

WEBVTT

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<v SPEAKER_2>Hello, everyone, and welcome to Energy Security Cubed, one of the world's foremost energy security podcasts presented by the CGAI, or Canadian Global Affairs Institute.

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<v SPEAKER_2>I'm Kelly Ogle, Managing Director here at CGAI.

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<v SPEAKER_1>And I'm Joe Calnan, Vice President of Energy and Calgary Operations at the Canadian Global Affairs Institute.

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<v SPEAKER_2>For today's podcast, we're featuring a discussion with Monica Gattinger, where we had a great conversation about the newly unveiled Major Projects Office.

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<v SPEAKER_2>But before we go there, let's talk to Joe about some of the news stories affecting global energy security this week.

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<v SPEAKER_2>You've been on vacation, Joe.

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<v SPEAKER_2>How was that?

00:00:50.236 --> 00:00:51.216

<v SPEAKER_1>I was fine, Kelly.

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<v SPEAKER_1>I was out on the West Coast for a week.

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<v SPEAKER_1>So I took a little bit of time off.

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<v SPEAKER_1>I found that the emails didn't really slow down and the amount of work that I needed to do just kind of piled up.

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<v SPEAKER_1>And the lesson learned there is that I shouldn't go on vacation.

00:01:08.636 --> 00:01:14.256

<v SPEAKER_2>No, the lesson learned is, and I told you this yesterday, is you have to go on vacation.

00:01:16.696 --> 00:01:18.836
<v SPEAKER_1>No, I was just kidding.

00:01:19.116 --> 00:01:25.396
<v SPEAKER_1>I recommend people go on vacation because it really does allow things to get shorted in your brain a little bit.

00:01:25.396 --> 00:01:29.036
<v SPEAKER_1>And I feel like my productivity is actually quite good this week.

00:01:29.136 --> 00:01:30.556
<v SPEAKER_1>I was getting a little bit worn out.

00:01:30.556 --> 00:01:33.796
<v SPEAKER_1>I'm not going to lie, but happy to be back.

00:01:33.796 --> 00:01:34.476
<v SPEAKER_2>Good.

00:01:34.476 --> 00:01:34.816
<v SPEAKER_2>What's up?

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<v SPEAKER_1>Well, let's start things off with a potential revival of a long-dormant gas pipeline, the Power of Siberia 2 project.

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<v SPEAKER_1>So on September 1st, Russia's Gazprom said that it had signed an agreement to build the massive pipeline which would connect the massive gas fields in Western Siberia with gas demand in China.

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<v SPEAKER_1>So the claim here is that they had signed it with Chinese partners to actually have the offtake of the gas at the other end of the pipe.

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<v SPEAKER_1>Gazprom's CEO, Alexei Miller, said that the pipeline would ship 50 billion cubic meters of gas per year for 30 years.

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<v SPEAKER_1>Now that's an enormous amount of gas.

00:02:13.196 --> 00:02:19.396
<v SPEAKER_1>But we should keep in mind that there's a lot of challenges here, of course.

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<v SPEAKER_1>It's unclear what the specific terms of this agreement

are and about how legally binding it actually is.

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<v SPEAKER_1>So there's this idea that this is quote unquote legally binding.

00:02:31.176 --> 00:02:35.596

<v SPEAKER_1>But we're talking about two authoritarian regimes that don't exactly care about rule of law.

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<v SPEAKER_1>So what are we talking about?

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<v SPEAKER_1>We're talking about legally binding.

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<v SPEAKER_1>Nevertheless, the proposal has been flagged as a possible concern for global LNG markets.

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<v SPEAKER_1>China is the largest importer of natural gas in the world at 165.5 billion cubic meters of natural gas imports in 2023.

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<v SPEAKER_1>A 50 billion cubic meter increase in China's natural gas imports would have to be absorbed by a combination of rising Chinese consumption and reductions in alternate sources.

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<v SPEAKER_1>This is a major concern for global LNG, which is currently a pressure alternative compared to most piped gas that China gets from, say, Central Asia and Russia currently.

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<v SPEAKER_1>Some commentators have suggested this pipeline could worsen a possible LNG glut on the horizon as major LNG export facilities in the United States, Qatar, and around the world, including Canada, come online.

00:03:33.796 --> 00:03:38.936

<v SPEAKER_2>To use a sad metaphor, Joe, this pipeline might just be a pipe dream.

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<v SPEAKER_2>It's really clear what Russia wants.

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<v SPEAKER_2>The prospect for regaining the European gas markets are slim, less clear that China is as interested as the Russians would

like to perceive.

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<v SPEAKER_2>Over the past few years, Russia and Gazprom have repeatedly signaled that Power of Siberia 2 is on the cusp of a final agreement.

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<v SPEAKER_2>Chinese officials, on the other hand, have been more quiet.

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<v SPEAKER_2>Even this time, there hasn't been as much as a peep from China.

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<v SPEAKER_2>In my view, the main issue here is that China's energy strategy is explicitly aimed at reducing security of supply risks.

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<v SPEAKER_2>While Russia and China may be friends now, that situation is not guaranteed to continue.

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<v SPEAKER_2>And Russia has shown itself to be capable of undermining the energy security of its customers.

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<v SPEAKER_2>Moreover, it's unclear that China would prefer to take huge additional supplies of Russian natural gas when it is substantial domestic production, alternates in Central Asia and a spot market for LNG, none of which carry any geopolitical risks.

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<v SPEAKER_2>Furthermore, China is pursuing a broad electrification and expansion of renewables, which may complicate long-term natural gas demand.

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<v SPEAKER_2>It should also be noted, though, that the largest component of natural gas demand in China is industrial use, which are really, really hard to decarbonize.

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<v SPEAKER_2>Nonetheless, this story is important for us to pay attention to as we pursue our own major natural gas and LNG projects in Canada.

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<v SPEAKER_1>I feel as though this comes up intermittently with the

Russians always saying that they're basically guaranteed we're going to build this pipeline and it's all over and done with.

00:05:20.056 --> 00:05:23.296

<v SPEAKER_1>China just never seems to be all that interested.

00:05:23.296 --> 00:05:31.736

<v SPEAKER_1>It makes me wonder why Russian energy company officials too seem to constantly be doing this.

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<v SPEAKER_1>We'll see how this all turns out.

00:05:34.916 --> 00:05:40.236

<v SPEAKER_1>If I see Xi Jinping going up and saying that it's a done deal, then it's a done deal.

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<v SPEAKER_1>But any Russian saying that it's a done deal, I'm not going to take that for meaning very much.

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<v SPEAKER_1>But nevertheless, this could be a huge project.

00:05:51.176 --> 00:05:57.296

<v SPEAKER_1>50 billion cubic meters per year is an enormous, enormous natural gas pipeline.

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<v SPEAKER_1>So it'll be very important if that ends up happening.

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<v SPEAKER_2>Well, I remember that...

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<v SPEAKER_1>Yeah, go ahead, Kelly.

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<v SPEAKER_2>Well, remember too, the logistics and the buildout of this supply chains, and like this is a giant, giant, giant project across a vast area.

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<v SPEAKER_2>Like it's not without its challenges.

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<v SPEAKER_2>And like I say, the biggest challenge is Xi Jinping standing up at a podium and saying, yeah, we're going to do that.

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<v SPEAKER_2>I'm not sure we're going to see that in the near future here.

00:06:28.256 --> 00:06:28.656

<v SPEAKER_1>Yeah.

00:06:28.656 --> 00:06:28.856

<v SPEAKER_1>Yeah.

00:06:28.856 --> 00:06:29.956

<v SPEAKER_1>I'm really skeptical as well.

