

## **Let's act like an energy superpower**

This is not just an Alberta fight. We need to wage a campaign in all 50 states around Canadian interests.

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It's time for Canada to play the energy card and announce the fast-tracking of a new pipeline to the Pacific, and to encourage Asian investment in our oil patch. The Americans, especially those charged with national security, will get the message.

When you've got only one market, the buyer sets not just the price but the conditions of sale. Harassment of our energy exports by environmentalists and U.S. protectionist interests, often garbed in green, is entering a new phase. If we don't act strategically, it will create instability in our energy sector.

Henry Waxman, chair of the U.S. House committee on energy and architect of earlier efforts to curb or levy a surcharge on our energy exports, has joined with 50 other congressmen who wrote to Secretary of State Hillary Clinton demanding an environmental assessment of TransCanada Corp.'s Keystone XL pipeline, which would carry oil sands crude to U.S. refineries. Their attitude is reflective of a mindset articulated at a recent Washington conference by John Podesta, who dismissed "Greening the Oil Sands" as an oxymoron. Mr. Podesta headed President Barack Obama's transition team, and many of the alumni from his Center for American Progress are now in the administration.

Until now, Congress has been the preferred playing field for the Obama administration's plans on climate change. Democrats in the House delivered legislation last summer, but the Founding Fathers designed their system to frustrate radical change. Even if the Senate is able to agree on an energy bill, reconciling the various factions on a carbon cap is unlikely.

With the legislative route gridlocked, the White House has begun to regulate change through the Environmental Protection Agency. Its compliance and enforcement branch has already put a spoke in the Keystone application. With administrators schooled in Hetch Hetchy and dams that are deadly to all things bright and beautiful, regulatory fiat will also affect hydro exports. But their main target will be the oil sands that National Geographic and *Avatar* have branded as "dirty oil," although the real "dirty tricks" are billboards linking the oil sands and the BP disaster in the Gulf of Mexico.

Alberta is right to remind Americans that we're a good neighbour making major investments in cleaner carbon technology and land reclamation. But that's not enough. We need to make our case around jobs and national security and reframe it from a Canada-U.S. dispute to one about American interests.

With 40 million Americans on food stamps, the administration will listen to any plan that creates jobs. The AFL-CIO will understand the thousands of jobs that are at stake whether in the construction of the pipelines or in the manufacturing of steel and pipe. Identifying allies – and they can be found in Congress, industry and labour – who will make it an American debate significantly raises our odds.

Americans are waging two costly, unpopular wars in part because of Middle East oil. Few appreciate that Canada is America's main source of oil and gas, hydro and, with the resurrection of nuclear power, uranium. Canadian energy could eventually reduce American dependence on what is truly foreign oil by half. This geopolitical fact needs repeating. The Pentagon knows solar-powered tanks are still a dream, and wind no longer sails battleships.

This is not just an Alberta fight. It has to be an all-Canadian effort. It's yet another reminder of why we need to wage a public diplomacy campaign in all 50 states, as well as in Washington, around Canadian interests. Prime Minister Stephen Harper and the premiers need to map out a co-ordinated strategy. Bring in business and labour. Turn to Canadian ambassador Gary Doer and U.S. ambassador David Jacobson; their quiet work sealed the deal on reciprocity procurement.

Too often we play defence with the Americans when we should be taking the initiative. Learn from the BP experience and get ahead of the game on health and safety issues. Raise the stakes at the U.S.-Canada Clean Energy Dialogue and, in addition to carbon capture and storage, focus on "smart grids." We've made progress since the Northeast blackout of 2003, but the lights going out during the Queen's visit to Toronto reminded us we've a long way to go.

Think about how a joint energy strategy fits into shared economic recovery. There is lots of homegrown knowledge, especially the superb research of the National Round Table on the Environment and the Economy. Confound the critics who think we've become the dog in the environmental manger by playing host to an international energy and environment forum in our new Canada School of Energy and Environment.

Stephen Harper once proclaimed Canada to be an "emerging energy superpower." Let's act like one.

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