

Open letter to the Prime Minister, the Premiers of the Provinces,
Indigenous Leaders and the People of Canada
From Sustainable Canada Dialogues, March 1, 2016
Embargoed until 12:00 Noon MST

The Right Honourable Justin Trudeau, Prime Minister of Canada
The Honourable Rachel Notley, Premier of Alberta
The Honourable Christy Clark, Premier of British Columbia
The Honourable Greg Salinger, Premier of Manitoba
The Honourable Brian Deland, Premier of New Brunswick
The Honourable Dwight Ball, Premier of Newfoundland and Labrador
The Honourable Bob McLeod, Premier of the Northwest Territories
The Honourable Stephen McNeil, Premier of Nova Scotia
The Honourable Peter Taptuna, Premier of Nunavut
The Honourable Kathleen Wynne, Premier of Ontario
The Honourable H. Wade MacLauchlan, Premier of Prince Edward Island
The Honourable Philippe Couillard, Premier of Québec
The Honourable Brad Wall, Premier of Saskatchewan
The Honourable Darrell Pasloski, Premier of the Yukon
National Chief Perry Bellegarde, Assembly of First Nations
President Clément Chartier, Metis National Council
President Dawn Lavell-Harvard, PhD., Native Women's Association of Canada
National Chief Dwight Dorey, Congress of Aboriginal Peoples

RE: Oil Sands Expansion and Renewable Energy

In Paris, the new Federal government announced Canada was joining the High Ambition Coalition, a group of countries aiming to limit global warming to no more than 1.5°C. On March 3rd, you are meeting in Vancouver to address a framework for a sustainable Canadian economy better positioned to compete globally in the areas of clean knowledge and technologies. We support those changes.

We are Sustainable Canada Dialogues, a network of Canadian climate scholars. In March 2015, we released a national report proposing integrating hydroelectric installations in British Columbia, Manitoba, Québec and Newfoundland with future renewable energy from Alberta, Saskatchewan, Ontario and the Maritimes – a backbone for Canada's low-carbon economy. Our map of renewable energy resources highlights the vast potential of wind and solar energy in the southern prairies.

In this context, recent discussions over expansion of Alberta's oilsands leave critical questions unanswered. In 2014, the Federal Government approved the Northern Gateway pipeline to deliver 525,000 barrels of bitumen per day for export via Kitimat on Canada's west coast. Currently, two more major pipelines are proposed to deliver increased oil sands production. Kinder Morgan proposes expansion of their Transmountain pipeline to the West Coast, adding 600,000 barrels of delivery per day. TransCanada Corporation wants to build the Energy East pipeline to deliver 1.1 million barrels of oil sands production to refineries in Eastern Canada and a Marine terminal in New Brunswick. Together, Canada has approved and proposed pipelines for additional oil sands sales of 2.3 million barrels per day at a total cost of \$27.6 billion.

In late 2015 the break-even price to produce oil from a new oil sands mine rose to roughly US\$100 per barrel for an oil sand mine and US\$75 for a new steam-based oil sands project. Citigroup Global

Markets Inc. reported the average cost of steam-based oil sands project and surface oil sands mines are about \$40,000 and \$78,000, respectively, per barrel of daily production. Thus filling the proposed new pipelines could require new production facilities with a minimum estimated cost of \$92 billion, above and beyond the \$27.6 billion for the pipelines. That is an investment of at least \$120 billion, possibly much more.

Given that world oil prices are unlikely to rise, it is questionable whether or not those investments will be profitable. Just days ago the Saudi Oil Minister stated oil prices will remain low until high cost producers, like oil sands, are forced out of the global market. Even if oil did recover in the next few years, Bloomberg Business reported expanding Electric Car markets would crash the oil market permanently within 5-10 years. Further, any discussion of new oil extraction must also consider national and provincial positions on climate change mitigation. Environment Canada projects our 2030 national emissions of greenhouse gases will be 55% above our Paris commitment. A multi-billion dollar investment in pipelines is not what Canada, nor any province, need as we begin the transition to a low carbon economy and meet our Paris obligation.

