

From: Annalyse Keller

Date: Tuesday, October 4, 2022 at 1:46 PM

To: Taranto, James

Subject: Op-Ed for Consideration: Alberta Premier Kenney: Now is the Time for a North American Energy Alliance

Hi James –

Below is an op-ed for consideration from Alberta Premier Jason Kenney calling for a North American Energy Alliance.

This would be an exclusive to the WSJ.

Please let me know if I can answer any questions or if you have interest in running the piece.

Thank you,

Annalyse Keller
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Now is the Time for a North American Energy Alliance

Premier Kenney highlights critical role of Canada in North American energy security, calls for bilateral solution

Albertans have been saying for years to our friends in the United States that Canada – and specifically the Province of Alberta – has the third largest oil reserves on Earth, and one of the largest reserves of natural gas. It’s time to work together on a bilateral solution to the global imperative of energy security and stability of supply. Alberta is the solution to that challenge, which is why I am calling for the immediate establishment of a North American Energy Alliance.

Over the last few months, we have been expanding Alberta’s presence in the United States with the opening of new trade offices in Seattle and Chicago, a move that comes as Alberta has renewed its commitment to strengthening ties with the U.S. over the last few years – and has led a national conversation in Canada about trade with our closest ally, particularly on energy.

With out-of-control energy prices and the increased influence of authoritarian regimes on the global energy market, it is more important now than ever to reduce imports that fund violence and terrorism and instead rely on trusted allies like Canada for American energy imports. Most would be surprised to learn that 62 percent of U.S. oil imports came from Canada, almost all of which was Alberta oil. Let’s put that in perspective. Last year, 13 percent of U.S. oil imports came from all OPEC countries, combined. And only 6 percent came from Saudi Arabia.

The gross crimes against humanity being committed by Vladimir Putin’s military in Ukraine have tragically underscored this urgent need. To put things into perspective, the United States has been importing, on average, 600,000 barrels a day of Putin's conflict oil, peaking in November at around 800,000 barrels a day. Coincidentally, almost the exact quantum could have been delivered to American refineries from Alberta. And between current unused capacity in the North American pipeline system, the prospect of pipeline optimization, and the scheduled completion of the Trans Mountain Pipeline Expansion to Canada’s Pacific Coast in 2023, Alberta will be able to increase our crude exports to the U.S. by several hundred thousand barrels a day over the next couple of years, helping to reduce prices at the pump. While U.S. oil prices recently fell below \$90 a barrel for the first time since Ukraine invasion, now is not the time to continue America’s reliance on conflict oil.

Earlier this year I hosted someone who understands the importance of North American energy security, the Senate Energy and Natural Resources (ENR) Committee Chairman, Senator Joe Manchin (D-WV). He put on his parka and ventured to northern Canada to visit Alberta’s oil sands. There he toured both a traditional oil sands mine and an in situ site which is a technology advancement that extracts oil with very little land disturbance. Senator Manchin understands that what the U.S. and Canada are producing, whether that be natural gas or extracting oil, is not only critical to global energy security but also to the success of climate policy.

The six major oil sands producers that represent about 95 percent of oil sands production in Canada have committed through their Pathways goal to get to net-zero emissions by 2050, and they are serious about it.

Alberta was the first jurisdiction in North America to apply a price to industrial carbon emissions, the first and earliest adopters of carbon capture utilization and storage, and our companies have invested billions of dollars in green tech to reduce their environmental footprint and impact. We have proven our unwavering commitment to reducing the

emissions intensity and absolute emissions of our oil sands. Alberta is also proud of our vibrant and diversified energy sector which feeds increasingly into low carbon emitting products.

Further, unlike the other top 10 producers in the world, all of our producers are publicly traded companies whose governance is based on the highest and most transparent and accountable standards in the world. Canada is ranked number 1 versus the world's top 10 oil producing nations in nearly 20 global ESG indexes, with Alberta representing 82 percent of that oil production.

I was heartened to hear energy realism from lawmakers while in Washington testifying before the ENR Committee, including from Chairman Manchin and Ranking Member John Barrasso (R-WY). I heard the idea of a North American continental energy alliance, of achieving American energy independence in part by cooperation with Canada. I am hopeful that the paradigm shift in energy policy we are seeing today around the world, driven in part by Putin's outrageous military aggression, will cause a rethink in Washington policy circles.

Because if America replaces Russian energy with Saudi energy, we simply increase energy revenues for a country that converts that into military action, including cluster bombs that have been dropped against civilians in Yemen. Calgary is a lot closer to Washington than Riyadh, and you don't need the U.S. Navy's Fifth Fleet to patrol the Great Lakes. In replacing Russian energy with Venezuelan energy, we further empower a regime that brutally mistreats its own citizens and is a source of instability in this hemisphere.

It's time to establish a North American Energy Alliance which will end reliance on energy being produced by regimes with radically lower levels of transparency, of environmental standards, not to mention labor and basic human rights standards. Alberta stands ready to be part of the solution for global peace and security.