



Office of the City Clerk

D. Back, City Clerk  
K. O'Connell, Deputy City Clerk

## INTER-OFFICE MEMORANDUM

TO: CHAIR AND MEMBERS  
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2017 MAY 02

FROM: CITY CLERK

FILE: 02410-20

SUBJECT: **ELSIE DEAN & ANDREW GAGE– CLIMATE ACCOUNTABILITY**  
(DELEGATION 5(A), OPEN COUNCIL MEETING 2017 MAY 01)

At the 2017 May 01 Council meeting, Elsie Dean, BROKE, and Andrew Gage, West Coast Environmental Law, appeared before Council and spoke to the impacts of climate change locally and globally. Rising sea levels, wild fires, increased frequency of storm events, droughts, and flooding are reshaping and impacting BC communities in profound and frightening ways. Municipal infrastructure will need to adapt to accommodate environmental changes due to climate changes. Currently the infrastructure costs are being born by taxpayers and not the corporations responsible for creating the pollution.

The speakers advocated for a polluter-pay model reflective of the true cost of oil production, refinement and use. Mr. Gage presented Council with a sample "Climate Accountability Letter" and requested Council consider sending a similar letter to 20 of the world's largest fossil fuel companies asking them to pay for the climate costs that are being incurred by the City of Burnaby.

Following the presentation, Council adopted the following motion:

THAT the Climate Accountability Letter and background materials provided by the delegation be **REFERRED** to the Financial Management Committee for further review and consideration.

Dennis Back  
City Clerk

DB:rj



# CLIMATE ACCOUNTABILITY LETTERS

## AN INTRODUCTION FOR LOCAL GOVERNMENTS

Andrew Gage, Staff Counsel

“Wildfires. Drought. Flooding. Rising sea levels. Climate change is already reshaping and impacting BC communities in profound and frightening ways. As unchecked fossil fuel pollution continues to push global temperatures ever higher, we are frightened for our communities, for communities around the world, and for the world we leave our children. Vulnerable groups - the poor, Indigenous communities, women and children - are often hardest hit by climate impacts.” – Letter from BC Community Groups to Local Governments, 25 January 2017

On 25 January 2017, over 50 community groups from around BC – organizations focused on health, faith, human rights and environment – wrote to all of BC’s local governments asking that they take action to hold the fossil fuel industry accountable for its role in causing climate change and in the climate costs being caused by fossil fuel pollution.

In the short term, we are asking your municipality (or regional district) to send “Climate Accountability Letters” to 20 of the world’s largest fossil fuel companies asking them to pay for climate costs that are being incurred by your community. This brief will answer some questions that you may have about why your community should send these letters.

### Why does it matter to your community?

All our communities are facing a rising tide of costs, debt and claims for disaster relief arising from the many effects of climate change. With more frequent wildfires, 100-year storm events now coming every 25 years, snowpacks and aquifers disappearing, our communities are spending scarce taxpayer dollars to prepare for and respond to climate change. The situation is only going to get worse.

As it stands, the costs of building climate resilient communities fall to the taxpayer, as do the costs of re-building communities after floods or fires. Municipal governments bear much of the burden for these climate costs, because municipal infrastructure is frequently affected. In at least one case, municipalities in the U.S. were sued (by their insurers) for failing to prepare adequately for known climate impacts.<sup>i</sup>

It is time to ask whether taxpayers alone should be solely responsible to pay climate adaptation and damage costs, or whether costs should be shared with the companies that have made billions of dollars creating this situation. The products and operations of the **20 fossil fuel companies** are collectively responsible for roughly 30% of the greenhouse gases in the atmosphere today. That greenhouse gas pollution is changing the climate, and costing your community money as it is forced to respond and adapt.

It is essential that we have this conversation now. Communities need to know how much they can expect the fossil fuel industry to pay for their climate costs. The fossil fuel industry and its investors need to be able to make informed decisions about the future of the industry once they factor in the real costs of their activities.

## Why does it matter to our planet?

Fighting climate change only works when everyone does their fair share. We all share the same precious atmosphere.

Right now the world's largest fossil fuel companies are making hundreds of billions of dollars from products that cause greenhouse gas pollution and put communities around the world at risk. There are powerful economic incentives for those companies, their investors and the governments of the world to continue producing fossil fuels without regard to the consequences for our planet. In many cases these companies have known since the late 1960s that their products were likely causing climate change. Since that time many have funded climate misinformation and lobbied hard against global rules that would protect our communities from climate change.

When companies make massive profits from pollution and products that cause pollution, this is known as an “externality.” It creates an economic system where some parties make money while the rest of us pay for the harm that they cause. Conversely, when companies are made to pay for the harm they cause, they, and their investors and governments, will start to have questions about the profitability of the industry.

