Canadian Energy Board Sets Stage For U.S.-Canada Gas War

This week's decision by the Canadian National Energy Board to reject Artic Gas's proposal for a pipeline to transport U.S. and Canadian north slope gas to southern markets has drawn the battle lines for what could become a devastating energy war in North America. Already, the NEB's decision has given new impetus to the Carter Administration's lethal "Project Independence" energy austerity plans.

The NEB rejected the six-year old MacKenzie Valley pipeline plan in favor of a hastily organized proposal by Foothills Pipe for an all-Canadian (AlCan) route which would initially carry only U.S. Prudhoe Bay gas to the U.S. with provisions for an eventual spur to carry the Canadian Beaufort Sea gas reserves to southern Canada five to ten years from now. In rejecting the Arctic plan, the energy board, a federal regulatory agency, has followed the lead of a gaggle of environmentalist and "native peoples" organizations, as well as zero-growth "Canadian nationalists" who have attacked the plan for environmental reasons and for "giving" Canadian gas to the U.S.

In essence, the Arctic Gas proposal would have made both Canadian and U.S. gas reserves available to meet current U.S. gas shortages, ensuring continued or increased Canadian gas exports. Alternate proposals, including AlCan and a trans-Alaskan route sponsored by El Paso Company of Texas, would delay, if not entirely eliminate, development of Canada's Beaufort Sea reserves, virtually guaranteeing cutbacks in Canadian gas exports even from conventional sources as a "conservation" measure in Canada.

Such cutbacks have been hailed in Canada by groups such as the Committee for an Independent Canada (which has been linked to the Washington-based terrorist controllers of the Institute for Policy Studies) as well as Rockefeller oil interests because they will further Canadian "self-sufficiency" through development of the Athabasca tar sands and other heavy oil projects. Continued objections by environmentalists and native-rights groups in Canada to *any* pipeline route have additionally aided the Rockefeller cause.

In Washington, where Jimmy Carter must ultimately decide the fate of the various pipeline proposals in recommendations due in September, opposition to the Canadian routes is already being organized, led by Senators Eastland (D-Miss), Stennis (D-Miss) and Henry Jackson (D-Wash) and Representatives Slack (D-W.Va.) and Murtha. Foes of the Canadian projects have pointed to the native claims issues, environmentalist arguments and "patterns of Canadian unrest" including Quebec separatism (covertly sponsored by the Rockefellers) as reasons to back the all-U.S. El Paso line, regardless of the possible dire consequences of Canadian export cutbacks. Even more devious, a recent letter to the President signed by 16 Congressmen urged him to reject the Canadian pipeline routes in protest against the "failure of Canadians to consider the human rights of the natives."

All this, combined with Canadian nationalists' demands not to "squander" Canadian resources on the United States, sets the stage for a North American gas war. Activation of such a war would provide Carter with precisely the rationale to implement Schlesinger's U.S. gas-rationing plan with drastic cuts in consumption, a plan that has already met with wide resistence in Congress and the U.S. press.