



*Office of the Minister
Deputy Government House Leader
MLA, Calgary-North West*

June 10, 2019

Mr. Alexander Panetta
Editor
POLITICO Pro Canada
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Arlington, VA, 22209
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Dear Mr. Panetta,

Does the United States still need Alberta oil?

In a May 7th article, Politico Pro Canada reported on this question posed by former U.S. ambassador to Canada Bruce Heyman when speaking about the Keystone XL pipeline project at a recent economic forum held in Cleveland, Ohio.

Given growing U.S. production, Mr. Heyman says he is “not sure that it makes as much sense as it may have historically.”

One of my priorities as Minister of Energy for Alberta’s newly elected government is to correct inaccuracies and misinformation that continue to be spread about our energy sector, and ensure people have access to verified facts and reputable research.

This is why I am taking the opportunity to write to you, and provide you with a few basic facts on why shipping Alberta oil to the United States—particularly through the Keystone XL pipeline—not only makes sense but is crucial to the economic wellbeing of the United States.

Crude oil production in the United States is skyrocketing—there is no denying it. The U.S. is now the world’s leading producer of crude oil at 11 million barrels per day.

However, the United States also remains the world’s number one consumer—requiring 21 million barrels per day to fuel its economy—which means it needs an additional 10 million barrels each day that cannot be supplied by domestic producers.

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In addition, the United States primarily produces light crude oil. But refineries in the Midwest region and the Gulf Coast—one of the largest refining hubs in the world—also require heavy crude oil to manufacture much-needed products like gasoline and diesel.

With maturing oil fields, little investment and political instability in traditional import markets like Mexico and Venezuela, U.S. refineries have looked to Alberta as the stable source for heavy crude oil.

North America's energy market has developed into a highly integrated and complex system with a constant two-way flow of pipelines, product, capital, and services across our border.

Ultimately, Alberta fills an essential need for U.S. refineries, consumers and the U.S. economy that no one else can. So: Does the United States still need Alberta oil? The answer is most assuredly, yes.

Sincerely,

A handwritten signature in blue ink that reads "Sonya Savage". The signature is written in a cursive, flowing style.

Sonya Savage
Minister