Our efforts to reduce the greenhouse gases of our own communities (or even our own country) will only be a small drop in the global bucket. But if our communities demand accountability from **global** fossil fuel companies, the industry will finally have an incentive to stop opposing climate action – or, better yet, to start working for a sustainable future.

## What is a Climate Accountability Letter?

A Climate Accountability Letter is a letter written by the representatives of a community to a fossil fuel company asking them to be accountable for the harm caused to that community by their operations and products. These letters are extremely flexible. A community can decide which climate impacts they wish to highlight, whether to demand that the company pay its fair share of current, or future, climate impacts or demonstrate its accountability in some other way.

We provide templates for accountability letters for your community to adapt on the climate law in our hands website.<sup>ii</sup> We also provide a spreadsheet with the addresses and share of global greenhouse gas emissions of 20 of the world's largest fossil fuel companies.

## Is this within local government jurisdiction?

Municipalities and regional districts are incurring and will continue to incur costs related to climate change. Prudent management of their financial resources requires local governments to at least consider the possibility that some of those costs can be recovered from fossil fuel companies and, if appropriate, to take steps to do so.

One of the purposes of municipalities (according to the BC Community Charter) is “fostering the economic, social and environmental well-being” of the community – so Council also has a clear mandate to play its part in addressing climate change globally.

### Why target fossil fuel companies?

Some argue that we're all responsible for climate change, but if so, surely we can agree that some of us are more responsible than others?

In 2013 a peer-reviewed paper "Tracing anthropogenic carbon dioxide and methane emissions to fossil fuel and cement producers, 1854–2010"<sup>iii</sup> estimated the emissions from the operations and products of 90 entities – primarily fossil fuel companies. Just 20 of those fossil fuel companies – the 20 that we are asking you to write to – are responsible for almost 30% of the fossil fuels in the global atmosphere today.

But for the actions of these companies in extracting fossil fuels from the ground, and (in many cases), processing, transporting, marketing, and selling them for use by end consumers, these emissions would not have

ended up in our atmosphere. That's doubly true if you consider the impact of some of these companies in lobbying against action on climate change and in funding public misinformation on climate science. Had these companies acted, when they learned of the science of climate change in the 1960s, to shift the economy towards renewable energy, we would live in a very different, and more sustainable, society.

In addition, a focus on local impacts caused by fossil fuel companies creates new opportunities for local communities to have a global impact. Rather than focusing only on reducing the comparatively small amounts of greenhouse gases created in our own communities, we can also have a conversation about 30% of global emissions.

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### Shouldn't the Canadian (or BC) government be taking action?

Yes, of course all levels of government should be taking action to fight climate change. But the Canadian and BC governments still rely on the fossil fuel industry in many ways – from campaign contributions to hopes of economic growth.

The fact that the senior levels of government have not yet taken action to hold fossil fuel polluters accountable does not mean that local governments cannot take action to recover their own climate costs. Indeed, a community concerned about local costs of climate change may be more willing to show leadership to protect its residents and environment, and may be more willing to

have a discussion about the role of the fossil fuel industry in contributing to those costs.

Sometimes when people look to the provincial or federal governments for climate leadership, they are looking for regulation of sources of greenhouse gases. While such regulation is important, such laws can only regulate emissions or other activities that take place in Canada (or in BC). The claims for compensation related to climate accountability that we recommend use legal tools that can cross borders and address global sources of emissions.



**Do you drive cars (or use gas)?**

In response to the 25 January 2017 letter, three mayors independently wrote to us with variations on the message that if we use fossil fuels, we cannot ask for the fossil fuel industry to be held accountable.

We are not denying that individuals play a role in reducing their own greenhouse gas emissions (while recognizing that the options available to individuals to entirely eliminate their fossil fuel use in today's society are limited). Nor are we suggesting that fossil fuels could be eliminated tomorrow.

What we are suggesting is that the responsibility of fossil fuel companies is at least as great as that of the individual, and they should pay their fair share of the costs. We are further suggesting that once the industry realizes that it may be required to pay its fair share, there will be a powerful incentive for the system to change – creating more options for individuals seeking to reduce their greenhouse gas emissions. This is a crucial step in helping society as a whole move away from gas-powered vehicles (and uses of fossil fuels involving combustion).

In the fight to phase out ozone-destroying HFCs, no one ever told those concerned about the ozone layer: “Yeah, but do you own a refrigerator?”

**Am I signing up for a lawsuit?**

By sending Climate Accountability Letters, your community is simply initiating a conversation, not a lawsuit, about the role of the fossil fuel industry in causing climate harm to your community.

