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Canada and Alberta Deliver on Proposal for the West Coast Oil Pipeline

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On July 2, 2026, Alberta and Canada announced a plan to develop the West Coast Oil Pipeline, pursuant to the Canada-Alberta Memorandum of Understanding. The West Coast Pipeline is proposed in partnership with Trans Mountain Corporation and Pembina Pipeline Corporation along a southern corridor from Bruderheim, Alberta, to the southwest coast of British Columbia. The Alberta Indigenous Opportunities Corporation and Canadian Indigenous Loan Guarantee Program also intend to support Indigenous equity participation in the project.

Concurrent with the announcement, Alberta applied to the federal Major Projects Office to list the West Coast Pipeline as a project of national interest. Alberta's submission included an estimate regarding cost and timelines, stating that the project will cost between $35.2 billion and $43.7 billion, including contingencies. Construction could start as early as 2027, with oil flowing by 2034.

The development of the West Coast Pipeline will support increased oil sands production in Alberta and will enhance export opportunities to markets in Asia. A tripartite agreement between Canada, Alberta, and the Oil Sands Alliance, representing five of Canada's largest oil producers, is expected to be finalized in the coming days, which will provide regulatory reforms and growth incentives to the Oil Sands Alliance to facilitate increased production and the development of the Pathways carbon capture and storage project.

Alberta had considered a northern pipeline route to Prince Rupert leading up to the announcement, but in her remarks announcing the project, Premier Smith said after studying both routes, going south made more sense. She pointed to key advantages of using an existing pipeline route, existing established relationships with Indigenous partners and potential partners along that line, as well as the ability to reduce the amount of time to get the project to market.

Under the current plan, the proposed route would terminate at Roberts Bank, the site of an existing container terminal and recently approved Roberts Bank Terminal 2 (RBT2) port expansion – construction of which has yet to commence. The new pipeline is likely to be integrated into the port expansions. RBT2 underwent an extensive federal environmental assessment review, during which the impact of increased ship traffic on the endangered Southern Resident Killer Whale was a major issue. If, as appears to be the case, the new pipeline will be declared a project of national interest under the *Building Canada Act* and therefore subject to a streamlined regulatory process, it is unclear to what extent the impact of oil tanker traffic on this endangered species will be reviewed.

For his part, Prime Minister Carney said the federal government intends to act quickly to move the proposed pipeline through the Major Projects Office. Consultations are expected to begin immediately with Indigenous communities, relevant provinces, and territories to determine listing under the *Building Canada Act* by October 1, 2026, further to the Alberta-Canada Implementation Agreement. Canada has further committed to provide the necessary authorizations to design and construct the project as early as September 1, 2027.

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