



ALBERTA
ENERGY

*Office of the Minister
MLA, Dunvegan-Central Peace-Notley*

July 28, 2016

AR26267

Mr. Kevin Kraft
President
Lloydminster Chamber of Commerce
4419 – 52 Avenue
Lloydminster AB T9V 0Y8

Dear Mr. Kraft:

Thank you for your letter dated June 3, 2016, regarding support for Canadian energy projects.

As you said, the world will continue to rely on fossil fuels for some time to come, so it is important that the world gets its energy from regions—like Alberta—that take environmental responsibilities seriously. Although Alberta holds industry to some of the most stringent regulations and standards in the world, continuing to develop renewable and alternative forms of energy, while improving how fossil fuels are produced and used, will improve our environmental reputation.

Our government is proud to support energy projects that will support our provincial economy and the broader Canadian economy. We recognize that export terminals on the west coast will also support Alberta gas export opportunities.

It is not surprising that, because of limited market access, Alberta's resources are currently undervalued. Energy infrastructure and getting our product to tidewater are very important priorities for the Government of Alberta. Alberta's ability to access energy markets is crucial, not only for our province's energy industry, but for the economic future of Canada.

It is important to note that while Alberta is an energy producer and an advocate for increased market access, our government does not build pipelines and is not the proponent of any proposed pipeline, or the deciding body for intra-provincial pipeline projects. Whether it is to Hudson Bay, Canada's east coast, or the Pacific coast, planning a pipeline route, submitting a pipeline plan to the National Energy Board for review, or constructing a pipeline is the sole purview of private industry. The Government of Alberta has no ability to mandate where and when such projects are undertaken.

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That said, our government continues to advocate for pipelines, and Premier Notley continues to work with both provincial and federal counterparts; helping to ensure proper information is disseminated in the national debate, and supporting the regulatory environment in Canada.

Our Climate Leadership Plan will show the world that Alberta is committed to being one of the most environmentally responsible energy producers in the world. The plan will improve our international reputation and will help open new markets for our products.

Our plan will help drive innovation and ensure Alberta's operators have the time to implement new technology that reduces emissions. This new approach will allow our industry to continue to grow sustainably by providing incentives to reduce emissions.

Further, the Government of Alberta has committed to focusing on attracting investment—particularly in value-added activities for natural gas and value-creation technologies for the oil sands (such as partial upgrading).

The new Petrochemicals Diversification Program builds on the Royalty Review Panel's recommendation for a value-added natural gas strategy to support further upgrading and production of high-value energy products in Alberta. This program will help to create good jobs in Alberta, attract investment, and diversify Alberta's economy. Please see the enclosed fact sheet on diversifying Alberta's petrochemicals sector for more information.

Thank you for taking the time to write and for sharing a copy of the Alberta Chamber of Commerce's policy resolution with me.

Sincerely,



Margaret McCuaig-Boyd
Minister

Enclosure