We believe diversification of national and regional energy portfolios would improve both the health and well-being of Canadians and would reduce the devastating impacts of fossil fuel developments on Indigenous peoples and the environment. The diversification of these portfolios would also improve energy and economic security. Refocusing investment on renewable energy providers would shift oil and pipeline workers to building energy production systems that take advantage of Canada's renewable energy potential. The transition to a low-carbon society and economy will enhance prosperity and well-being, modernize infrastructure, develop regional renewable energy sources, and create new businesses and new jobs. Much smaller investments in renewable energy would make Canada energy independent and dramatically reduce our greenhouse gas emissions. Such significant progress on emission reductions would clearly show the world that Canada and Alberta are cleaning up the oil sands emission problems.

Bloomberg New Energy Finance says clean energy investments increased from US\$10 to \$50 billion between 2004 and 2014. However, Canada's role in the global CleanTech market is in decline according to Ottawa based Analytica Advisors. Energy infrastructure lasts decades; our investments lock in development along specific pathways. Pipelines and oil sands plants require multi-decade time frames to pay off capital costs. Continued investment in oil extraction and transportation locks Canada into carbon intensive energy for decades. Sustainable Canada Dialogues called for a clear energy and climate policy that will decrease GHG emissions, increase certainty in Canada's business environment and encourage companies to invest in low-carbon technologies.

About Sustainable Canada Dialogues:

We are a voluntary initiative that mobilizes researchers from every province in Canada. Our network of scholars represents disciplines across engineering, sciences and social sciences, sustainability being at the heart of our research programs. We share the concern that if governments in Canada don't steer the course of economic and social development towards sustainability, the next generation of citizens will face dire consequences of extreme climate warming.

Sincerely yours, on behalf of Sustainable Canada Dialogues;

1. James Byrne, PhD., Professor, University of Lethbridge
2. Bryson Brown, PhD., Professor, University of Lethbridge
3. Catherine Potvin, PhD., Professor, McGill University

4. Pamela Palmater, PhD., Associate Professor & Chair in Indigenous Governance, Ryerson University
5. Ken Oakes, PhD., Assistant Professor, Cape Breton University
6. Deborah de Lange, PhD., Assistant Professor, Ryerson University
7. Meg Holden, PhD., Associate Professor, Simon Fraser University
8. Alison Kemper, Ph.D., Assistant Professor, Ryerson University
9. Normand Mousseau, Ph.D., Professeur titulaire, Université de Montréal
10. Mark C.J. Stoddart, PhD., Associate Professor, Memorial University
11. Brent J. Sinclair, PhD., Associate Professor, Western University
12. Ann Dale, PhD., Professor, Royal Roads University
13. Ian Mauro, PhD., University of Winnipeg
14. Jeffrey McDonnell, PhD., FRSC, Professor, University of Saskatchewan
15. André Potvin, M. Arch. Ph.D., Laval University School of Architecture
16. Jose Etcheverry Ph.D., Associate Professor York University
17. Suzanne Simard, PhD., Professor, University of British Columbia
18. Andreas Heyland, PhD, Associate Professor, University of Guelph
19. Irene Henriques, PhD, Professor, York University
20. Ciara Raudsepp-Hearne, PhD, Quebec Centre for Biodiversity Science, McGill University
21. Sarah Otto, PhD., Professor, University of British Columbia
22. Anthony Perl, PhD., Professor, Simon Fraser University
23. Liat Margolis, MLA, University of Toronto,
24. Ashlee Cunsolo Willox, PhD, Canada Research Chair and Assistant Professor, Cape Breton University
25. Taysha Palmer, IRIS International Research Impact Services
26. Aerin Jacob, PhD, University of Victoria
27. Stephen R.J. Sheppard, Professor, CALP/Urban Forestry, University of British Columbia
28. François Anctil, Ph.D., Professeur titulaire, Université Laval
29. Sally Aitken, PhD, Professor, University of British Columbia
30. Sonia Wesche, PhD, Assistant Professor, University of Ottawa
31. Marc Lucotte, Ph.D., Professeur titulaire, Université du Québec à Montréal
32. Irena Creed, PhD, Professor, Western University
33. *Nathalie Bleau*, Coordonnatrice du programme ENVIRONNEMENT BÂTI, Ouranos