

# 1981 Proposal for LNG Storage at loco

Researched and written by [Ralph Drew](#), Belcarra, BC, February 2025.

The subject of 'Liquified Natural Gas' (LNG) storage and shipping facilities appeared frequently in the British Columbia news during the early 1980s.

In November 1979, it was reported that Canadian company 'Dome Petroleum Ltd.' <sup>(1)</sup> was buying land at Britannia Beach for a port, most likely to accommodate oil and LNG tankers on Howe Sound, <sup>(2)(3)</sup> possibly for the South Korean market. <sup>(4)</sup>

In late 1980, 'The Vancouver Sun' newspaper published a series of articles by reporter Alan Daniels that presented a rather "one-sided view" regarding the safety of shipping LNG. <sup>(5)(6)(7)(8)(9)</sup> The "safety concerns" were subsequently refuted in an article titled "For the Record" written by George A. Veres, <sup>(10)</sup> a Vancouver consulting marine economist who "...has evaluated LNG studies and advised such clients as Exxon and Petro-Can on various problems associated with waterborne transportation of LNG." The article stated:

"A recent series of articles published in 'The Vancouver Sun' dealt with the risk of LNG terminals and LNG shipping. The articles were redolent with potential controversy, based on quoted sources that gave half-correct or incorrect information, and misleading and sensationalist data calculated to scare people and to initiate a groundswell against LNG shipping and terminals on the B.C. coast." – **George A. Veres, November 1980.**

Veres concluded that: <sup>(10)</sup>

"...the LNG shipping industry has achieved, in its 23 years of existence, an impeccable record of safety that is little short of miracle..." – **George A. Veres, November 1980.**

In January 1981, it was reported that "B.C.'s liquefied natural gas port ... will almost certainly be located at Prince Rupert...", <sup>(11)</sup> and in March 1981 it was reported that 'Dome Petroleum Ltd.' had "selected Port Simpson [which is close to Prince Rupert] as a site for its \$2.8 billion [about \$9.6 billion today] liquefied natural gas plant..." <sup>(12)</sup> In April 1981, the provincial government received its first firm prospectus in the race for a liquefied natural gas plant on the B.C. coast. <sup>(13)</sup>

The foregoing was the back-drop news environment to a June 1981 proposal by BC Hydro's 'Lower Mainland Gas Division' <sup>(14)</sup> for an LNG storage facility at loco. <sup>(15)</sup> Other sites being considered were Tilbury Island on the Fraser River, Westwood Plateau in Coquitlam and Sumas Mountain near Abbotsford. BC Hydro already had a 27,000-cubicmetre LNG storage plant at Tilbury Island, but greater capacity was needed to store surplus summer gas supplies for use during winter shortage periods. In other words, the proposed facility was to be a "peak-shave" plant — it would store liquefied natural gas in the summer and then dole it out during the peak winter months to lessen the demand on other BC Hydro facilities. None of the LNG was to be produced for export; rather, all of the LNG was to be used to supply BC Hydro customers in the Lower Mainland. The proposed LNG plant would consist mainly of a liquefier, revaporizers and a 70,000-cubicmetre storage tank 25 to 30 metres high. The plant would be built about 800 metres from the water's edge on a four-hectare site owned by BC Hydro immediately north of BC Hydro's 'Burrard Thermal Plant'. <sup>(16)</sup> This was only 1.5 km from the newly incorporated 'Village of Belcarra'.

The 'Greater Vancouver Regional District' (GVRD) parks committee members were furious at the way BC Hydro broke the news that it was planning to build a liquefied natural gas plant near the north shore of Burrard Inlet. (They were angry because BC Hydro didn't break the news to the committee first.) The site of the LNG plant was of special concern to the parks committee because, if built, the plant would border 'Belcarra Regional Park', a huge recreational area being developed by the GVRD between Indian Arm and Burrard Inlet. <sup>(16)</sup> The GVRD 'Electoral Areas' committee, which looked after the affairs of the unincorporated areas within the GVRD, including loco in 1981, recommended that the GVRD study the hazards of the proposed LNG plant. The committee also wanted the GVRD to urge the B.C. cabinet to examine of the proposal. <sup>(17)(18)</sup>

In December 1981, BC Hydro held an open-house in Port Moody where BC Hydro spokesmen were questioned by area residents and regional officials. <sup>(19)</sup>

In March 1982, Canadian environmentalist Bob Hunter, <sup>(20)</sup> one of the founders of 'Greenpeace', wrote a 'Vancouver Sun' newspaper article that called the proposal a "time bomb" in loco. <sup>(21)</sup>

