

Pathways Alliance ad complaint addendum

Thursday October 12, 2023

Dear Josephine A.L. Palumbo

Greenpeace Canada respectfully requests an opportunity to make a further submission to support our initial complaint to the Competition Bureau about Pathways Alliance advertising. Please inform us if you require sworn declarations in order to proceed with consideration of these materials or if this submission alone will suffice.

Summary of addition information

After we made our complaint in March 2023, the Pathways Alliance (PA) expanded its advertising campaign and therefore:

- Continued to give the impression that the Pathways Alliance is a climate leader and that their actions will clear pollution when they are not taking actions that do so.
- Continued to represent that they have and are following a transparent and concrete plan for reducing emissions and/or achieving net zero while most, if not all members are continuing to expand production.
- Continued to base their advertising on untenable and not established assumptions about future technology—carbon capture and storage (CCS)—despite further discourse around this technology indicating that it has a lower viability to combat emissions than initially thought.

In August 2023, we noticed that the Pathways Alliance had amended their website to dramatically narrow their claims, now stating they are “on a path to reach net-zero emissions *from operations*” (emphasis ours).

In light of the adjustments they have made to their claims, we are concerned that the Competition Bureau may not pursue this claim with the same vigor and tenacity as they originally intended.

However, we believe that:

1) The damage has been done: The widespread and disingenuous campaign has been successful in misleading Canadians to believe that tar sands oil production is a safe, renewable and clean option to consume.

2) Their current claims that specify being on “a path to reach net-zero emissions from operations” is only counting emissions from scopes 1 and 2, whereas the Competition Bureau’s guide states that environmental claims must be subject to a consideration of the life cycle of a product.¹ Therefore, scope 3 emissions cannot be excluded.

3) Their advertising, including the new phrasing on their website, does not pass the general impression test. A credulous and inexperienced person would not be aware that by specifying only their operations, as opposed to the entirety of their emissions (scopes 1–3), they are referring only to about 20% of their emissions,² with the other 80% remaining unabated. This is also true for their references to carbon capture as a key solution and the “foundational project” in their plan to achieve net zero.³ A credulous and inexperienced person would not know that this technology has never been applied at this scale, has yet to be proven effective, is not cost-competitive, and is unlikely to be adequately operational in the timeline required.⁴ Nor is it apparent that Pathways does not plan to finance this on their own, and is requesting taxpayers’ money to cover a large portion of the projects’ costs.⁵

4) Our claim is only strengthened in light of these changes. We believe that the changes were made in response to our complaint and the broader criticisms of the Let’s Clear the Air campaign.

The following sections detail the additions we would like to submit to support our initial complaint against the Pathways Alliance.

Continuing to advertise that they are taking meaningful climate action

The Pathways Alliance continued to advertise with the same false and misleading messaging until at least August 2023 through formats including: print, public transit, and sponsorships. Examples include:

¹ Archived Competition Bureau Environmental Claims Guide

² Based on calculations from reporting by Cenovus, Conoco, Imperial, CNRL, and Suncor. See Appendix 5.1 in our initial complaint for a full tally. See also: Suncor. Climate Report 2021: An energy company for the future. Page 31. Accessed Feb 27, 2023 at https://sustainability-prd-cdn.suncor.com/-/media/project/ros/shared/documents/climate-reports/2021-climate-report-en.pdf?modified=20220421140133&_ga=2.225865875.887037544.1653922069-1852545475.1653922069#page=31

³ “Foundational Project.” Pathways Alliance website. Accessed at: <https://pathwaysalliance.ca/foundational-project/carbon-capture-and-storage-ccs/>

⁴ Carter, Angela and Cameron, Laura. “Why Carbon Capture and Storage Is Not a Net-Zero Solution for Canada’s Oil and Gas Sector.” Deep Dive. IISD. Feb. 9, 2023. Accessed at: <https://www.iisd.org/articles/deep-dive/carbon-capture-not-net-zero-solution#>

⁵ Cameron, Laura. “Canadians shouldn’t foot the bill for Big Oil’s costly carbon capture.” Opinion. National Post. Oct.10, 2023. Accessed at: www.nationalobserver.com/2023/10/10/opinion/canadians-shouldnt-foot-bill-big-oils-costly-carbon-capture