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<v SPEAKER_1>But nevertheless, it really shows that these sorts of interior pipeline projects in Asia can have impacts on the larger market, including the LNG market with implications for Canada.

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<v SPEAKER_1>So on that note, I'm pleased to say that registration is now open for our Energy Security Forum Conference, which is titled Canada's Next Chapter in the Indo-Pacific.

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<v SPEAKER_1>This conference, which will be held in Ottawa on October 28th, 2025, will feature a roster of excellent speakers from government, industry and academia to unpack the growing role of Canadian energy in the region and a vision for the future.

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<v SPEAKER_1>It will feature a diversity of voices, including executives, senior government officials, ambassadors, and fellows with us at CGAI to really dig into the major considerations here around energy demand in Asia, but then also looking into the infrastructure requirements to get this done.

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<v SPEAKER_1>You can find the information on the event and how to register on our website under Upcoming Events.

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<v SPEAKER_1>I really recommend you check out the program there with all the speakers.

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<v SPEAKER_1>I really would push people who listen to this podcast to get your tickets soon as they're selling very fast.

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<v SPEAKER_1>There's no guarantee you'll get a spot if you delay too much here.

00:07:51.876 --> 00:07:56.396

<v SPEAKER_1>Please do register yourself and I look forward to seeing you there.

00:07:56.396 --> 00:08:00.356

<v SPEAKER_2>Well, I agree, Joe, and I hope to be able to attend too.

00:08:02.176 --> 00:08:22.576

<v SPEAKER_2>I'll add that the podcast we're about to have with Monica, speaking about The Major Projects Opportunities in Canada, will really tie into this conference as a lot of the discussion will be around how we ship products to East Asia and the Asia Pacific.

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<v SPEAKER_2>So there you go.

00:08:24.036 --> 00:08:25.916

<v SPEAKER_3>Thanks, Joe.

00:08:25.916 --> 00:08:28.076

<v SPEAKER_1>Yeah, not a problem, Kelly.

00:08:28.076 --> 00:08:40.836

<v SPEAKER_1>Now we'll switch over to our discussion with Monica about The Major Projects Office, which also has some integration with the question of Indo-Pacific energy trade.

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<v SPEAKER_1>So let's go over to our discussion with Monica.

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<v SPEAKER_3>Hi, I'm Dave Perry, the President and CEO of The Canadian Global Affairs Institute.

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<v SPEAKER_3>I hope you're enjoying Energy Security Cubed, Canada's leading podcast on energy issues.

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<v SPEAKER_3>Reach out to us at contact at cgai.ca for options and pricing.

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<v SPEAKER_3>That's contact at cgai.ca.

00:09:12.276 --> 00:09:28.116

<v SPEAKER_2>For today's interview, recorded September 9th, 2025, we discussed The Major Projects Office and the initial list of 32 possible projects on The Major Projects List with consideration for what that implies about Canada's energy strategy.

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<v SPEAKER_1>With us to talk about this is Monica Gattinger.

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<v SPEAKER_1>Monica is founding chair of Positive Energy, director of the Institute for Science, Society and Policy and full professor at the School of Political Studies at the University of Ottawa.

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<v SPEAKER_1>We're also very happy to say that she's a fellow with us at the Canadian Global Affairs Institute.

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<v SPEAKER_2>Great to have you back on the podcast, Monica.

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<v SPEAKER_4>Oh, it's great to be with you.

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<v SPEAKER_4>Always happy to be here.

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<v SPEAKER_2>Let's start off with some background information on The Major Projects Office.

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<v SPEAKER_2>Some of our listeners may recall that the MPO is empowered by Section 20 of the Building Canada Act that was passed earlier this year.

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<v SPEAKER_2>But there's much more to this than the brief sketch of the office's responsibilities in the act.

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<v SPEAKER_2>Monica, could you please unpack what we know about how The Major Projects Office is structured and what it will be doing?

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<v SPEAKER_4>Well, I think you set it there in your question, Kelly.

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<v SPEAKER_4>Like what is it that we know about The Major Projects Office?

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<v SPEAKER_4>So I think we'll see in due course how things actually work.

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<v SPEAKER_4>But it's intended to be first and foremost, a coordination office supporting Mr.

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<v SPEAKER_4>Leblanc and the government more broadly.

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<v SPEAKER_4>I think it's really important to note that the MPO is not a regulatory agency, right?

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<v SPEAKER_4>Like it is not a decider.

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<v SPEAKER_4>It's not the one that's going to decide whether or not projects go ahead or not.

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<v SPEAKER_4>It's really, you know, think about it as a nerve center for moving major projects through the regulatory system.

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<v SPEAKER_4>So there are still going to be rules for the Canada Energy Regulator, for the Impact Assessment Agency of Canada, we're warranted for the Canadian Nuclear Safety Commission, if it's a nuclear project.

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<v SPEAKER_4>So, you know, the MPO is really to support Minister LeBlanc in his role as a designated minister for, you know, moving projects forward.

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<v SPEAKER_4>I think the other interesting thing about The Major Projects Office is that it has roles when it comes to project finance.

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<v SPEAKER_4>So trying to think through, you know, kind of financial arrangements and government support for projects where that's warranted, and also roles in terms of consultation with Indigenous peoples.

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<v SPEAKER_4>So to me, you know, this is all good in theory, right?

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<v SPEAKER_4>It's going to hopefully try to keep things moving, be a single point of contact for proponents, for Canadians.

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<v SPEAKER_4>You know, we got some good ministerial attention to projects.

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<v SPEAKER_4>This is great.

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<v SPEAKER_4>But in practice, you know, it's yet another cook in the kitchen, right?

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<v SPEAKER_4>And so when I think about, you know, this acronym MPO, does the P stand for projects or does it stand for process, right?

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<v SPEAKER_4>And is it going to become kind of yet another gatekeeper and a stumbling block for projects?

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<v SPEAKER_4>So, you know, governments have tried this kind of thing before with varying degrees of success.

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<v SPEAKER_4>Let's hope once more with feeling actually gets us to a good outcome.

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<v SPEAKER_1>Yeah, yeah, it's important to, you know, that was my concern as well with the introduction of this, where that it could just be, you know, yet another hoop that companies have to go through.

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<v SPEAKER_1>But, you know, we will see how this how this ends up developing.

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<v SPEAKER_1>But so one important piece of news that came out of the establishment of this office is its leadership.

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<v SPEAKER_1>And it was recently announced that the office will be based out of Calgary, headquartered in Calgary, and that Don Farrell

will be its present and CEO.

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<v SPEAKER_1>So, Monica, what sort of message do you think is being sent by the choice of Calgary and Mrs.

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<v SPEAKER_1>Farrell for this office?

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<v SPEAKER_4>I think it's a really important message.

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<v SPEAKER_4>I think, you know, first and foremost, getting that office headquarters out of Ottawa and to Calgary in particular, sends a message to the West, to Alberta especially, that the government takes getting major projects done seriously, takes oil and gas projects seriously.

00:13:19.856 --> 00:13:24.576

<v SPEAKER_4>So I think, you know, location, that's really interesting to me.

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<v SPEAKER_4>I think there are potentially drawbacks to that though, because Calgary, as we know, Canada is a large country and Calgary is far from Ottawa.

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<v SPEAKER_4>And that office is going to need to be working hand in glove with federal officials at the ministerial level, at the officials level.

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<v SPEAKER_4>It's going to need to be working with regulatory agencies.

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<v SPEAKER_4>And so yes, you know, the Canada Energy Regulator is in Calgary.

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<v SPEAKER_4>So that's great.

