

# Advantage Alberta: Gulf spill makes landlocked oilsands look less risky

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A platform is surrounded by the oil spill from the Deepwater Horizon wellhead at the mouth of the Mississippi river May 5, 2010. A flotilla of nearly 200 boats tackled a massive oil slick in the Gulf of Mexico on Tuesday. REUTERS/Daniel Beltra/Greenpeace/Handout

**Photograph by:** GREENPEACE, X00598

Premier Ed Stelmach is in Washington, D.C. today for a meeting billed as the North American Energy Security Summit. In attendance will be influential U.S. energy players including California congressman Jim Costa, chairman of the subcommittee on energy and mineral resources, and David Goldwyn, a senior adviser to the U.S. State Department.

A spokesman for the premier said Stelmach will not attempt to use the oil spill in the Gulf of Mexico to Alberta's advantage. His reticence is understandable, given the significant environmental challenges of the oilsands. To appear triumphalist in the face of the calamity in the Gulf would be insensitive.

There is, however, an opportunity here for Alberta to reinforce the obvious without actually stating it: environmental damage from land-based oil operations remain localized and are more manageable. Compared to the Gulf spill, which could hitch a ride on the Gulf Stream and threaten coastlines from Louisiana to the Florida Keys and even continue up the Atlantic coast of the U.S., the 170 billion barrels of oil locked in Alberta's oilsands are looking far less risky.

Montreal money manager and investment editor Eric Roseman was one of a chorus of voices this week saying that the Gulf oil spill will make the oilsands more palatable to America. "The disaster unfolding in the Gulf only solidifies Canada's place as a secure source of oil for the United States," he wrote in a blog post Tuesday. "The United States should look to Canada to secure safely transportable and reliable oil."

"Safely transportable" is a key point. Spills from pipelines are easier to contain. Glen Schmidt, CEO of Laricina Energy, which is part of the six-firm In Situ Oilsands Alliance (IOSA), recently noted that if failures with conventional oil and oilsands projects occur, "the damage would be much smaller and more modest" than with offshore spills.

Alberta's oilsands certainly have environmental issues, but new technologies and improved best practices are making the oilsands greener with each passing year.

Greenhouse gas emissions on a per-barrel basis have been reduced by as much as 30 per cent in some cases, and new plants opening in coming years have the potential to produce oil with a carbon footprint even smaller than that of conventional oil. Water usage is also being reduced drastically.

Last month, the Alberta government also issued a reclamation certificate to Syncrude Canada Ltd. for a 104-hectare parcel of land known as Gateway Hill near Fort McMurray. The former strip-mine site is now rolling forest with hiking trails.

Make no mistake, the oilsands have ongoing issues. This week, a study on the release of toxic metals into the Athabasca River was not encouraging. But with 90 per cent of the oilsands to be developed without surface mining, and with disaster looming in the Gulf, the oilsands suddenly appear a lot more benign. The oilsands industry must continue to improve and make sure it remains so.