

'The biggest environmental crime in history'

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BP, the British oil giant that pledged to move "Beyond Petroleum" by finding cleaner ways to produce fossil fuels, is being accused of abandoning its "green sheen" by investing nearly £1.5bn to extract oil from the Canadian wilderness using methods which environmentalists say are part of the "biggest global warming crime" in history.

The multinational oil and gas producer, which last year made a profit of £11bn, is facing a head-on confrontation with the green lobby in the pristine forests of North America after Greenpeace pledged a direct action campaign against BP following its decision to reverse a long-standing policy and invest heavily in extracting so-called "oil sands" that lie beneath the Canadian province of Alberta and form the world's second-largest proven oil reserves after Saudi Arabia.

Producing crude oil from the tar sands – a heavy mixture of bitumen, water, sand and clay – found beneath more than 54,000 square miles of prime forest in northern Alberta – an area the size of England and Wales combined – generates up to four times more carbon dioxide, the principal global warming gas, than conventional drilling. The booming oil sands industry will produce 100 million tonnes of CO₂ (equivalent to a fifth of the UK's entire annual emissions) a year by 2012, ensuring that Canada will miss its emission targets under the Kyoto treaty, according to environmentalist activists.

The oil rush is also scarring a wilderness landscape: millions of tonnes of plant life and top soil is scooped away in vast open-pit mines and millions of litres of water are diverted from rivers – up to five barrels of water are needed to produce a single barrel of crude and the process requires huge amounts of natural gas. The industry, which now includes all the major oil multinationals, including the Anglo-Dutch Shell and American combine Exxon-Mobil, boasts that it takes two tonnes of the raw sands to produce a single barrel of oil. BP insists it will use a less damaging extraction method, but it accepts that its investment will increase its carbon footprint.

Mike Hudema, the climate and energy campaigner for Greenpeace in Canada, told The Independent: "BP has done a very good job in recent years of promoting its green objectives. By jumping into tar sands extraction it is taking part in the biggest global warming crime ever seen and BP's green sheen is gone.

"It takes about 29kg of CO₂ to produce a barrel of oil conventionally. That figure can be as much 125kg for tar sands oil. It also has the potential to kill off or damage the vast forest wilderness, greater than the size of England and Wales, which forms part of the

world's biggest carbon sinks. For BP to be involved in this trade not only flies in the face of their rhetoric but in the era of climate change it should not be being developed at all. You cannot call yourself 'Beyond Petroleum' and involve yourself in tar sands extraction." Mr Hudema said Greenpeace was planning a direct action campaign against BP, which could disrupt its activities as it starts construction work in Alberta next year.

The company had shied away from involvement oil sands, until recently regarded as economically unviable and environmentally unpleasant. Lord Browne of Madingley, who was BP's chief executive until May, sold its remaining Canadian tar sands interests in 1999 and declared as recently as 2004 that there were "tons of opportunities" beyond the sector. But as oil prices hover around the \$100-per-barrel mark, Lord Browne's successor, Tony Hayward, announced that BP has entered a joint venture with Husky Energy, owned by the Hong Kong based billionaire Li Ka-Shing, to develop a tar sands facility which will be capable of producing 200,000 barrels of crude a day by 2020. In return for a half share of Husky's Sunrise field in the Athabasca region of Alberta, the epicentre of the tar sands industry, BP has sold its partner a 50 per cent stake in its Toledo oil refinery in Ohio. The companies will invest \$5.5bn (£2.7) in the project, making BP one of the biggest players in tar sands extraction.

Mr Hayward made it clear that BP considered its investment was the start of a long-term presence in Alberta. He said: "BP's move into oil sands is an opportunity to build a strategic, material position and the huge potential of Sunrise is the ideal entry point for BP into Canadian oil sands."

Canada claims that it has 175 billion barrels of recoverable oil in Alberta, making the province second only to Saudi Arabia in proved oil riches and sparking a £50bn "oil rush" as American, Chinese and European investors rush to profit from high oil prices. Despite production costs per barrel of up to £15, compared to £1 per barrel in Saudi Arabia, the Canadian province expects to be pumping five million barrels of crude a day by 2030.

BP said it will be using a technology that pumps steam heated by natural gas into vertical wells to liquefy the solidified oil sands and pump it to the surface in a way that is less damaging than open cast mining. But campaigners said this method requires 1,000 cubic feet of gas to produce one barrel of unrefined bitumen – the same required to heat an average British home for 5.5 days.

A spokesman for BP added: "These are resources that would have been developed anyway."

Licenses have been issued by the Albertan government to extract 350 million cubic metres of water from the Athabasca River every year. But the water used in the extraction process, say campaigners, is so contaminated that it cannot be returned to the eco-system and must instead be stored in vast "tailings ponds" that cover up to 20 square miles and there is evidence of increased rates of cancer and multiple sclerosis in down-river communities.

Experts say a pledge to restore all open cast tar sand mines to their previous pristine condition has proved sadly lacking. David Schindler, professor of ecology at the University of Alberta, said: "Right now the big pressure is to get that money out of the ground, not to reclaim the landscape. I wouldn't be surprised if you could see these pits from a satellite 1,000 years from now."

Have your say

How can BP be stopped from perpetrating this environmental 'crime'? Tell us what you think. Email haveyoursay@independent.co.uk or go to www.independent.co.uk/haveyoursay