- Sponsored National Post advertisements on carbon capture and storage.
<https://nationalpost.com/sponsored/news-sponsored/carbon-capture-essential-to-meet-climate-challenge-and-preserve-economic-benefits-of-oil-sands-for-canada>
- Highly visible advertising on public transit, including Translink in Vancouver, the TTC - Toronto Transit Commission, and the STM - Société des Transports de Montréal. Note these ads are still in place on the TTC.
- Pathways was a platinum sponsor at the 24th World Petroleum Conference, Sept. 2023.
<https://www.24wpc.com/welcome>

For further information, the National Observer ran a two-part piece on Pathways Alliance lobbying and advertising, both by John Woodside. Part two on advertising calls Pathways advertising a “a splashy advertising offensive to change public perception.”

Part two: “The advertising blitz crafted to change your view of Big Oil” (July 20, 2023).

<https://www.nationalobserver.com/2023/07/20/analysis/advertising-blitz-big-oil>

Continuing to expand fossil fuel production

In order to truly be on a path to net zero, the Pathways member companies would need to lower their production, yet most, if not all the companies have continued to expand it. Some of this is evidenced in the following:

In their “Waiting to Launch 2023 mid-year update” the Pembina Institute reported that the Pathways companies made “no new investments in reducing emissions,” instead the companies returned 75% of all available cashflow to shareholders in the form of share repurchases and increased dividends.⁶

In addition, Suncor Energy, a Pathways member, announced this August that the company will be pivoting away from a “disproportionate emphasis on the longer-term energy transition,” and refocusing on making profits for shareholders.⁷ To address these claims, Suncor CEO Rich Kruger has been called to testify in front of the Natural Resources Parliamentary committee on October 16 and in front of the Environment Parliamentary committee on October 17. This is in addition to the fact that in 2022 Suncor pulled out of renewables by selling off its solar and wind

⁶ MacDougall, Scott. Waiting to Launch 2023 mid-year update. Pembina Institute website. September 14, 2023. Accessed Oct 5, 2023 at <https://www.pembina.org/pub/Waiting2023MidYear>

⁷ Stephenson, Amanda. “Suncor has been too focused on energy transition, must get back to fundamentals: CEO Social Sharing” CBC News. Aug. 15, 2023. Accessed at: <https://www.cbc.ca/news/canada/calgary/suncor-too-focused-on-energy-transition-rich-kruger-says-1.6937360#>

power portfolios,⁸ and, in October 2023 the company purchased a 100% stake in an oilsands mine.⁹

Continuing to promote carbon capture as their foundational project without addressing its pitfalls

In March 2023, Cenovus CEO and Pathways spokesperson, Alex Pourbaix, was interviewed by Matt Galloway on CBC radio's The Current about CCS and characterized it as a ready and effective technology. <https://www.cbc.ca/listen/live-radio/1-63-the-current/clip/15970276-cenovus-energy-ceo-carbon-capture-efforts-surviving-avalanche>

However, there has been increasing discussion globally and in Canada questioning the current effectiveness and high costs of carbon capture (CCS). Some examples include:

- Carter, Angela and Cameron, Laura. "Why Carbon Capture and Storage Is Not a Net-Zero Solution for Canada's Oil and Gas Sector." Deep Dive. IISD. Feb. 9, 2023. <https://www.iisd.org/articles/deep-dive/carbon-capture-not-net-zero-solution#>
- Centre for International Environmental Law. "Deep Trouble: The Risks of Offshore Carbon Capture and Storage" June 26, 2023 <https://www.ciel.org/reports/deep-trouble-the-risks-of-offshore-carbon-capture-and-storage-june-2023/>
- Cameron, Laura. "Canadians shouldn't foot the bill for Big Oil's costly carbon capture." Opinion. National Post. <https://www.nationalobserver.com/2023/10/10/opinion/canadians-shouldnt-foot-bill-big-oils-costly-carbon-capture>

Further, the following are news stories from the U.S. that show some companies are fighting regulations by saying CCS is not ready. These concerns are equally applicable to Canada:

