

# Oilsands 'significant' risk to Alberta, memo says

*Citizen Feb 21/2014*

## Environmental, financial concerns mentioned

**MIKE DE SOUZA**

Collateral damage from Canada's booming oilsands sector may be irreversible, posing a "significant environmental and financial risk to the province of Alberta," says a secret memorandum prepared for the federal government's top bureaucrat.

The memorandum, released by the Privy Council Office through access to information legislation, also raises doubts about recent industry and government claims that oilsands companies are reducing heat-trapping gases produced by each barrel of oil.

The industry has suggested a shift in oilsands extraction to use steam to remove synthetic crude oil from natural bitumen deposits on site can reduce land disruption and provide for reductions in energy and emissions. However, the memo, prepared for Wayne Wouters, the clerk of the Privy Council Office — the lead department in the federal government's bureaucracy — said this shift

was actually accelerating the industry's impact on climate change, with emissions growth projected to be greater over the next decade than all other Canadian economic sectors combined.

"While the industry has taken steps to reduce emissions, the shift from mining to in-situ production, which is almost three times as emissions intensive as mining, is resulting in a continued acceleration of emissions from this sector," the memo said.

"The industry's approach to tailings, meanwhile, has been widely criticized, including in a recent Royal Society of Canada report, as representing a significant environmental and financial risk to the province of Alberta."

The memo, marked "secret," was prepared for Wouters in advance of a round table discussion that was to be held on March 10, 2011, with representatives from energy companies Suncor, CNRL, Encana, as well as academic stakeholders. It suggested the tailings ponds of toxic waste

from oilsands mining could cause permanent damage to Alberta's landscape.

"While the industry has taken steps to recycle water and collaborate on the development of innovative tailings management technologies, at this point in time, it is far from clear that tailings ponds can be adequately restored," said the memo, obtained by Ottawa researcher Ken Rubin. "Other environmental issues, such as the loss of wetlands and habitat, also exist and pose a risk to the ecological integrity of the oilsands region. At present the cumulative impacts of oilsands development are not adequately understood."

Environmental groups have also recently challenged a government plan to protect threatened woodland caribou populations by slaughtering wolves.

The memo was released with other internal correspondence about the energy sector, including a memorandum prepared for Prime Minister Stephen Harper that was signed by Wouters, warning that the European Union is "moving forward" with plans to "single out the oilsands" in climate change legislation designed to reduce emissions from the continent's transportation sector.

[mdesouza@postmedia.com](mailto:mdesouza@postmedia.com)  
[twitter.com/mikedesouza](https://twitter.com/mikedesouza)