In the 25 January 2017 letter sent to your government, we did also encourage you to consider the possibility of a class action by all BC local governments against some fossil fuel companies. However, sending letters to the fossil fuel companies does not commit your government to participate in or support such a court case.

If your community is interested in exploring the possibility of a lawsuit against the fossil fuel industry, please do contact us for more information.

**How do I find out more?**

Contact Andrew Gage at [agage@wcel.org](mailto:agage@wcel.org) or 250-412-9784 or learn more on the Climate Law in our Hands initiative website at [www.climatelawinourhands.org](http://www.climatelawinourhands.org).

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<sup>i</sup> <http://www.cenews.net/stories/1059999532>; The insurance company subsequently dropped the lawsuit, but the case stands as a warning to local governments that fail to prepare for climate change.

<sup>ii</sup> [www.climatelawinourhands.org/demand-accountability](http://www.climatelawinourhands.org/demand-accountability)

<sup>iii</sup> Heede, R. "Tracing anthropogenic carbon dioxide and methane emissions to fossil fuel and cement producers, 1854–2010" *Climatic Change* (2014) 122: 229. doi:10.1007/s10584-013-0986-y

Chevron Corporation  
6001 Bollinger Canyon Road  
San Ramon, California 94583  
United States of America

Attn. CEO of Chevron

Dear Sirs/Mesdames:

**Re: Chevron's fair share of climate costs in Burnaby, BC, Canada**

As you know, fossil fuel pollution from the burning of fossil fuels is the main cause of climate change. Like other communities around the world, the City of Burnaby is increasingly concerned about the harmful effects that climate change will have on our community, and we are being forced to prepare for progressively more serious impacts.

Burnaby is a coastal municipality located in southwestern British Columbia, bordered on one side by a tidal inlet known as Burrard Inlet. A study conducted by the BC government estimates that our city should expect to pay \$238 million between now and 2100 to address rising sea levels – while the MetroVancouver region as a whole needs to spend \$9.5 Billion. These are rough estimates and further planning needs to be done to develop a specific plan to address sea-level rise in Burnaby. Indeed, we are concerned that these figures may under-estimate the sea-level rise and adaptation costs facing our City.

Similarly, we are already seeing wetter winters and drier summers, which create additional challenges for our community and its infrastructure.

Climate change – as a result of fossil fuel pollution – is now inevitable, and growing more severe as you continue to market your products without aggressively moving to a different, more sustainable business model.

As the elected government of Burnaby, we have a responsibility to our citizens to ensure that our infrastructure and services are developed and maintained in ways that will be able to withstand the “new normal” that climate scientists have predicted for our region, and that our citizens are well protected from current and future climate impacts. Today's infrastructure needs to last for decades, resilient to the full range of climate impacts that our region is expected to see.

Clearly, as we move forward with preparing our community and infrastructure for climate change, we will be incurring additional costs and inconvenience as a result of the increased severity of climate change attributable to your products and operations. It has

been estimated that the emissions from those products and operations amount to fully 3.34% of historic human-caused greenhouse gas emissions.<sup>1</sup>

While we recognize that individual consumers, and our community, do play a role in the fossil fuel economy, your company has had the power to lead the transition away from that economy, but has instead profited to the tune of many billions of dollars from products that you have known, or should have known, would harm our communities.<sup>2</sup> You cannot make billions of dollars selling your product, knowing that it is causing significant financial harm to communities around the world, and not expect to pay at least some of that harm.

As a community, we will expect you to pay your fair share of the costs associated with preparing Burnaby for climate change. As a starting point, we suggest that 3.34% is a reasonable figure, based on the contribution that your company has made to human caused greenhouse gases in the global atmosphere.

However, if you do not agree with that figure, please inform us what proportion you view as your fair share, and why. In addition, we would like to hear what steps you plan to take to reduce or eliminate the future impacts of your company's products on our community.

Even if fossil fuel companies like yours do pay your respective shares (either voluntarily or through legal recourse), our community will still bear the costs of climate change – for example, costs that cannot be recovered from now defunct companies or loss and damage that, while climate-related are not recoverable.

However, we are committed to doing our part to minimize those costs and impacts, and we look forward to your confirmation that you will do your part as well.

Sincerely,

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<sup>1</sup> Heede, R. "Tracing anthropogenic carbon dioxide and methane emissions to fossil fuel and cement producers, 1854–2010" *Climatic Change* (2014) 122: 229. doi:10.1007/s10584-013-0986-y, updated to 2013 at [http://climateaccountability.org/carbon\\_majors\\_update.html](http://climateaccountability.org/carbon_majors_update.html), last accessed 23 September 2016.

<sup>2</sup> <https://www.smokeandfumes.org/fumes>, last accessed 23 September 2016.