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## NEWS RELEASE

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Ministry of Jobs, Tourism and Skills Training  
Ministry of Energy, Mines and Natural Gas

### **Review finds Kitimat Refinery Proposal has economic merit, deserves serious consideration**

VICTORIA – The B.C. government today released Review of the Proposed Kitimat Refinery Project: Technical Assessment and Asian Supply/Demand Analysis. This report was prepared for the Ministry of Jobs, Tourism and Skills Training, in consultation with the Ministry of Energy, Mines and Natural Gas.

On August 17, 2012, David Black unveiled a \$13 billion proposal to build a refinery on British Columbia's North Coast.

To assist the provincial government with its appraisal of this proposed refinery, Navigant Consulting was retained to consider the following aspects of the project:

- Prepare a technical review, including an estimate of the likely economic performance of the refinery.
- Compile an assessment of the Asian fuel supply/demand balance and whether the output from Kitimat could be sold profitably to customers in four Asian countries – namely, China, India, South Korea and Japan.

As expressed in its report, Navigant has found that building a refinery on the coast of British Columbia has economic merit and should be seriously considered by the government of British Columbia. The report finds that such a refinery would provide incremental long-term economic benefits to the region.

On March 7, Premier Christy Clark delivered a statement to the B.C. legislature where she committed the government's support to move this proposal forward where it can be judged on its merits by a robust, rigorous and independent environmental process, free from political influence. "This is a credible proposal from a credible B.C. businessman. And without question, this would be the largest single private-sector investment in the history of our great province. And it would be, potentially, a tremendous game-changer for our children and their children," said the Premier.

The government of British Columbia has continued to advance its work on the five conditions for heavy oil pipelines. Announced last July, these five conditions will ensure the highest standards for environmental protection and First Nations involvement.

Since their release, government has taken strong and decisive action to develop world-leading practices for all land-based spill prevention and response by releasing a policy development discussion paper that is supporting comprehensive stakeholder engagement.

Recently, the B.C. government proactively took the first step toward defining a world-leading, marine-based spill response model to protect B.C.'s vast 27,000-kilometre coastline. The Ministry of Environment contracted with Alaska-based Nuka Research and Planning Group to review, evaluate and prepare a report on the current marine oil spill prevention, preparedness and response regime for coastal British Columbia to identify changes needed to support a world-class system.

The paper released today advances British Columbia's knowledge of and position as a safe and reliable jurisdiction for potential manufacturing and shipment of heavy oil.

**Learn More:**

Review of the Proposed Kitimat Refinery Project: Technical Assessment and Asian Supply/Demand Analysis is available at:

<http://www.empr.gov.bc.ca/OG/oilandgas/publications/TechnicalDataandReports/Pages/default.aspx>

Premier Christy Clark's March 7 statement to the B.C. legislature in support of David Black's proposal for an oil refinery:

<http://www.newsroom.gov.bc.ca/2013/03/ministerial-statement---transcript-premier-christy-clark-march-7-2013.html>

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