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<v SPEAKER_4>They could be working pretty closely and that can facilitate collaboration, potentially also collaboration with the Alberta government and other Western governments given that location.

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<v SPEAKER_4>But, you know, it's still pretty far from Ottawa.

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<v SPEAKER_4>And so does that represent or introduce some challenges in terms of the kind of role that it's supposed to play in terms of pushing projects forward?

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<v SPEAKER_4>I think, you know, on the appointment of Don Farrell, I think that's really interesting.

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<v SPEAKER_4>Someone from industry who's really highly respected, you know, usually heads of entities like this are public servants, right?

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<v SPEAKER_4>So you put somebody at the sort of equivalent of ADM or maybe even deputy level, the head of an entity like this.

00:14:33.576 --> 00:14:35.856

<v SPEAKER_4>And so they kind of know how government works.

00:14:36.076 --> 00:14:37.736

<v SPEAKER_4>And that's great.

00:14:37.736 --> 00:14:43.996

<v SPEAKER_4>But they don't necessarily know how industry and investors think and work.

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<v SPEAKER_4>And so, you know, Ms.

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<v SPEAKER_4>Farrell, she's worked across the energy sector in oil and gas and electricity.

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<v SPEAKER_4>She's worked in Alberta.

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<v SPEAKER_4>She's worked in British Columbia.

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<v SPEAKER_4>She can bring her experience from TMX.

00:14:55.196 --> 00:15:08.016

<v SPEAKER_4>So I think overall, that's really positive and sends a pretty positive message, I think, to industry that the government is really keen to understand what the concerns of industry are and address them.

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<v SPEAKER_2>Yeah, we certainly hope so.

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<v SPEAKER_2>Yeah, she has a broad history of...

00:15:12.836 --> 00:15:15.476
<v SPEAKER_2>And TMX is a big, big project.

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<v SPEAKER_2>And although there's lots of things you can say about it and how much it cost and how long it took and all of that, but she has seen a lot of the potential hurdles that happen to a project writ large.

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<v SPEAKER_2>And I think that the proof will be in the pudding.

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<v SPEAKER_2>We'll see what happens.

00:15:33.836 --> 00:15:39.036
<v SPEAKER_2>But the general idea of the Building Canada Act is to lower the regulatory burden.

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<v SPEAKER_2>And you've touched on that.

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<v SPEAKER_2>For certain projects deemed by the Canadian government to be in the national interest.

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<v SPEAKER_2>Last week, a list of 32 projects potentially under consideration was leaked to the press, including Ford infrastructure upgrades, transportation enhancements, mines and energy projects.

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<v SPEAKER_2>Monica, what's your first impression of this list or potential projects?

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<v SPEAKER_2>I know Joe and I have our own comments about this too.

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<v SPEAKER_4>Well, I mean, it's hard to know what to make of this list because we don't really know what the circumstances are of the leak.

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<v SPEAKER_4>You know, is this an intentional leak?

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<v SPEAKER_4>Was it not an intentional leak?

00:16:19.956 --> 00:16:28.936

<v SPEAKER_4>You know, if it wasn't an intentional leak, and I'm inclined to think that it was not an intentional leak because it's not clear to me what would be gained by leaking such a list.

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<v SPEAKER_4>You know, how real is that list?

00:16:31.856 --> 00:16:33.556

<v SPEAKER_4>You know, who created it?

00:16:33.556 --> 00:16:35.856

<v SPEAKER_4>How up-to-date is it?

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<v SPEAKER_4>It's interesting to me that it came out of the Ministry of Housing, Communities and Infrastructure.

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<v SPEAKER_4>Like, I don't know, it just all seems a little bit strange to me in terms of the circumstances of that leak.

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<v SPEAKER_4>So personally, I wouldn't make too much of that list unless I knew the answers to, you know, why was this leak too leaked?

00:16:54.916 --> 00:16:56.156

<v SPEAKER_4>How up-to-date is this list?

00:16:56.156 --> 00:16:58.656

<v SPEAKER_4>How is it, you know, constructed, et cetera?

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<v SPEAKER_4>So kind of leaving that aside as a caveat, on a face of it, on the face of it, I'd say a few things about the list.

00:17:05.596 --> 00:17:21.636

<v SPEAKER_4>So we've got a diversity of projects across the country, as you mentioned, Kelly, you know, projects that are kind of what are going to be led arguably by the public sector, you know, think about ports versus those that will be led by private proponents, you know, think about pipelines or LNG facilities.

00:17:22.096 --> 00:17:32.896

<v SPEAKER_4>We've got projects at various stages of development, you

know, so some that actually have proponents attached to them, they've been, you know, moved forward fairly substantially in some cases.

00:17:32.896 --> 00:17:39.016

<v SPEAKER_4>And then other projects like, you know, corridors that are really just at the concept stage.

00:17:39.016 --> 00:17:42.956

<v SPEAKER_4>So I think, you know, that diversity, I think, is encouraging to see.

00:17:43.016 --> 00:17:50.436

<v SPEAKER_4>I'd say there, I was surprised that there were more Western-based oil and gas projects on that list than I would have anticipated.

00:17:50.436 --> 00:17:53.716

<v SPEAKER_4>And again, sort of hard to know what to make of that.

00:17:53.716 --> 00:17:59.736

<v SPEAKER_4>I think the other thing to me that was interesting was what wasn't on that list, right?

00:17:59.736 --> 00:18:06.436

<v SPEAKER_4>So we did not see, unless I missed it somewhere, an east to west pipeline on that list.

00:18:06.436 --> 00:18:09.976

<v SPEAKER_4>We saw relatively few projects from Ontario, I think.

00:18:10.936 --> 00:18:18.436

<v SPEAKER_4>You know, there was Ring of Fire on there and the SMR developments that OPG's got underway.

00:18:18.436 --> 00:18:22.396

<v SPEAKER_4>You know, and you saw Doug Ford come out and say like, we're like, what's going on?

00:18:22.396 --> 00:18:26.016

<v SPEAKER_4>This is not what we've been talking with the government about.

00:18:26.016 --> 00:18:32.096

<v SPEAKER_4>So very quickly a reaction, a negative reaction from the Premier of Ontario.

00:18:32.096 --> 00:18:36.596

<v SPEAKER_4>So, you know, to me, it's sort of like what's on it and what's not, what's not on it.

00:18:36.596 --> 00:18:43.616

<v SPEAKER_4>And I guess at the end of the day, really, the only list that matters is the one that the government ultimately lands on.

00:18:43.616 --> 00:18:52.016

<v SPEAKER_4>But at least, you know, if we take this list on the face of it, there's a diversity of projects there, multiple projects there.

00:18:52.016 --> 00:18:55.056

<v SPEAKER_4>I think that's, you know, that's a positive.

00:18:55.056 --> 00:18:56.036

<v SPEAKER_1>Yeah, yeah, no.

00:18:56.036 --> 00:19:03.896

<v SPEAKER_1>And completely, completely hearing you that it's ultimately about what, what the final list of projects will be that kind of determines the direction of it.

00:19:03.896 --> 00:19:04.056

<v SPEAKER_1>Yeah.

00:19:04.156 --> 00:19:08.576

<v SPEAKER_1>And it is interesting that Ontario hasn't gotten that very, gotten very many projects.

00:19:08.576 --> 00:19:15.076

<v SPEAKER_1>It feels as though the orientation is more toward the coasts, I suppose.

00:19:15.076 --> 00:19:21.196

<v SPEAKER_1>Like, it feels like it's very much like a question of getting more Canadian trade out to the coasts.

00:19:21.196 --> 00:19:24.596

<v SPEAKER_1>And Ontario is unfortunately not very well positioned for something like that.

