Ports-to-Plains Alliance
2010 Energy Summit

Honourable Iris Evans
Minister of Alberta International and Intergovernmental Relations
1. North American Partnership

United States and Canada

- History of economic and political cooperation
- Sustaining the relationship
- Importance of partnership and collaborative forums
2. North America – Trade

Since 1993, total trade between NAFTA partners has increased 240%
3. North America – Global Context

![2008 GDP (US$, Trillions) chart]

North America
EU
India
China
4. Ports-to-Plains

Mission:

• A grassroots alliance of communities and businesses whose mission is to advocate for a robust transportation infrastructure to promote economic security and prosperity throughout North America’s energy and agricultural heartland. (www.portstoplains.com/Mission.aspx)

The Bottom Line:

• To make North America more globally competitive
5. Increasing our Competitiveness

- Build on our strengths
- Safe and secure energy supply
- Develop new opportunities
  - Enhanced oil recovery and new extraction techniques
  - New technologies that protect the environment
6. Changing Global Energy Landscape

• We are at a crossroads in the history of energy development.
  – Drive towards cleaner energy.
  – Balance between energy security, economic prosperity and environmental responsibility.
In 2008, the United States imported 21% of its crude oil from Canada, 15% of which came from Alberta.
Energy Development in Alberta
7. Alberta’s Oil Sands

- Oil sands deposits underlie 54,903 square miles.
- Mineable deposits = 1,853 square miles (about 1.25% of Alberta’s Boreal forest area).
- Land disturbed to date for mining = about 232 square miles.
- Oil is extracted through surface mining or enhanced oil recovery processes.
8. Oil Sands: Surface Mining

Surface Mining:
• 55% of current oil sands production
• Extraction process separates bitumen from tailings
9. Oil Sands: In Situ Recovery

In Situ Recovery:
- 80% of resource
- 45% of production
- No tailings ponds
- No water from the Athabasca River
Oil Sands: In Situ Recovery

Courtesy of OPTI/Nexen: The Long Lake Project
10. Alberta’s Energy Vision

• Provincial Energy Strategy
  – Clean energy production, wise energy use, and sustained economic prosperity

• 20-year Oil Sands Strategy
  – Economic development
  – Environmental stewardship
  – Innovative, responsible and collaborative development amongst all stakeholders
  – Clean, healthy and vibrant communities
11. Environmental Responsibility

a. Legislated Emissions Targets
   – Only jurisdiction in North America with mandatory reduction targets for large emitters
   – Emitters contribute to a clean energy technology fund

b. Water for Life Strategy
   – $600 million invested to date to champion a safe, secure drinking water supply

c. Land Use Framework
   – Industry required by law to achieve project reclamation requirements as a condition of further development
Oil Sands Reclamation: Before and After

2000

2006
12. Environmental Responsibility (cont.)

d. Carbon Capture and Storage

- Invested $2 billion to develop 4 large-scale CCS projects
- Goal is to substantially reduce emissions
- Value-added opportunities
13. Environmental Responsibility (cont.)

e. Advancement of New Technology

- Collaboration between government, industry, academic and research institutes
- Clean Energy Technology Fund
14. Economic Impact of the Oil Sands

- $1 invested in the oil sands creates about $9 worth of economic activity
  - One-third is generated outside Alberta
- Job creation
- Training of skilled workers
- Increased demand for services and supplies that support oil sands activities

15. Economic Impact – US Output and GDP

Impact of Alberta Oil Sands development on the U.S. Economy

• Increase in U.S. output ($US):
  – 2010 = $23 billion
  – 2015 = $69.2 billion
  – 2020 = $78.5 billion
  – 2025 = $80.9 billion

• Change in U.S. GDP ($US):
  – 2010 = $11.5 billion
  – 2015 = $34 billion
  – 2020 = $40.4 billion
  – 2025 = $42.2 billion

Indirect and induced impacts of Canadian oil sands development and production will result in employment increases across the U.S. Incremental employment is estimated to be (in person years):

- 2009-2010 = 172,000
- 2011-2015 = 343,000
- 2016-2020 = 88,000
- 2021-2025 = 22,000

17. Economic Impact - Colorado

- Increase in **Colorado** output ($US):
  - 2010 = $374 million
  - 2025 = $1359 million
  - Annual Average = $1015 million

- Change in **Colorado** GDP ($US):
  - 2010 = $198 million
  - 2025 = $740 million
  - Annual Average = $542 million

- Incremental **Colorado** employment (person years):
  - 2009-2010 = 3000
  - 2011-2015 = 6000
  - 2016-2020 = 1700
  - 2021-2025 = 500

18. A Shared Challenge
19. **Moving Forward in an Integrated Energy Market**

- We have a long way to go…and we can improve
  - Willingness to integrate our thinking and act together
  - Knowledge transfer is key
  - Openness to explore new energy sources
  - Meet and beat consumer expectations
  - Inform the consumer
  - Look beyond traditional boundaries
  - Stay informed
  - Watch the competition
Thank You