⁸ "Suncor to sell wind and solar assets to Canadian Utilities for \$536 mln" Reuters. Oct. 5, 2022. Accessed at: <https://www.reuters.com/markets/commodities/canadian-utilities-buy-suncors-wind-solar-assets-536-mln-2022-10-05/>; see also: Olive, David. "Big Oil has failed in its promise to clean up their act. Here's why." Opinion. The Hamilton Spectator. Accessed at: https://www.thespec.com/opinion/big-oil-has-failed-in-its-promise-to-clean-up-their-act-here-s-why/article_fea24780-3299-584b-905d-538c97137f51.html

⁹ Williams, Nia. Dhumal, Tanay. "Suncor Energy to acquire TotalEnergies' Canadian operations for \$1.47-billion" Reuters. Oct 4, 2023. Accessed at: www.reuters.com/markets/deals/suncor-energy-acquire-totalenergies-canadian-operations-c147-bln-2023-10-04/

- “U.S. power plant owners warned the Biden administration (...) that its sweeping plan to slash carbon emissions from the electricity sector is unworkable, relying too heavily on costly technologies that are not yet proven at scale.”
Groom, Nichola and Volcovici, Valerie. “Biden's carbon proposal is unworkable, US power sector warns.” Reuters. Aug. 9, 2023.
<https://www.reuters.com/sustainability/bidens-carbon-proposal-is-unworkable-us-power-sector-warns-2023-08-08/>
- “[T]he [Edison Electric Institute](#) argues the Environmental Protection Agency overestimates the affordability and readiness of carbon-capture systems and hydrogen.”
Dlouhy, Jennifer A. “Power-Plant Owners Blast Biden’s Emissions-Cutting Plan.” Bloomberg online– Green. Aug. 8, 2023.
<https://www.bloomberg.com/news/articles/2023-08-08/power-plant-owners-blast-bidens-emissions-cutting-plan-as-unproven?sref=nzvyg2CQ>
- U.S. electric utilities told the EPA that “a proposed rule to shrink power plant carbon emissions shouldn’t be implemented yet because key emerging technologies aren’t ready. Edison Electric Institute, which represents investor-owned utilities, pointed to technical shortcomings with the potential use of clean hydrogen and carbon capture to slash greenhouse gasses in the power sector.”
Behr, Peter and Bright, Zach. “Utilities say EPA power plant rule isn’t ready.” E&E News (by Politico). Aug 8, 2023. <https://www.eenews.net/articles/utilities-say-epa-power-plant-rule-isnt-ready>

In addition, the Pathways Alliance has not consulted with affected Indigenous communities on the location of their carbon capture infrastructure, which could result in further costs and delays, making the technology even less feasible.¹⁰

Continued Lobbying

Pathways Alliance and the six member companies continue to heavily lobby the federal government, with 340 lobbies between January 1 and September 26, 2023.

In addition, in a speech at the World Petroleum Conference in September, Minister of Energy and Natural Resources, Jonathan Wilkinson, stated that he now meets regularly with the

¹⁰ Noakes, Taylor. “Oil Lobby’s Carbon Capture Solution Hasn’t Consulted Local Nation, Chief Says.” DeSmog website. September 15, 2023. Accessed at: <https://www.desmog.com/2023/09/15/pathways-alliance-carbon-capture-project-hasnt-consulted-cold-lake-first-nations-chief-kelsey-jacko-says/?fbclid=IwAR3cMa2jCWWqOvEKfsgid3eocdheuhjzKYWMdAii9gdHUIY0FH0XQ1yHDK>

Pathways Alliance. Since these meetings are at his request, they are not accounted for in the lobby registry.

The media has covered some of this lobbying, including:

- Carl Meyer published an investigation in the Narwhal (July 2023) into Pathways lobbying on the proposed emissions cap. This includes key details on Pathways lobbying, in particular that they requested long lead times and a “flexible, non-regulatory approach” from government bureaucrats. <https://thenarwhal.ca/pathways-alliance-emissions-cap/>
- Part one of the National Observer two-part piece on Pathways Alliance lobbying and advertising, both by John Woodside characterizes Pathways lobbying as a “charm offensive” to “extract billions of public dollars to pay for a carbon capture plan.” Part one: “Big Oil rebrands its lobbying efforts” (July 19, 2023) <https://www.nationalobserver.com/2023/07/19/analysis/big-oil-rebrands-lobbying-efforts>

We appreciate your ongoing investigation and thank you in advance for taking the time to review these additions.

Sincerely,

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