

Becca Polak UCP Calgary-Mountain View Nomination Contestant

Born and raised in Alberta, I have spent my entire adult life living in Calgary. Most of that time working in business development marketing innovative technologies to oil and gas companies.

Anyone who works in the oil and gas industry knows that we experience booms and busts, but this time it is different. Light oil in Edmonton is \$26.94 USD per barrel which is a discount of \$27 and heavy crude is trading at \$18.20 USD a barrel which is a \$34 discount per barrel. This is an unacceptable situation.

Everyone knows what the problem is; we have no pipeline capacity and are held captive by only having one buyer to sell our product. If we had a pipeline to tidewater like Energy East, Trans mountain, or Northern Gateway, then this would not be a problem.

Thankfully, Enbridge is currently replacing its Line 3, which was built in the 1960's, with a slightly higher capacity line that will add ~370,000 barrels a day to our province's export capacities. **The problem is that at best this line expansion only deals with the current bottleneck issue and does not give us any further room to expand the industry.** Without further lines in the next year the industry will be dependent on railways to transport oil at a cost that makes our industry uncompetitive. Our economy cannot handle the stress and our provincial budget will be even more unsustainable without increased oil revenues.

Politics is the art of the possible, what we need as Albertans is to look for solutions that we can control. We don't currently have the ability to build pipelines through BC to the West Coast. But, we can work with what infrastructure already exists and build more capacity inside our own province.

Therefore, my team and I are proposing the following policy:

- There are currently two pipelines importing condensate (a very light oil) to Canada to be used as a diluent for our oil sands bitumen so that it can be pumped through pipelines. These lines are called the Cochin line (owned by Kinder Morgan) and Southern Lights (owned by Enbridge). Currently Canada is importing 275,000 barrels of condensate a day through these pipelines. These pipelines already exist and connect Fort Saskatchewan to pipeline systems in Illinois where oil can be moved south to US Refineries. **If elected, I will commit to working with Enbridge and Kinder Morgan to get them to reverse these two lines within a year of the UCP winning an election.**
- Oil sand operators will continue to need light crudes to dilute their bitumen, but the good news is that Alberta's light oil production has skyrocketed due to exploration

in the Montney and Duvernay formations. Some pipeline infrastructure will need to be built in order to achieve this, but all of the new infrastructure will be parallel to existing pipelines and is 100% within provincial jurisdiction. **No outside approvals will be required to execute this plan.**

- By reducing our provincial imports of Condensate by 275,000 barrels a day we immediately free up that volume on our existing pipelines exporting our oil. By reversing those lines, we add an additional 275,000 barrels a day of export capacity. This creates 550,000 barrels a day of “new” export capacity for Alberta’s oil.

These are the kinds of practical solutions that excite me about the chance to become your MLA. While this solution will not fix the problem, it will give the industry breathing room until either Trans Mountain or Keystone XL are built.

As a woman who has lived in Alberta all my life, and worked in oil and gas for most of my adult life, I have the network and knowhow to find innovative solutions to the real problems facing Albertans. This is just one example of the kind of thoughtful consideration I will use when advocating for you if you choose to **nominate me as your UCP candidate on December 6th.**

Warmest Regards,

Becca Polak, UCP Nomination Contestant