00:19:24.596 --> 00:19:28.176

<v SPEAKER_1>So that is an interesting perspective on it.

00:19:28.176 --> 00:19:35.016

<v SPEAKER_1>But speaking of the coasts, on the side, on the LNG side of things, three projects really stand out to me.

00:19:35.876 --> 00:19:39.736

<v SPEAKER_1>Of course, we have the LNG Canada Phase 2 and Slyssum's LNG.

00:19:39.736 --> 00:19:43.656

<v SPEAKER_1>Both of these could potentially be on this list.

00:19:43.656 --> 00:19:46.636

<v SPEAKER_1>And these would be huge in terms of LNG capacity.

00:19:46.636 --> 00:19:57.596

<v SPEAKER_1>But another important project for this is the North Coast Transmission Line, which is a big new power line meant to provide more industry in Northwest British Columbia with power from the main BC grid.

00:19:57.596 --> 00:20:11.376

<v SPEAKER_1>So Monica, more broadly, should we consider, should we interpret the inclusion of these projects as an affirmation that the new Canadian government sees LNG as a major area for economic growth?

00:20:11.376 --> 00:20:19.296

<v SPEAKER_4>Yeah, I mean, I would say the new government is saying and doing a lot that suggests it sees LNG as a major area for growth.

00:20:19.296 --> 00:20:27.996

<v SPEAKER_4>And I think I would look less to the list for evidence of that, because again, who knows, you know, it could have been put together by a junior staffer.

00:20:27.996 --> 00:20:35.536

<v SPEAKER_4>But I'd look more to evidence of what the Prime Minister is saying, what the Energy Minister is saying, what other members of government are saying.

00:20:35.536 --> 00:20:51.896

<v SPEAKER_4>And you hear them referring to LNG and the opportunities there for Canada frequently, you know, including in their recent trip to Europe on that new partnership with Germany, you know, looking at opportunities for LNG to find its way to Germany from Canada.

00:20:51.896 --> 00:20:56.316

<v SPEAKER_4>So that, you know, that's a major turnaround in messaging from the Trudeau government, right?

00:20:56.316 --> 00:21:00.436

<v SPEAKER_4>That's a 180 in terms of where they were at on LNG.

00:21:01.376 --> 00:21:11.116

<v SPEAKER_4>Whether it will translate into actual projects I think remains to be seen, but it is a meaningful shift and I have no doubt that industry is listening closely.

00:21:11.116 --> 00:21:21.496

<v SPEAKER_2>Yeah, you know what surprised me more than LNG, but I'm

going to come back to that in a second from a different angle, is the inclusion of oil infrastructure in the draft list of projects.

00:21:21.496 --> 00:21:32.216

<v SPEAKER_2>We've talked about dredging Vancouver's harbour to allow for more fully laden oil tankers, and I've been reading lately about that, that those tankers are leaving.

00:21:32.216 --> 00:21:35.556

<v SPEAKER_2>Some of the bigger tankers are only half full.

00:21:35.556 --> 00:21:46.356

<v SPEAKER_2>But we're also seeing the inclusion of the Bay de Nord Project Offshore Newfoundland, the Pathways Alliance Project and even a Northwest Coast Oil Pipeline.

00:21:46.356 --> 00:21:52.816

<v SPEAKER_2>What's the political appetite for these more major oil infrastructure projects in your mind, Monica?

00:21:52.816 --> 00:21:54.996

<v SPEAKER_4>Yeah, I think it depends who we're talking about.

00:21:55.836 --> 00:22:04.056

<v SPEAKER_4>You know, so if you think about the Prime Minister and members of his cabinet, many of them have spoken positively about oil infrastructure.

00:22:04.056 --> 00:22:15.636

<v SPEAKER_4>They've talked, you know, even going back to the election period about clean and conventional energy, decarbonized oil, they've talked about pathways, pointed to that project, you know, frequently.

00:22:15.636 --> 00:22:19.756

<v SPEAKER_4>So again, a big shift in messaging from the previous government.

00:22:20.796 --> 00:22:21.836

<v SPEAKER_4>But that's at the federal level.

00:22:21.956 --> 00:22:28.896

<v SPEAKER_4>If we talk about provincial governments, you know, clearly there's going to be an appetite from oil producing provinces.

00:22:28.896 --> 00:22:31.356

<v SPEAKER_4>So think, you know, Alberta, Saskatchewan.

00:22:31.356 --> 00:22:38.256

<v SPEAKER_4>We've certainly seen support from other provinces like Ontario that would like to see strengthened energy security.

00:22:38.256 --> 00:22:47.016

<v SPEAKER_4>They think about, you know, Line 5 and whether there be a way to strengthen oil security through new infrastructure in within Canada.

00:22:47.016 --> 00:22:55.036

<v SPEAKER_4>But it's an open question about other provinces like British Columbia and Quebec in terms of their level of support for major oil infrastructure projects.

00:22:55.036 --> 00:23:02.616

<v SPEAKER_4>I saw just recently there was a poll that came out in Quebec that, you know, Quebec residents, they're supportive of new infrastructure.

00:23:02.616 --> 00:23:05.216

<v SPEAKER_4>But, you know, there's some ambivalence there around oil.

00:23:05.216 --> 00:23:08.616

<v SPEAKER_4>So I think it kind of again depends who we're talking about.

00:23:08.976 --> 00:23:22.936

<v SPEAKER_4>And when it comes to individual Canadians, some of the recent polling that we've done at Positive Energy really shows that Canadians see an important role for oil and gas in Canada's current and future economy.

00:23:22.936 --> 00:23:30.676

<v SPEAKER_4>You know, and likewise, support for building pipelines to strengthen Canada's domestic energy security and to increase exports.

00:23:30.676 --> 00:23:35.116

<v SPEAKER_4>So, you know, Kelly, I think I would say on balance, there's political appetite.

00:23:35.116 --> 00:23:46.716

<v SPEAKER_4>I think the question is going to be, you know, not everyone is going to be supportive of oil infrastructure We've heard that within the Liberal Caucus, there's now the creation of an Environment Caucus.

00:23:46.716 --> 00:23:55.996

<v SPEAKER_4>You know, so certainly even within the ranks of the Liberal Party, the Prime Minister is likely going to be facing some opposition on that front to these kinds of projects.

00:23:55.996 --> 00:24:00.476

<v SPEAKER_4>So I think it's, you know, on balance, it's positive, but

it doesn't mean it's a slam dunk.

00:24:00.476 --> 00:24:04.936

<v SPEAKER_4>It doesn't mean there's unanimous support for major oil infrastructure.

00:24:04.936 --> 00:24:17.276

<v SPEAKER_2>Well, and we haven't seen a proponent come forth yet with a, like, you know, because at the end of the day, that would be a, it could be a public private partnership like TMX became.

00:24:17.276 --> 00:24:23.676

<v SPEAKER_2>But, you know, that at the end of the day, that someone has to step forward and I don't see that yet.

00:24:23.676 --> 00:24:28.356

<v SPEAKER_2>Could you just talk briefly about the offshore Newfoundland project though, Monica?

00:24:28.356 --> 00:24:34.656

<v SPEAKER_2>I think that Canadians probably aren't that aware that there's a big gas reserve east of Newfoundland.

00:24:34.656 --> 00:24:37.576

<v SPEAKER_2>They could supply, the gas supply would be there.

00:24:38.236 --> 00:24:41.216

<v SPEAKER_2>What's your, what have you heard about the Bay to Nord project?

00:24:41.216 --> 00:24:47.216

<v SPEAKER_2>And I'm off topic a bit here, but we're off the script a bit, but I think we should touch on that.

