

A good neighbour lends you a cup of sugar.
A great neighbour supplies you with 1.4 million
barrels of oil per day.



Yesterday was Canada Day, and my province, along with the rest of our country, celebrated the 143rd anniversary of our nation. It serves as a reminder of our shared values and the bonds of friendship and co-operation we enjoy with the U.S. The Government of Alberta considers our friends to the south to be a strong ally, and sustaining this relationship is very important to Albertans.

It is with great interest that the province of Alberta has been following the development of the proposed Keystone XL (KXL) pipeline. Though the pipeline could carry oil from various sources in Canada and the U.S., a lot of the debate during the permitting process seems to be centered specifically on the transportation of oil from Alberta's oil sands.

The oil sands have been developed because there is an ongoing demand for oil. We can all agree that alternative energy sources are part of the supply equation that will power our future. But until those alternatives are developed commercially, and readily available at a price consumers can afford, we still require oil and gas to power our everyday lives.

Continuing to develop Alberta's oil sands has many tangible benefits to the U.S. The obvious benefit is that it provides the U.S. with access to a secure and reliable supply of energy. In 2009, Alberta was the largest supplier of crude to the U.S. When considered in the context of other leading suppliers of crude, including Saudi Arabia, Venezuela, Nigeria, Iraq, Angola and Algeria, the energy security benefits of oil from Alberta are clear.

Today's economic and security realities make the U.S. the natural market for the majority of Alberta oil exports. Improved access via projects like the Keystone XL pipeline will benefit the U.S. economically and allow your country to continue to receive oil from a country whose environmental and social goals are similar to yours.

There are also economic benefits to Americans. As the Council on Foreign Relations has noted, oil purchased from Canada delivers far more economic benefits to the U.S. than oil purchased from overseas sources. As recently forecast by the Canadian Energy Research Institute, over the next five years, oil sands development will result in an additional 343,000 jobs in the U.S. and, over the next 15 years, an average annual increase in U.S. GDP of over \$30 billion.

Allow me to clarify a few misconceptions around Alberta's oil sands.

Alberta is — and continues to be — a safe, reliable and responsible energy producer. We stand virtually alone in North America with respect to the regulation of greenhouse gas (GHG) emissions from large industrial facilities. Only in Alberta will you find mandatory GHG reporting requirements, legislation requiring mandatory GHG reductions, and a price on carbon emissions. We reinvest the carbon revenue into clean energy research and technology development, which one day can be used all over the world, including the United States.

Technological developments continue to reduce the carbon-intensity of the oil sands, while "conventional" crudes are getting more carbon intensive. In fact, between 1990 and 2008, the oil sands industry has reduced average per barrel GHG emissions from production by 39 per cent. In the final analysis, total greenhouse gas emissions from all Alberta's oil sands projects account for less than one-tenth of one per cent of global greenhouse gas emissions.

The most recent and comprehensive studies on the subject of oil sands-related GHG emissions have found that average oil sands lifecycle carbon intensity is comparable to numerous other U.S. crude sources, both domestically produced and imported. The Cambridge Energy Research Associates' report *Growth in the Canadian Oil Sands: Finding the New Balance* concluded that the United States consumes crude oils with a wide range of lifecycle GHG emissions, some with emissions higher than those from the oil sands. The report also found that when measuring GHG emissions in a wells-to-wheels or lifecycle basis, total GHG emissions from oil sands are comparable to other imported and domestic crude oil sources used in the United States and are, in fact, superior to some of these sources.

Alberta has accomplished a lot through innovation and technology, but we recognize that much work still lies ahead. We want to make responsible energy choices, just as you do. I believe my province and your country are on the same team when it comes to responsible development, energy security and jobs. Let's work together to develop a North American energy solution that is realistic and secure, now and into the future.



Ed Stelmach
Premier of the
Province of Alberta

Alberta

Freedom To Create. Spirit To Achieve.

Canada 