

MISSION MEETING REPORT

The Energy Council 2012 Global Energy and Environmental Issues Conference New Orleans, Louisiana December 6-9, 2012

Executive Summary:

Len Webber, MLA for Calgary-Foothills, travelled to New Orleans to represent Alberta and to participate in The Energy Council's 2012 Global Energy and Environmental Issues Conference from December 6th to 9th. Len Webber attended the numerous formal presentations on the agenda and learned what other jurisdictions are doing to address energy and environmental issues.

The Energy Council is an organization of legislators from 12 energy-producing U.S. states, along with Alberta, British Columbia, Newfoundland and Labrador, Nova Scotia, Saskatchewan, New Brunswick and Venezuela. Alberta became the first international affiliate of The Energy Council in 2001. The purpose of the Council is to discuss and promote policies that encourage the efficient development of domestic natural resources. The Council meets in various locations in Canada and the U.S. on a quarterly basis.

Mission Objectives:

- Long-term advocacy and promotion of Alberta's interests in the development of U.S. energy policy and as a major energy supplier to the U.S.
- Furthering existing partnerships and relationships with counterparts from U.S. legislatures.
- Fostering the development of a cohesive Canada-U.S. strategy on global energy issues.
- Strengthening the image of Alberta in the United States as a leader in addressing environmental issues surrounding resource development.

Itinerary:

Wednesday, December 5, 2012 – Travel to New Orleans, Louisiana

Thursday, December 6, 2012 – Sunday, December 9, 2012 – Conference Proceedings

Monday, December 10, 2012 – Travel to Edmonton, Alberta

Meetings and Sessions:

Session: Executive Committee Meeting and Welcome Reception

Date/Time: Thursday, December 6, 2012

Discussion:

Len Webber met with the executive committee and Board of Directors of the Energy Council. After the meeting he attended a reception for presenters and delegates of the 2012 Global Energy and Environmental Issues Conference. The reception provided an opportunity to meet with representatives of the environment and energy sectors across North America.

Session: Day One of the Conference

Date/Time: Friday, December 7, 2012

Discussion:

Len Webber attended a welcome breakfast where he was introduced as the newest member of Energy Council. He heard updates from the Energy Council's Executive and a presentation from the Ambassador of Canada to the U.S. MLA Webber attended a dinner at the Louisiana World War II Museum with the Energy Council's delegation.

Synopsis of Conference Sessions and Seminars:

Keynote Address: The Honourable Gary Doer, Ambassador of Canada to the United States of America.

- Ambassador Doer spoke about the critical role of Canada in meeting North America's energy needs. He spoke about Canada's continuing role as the largest, most secure and reliable energy exporter to the United States.

Leadership and the Arctic:

The Honourable David Ramsay, Northwest Territories

Minister of Industry, Tourism and Investment

- The Canadian Arctic is an area of low population density and also high potential for economic development in the resource exploration and supply industry. These characteristics, coupled with cost of developments and regulatory challenges, provide northern jurisdictions with unique challenges. This requires northern leaders to seek high profile opportunities external to their jurisdictions to raise awareness of these challenges and opportunities.

Professor Craig Allen, Judson Falknor Professor of Law, University of Washington School of Law

- Responsible leadership on Arctic issues will be indispensable in the coming decades. Leadership at the strategic, organizational and operational levels must provide the energy and determination to integrate all relevant levels of government (international, regional, federal, state/provincial, local and indigenous communities), industry, academic and NGO stakeholders; and to ensure an open and thorough examination of law, science, economic and policy considerations.

Dr. Elizabeth Elliot-Meisel, Professor, Department of History, Creighton University

- A pragmatic solution to the Northwest Passage dispute is the best way to ensure comprehensive continental security, which today is necessarily broader than the traditional military focus of the past. The solution necessitates both Canada and the US abandoning long held assumptions about, and positions on, sovereignty, security, and precedent, and then crafting a bilateral arrangement that continues the tradition of cooperation and collaboration that has existed for more than 75 years.

Deepwater Gulf of Mexico in a Global Context:

Mr. Chris John, President, Louisiana MidContinent Oil & Gas Association

- The deep-water Gulf of Mexico lies within the most developed offshore oil and gas region in the world and has been a global pioneer, as well as a domestic lifeline, for the Gulf Coast. A stable and predictable operational environment, combined with the state of the art infrastructure will allow deep-water Gulf of Mexico to exemplify the best there is in terms of production execution. The outlook is boundless.

