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Awaiting ruling on Northern Gateway, Enbridge works to fix a dented brand

By KELLY CRYDERMAN and BRENT JANG

The oil and gas company is working to overcome the early missteps they made when trying to sell the pipeline to British Columbians

A critical federal ruling will decide the fate of the Northern Gateway project in the days ahead. But whatever the outcome, Enbridge Inc. has a long road ahead to rebuild the company's brand in British Columbia amid controversy over the pipeline.

Environmentalists and First Nations say the company behind the \$7.9-billion pipeline has lost credibility in a process that has seen local concerns blossom into province-wide issues. Others say Enbridge will overcome the tempest over the project, which would transport bitumen from Alberta's oil sands to the West Coast.

But there's no doubt the Enbridge name has taken a hit in B.C.

Northern Gateway pipeline website and advertisements have barely a mention of the name Enbridge and instead focus on executive Janet Holder, who grew up in Prince George, B.C., and has become the face of the pro-pipeline campaign. The Ride to Conquer Cancer in B.C. has dropped Enbridge as its title sponsor, though the name still remains in the Alberta, Ontario and Quebec charity events.

And in March, Northwest Community College in Terrace, B.C., turned down Enbridge's offer to donate six bursaries worth \$2,500 each, even after students had put in applications for the money. The college refused to comment to The Globe about the decision. According to a story in the Terrace Standard, the issue seemed to centre around objections to an announcement on the bursaries that included a description of the Northern Gateway project.

Ivan Giesbrecht, a spokesman for Northern Gateway and Enbridge, said the company is disappointed by the decision, but is trying to find a solution that will see the bursaries paid out to students.

Enbridge is seeking federal cabinet approval for Northern Gateway and looks to "play a very strong role" – according to Enbridge chief executive Al Monaco – in B.C. developments beyond Northern Gateway, including pipelines to transport natural gas to LNG terminals.

Enbridge executives themselves acknowledge they have made missteps – that in the project's early days, the company did not fully understand B.C. or consult enough. Lindsay Meredith, marketing strategy professor at Simon Fraser University, said Enbridge had grown accustomed to avoiding the public glare and got caught flat-footed amid rising opposition to the project.

"The bottom line is that Enbridge, to put it gently, is viewed skeptically and it's their own fault," Prof. Meredith said. "Different critics have coalesced and gained a much bigger voice than they used to have."

But Enbridge is now making a major effort to engage with communities along the 1,177-kilometre route, and address the underlying opposition to the oil sands industry and increasing greenhouse gas emissions.

Innovative Research Group pollster Greg Lyle – who has done consulting work for a number of pipeline companies, including Enbridge – argues that wider public consultation and the series of Northern Gateway ads launched last fall that feature Ms. Holder have had a positive impact in some quarters. He also said public memories of Enbridge's 2010 spill into Michigan's Kalamazoo River are fading, and rail disasters such as the one in Lac-Mégantic are shifting public safety concerns to the crude that travels on tracks.

No one wants a pipeline in their backyard, he said, but people are beginning to understand the impetus to get Canadian oil to foreign markets, and some are beginning to believe the benefits outweigh the risks.

"It's nowhere near as radioactive as you would think," Mr. Lyle said of the Enbridge brand. "It's a survivable position, not an enviable position."

Mr. Giesbrecht defended Enbridge's reputation. "We're proud corporate citizens in the communities where we operate. Here in B.C., we simply don't have the same presence that we have elsewhere in Canada. In Ontario, for instance, we're major natural gas distributors. In terms of the Enbridge name, let's not forget that we're one of Canada's leading renewable energy suppliers."

But last year, Vancouver-based Silver Wheaton Corp. reached a deal to become lead sponsor starting this year of the BC Cancer Foundation's Ride to Conquer Cancer, and Enbridge's sponsorship ended, amid the company's controversial reputation in the province. Mr. Giesbrecht emphasized that Enbridge remains an active partner with the Ride to Conquer Cancer in other parts of Canada. "It's a very personal project for many of our employees," he said.

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