00:24:47.216 --> 00:24:51.536

<v SPEAKER_4>Yeah, I mean, maybe this is one we could follow up on if it's useful for you guys.

00:24:51.536 --> 00:24:52.276

<v SPEAKER_4>This would be an area.

00:24:52.276 --> 00:24:56.256

<v SPEAKER_4>I don't know enough about that one to weigh in persuasively.

00:24:56.256 --> 00:25:08.276

<v SPEAKER_4>So, geez, Kelly, you go off script and you probably you're going to have to cut this section of the, this section of the interview because there are, my understanding is there a few different projects there and some of them have Indigenous support.

00:25:09.476 --> 00:25:11.176

<v SPEAKER_4>Yeah, I need to look at that more closely.

00:25:11.176 --> 00:25:14.336

<v SPEAKER_4>So apologies, Kelly, but no, no, I cut.

00:25:14.336 --> 00:25:14.596

<v SPEAKER_2>Yeah.

00:25:14.596 --> 00:25:15.396

<v SPEAKER_2>OK.

00:25:15.396 --> 00:25:15.896

<v SPEAKER_1>Yeah.

00:25:15.896 --> 00:25:22.916

<v SPEAKER_1>Well, I what I can say is that with the well, first of all, with the Bidu Nord, especially that's a big oil project, Kelly.

00:25:22.916 --> 00:25:25.276

<v SPEAKER_1>The gas stuff, I think, is is further south.

00:25:25.276 --> 00:25:44.216

<v SPEAKER_1>But I think that there's there is a lot of gas offshore maritimes, but also earlier today, Mark Carney was meeting with the Newfoundland and Labrador Primer John Hogan, and he was specifically touting both the electricity deal between Quebec and Newfoundland and Labrador, which is also big news.

00:25:44.216 --> 00:25:51.376

<v SPEAKER_1>We should really be talking about that too, because that's important for hydro in Eastern Canada, but also touting the Bidu Nord project.

00:25:51.376 --> 00:25:59.176

<v SPEAKER_1>So Mark Carney coming out in favour of a big oil project in offshore Newfoundland and Labrador.

00:25:59.176 --> 00:26:06.156

<v SPEAKER_1>Now, we should also consider that the Bidu Nord project, very different from big oil sands projects in Western Canada.

00:26:06.156 --> 00:26:15.076

<v SPEAKER_1>It's going to be a very, very low emissions project and supposed to be managed by Equinor with plan for its production in 2031.

00:26:15.076 --> 00:26:19.176

<v SPEAKER_1>So that's all further into the future, and we'll see how

that all goes.

00:26:19.176 --> 00:26:23.816

<v SPEAKER_1>But good signs for that project for sure.

00:26:23.816 --> 00:26:31.716

<v SPEAKER_1>But Monica, something that really does strike me about these projects is that although they're big, they're still very much regional projects.

00:26:31.936 --> 00:26:35.856

<v SPEAKER_1>And most of them are just in one single province.

00:26:35.856 --> 00:26:38.856

<v SPEAKER_1>A couple of them cross from one province to another.

00:26:38.856 --> 00:26:42.956

<v SPEAKER_1>And then, of course, there's an electricity transmission link in the Maritimes.

00:26:42.956 --> 00:26:46.536

<v SPEAKER_1>It's supposed to be between three different provinces.

00:26:46.536 --> 00:26:51.376

<v SPEAKER_1>But nevertheless, these are not kind of like TransCanada projects.

00:26:51.376 --> 00:26:57.676

<v SPEAKER_1>These are not the sort of big plans that had been proposed earlier this year.

00:26:57.836 --> 00:27:02.196

<v SPEAKER_1>It's not like a TransCanada pipeline or TransCanada power line or anything like that.

00:27:02.196 --> 00:27:19.836

<v SPEAKER_1>So, Monica, what I'd like to ask you is, should we make a distinction here between these sort of national interest projects that are more about kind of economic growth in specific areas versus the idea of the more grand, big nation-building projects that had been proposed earlier?

00:27:19.836 --> 00:27:22.156

<v SPEAKER_1>Is there a distinction to be made there?

00:27:22.156 --> 00:27:23.856

<v SPEAKER_4>Well, I think that's a good question.

00:27:24.456 --> 00:27:41.216

<v SPEAKER_4>You know, and to your point, in the early days of this,

you know, the federal government soliciting from provinces, you know, name show with your projects that you're interested in, you know, I had heard at that time they were asking provinces to come forward with projects that involved at least three jurisdictions.

00:27:41.216 --> 00:27:48.496

<v SPEAKER_4>And, you know, so there was a little bit of pushback from some provinces saying, like, that just seems sort of like an arbitrary thing to ask us to do.

00:27:48.496 --> 00:27:53.136

<v SPEAKER_4>So, as you've alluded to, it seems that that's been relaxed over time.

00:27:53.556 --> 00:28:14.936

<v SPEAKER_4>But even if you think about a project that's located in a single province, so think, you know, a ring of fire in Ontario, which ultimately would be multiple projects, but that would be kind of a big development, you know, or an LNG export terminal, you know, those projects or developments located in a single province, they have benefits for the country as a whole, right?

00:28:14.936 --> 00:28:19.956

<v SPEAKER_4>In terms of economic growth, energy security, trade diversification from the US.

00:28:20.096 --> 00:28:25.036

<v SPEAKER_4>And, you know, those are things that spill over the entire economy.

00:28:25.036 --> 00:28:32.196

<v SPEAKER_4>So I wouldn't necessarily equate a nation building project with one that crosses multiple jurisdictions.

00:28:32.196 --> 00:28:39.076

<v SPEAKER_4>I think you need to look at, you know, what is the potential impact of that development for the country as a whole?

00:28:39.076 --> 00:28:53.156

<v SPEAKER_4>I think the other just quick thing I would point to is that, you know, as between this term national interest and term nation building, you know, the national interest term is really a legal term coming out as C5, right?

00:28:53.156 --> 00:29:06.656

<v SPEAKER_4>So they've got, you know, here are a list of criteria that we are looking for when it comes to what would be a project that would be deemed in the national interest, which would then get, you know, this sort of special treatment, go through the Major Projects Office, et cetera.

00:29:06.656 --> 00:29:09.936

<v SPEAKER_4>But the term nation building doesn't appear in C5.

00:29:09.936 --> 00:29:13.036

<v SPEAKER_4>So nation building, from my perspective, is more of a comms term.

00:29:13.156 --> 00:29:19.616

<v SPEAKER_4>And that's probably something you're going to hear more, you know, from a political perspective and in political messaging.

00:29:19.616 --> 00:29:21.656

<v SPEAKER_2>Yeah, I totally agree.

00:29:23.996 --> 00:29:29.996

<v SPEAKER_2>The communications around this, and maybe it's by design, have been really vague.

00:29:29.996 --> 00:29:54.116

<v SPEAKER_2>And, you know, you're right to disassociate the two terms, because, you know, I see that a project that could be just deemed a provincial project has a far-reaching opportunity for job creation, supply chain differentiation, and many other aspects of an economy that could be very, very beneficial to the nation.

00:29:54.116 --> 00:30:09.096

<v SPEAKER_2>And I think that what comes to me in the last, say, 72 hours is that it's unclear how this leaked draft list will be comparable to the one that becomes the real list that we should expect here in the next few days.

00:30:10.296 --> 00:30:18.556

<v SPEAKER_2>What really are you looking for, Monica, when the Prime Minister releases this government's list of real projects?

00:30:18.556 --> 00:30:23.316

<v SPEAKER_4>Yeah, and I like that term, the real list.

