) of gas per day is expected to flow through the system by late 1982.

Work on the remaining 303 km (188 mi.) of the U.S. Eastern Leg, primarily in North Dakota, is nearing completion, although unusually wet weather early in the season hampered construction progress. When ready for operation, the system will extend for 1 821 km (1,132 mi.) from the border crossing at Monchy, through Montana, North Dakota, South Dakota and Iowa to Ventura, Iowa.

Agency Announces Staff Reductions

As a result of a delay in the scheduled completion of the Alaska Highway Gas Pipeline Project until 1989, the staff of the Northern Pipeline Agency will be reduced initially by 20 per cent as of the end of September and further cutback substantially over the next 12 months, the Hon. Mitchell Sharp, Commissioner of the Agency, announced on July 30.

The reduction in the scale of the activities of the Agency, which was established to oversee the planning and construction of the project in Canada, follows the decision last May by the Canadian sponsor, Foothills Pipe Lines (Yukon) Ltd., to decrease immediately its own staff of 650 by 20 percent and to undertake further significant cutbacks over the next several months.

Mr. Sharp pointed out that the extent of the Agency's activities are to a considerable extent governed by those of Foothills, which is required under the *Northern Pipeline Act* to cover Agency costs.

The initial 20 percent reduction in the Agency staff of 104 commenced in May and will continue through to September, when the first-stage Eastern Leg of the project is scheduled to go into operation for the transmission of surplus Canadian gas to markets in the mid-western United States. Both this and succeeding cutbacks will affect all Agency offices, located in Ottawa, Calgary, Vancouver and Whitehorse.

For those staff members within the Agency whose services are not required in the immediate future, the Agency is seeking to make arrangements for their temporary secondment to other government departments and agencies at the federal, provincial and territorial level, and to the private sector through the Public Service Executive Interchange Program.

A core group will be retained to enable the Agency to maintain its ongoing responsibilities in relation to the project and to enable it to expand the scale of its operations expeditiously to oversee construction of the second stage of the pipeline north of Caroline, Alberta.

1982 Pipeline Construction Highlights

photo courtesy of Foothills Pipe Lines (Yukon) Ltd.

An electrically-driven compressor, the second unit for the Jenner, Alberta compressor station, is moved into place.

photo courtesy of Foothills Pipe Lines (Yukon) Ltd.

Automatic welding along the Eastern Leg near Jenner, Alberta.

photo courtesy of the Office of the Federal Inspector

Trenching for the pipeline crossing of the 1820-m (6,000 ft.) wide Oahe Reservoir along the U.S. Eastern Leg in North Dakota, using a "clammer" mounted on a barge.

photo courtesy of Foothills Pipe Lines (Yukon) Ltd.

Test run near Standard, Alberta of a prototype coat and wrap machine which uses state of the art technology for hydraulic operation and electronic controls.

From Oil to Solar — a Political Transition

The transition from an oil-based economy to a solar-based economy will be uncertain and troubled, with far-reaching political and economic consequences, predicts Harold S. Millican, Administrator and Chief Operating Officer of the Northern Pipeline Agency. "My feeling is that the solar age will replace the oil age in Canada and the rest of the world when we need it to, and when solar energy is fully competitive with oil and other forms of energy," he told delegates to Energex '82 — an international energy conference and exposition, on August 24 in Regina, Saskatchewan.

As with most innovations, the use of solar energy will face resistance from those whose interests it threatens, Mr. Millican remarked. "They will erect all sorts of barriers, especially political ones, to defend their position and hold back the pace of change." This is not surprising, he continued, but only a part of the competitive enterprise system — as another means of testing the viability of new approaches and ensuring they survive. In the end, it will be material and practical considerations that will complete the transition from oil to solar energy, Mr. Millican said.

From his perspective within the natural gas industry, Mr. Millican noted the political transition of most immediate concern is the movement from the oil to the gas age. "We in the natural gas business empathize with the pioneers of the solar energy field, since we share the same frustrations and setbacks in our efforts to capture a market now dominated by oil," he said, referring to the further delay of the Alaska Highway gas pipeline. Last April the sponsors of the multi-billion dollar project decided to postpone completion of the system until 1989, as a result of uncertain financial markets, short-term excess of world energy supply, depressed crude oil prices, and slower than anticipated market penetration and conversion rates.

One of the main lessons learned from the changeover to natural gas, which will be useful for our entry into the solar age, is that gradual change is easier to handle than sudden change, Mr. Millican pointed out. He stressed that the real political challenge lies in achieving the transition with a minimum of economic disruption.

Although we have moved further and faster toward becoming a conservation-

Harold S. Millican, Administrator and Chief Operating Officer of the Northern Pipeline Agency

ist society since the oil price increases of 1973 by the Organization of Petroleum Exporting Countries (OPEC), the transition has not been without problems, remarked Mr. Millican. "The consequent cutback of the use of oil has created real economic problems for some of our oil companies, especially some with refineries in central Canada. It is also currently contributing to the problems of some oil producers in western Canada," he observed.

According to Mr. Millican, political pressure has also caused transition problems. For example, government efforts to encourage home-owners to switch from oil heating to gas heating has contributed greatly to the cutback in oil use and has also created a higher level of competition between gas companies and electricity companies for the market of those who want to change over from oil, he said.

"A recent study by the federal Department of Energy, Mines and Resources showed that conversion to electrical heating in Canadian homes has been gaining momentum at a surprisingly rapid pace," reported Mr. Millican. Between October 1980 and March 1982, over 68,000 homes switched to electric heating across Canada, compared to almost 79,000 homes that were converted to natural gas. "Natural gas remained in the lead," he continued, "but as a spokesman for the Electric and Electronics Manufacturers was quick to point out, in less than two years, electric heat had doubled its market share in Ontario."