On April 1<sup>st</sup>, 1982, the GVRD held a public information hearing <sup>(22)(23)</sup> which was attended by about 400 angry residents to protest BC Hydro's proposal. <sup>(24)(25)</sup> Prior to the meeting, Dan McGuire, manager of BC Hydro's gas storage project, countered the safety claims made by Bob Hunter in a 'Vancouver Sun' newspaper article titled: "LNG at loco: Just how great is the real risk?" <sup>(26)</sup>

The meeting was kicked-off with a presentation by three BC Hydro officials, who spent an hour discussing their reasons for building the plant at the site in loco and what risks were involved. The officials ignored jeers and catcalls and waded calmly through dozens of pointed questions from residents and local officials as they presented their case for building the 70,000-cubicmetre plant. The officials stated that the plant site exceeded Canadian standards for being a safe distance from its neighbours. Also, that the plant was geographically blocked-off from its neighbours, meaning that, if there was an accident causing a spill, the liquefied gas would vaporize and disperse to safe levels in the atmosphere within the plant boundaries. <sup>(25)</sup>

Anmore resident Bob Hunter, a spokesman for 1,400 residents in the area, claimed that a major accident at the plant could "blow the communities of loco, Anmore, Belcarra, Alderside, Barber Street, East Hill, College Park and Port Moody off the map". <sup>(24)</sup> (Fear-mongering at its worst!)

Each of the municipal councils in the area had representatives on hand to criticize the project. Alderman Les Garrison of Coquitlam, Mayor Ted Baxter of Belcarra and Alderman Doug Vater of Port Coquitlam all said they were confused by the conflicting reports surrounding the proposal and thought more study and public hearings were necessary to, in Garrison's words, clear-up the fear of the unknown. "I'm not upset with what we have heard said and have read," added Baxter. "But I'm worried about what hasn't been said." <sup>(25)</sup>

Spokesman for several residents' groups also lambasted the project and presented the GVRD with petitions signed by more than 2,500 residents from Belcarra, loco, Anmore and Port Moody who opposed the plan.

Following the public information meeting on April 1<sup>st</sup>, the GVRD 'Electoral Areas' committee met on April 15<sup>th</sup> and decided that a second public hearing on the proposal should be the responsibility of the 'Public Utilities Commission' <sup>(27)</sup> and requested that the GVRD Board endorse that recommendation at its meeting on April 28<sup>th</sup>. However, before that recommendation went before the GVRD Board, the proposal was put on hold. <sup>(28)</sup> BC Hydro announced that it planned to set-up an advisory committee which would include representatives from the various communities to select the most appropriate site. The final proposal would then be submitted to the 'Public Utilities Commission' for approval.

One year later, in June 1983, BC Hydro announced that it had deferred for at least five years its plan to construct a small LNG plant in the area and, with luck, may be able to put-off construction indefinitely. <sup>(29)</sup> BC Hydro had signed a five-year agreement with 'Washington Water Power Company' of Spokane, Washington, to store up to 48 million cubic metres of natural gas per year which would delay the need for the LNG plant for at least five years.

## **About the Author**

[Ralph Drew](#) is a local historian and self-publishing author who lives in the Tri-Cities community of Belcarra. In 2014, Ralph was awarded first prize in the [B.C. Historical Federation](#) annual book competition, receiving the [Lieutenant-Governor's Gold Medal](#) for historical writing for his self-published history, [Forest & Fjord: The History of Belcarra](#). In 2016, Ralph was awarded second prize in the [B.C. Historical Federation](#) annual book competition for his second book titled: [Ferries & Fjord: The History of Indian Arm](#). In 2017, Ralph published his third book titled [Townsite Tales: The History of loco](#), and his fourth book in October 2018 titled: [Coquitlam Chronicles: Historical Crossroads on the Fraser River](#). In October 2023, Ralph published his fifth and latest book titled: [Terminus Town: Port Moody's Transition Through Time](#).

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- (14) In 1952, 'Inland Natural Gas' was incorporated to distribute natural gas throughout the interior of British Columbia. In 1988, 'Inland Natural Gas' purchased the 'Lower Mainland Gas Division' from BC Hydro and changed its name to 'BC Gas'. In 2002, 'BC Gas' purchased 'Centra Gas BC Inc.' and 'Centra Gas Whistler Inc.' In 2003, 'BC Gas Inc.' became 'Terasen Inc.' and, in 2005, 'Terasen Inc.' was acquired by 'Kinder Morgan'. In 2007, 'Fortis Inc.' acquired 'Terasen Gas' from 'Kinder Morgan'.
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