00:30:23.316 --> 00:30:39.356

<v SPEAKER_4>It was interesting to me when Minister LeBlanc's office was responding to media requests about the leaked list, the wording that they used when they talked about the Prime Minister's quote-unquote real list, I thought was interesting.

00:30:39.356 --> 00:30:45.576

<v SPEAKER_4>And so they talked about, you know, this would be the list of projects that could receive that national interest designation.

00:30:45.576 --> 00:31:03.816

<v SPEAKER_4>So think of it as a short list, not the final list, because that list would still, those projects would still have to be analyzed by the Major Projects Office, a final decision taken by the government as to whether or not they would be, you know, sort of designated as a national interest project.

00:31:03.916 --> 00:31:15.756

<v SPEAKER_4>So even the real list that will come out from the Prime Minister shortly, if we're to understand correctly, is really more of a short list than a real list.

00:31:15.756 --> 00:31:32.756

<v SPEAKER_4>And then the other thing that the Minister's Office, in responding to that leak list, noted was something to the effect of, you know, it would include projects that could receive the designation and projects, something along the lines of products that could be referred to the Major Projects Office.

00:31:32.796 --> 00:31:43.316

<v SPEAKER_4>So almost like projects that the government isn't necessarily clear that it wants to throw its weight behind, but it wants the MPMO, the MPO, sorry, to have, you know, to have a look at them.

00:31:43.316 --> 00:31:51.456

<v SPEAKER_4>So it's even that real list to me, there's a few question marks around what exactly does that mean.

00:31:51.456 --> 00:31:59.636

<v SPEAKER_4>That said, what I will be looking for on that, let's call it the short list, what I'll be looking for on that short list is regional representation.

00:32:00.736 --> 00:32:05.356

<v SPEAKER_4>The federal government has got to have the provinces on side for this.

00:32:05.356 --> 00:32:20.936

<v SPEAKER_4>If they start, you know, getting off side of the provinces and things are really starting to get real now, I think it's been relatively easy for everybody to agree, you know, we need to have these projects, things have to get built and let's get together and talk about how we're going to do it.

00:32:20.936 --> 00:32:25.536

<v SPEAKER_4>But now the government is actually meeting road and we're getting to, you know, a real set of projects.

00:32:25.536 --> 00:32:28.536

<v SPEAKER_4>Will there be proponents associated with them, et cetera?

00:32:29.036 --> 00:32:43.476

<v SPEAKER_4>So that regional representation question to me will be essential to ensure that, you know, the government continues to have the support of the provinces and this doesn't kind of deteriorate into a national unity, you know, challenge.

00:32:43.476 --> 00:32:52.516

<v SPEAKER_4>I think the other thing I'll be looking for is the mix on that list between what the government refers to as, you know, clean energy projects and conventional energy projects.

00:32:52.736 --> 00:33:00.716

<v SPEAKER_4>So, in other words, projects that are more in the electricity space versus those in the oil and gas space.

00:33:00.716 --> 00:33:06.156

<v SPEAKER_4>And I think, you know, I'm assuming they're going to look for a balance across those two areas.

00:33:06.156 --> 00:33:18.876

<v SPEAKER_4>And then the other thing I'm going to be looking for is, you know, the distinction between projects that are more likely to be sort of led by the public sector versus that will be private sector led.

00:33:18.876 --> 00:33:33.036

<v SPEAKER_4>You know, so if you think about highways or you think about ports, you know, there you're likely to have a much stronger role of governments and potentially there's a little bit more control then for governments to actually make things happen.

00:33:33.036 --> 00:33:39.136

<v SPEAKER_4>Whereas with, you know, private sector led projects, there, as you pointed out earlier, Kelly, you need a proponent.

00:33:39.136 --> 00:33:42.416

<v SPEAKER_4>You've got to get the investment capital flowing.

00:33:42.416 --> 00:33:48.636

<v SPEAKER_4>And so, you know, it will be interesting to see how that all emerges.

00:33:48.636 --> 00:33:51.876

<v SPEAKER_4>And then the final thing I'd be looking for is sort of timelines, right?

00:33:51.876 --> 00:33:55.356

<v SPEAKER_4>Like some projects are closer to ready to go.

00:33:55.356 --> 00:34:07.816

<v SPEAKER_4>And other projects, like if I think about, you know, a Western economic corridor like that is at best a plan, a concept of plan, as somebody recently said.

00:34:07.816 --> 00:34:13.216

<v SPEAKER_4>You know, so there's sort of different time scales for some of these projects as well.

00:34:13.216 --> 00:34:23.576

<v SPEAKER_4>And so I'm assuming they're going to want to try to have a balance of projects where they can actually show some progress versus ones where, you know, this is a marathon, not a sprint.

00:34:23.576 --> 00:34:25.856

<v SPEAKER_4>They're going to be working on these for a while.

00:34:27.116 --> 00:34:33.036

<v SPEAKER_1>And related to that, Monica, and I think this is really the most important question of them all.

00:34:33.036 --> 00:34:36.816

<v SPEAKER_1>And I will just cover this before we wrap up here.

00:34:36.816 --> 00:34:54.716

<v SPEAKER_1>How optimistic are you that whatever projects that end up on the real list, the actual list that is recommended, how confident are you that, I think some of them are absolutely sure to get built, but quite a few of these are really just still on the drawing board.

00:34:54.716 --> 00:34:59.256

<v SPEAKER_1>How confident are you that most of these will be getting built, Monica?

00:34:59.256 --> 00:35:03.076

<v SPEAKER_4>Well, listen, I'm an optimist, so I'd like to be optimistic about that.

00:35:03.076 --> 00:35:05.176

<v SPEAKER_4>I think a lot of it depends.

00:35:05.176 --> 00:35:21.296

<v SPEAKER_4>I mean, I cannot think of a more compelling set of drivers and factors and challenges and opportunities for the country than the ones that we're facing now, right?

00:35:21.296 --> 00:35:37.856

<v SPEAKER_4>Everything coming our way from the United States, the opportunities to strengthen global energy security, the opportunities

to foster Canadian economic growth and resilience by developing some of these projects.

00:35:37.856 --> 00:35:43.316

<v SPEAKER_4>The fact that you have the provinces and the federal government in so many ways singing from the same song sheet.

00:35:43.316 --> 00:35:48.156

<v SPEAKER_4>I mean, you have to go back a pretty long ways to get that level of alignment.

00:35:48.156 --> 00:35:51.156

<v SPEAKER_4>You've got the Canadian public on side.

00:35:51.156 --> 00:35:58.376

<v SPEAKER_4>You've got many parts of Indigenous Canada on side as well.

00:35:58.616 --> 00:35:59.296

<v SPEAKER_4>Not all.

00:35:59.296 --> 00:36:00.616

<v SPEAKER_4>I think that's really important.

00:36:00.616 --> 00:36:08.856

<v SPEAKER_4>So if Canada can't pull it off under these circumstances, like I think I'm just going to pull my hair out or something.

00:36:08.856 --> 00:36:10.776

<v SPEAKER_4>So I am optimistic.

00:36:10.776 --> 00:36:19.556

<v SPEAKER_4>But again, at the end of the day, many of these projects, the private sector led ones, are really going to be coming down to investor confidence.

00:36:19.556 --> 00:36:25.896

<v SPEAKER_4>And do they see an investment environment that's timely, that's clear, that's predictable?

00:36:25.896 --> 00:36:26.916

<v SPEAKER_4>That's a tall order.

00:36:27.096 --> 00:36:32.796

<v SPEAKER_4>You know, in this conversation, we have not talked about Indigenous inclusion, but that's going to be absolutely essential.