A solar heating system is still rather massive and unwieldy, noted Mr. Millican, since no one has yet developed a unit as compact as an oil or gas furnace. "While there seems to be great potential for developing solar heating systems intended to serve whole districts or communities, it may be that we will eventually find that solar energy is most useful in combination with some heating systems in use today." Although this may not be as revolutionary a step as replacing oil, gas or electrical home heating systems with individual solar heating units, it would make the transition easier — economically, as well as politically, he commented.

A Gallup poll released on June 21 of this year, the summer solstice, showed that the majority of Canadians would prefer to heat their homes with solar power and favour government subsidies to facilitate its development. "Public opinion is a critical element of the energy transition process," Mr. Millican emphasized. "More than an indicator of the potential market for solar energy, it is a powerful force in persuading government to adopt policies that will encourage the growth of solar energy."

Solar advocates must take up the challenge current energy policies present and educate the policymakers, Mr. Millican urged. "It's time now to tighten up and streamline the approval process, to anticipate problem areas that will require regulation, such as solar access rights, and to work cooperatively with government to establish regulations that will operate to your benefit," he advised his audience.

Both government and the private sector in Canada are engaged in a number of solar energy projects, Mr. Millican said. These include the heating of individual homes and multi-unit housing complexes and a joint $12 million federal/ provincial program in Ontario to demonstrate the use of cost-efficient solar heating systems for commercial and industrial buildings.

"However, I believe it is important that the solar energy industry does not fall into the trap of relying on government funds for research and development. Even if it hurts in the short term, other

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Ibex Plan Under Way

The Northern Pipeline Agency and the Yukon Territorial Government are sharing the cost of a study of the resources of the Ibex Pass, west of Whitehorse, and of preparation of a plan for the proper management of those resources.

Since the Ibex Pass is being considered as a possible route of the Alaska Highway gas pipeline, the resource study will examine all existing and potential uses of the area, taking into account the views and objectives of government, private companies, trappers, hunters, outfitters, cottagers and recreationists.

The management plan will propose measures for mitigating the potential impact of a pipeline through the Ibex and, alternatively, other measures for adoption even if the pipeline route avoids the Ibex area.

Reid, Crowther and Partners Limited of Whitehorse has received the contract to carry out the $50,000 project, which is expected to be completed by December.

Pipeline

The Northern Pipeline Agency was created by Parliament in April, 1978 to oversee the planning and construction of the Alaska Highway gas pipeline project in Canada. Enquiries or suggestions regarding the Agency's publication, *Pipeline*, are welcome and may be directed to:

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ploration and encroachment from forestry, agriculture and tourism, points out W. Winston (Bill) Mair, an independent consultant based in Victoria. Mr. Mair, who presided over the hearings, held in northeastern B.C. in 1979, respecting the Northern Pipeline Agency's terms and conditions for the Alaska Highway pipeline, notes, "When these massive projects come along, which may not be any more harmful to their interests — that provides the final push. It's cumulative." He suggests the various mega projects have caused the region's native people to focus their concerns and have enabled them to form cohesive groups such as the Kaska Dena Council and the Treaty 8 Tribal Association.

"There's a very strong sense of respect for the views of elders and need for consensus among Indian people," Mr. Mair observes. "Many are hesitant to accept the idea that a majority vote speaks for everyone, so when groups form, they have to go back constantly to the communities to ensure they are reflecting the people's views. Although reaching a consensus is a slower process, it provides a more meaningful grass roots involvement."

In Mr. Mair's estimation, there is a great desire among northeastern B.C.'s native population for participation on an equal footing with government and industry in the impact research and planning stages of major projects. "Although the so-called 'consultation process' is superior to what it used to be, it's difficult to effect true citizen participation because of the time constraints of modern-day society," he cautions. "I think the problem is the tendency for project planners to wait until proposals are too far advanced before any consultation takes place with the people most affected. For obvious reasons, these people become frustrated and cynical with government and industry because they can't change much anyway — the major decisions have already been made."

Both Peter Stone of the Kaska Dena Council and Stan Napoleon of the Treaty 8 Tribal Association maintain that, even now, local people are still often not given the opportunity to have any meaningful role in project planning.

Whether people want training and jobs on these projects is up to the individual, explains Mr. Stone. "We have to keep in mind the short-term nature of these projects — such as construction of the gas pipeline. For example, it takes four years for someone to become a qualified welder and, by that time, the job may be over.

"Many people have expressed an interest in jobs, but they also realize the side-effects on the community — the social problems that come with these big projects — and wonder if the job benefits are worth it."

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From Oil to Solar

sources of support must be found," he stressed.

"Until now, I think it is fair to say, solar energy has been more a cause than a business. This must change: if solar energy is to realize its full potential a flat-out effort has to be made to build alliances with the financial and corporate communities."

The petroleum industry is becoming increasingly diversified as it expands into coal and nuclear technology, Mr. Millican pointed out. "I believe that independent Canadian oil companies are ready to be sold on the idea of investment in solar," he stated. "The present generation of Canadian petroleum engineers, planners, managers and financiers have much to offer solar and are willing to listen and participate in the development of this renewable resource."

Above all, it is essential to remember the lessons learned from past experience and keep the transition to solar as orderly as possible, Mr. Millican concluded. Although we have the capability to begin phasing out all non-renewable energy forms, such as oil, gas and uranium, and to begin phasing in a 100 percent renewable energy base, we should not become impatient and push the pace too quickly, he remarked. "Otherwise we may find we are creating more new problems than we are solving old ones."