



June 13, 2016

The Right Honorable Justin Trudeau, Prime Minister of Canada
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The Canadian Association of Petroleum Landmen (“CAPL”) is a national organization of negotiating Landmen who manage surface and mineral land transactions in the energy industry – petroleum and utilities. The association, which formed in 1948, now counts 1800 members, comprised of professional Landmen, managers, administrators and lawyers. It is dedicated to ensuring a high standard of conduct within the energy industry, providing education and mentorship and developing working legal documents.

CAPL has been watching and listening to the din over the pros and cons of building pipelines to reach tide water. In order to compete internationally in the petroleum industry our products must be able to leave the boundaries of our country. While it is difficult to sort through the mountain of detail – the misinformation, the confusion, the jurisdictional partisanship and generally the noise of different groups trying to out yell each other – it is a debate that has galvanized the nation due, in no small part, to the sensational attention the media has given this topic.

There is perhaps no end to the countering arguments which have pitched Canada into a frenzy over the necessity of building pipelines to the coast or if this necessity is acknowledged, *which* pipelines to build. Proponents of pipelines argue time is of the essence, indeed some say that Canada may have already slipped to last in the race to supply the world with oil and gas. We observe that while the rest of the world oil and gas providers continue to feed this growing international appetite, Canada threads its way through a menagerie of internal opposition positions and regulatory processes, all while trying to encourage investment and create domestic economic prosperity.

The world probably takes less notice of our diligence and more advantage of our pondering.

As quoted directly from the National Energy Board website “Despite being a major producer and exporter of crude oil, Canada also imports oil from abroad, largely into eastern Canada. This is largely because there has been little infrastructure connecting Western Canadian oil supplies to eastern Canadian markets... In the first eight months of 2014, total crude oil imports averaged 634 thousand barrels per day (101 thousand cubic metres per day).”

Our petroleum industry acknowledges that there are environmental implications of developing carbon resources. We must find meaningful consultation with First Nations



in regard to their traditional lands; we must mitigate a project's impacts on the environment; and there needs to be a general consensus from all stakeholders to a project's viability. We are all stakeholders in this country and we all have a vested interest in stewarding the lands. These issues are not to be taken lightly and we have hundreds of our members directly involved in addressing these concerns.

This is not about the economic prosperity of our three provinces - Alberta, British Columbia, and Saskatchewan and their fossil fuels. This is about Canada's national interests. We are a nation first. Our laws recognize the rights of the individual but our governments are here to foster the growth of the entire nation. The economic benefit of national pipelines should never take the back seat to jurisdictional issues or arguments for no growth as these infrastructure projects are about unifying the country with opportunities for jobs and benefits to bolster provincial and federal revenues that enrich the entire country. What a brilliant opportunity to showcase to the world how Canada can accommodate all stakeholders.

Canada's energy industry is under an immense spotlight to justify its existence. The reality of our modern world is, the advancements of our civilization are due in large part to the reliance on fossil fuels and its portability. This truth is largely ignored, or blatantly denied, by those who would stop growth in the petroleum industry. We are mystified how a country that has developed such a sophisticated process and set of laws to handle federally regulated pipeline projects (NEB), has allowed stakeholders and the media to gain so much power over the approval of relatively simple infrastructure projects. The industry has been building pipelines for decades now with construction and maintenance techniques that improve year after year; project after project. There is no need to discuss here the infinite details of structural integrity and safety measures that project proponents build into their pipelines, but speaking of safety, industry performance stands up well when compared to other major industries. Certainly better than the recent rash of revelations and deceptions in the auto industry the past several years. There have been more serious incidents in other methods of fuel transportation that resulted in terrible family tragedies, serious impacts to the environment and general disruption to society than pipeline events ever will. In addition to increased safety, pipelines have significantly less carbon footprint than the rail or truck transport currently in use.

Emissions, either fugitive or production related, must be considered as an operational issue that can be remedied and improved upon particularly as new technology becomes available. Governments, as in the case of Alberta, are introducing carbon levies, and emissions limits, that will impact revenue. Finding solutions will become a natural advantage – that's only logical.



CAPL does not profess to have all the answers or 'the answer' but having a legacy stretching back almost 70 years our members have learned that patience, the facts and sound reasoning will always lead to sound judgement.

Historically Canada has benefited from development of our natural resources and the ability to move those resources to market. Our modern way of life; the everyday things we take for granted – lights, furnaces, shelves stocked with food, our ease of transportation – is all due, in no small part, to our finesse in sustainably accessing our fossil fuels.

Unlocking even further potential by utilizing best practices that coincides with economic development and environmental concerns is what the country needs. In Canada's transition to a greener future, our governments must realize that all the alternative energy currently supplied internally is not going to replace our society's present reliance on fossil fuels. There can be harmony between fossil fuel usage and the quest for greener energy. The transition to green energy must have a gentle slope and alternative energy sources must be located in an efficient and effective manner. The new source of energy must be a consistent and reliable source and supplanting fossil fuels should not cause additional economic hardship for Canadians. We believe the sensible thing is to determine how to best calibrate Canada's position to accommodate this demand, capture the benefits and use them to work towards a new energy order that will gradually replace the carbon age.

It will be an evolutionary step not a revolutionary one.

The reality of pipelines is there are multiple perspectives with regards to their construction. The future of our country lies in finding pragmatic solutions, capturing our resource capital and putting it to work for our future generations. CAPL would like to see the current Federal Government find the benefit for and to the entire nation and allow these pipeline projects to proceed, hence linking a stranded resource to Canadian borders, tide water and therefore international markets.

Thank you kindly for the opportunity to present this opinion.

**Yours very truly,
CANADIAN ASSOCIATION OF PETROLEUM LANDMEN**

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