Hydrocarbon Upgrading Task Force

Action Plan Update

March 2007
2006 HUTF Workshop Discussion Items
Calgary – Sept 27, 2006
Attendees: 80 Industry and Government Representatives

1. Business issues to resolve in implementing integration
2. Value-added technologies to move up the value chain
3. Overcoming project management challenges
4. Role of government for moving up the value chain
2006 Workshop Highlights

• A Message to Government:
  – Long-term vision to maximize resource value needs clarity in government’s position
  – Move Vision to Policy and Action, bold leadership, commitment at political levels, need to express urgency

• Other Highlights:
  – Planned infrastructure and labour strategies
    • Better integrated planning, services implementation, infrastructure spending
  – Demonstration/commercialization of technologies
  – Policy on sub-optimization of resources
    • Find the correct economic or developmental reasons for setting the balance
    • Full time enterprise to handle royalty barrels
  – Need economic/fiscal incentives aligned with goal
Proposed Action Plan - 2007

• Clarify the Vision
  – Develop a comprehensive Vision
  – Committee of decision-makers on value-added policies

• Market Development
  – Price scenario study
  – Assessment of market drivers for oil sands products

• Partnership Activities
  – HUTF strategies based on OSMS and Multi-Stakeholder Committee reports
  – Support AIH Master Plan initiative
  – Develop a regional transportation plan
Proposed Action Plan – 2007
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• Policy and Regulatory
  – Government to assess streamlining of approval processes
  – Assess fiscal incentives for value-added processing facilities

• Technology Development
  – HUDP support
  – Collaboration on technologies for applications outside the HUDP scope

• Other
  – Environmental Benefits Study
  – Ongoing investment attraction initiatives
  – Ongoing industry development initiatives
Next Steps

• Validate the Action Plan
  – Go-forward plan for the next two years

• Continue with the directional momentum established under the HUTF

• Government very supportive of vigorous action in addressing the challenges and achieving the Vision

• Requires ongoing Alberta government/industry partnership
What Are We Missing?