



Oil Sands

A strategic resource for Canada, North America and the global market

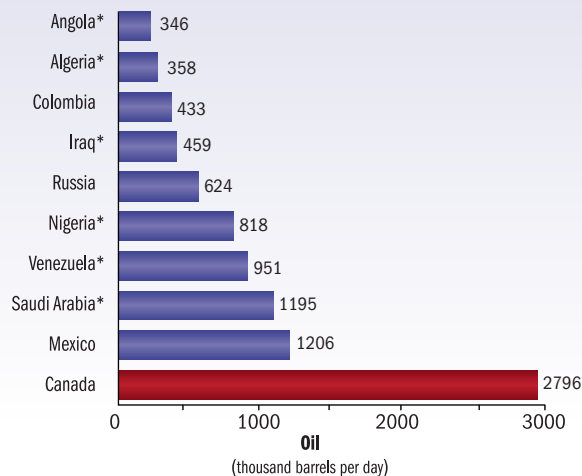
Energy Security and U.S. Economic Benefits

Canada is the United States' most secure oil supplier

Canada is the largest supplier of crude oil and petroleum products to the United States (U.S.), safely delivering 2.8 million barrels per day in 2011, making up 24 percent of U.S. imports.¹ This means on any given day, one in seven cars in the U.S. is using Canadian oil.

Canada – Largest and Most Secure Energy Supplier to U.S.

U.S. imports of crude oil and petroleum products



Source: U.S. Energy Information Administration: U.S. Imports by country of origin (January 2013).

* OPEC Member

Canada's oil sands can help the United States eliminate dependency on foreign oil

Growing North American oil production is fundamentally shifting global energy supply. Even with growing oil production, the U.S. will need to import oil for decades to come. That need could be met by Canadian production, thus reducing the need to import from countries such as Nigeria, Russia, Venezuela and Libya.²

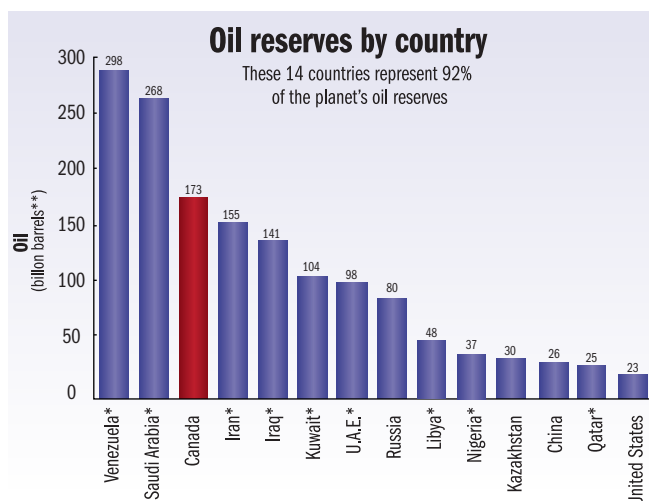
Oil sands represent approximately 60 percent of the world's accessible oil

With oil reserves of 173 billion barrels, Canada is third only to Saudi Arabia and Venezuela in proven oil reserves, of which Canada's oil sands account for 169 billion barrels. These barrels are "proven", which means their production is economically feasible given current prices and technology. As technology evolves, these reserves could grow even larger, up to an estimated 315 billion barrels.

About 80 percent of the world's oil reserves are controlled by states or national oil companies. However, Canada has not nationalized its oil industry, is not a member of OPEC and pursues a market-based approach to developing its energy resources. Canada holds about 11 percent of the world's proven oil reserves, which includes approximately 60 percent of the world's oil that is accessible to private investment.

¹ U.S. Energy Information Administration Web site (January 2013): U.S. Imports by Country.

² International Energy Agency (IEA) (2012): *World Energy Outlook 2012*, p. 23. See also EnSys Energy (2010): *Keystone XL Assessment Prepared by EnSys Energy for the U.S. Department of Energy*.



Source: EIA, (2012), Alberta Energy Conservation Board, (2012), *Oil and Gas Journal* (Dec., 2012)

* OPEC Member

** Figures are rounded to the nearest billion barrels.

Oil will be dominant for decades to come

Oil is a vital source of energy, currently providing about one third of global energy needs.³ Canada, along with the rest of the world, is working toward a long-term transition to a lower carbon economy by improving energy efficiency standards and increasing the use of alternative and renewable energy. Nevertheless, oil will remain part of the energy mix for Canada and the world for decades to come. Even under the most stringent greenhouse gas reduction scenario of the International Energy Agency, oil will still provide 25 percent of the world's energy mix in 2035.⁴

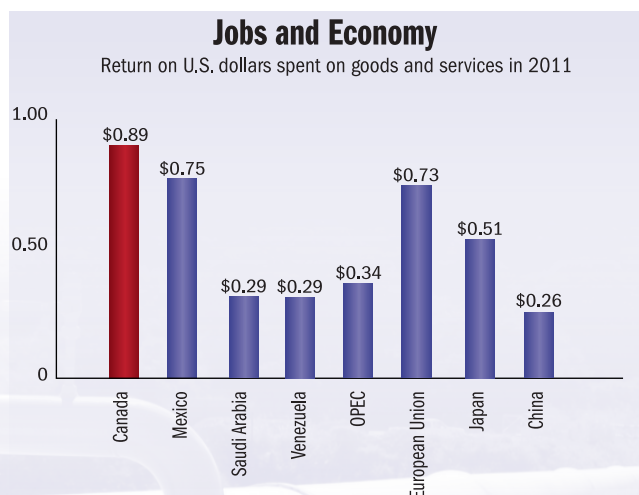
While making large infrastructure investments in the oil sector, Canada continues to make strategic investments in clean and renewable energy technologies and energy efficiency. These investments aim to shift Canada toward a lower carbon economy in the future, while providing the energy we need in the near term. During this transition, responsible development and continued investment in innovation and technological advancements will provide North America with a secure source of oil.

³ IEA (2012), p. 53.

⁴ IEA (2012), p. 82.

The oil sands are vital to the Canada-U.S. energy relationship:

- Between 2011 and 2035, oil sands development is forecast to support an average of almost 63 000 jobs per year in the United States. With the development of new pipelines and delivery of the product to markets, this average could grow to almost 170 000 U.S. jobs per year.⁵
- Oil sands development is expected to contribute an average of almost \$5.7 billion per year to the U.S. gross domestic product between 2011 and 2035. With the development of new pipelines and delivery of the product to markets, this average could grow to \$15.3 billion per year.⁶
- More than 1000 U.S. companies supply the Canadian oil sands sector.⁷
- For every dollar spent by the United States on Canadian goods and services, including oil and gas, it is estimated \$0.89 is returned to the U.S. economy through Canadian purchases of U.S. goods and services.



Source: Statistics Canada, World Trade Atlas®.

⁵ Canadian Energy Research Institute (CERI) (2012): *Pacific Access: Part 1 - Linking Oil Sands Supply to New and Existing Markets*.

⁶ CERI 2012.

⁷ Canadian Association of Petroleum Producers.

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