00:36:32.796 --> 00:36:39.456

<v SPEAKER_4>If governments and projects get too far offside, Indigenous nations, like this is going nowhere.

00:36:39.456 --> 00:36:41.996

<v SPEAKER_4>Governments, they have to keep Canadians onside, right?

00:36:41.996 --> 00:36:44.616

<v SPEAKER_4>Right now, Canadians are very supportive.

00:36:44.616 --> 00:36:56.396

<v SPEAKER_4>But once we get into real projects, you know, making sure that governments continue to, you know, be attentive to the concerns of Canadians, successfully executing on C5, right?

00:36:56.696 --> 00:36:59.036

<v SPEAKER_4>It's how, you know, Ms.

00:36:59.036 --> 00:37:05.396

<v SPEAKER_4>Farrell has a very large set of challenges ahead of her with that Major Projects Office.

00:37:05.396 --> 00:37:15.776

<v SPEAKER_4>And successful execution of C5 in many respects comes down to a really highly functioning machine at that MPO.

00:37:15.776 --> 00:37:17.676

<v SPEAKER_4>And we're going to need policy alignment, right?

00:37:17.676 --> 00:37:21.896

<v SPEAKER_4>We haven't talked today about, you know, sure, great, let's get a better regulatory system.

00:37:21.896 --> 00:37:25.216

<v SPEAKER_4>But what is that, you know, what about the oil and gas emissions cap?

00:37:25.316 --> 00:37:26.576

<v SPEAKER_4>What about the tanker ban?

00:37:26.576 --> 00:37:30.596

<v SPEAKER_4>What about, you know, certain aspects of the clean electricity regulations?

00:37:30.596 --> 00:37:32.176

<v SPEAKER_4>What about investment tax credits?

00:37:32.176 --> 00:37:39.996

<v SPEAKER_4>Like all the other pieces that need to be there for, for, you know, a clear and predictable investment environment.

00:37:39.996 --> 00:38:17.396

<v SPEAKER_4>And then finally, you know, I think, Kelly, you kind of

alluded to it before, getting that right mix of public and private investment, because some of these projects, you know, at the end of the day, if there isn't a business case that is large enough to carry, you know, carry the water, so to speak, for a project, if some of the rationale for some of these projects is about things that aren't, you know, largely market-based, so things like Canada's economic resilience, things like energy security, the public sector is going to need to step in, in some way.

00:38:17.396 --> 00:38:22.256

<v SPEAKER_4>And so getting that right mix of public and private investment is also, I think, going to be crucial.

00:38:22.396 --> 00:38:25.396

<v SPEAKER_4>So there are a lot of things that need to be lined up.

00:38:25.396 --> 00:38:34.136

<v SPEAKER_4>I'm, you know, again, I'm cautiously optimistic because I have seen over the course of the last number of years, I think we know collectively what needs to be done.

00:38:34.136 --> 00:38:46.876

<v SPEAKER_4>It's just going to take, you know, really putting that shoulder to the wheel when it comes to execution and making sure we execute in a very thoughtful, urgent, but comprehensive way.

00:38:48.216 --> 00:38:53.736

<v SPEAKER_2>So, before we wrap up, and I'm going to go, you might have to, I hope you don't have to cut this out because it's important.

00:38:53.736 --> 00:39:12.496

<v SPEAKER_2>And you've alluded on it, Monica alluded to it, is the policies that are some of the policies that are in place, Bill C-69, the emissions cap, the clean fuel regulations, clean energy or clean electricity.

00:39:12.496 --> 00:39:18.196

<v SPEAKER_2>What's the, what are the rumblings around Ottawa about some of those things being pulled back first and second?

00:39:18.816 --> 00:39:25.936

<v SPEAKER_2>Just to remind people that ultimately the response or the approval of these projects will have to go to cabinet, correct?

00:39:25.936 --> 00:39:40.716

<v SPEAKER_2>And it'll be, you know, in the existing legislation, the legislation that we have, there is that ball in the Little Party Caucus, more specifically some of the cabinet, it'll be completely against a lot of the projects that are on this list.

00:39:40.716 --> 00:39:48.556

<v SPEAKER_2>Do you feel in your discussions in Ottawa that maybe some of these are too high, too high of a hill to climb?

00:39:48.556 --> 00:39:51.496

<v SPEAKER_4>I think it's a really good question, Kelly.

00:39:51.676 --> 00:40:23.396

<v SPEAKER_4>And certainly, you know, the work that we've done at Positive Energy, you know, we've been really trying to advance the case that the increasing politicization of project decision making, you know, does not necessarily foster investor confidence because it makes things less predictable and less clear in terms of what, you know, what the criteria will be that will decide whether or not a project will, you know, will be approved, will be approved or not.

00:40:23.636 --> 00:40:34.336

<v SPEAKER_4>And in C5, the government has left themselves, you know, quite a lot of room to, you know, undesignate a project, vary what the conditions are.

00:40:34.336 --> 00:40:54.756

<v SPEAKER_4>So there's no question that there's going to be a lot of pressure brought to bear on the government, the prime minister and cabinet on some of the projects that are likely to be more politically controversial, whether it's within their own caucus or whether it's, you know, across the country, push back from provinces, Indigenous nations, individual Canadians, you know, take their pick.

00:40:54.756 --> 00:40:59.276

<v SPEAKER_4>So a lot of this, to my mind, really comes down to political resolve, right?

00:40:59.276 --> 00:41:21.596

<v SPEAKER_4>How, you know, how much political capital and how much, you know, sticking to it will the government have when it comes to taking decisions on some of these projects that, to your point, Kelly, are likely to be pretty contentious.

00:41:21.596 --> 00:41:24.236

<v SPEAKER_4>So that, you know, that remains to be seen.

00:41:24.236 --> 00:41:32.176

<v SPEAKER_4>I think we're just turning the page now on the moment where, you know, and I'll be polite here and say where things are getting real.

00:41:32.176 --> 00:41:33.836

<v SPEAKER_4>Things are getting real now.

00:41:33.836 --> 00:41:41.816

<v SPEAKER_4>And I don't think the government's been tested in a way that is insurmountable yet, from their perspective.

00:41:41.816 --> 00:41:44.916

<v SPEAKER_4>We'll see how that evolves over time.

00:41:44.916 --> 00:41:48.476

<v SPEAKER_4>And to my mind, it really comes down to that political resolve.

00:41:48.476 --> 00:41:52.436

<v SPEAKER_1>And just to jump on my own soapbox before we wrap up here as well.

00:41:52.436 --> 00:42:03.236

<v SPEAKER_1>You know, I feel like when I imagine, you know, a project of national interest, what comes to my mind immediately is, you know, the big inch pipeline down the states that was built in World War II.

00:42:03.296 --> 00:42:12.116

<v SPEAKER_1>Incredibly fast, incredibly huge pipeline that's built very fast with, you know, much lower levels of technology than we have today.

00:42:12.116 --> 00:42:21.056

<v SPEAKER_1>And it was built because they desperately needed to make an interior way of getting oil from where it's produced in Texas to the East Coast.

00:42:21.056 --> 00:42:27.796

<v SPEAKER_1>They needed a way to get that oil there without it being at risk of getting, of tankers getting sunk by U-boats.

00:42:27.796 --> 00:42:30.396

<v SPEAKER_1>And so that's like a project of national interest.

00:42:30.396 --> 00:42:37.056

<v SPEAKER_1>Like it's completely aligned with what needs to be done to maintain the security and the stability of your country.

00:42:37.136 --> 00:42:49.716

<v SPEAKER_1>What I worry about here is that this idea of national interest could just be fully diluted, especially if the government doesn't put its entire weight behind projects as designated as national interest.

