

Canada Not Running Out of Oil Pipeline Capacity. High-carbon Tar Sands Pipelines and Extraction Incompatible with Canada's Environmental Goals

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Canada does not need new pipelines, in spite of repeated misleading claims by the oil industry.

That's the conclusion of a new Oil Change International (OCI) analysis showing that Canada has ample pipeline Capacity to export all existing and under construction oil production to market from western Canada. The analysis suggests that industry has manipulated its forecasts in order to perpetuate an ongoing myth of pipeline constraints in order to advocate for unnecessary new pipeline construction.

The analysis is accompanied by an explainer [video](#) and [website](#).

The briefing shows that neither the proposed Kinder Morgan nor Energy East pipelines would be required unless Canada intends to abandon its commitments to cut climate pollution by allowing new and additional expansion of the tar sands well into the next decade.

In its annual Crude Oil Forecast, Markets and Transportation report, oil industry lobby group the Canadian Association of Petroleum Producers (CAPP) has wrongly forecast that Canada would run out of capacity to export oil in the following year in each of their yearly forecasts since 2012. Their latest press release in June stated once again that “new major oil pipelines are urgently needed.”

However, OCI's analysis based on the latest oil industry data suggests that there is actually almost 500kb/d of untapped export capacity currently available – even before additional planned expansions in the system are considered.

“Canada's oil industry has cried wolf far too many times,” said Adam Scott of Oil Change International. “New pipelines won't help an industry struggling with low global oil prices and won't boost our economy.”

New pipelines won't raise prices significantly, because the price differential that once forced Canadian producers to sell their oil at a discount is gone. The lifting of the longstanding U.S. crude export ban, the completion of new routes from the Cushing terminal to the Gulf of Mexico and the drop in global oil prices means that new pipelines will not significantly improve prices producers receive.

Tar sands expansion can't continue in a world facing an urgent climate crisis. New pipeline capacity from projects like Kinder Morgan and Energy East would only be required if a

significant number of new tar sands projects were given a green light in the future. Such a scenario would mean disaster for the climate.

Canada has now signed and ratified the Paris Agreement, which commits it to work to keep the increase in global average temperature to well below 2°C above pre-industrial levels while aiming to limit the increase to 1.5°C. Building new, long-lived, high-carbon tar sands pipelines and extraction projects is not compatible with that goal. In the meantime, there is already enough pipeline capacity to export Canada's oil.

View Oil Change International's [new briefing here](#):

<http://priceofoil.org/2016/10/18/brief-canada-not-running-out-of-pipeline-capacity>

Learn more about CAPP's bad math and see the video at CAPPmath.ca

Oil Change International is a research, communication, and advocacy organization focused on exposing the true costs of fossil fuels and facilitating the coming transition towards clean energy. The production and consumption of oil, gas, and coal are major sources of global warming, human rights abuses, war, national security concerns, corporate globalization, and increased inequality. For more information on Oil Change International, see www.priceofoil.org

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