Liquid Natural Gas Exports (LNG):

Mr. Bill Cooper, President & CEO, The Center for Liquefied Natural Gas

Mr. David Waller, President & CEO, Waller Marine, Inc.

- Two significant events have combined to provide an unprecedented opportunity for the US domestic maritime industry; the need for compliance with new Emission Control Area (ECA) emission requirements and the availability of low cost shale gas. The inland and coastwise Jones' Act fleet account for some 10,000 vessels having a combined 22 million horsepower. The domestic supply of LNG from the low cost gas resources to fuel the US fleet will not only permit vessel owners to meet the new rules, but at a significantly lower cost than burning low

sulfur diesel fuels. Small scale liquefaction facilities installed at strategic locations around the country, and in its major inland rivers together with a means of transportation, will permit a dependable supply of LNG to meet these goals.

Session: Day Two of the Conference

Date/Time: Saturday, December 8, 2012

Discussion:

Len Webber attended numerous seminars and discussed the day's topics with conference participants. MLA Webber attended a dinner reception for the Energy Council. He sat with Ambassador Gary Doer. They discussed many issues concerning Canada's energy industry and our relationship with the U.S. Len Webber introduced himself to the Council and expressed his delight in being a part of the Council's Executive.

Synopsis of Days Sessions and Seminars:

Clean Coal Technology Applications – An update on the Kemper County Plant:

Mr. Johnny Atherton, VP, External Affairs, Mississippi Power

- Mississippi Power's Kemper County energy facility is more than 70 per cent complete towards its May 2014 operation date. The 582-megawatt generation plant will use low rank lignite coal as fuel, capturing at least 65 per cent of carbon emissions, which will be sold and used for enhanced oil recovery, lessening America's dependence on foreign sources. The Kemper facility and its patented integrated gasification process will provide needed generation to Mississippi Power customers and the technology will preserve coal as an important low-carbon energy resource for America and the world.

Pipeline Issues:

Col. Marc Hildenbrand (Ret), Dawson & Associates

- There are a number of wetland regulatory issues which impact pipelines. These include properly limiting Clean Water Act jurisdiction, permitting of pipelines in open waters and wetlands, and endangered species compliance for all actions.

Small Modular Nuclear Development:

Mr. Christofer Mowry, President, Babcock & Wilcox mPower, Inc.

- While there are over 100 nuclear reactors in service in the United States, there have been no U.S. orders for new nuclear plants in 30 years. This presentation spoke about how this new order may signal the beginning of a renaissance for nuclear power in the U.S. A description of small nuclear power generation technology was included in the seminar.

The Realities of Drilling – Starting a Dialogue:

Mr. Fred Palmer, Manager, Public Affairs-Onshore, Shell Upstream Americas

- The Rational Middle Energy Series (www.rationalmiddle.com) is an excellent resource for legislators, staff and policy makers to use with stakeholders and constituents, in regards to energy and natural gas. Launched in mid-2012, the series is designed to provide a balanced view on key questions and concerns to build awareness and advocacy for options toward a cleaner energy future.

CLEER University Advisory Board Seminar: Electric Reliability Policy:

Dr. David Dismukes, Associate Director, LSU Center for Energy Studies

- The last several years have seen increasing concerns about the age and quality of US transmission and distribution infrastructure. Increased outages and other measures of system reliability have been exposed to a number of challenges. Replacing assets is expensive and may not be the cost effective solution. Balance and best practices are best approaches in formulating policies and need to be defined.

Session: Day Three of the Conference

Date/Time: Sunday, December 9, 2012

Discussion:

Len Webber participated in a breakfast roundtable where he heard perspectives on energy from representatives from Mexico and Canada. Presentations included:

Mr. Felipe Cantu, Immediate Past Chair, Energy Committee, Mexico House of Deputies

Mr. Murray Smith, Former Alberta Energy Minister and TD Securities Energy Advisory Board.

- Energy trends worth watching include market access issues for North American energy supplies, and how new energy is fueling a North American recovery. Clearly, industrialized democratic countries will have continued difficulties, and added expense, building and rebuilding energy infrastructure.