

PREMIERS, GOVERNORS, PROMOTE CANADA-U.S. ENERGY CORRIDOR

By Jason Fekete

PARK CITY, Utah — Western premiers and U.S. governors on Sunday hailed their push to develop a cross-border Western Energy Corridor that will be the largest on the planet and one that develops both non-renewable and clean-energy options.

Spearheaded by Saskatchewan Premier Brad Wall and Montana Governor Brian Schweitzer, the initiative could open new markets to the three Prairie provinces, which are all major energy producers in both renewables and fossil fuels.

Wall, Alberta's Ed Stelmach and Manitoba's Gary Doer — all in Park City, Utah for the Western Governors' Association annual conference — met Sunday with state political leaders to explore the potential for a broader energy relationship.

"The western part of North America has this great swath of both renewables and non-renewables in terms of energy sources and huge opportunities around sustainable energy development, but we need to be co-operating," Wall told the Calgary Herald in Park City, a mountain resort community located about 50 kilometres east of Salt Lake City.

"We know that there's an interest in the part of the consuming states perhaps on the West Coast for more renewables."

Stelmach said the western governors are very supportive of the corridor concept and recognize there's a lot of trade possibilities. Energy development is key for global competitiveness, job creation and economic growth, he said, so the entire western region stands to benefit.

"They know that we have an excellent opportunity as neighbours on the North American continent to co-operate," Stelmach said. "There definitely is an interest."

Schweitzer, vice-chairman of the Western Governors' Association and a lead point man for the group on the energy file, went even farther.

He declared the oilsands — the second largest proven oil reserves in the world — critically important to the U.S.'s energy security and a major component for a powerhouse energy corridor.

“The most important energy corridor on the planet is no longer the Persian Gulf. It runs from the oilsands, Fort McMurray to Port Arthur, Texas,” Schweitzer said. “A large part of energy independence is going to be dependent upon developing the oilsands.”

The corridor is home to some of the best wind and solar resources on the planet, he noted, and also contains massive coal and natural gas deposits, as well as valuable uranium in Saskatchewan.

He also highlighted a new pipeline being built south of the border to ship oilsands from Alberta across the U.S. that will contain about five per cent of all the oil consumed in America.

Colorado Governor Bill Ritter agreed, saying “it’s both western parts of Canada and the United States that can play a role in energy independence.”

Manitoba’s premier said it makes sense for the western provinces, which have an abundance of renewable and non-renewable energy, to pursue new opportunities with their American partners.

“The reality is we’re all producers of energy, we’re all sellers of energy into western United States, and into the mid-western United States,” said Doer, whose province has thousands of megawatts of installed hydroelectric generating capacity.

Saskatchewan’s Wall stressed a major benefit of an energy corridor partnership is cost savings and shared knowledge on the research and technology side.

“Heaven forbid we all test the same technologies. We ought to be sharing information and peering over our respective fences,” he said.

The backing of U.S. governors on oilsands development came a day before Wall and Stelmach are scheduled to meet with U.S. Energy Secretary Steven Chu, one of President Barack Obama’s top officials in developing America’s energy and climate change plans.

Chu has also lauded the potential of the oilsands, saying recently it’s an important piece of U.S. energy security. Much like the Stelmach’s Alberta government, he also believes technology is a key to reducing the environmental footprint on land, air and water.

The words of support at both the state and federal level are a boost for the Stelmach government, which is facing increasing scrutiny at home and abroad about the pace of development in the oilsands and the environmental toll.

Stelmach and Wall will be holding separate *tete-a-tetes* Monday with Chu to better understand where American energy and environmental policy is headed. They’ll also look to sell the importance of secure Canadian energy supplies — including the

oilsands, natural gas and conventional crude — to the U.S. market, and highlight the environmental efforts already underway in their provinces.

Despite the strong support from U.S. governors and also from Chu about the potential of the oilsands, a specialist in Canada-U.S. relations said there's still several challenges facing Alberta when it comes to North American climate change negotiations.

Key decision-makers in the White House who are looking for cleaner U.S. energy supplies aren't as big of fans of the oilsands, noted Chris Sands of the Washington-based Hudson Institute.

"There's a lot of work to do," Sands said. "There's competition for the agenda (at the White House). There's multiple voices."