00:42:49.716 --> 00:42:56.216

<v SPEAKER_1>I think that if you designate a project as being in the national interest, it better be pretty much assured to be built.

00:42:56.216 --> 00:42:57.616

<v SPEAKER_1>Like that's just my opinion.

00:42:57.616 --> 00:43:00.716

<v SPEAKER_1>So I think they should be careful about what projects to put on this list.

00:43:00.716 --> 00:43:04.716

<v SPEAKER_1>And then once that project is on that list, then they're going to make it happen.

00:43:04.716 --> 00:43:06.676

<v SPEAKER_1>I mean, but that's just my opinion.

00:43:06.676 --> 00:43:07.036

<v SPEAKER_4>I know.

00:43:07.036 --> 00:43:07.856

<v SPEAKER_4>I think you're right, Joe.

00:43:08.036 --> 00:43:11.276

<v SPEAKER_4>If they blink, it's game over.

00:43:12.916 --> 00:43:26.116

<v SPEAKER_2>Yeah, I'll just add, Joe, as a historically Canadian example, the original Trans Mountain Pipeline from Edmonton to Vancouver was built in one year in 1953.

00:43:30.336 --> 00:43:31.256

<v SPEAKER_2>We can't do this.

00:43:32.176 --> 00:43:39.096

<v SPEAKER_2>It really does come down to political will and what is the national interest.

00:43:39.096 --> 00:43:50.696

<v SPEAKER_2>That will be where actually the— to use a tired metaphor, the rubber meets the road or the stinger strikes an arc on the pipe.

00:43:51.996 --> 00:43:53.616

<v SPEAKER_2>It really comes down to that.

00:43:54.836 --> 00:43:58.016

<v SPEAKER_2>Monica, this is always a pleasure to talk to you.

00:43:58.016 --> 00:43:59.956

<v SPEAKER_2>We just love having you on the podcast.

00:43:59.956 --> 00:44:01.356

<v SPEAKER_2>You're so informative.

00:44:01.356 --> 00:44:07.236

<v SPEAKER_2>And right at the pointy part of the sphere is another tired metaphor of Ottawa.

00:44:07.236 --> 00:44:07.836

<v SPEAKER_2>And we thank you very much.

00:44:07.876 --> 00:44:14.036

<v SPEAKER_2>We always like to hear, as usual, what do you got on your bookshelf that you're reading today?

00:44:14.036 --> 00:44:16.656

<v SPEAKER_4>Yeah, it's a great question, Kelly.

00:44:16.656 --> 00:44:19.416

<v SPEAKER_4>You're catching me at an interesting time on this.

00:44:20.276 --> 00:44:27.456

<v SPEAKER_4>You know, as many of us, I think, are casting our mind to history and sort of looking at Canada's history.

00:44:27.456 --> 00:44:33.676

<v SPEAKER_4>And my own background, a lot of research and work on Canada-U.S.

00:44:33.676 --> 00:44:34.376

<v SPEAKER_4>relations.

00:44:34.376 --> 00:44:38.376

<v SPEAKER_4>And, you know, the last time Canadians got on a panic about Canada-U.S.

00:44:38.376 --> 00:44:42.716

<v SPEAKER_4>relations was when it came to negotiation of the Canada-U.S.

00:44:42.716 --> 00:44:45.056

<v SPEAKER_4>Free Trade Agreement in the 80s.

00:44:45.056 --> 00:44:51.236

<v SPEAKER_4>And, you know, again, you know, I kind of came of political age during that period of time.

00:44:51.236 --> 00:45:06.536

<v SPEAKER_4>And it was a time where, you know, there was a lot of trade liberalization and kind of rolling back government and making sure that, you know, markets could do the things that markets do to bring economic prosperity, et cetera.

00:45:06.596 --> 00:45:12.856

<v SPEAKER_4>And so, I'm cracking, it's been a while since I've cracked this book, but I'm cracking it again.

00:45:12.856 --> 00:45:17.596

<v SPEAKER_4>It's one of, in my view, one of the best books about the Canada-US Free Trade Agreement negotiations.

00:45:17.596 --> 00:45:24.196

<v SPEAKER_4>It's called Faith and Fear, The Free Trade Story by Bruce Doern and Brian Tomlin out of Carleton University.

00:45:24.196 --> 00:45:39.096

<v SPEAKER_4>And it's, you know, it's a very empirically grounded book in terms of looking at, you know, what were some of the political and economic issues of the time, how did the government get that deal done?

00:45:39.096 --> 00:45:44.256

<v SPEAKER_4>And I feel like in some ways, you know, Kelly, we're almost at the mirror image of that now, right?

00:45:44.256 --> 00:45:48.216

<v SPEAKER_4>Because if you think back to the 1980s, you know, it was okay.

00:45:48.216 --> 00:46:01.056

<v SPEAKER_4>Canadians were being asked to put their faith in trade, to lead to, you know, economic prosperity and to increase, you know, Canada's, you know, Canada's economic growth.

00:46:01.056 --> 00:46:01.776

<v SPEAKER_4>But there was fear.

00:46:02.476 --> 00:46:09.036

<v SPEAKER_4>There was fear about losing Canadian sovereignty, losing, you know, economic, political, cultural sovereignty.

00:46:09.036 --> 00:46:09.756

<v SPEAKER_4>Take your pick.

00:46:09.756 --> 00:46:13.636

<v SPEAKER_4>And we're sort of at the mirror image of that now, right?

00:46:13.636 --> 00:46:17.596

<v SPEAKER_4>And so I'm curious to look back to, like, what were the debates at that time?

00:46:17.596 --> 00:46:29.236

<v SPEAKER_4>What were some of the political, you know, advocacy work that was done at that time to get that deal done, that frankly, you know, we're sort of in a similar situation.

00:46:29.236 --> 00:46:30.336

<v SPEAKER_4>We're not panicking about Canada-U.S.

00:46:30.336 --> 00:46:39.916

<v SPEAKER_4>relations, but panicking about our sovereignty, panicking about, you know, economic autonomy, trade diversification.

00:46:40.976 --> 00:46:49.036

<v SPEAKER_4>I'm curious to see, you know, looking back at that book, what can we learn from that time that we can apply now?

00:46:49.036 --> 00:46:59.096

<v SPEAKER_4>And so for me, it's kind of interesting, Kelly, because it sort of bookends, I'm getting of a certain age, and I'm like, boy, all the stuff that we put in place, it's like we are untangling it all.

00:47:00.676 --> 00:47:04.056

<v SPEAKER_4>So I'll be curious to see where we take it all as a country.

00:47:06.556 --> 00:47:07.776

<v SPEAKER_2>Go ahead, Joe.

00:47:07.776 --> 00:47:09.936

<v SPEAKER_1>Yeah, no, and that's really interesting, Monica.

00:47:09.936 --> 00:47:28.436

<v SPEAKER_1>And I feel as though, you know, I'm more of a free trade kind of guy, but on the other hand, I feel as though some of those arguments that the anti-NATA people made were kind of proven to be correct when a US administration that's hostile to Canada comes into power.

00:47:28.616 --> 00:47:31.136

<v SPEAKER_1>So, I mean, you know, that's a, there's a big question on that.

00:47:31.136 --> 00:47:38.816

<v SPEAKER_1>Of course, I still think that trade with the United States is going to be a huge component of Canada's economic future.

00:47:38.816 --> 00:47:43.076

<v SPEAKER_1>You know, I hope that the political steam down the United States calms down a little bit.

00:47:43.076 --> 00:47:44.236
<v SPEAKER_1>You know, that's the hope.

00:47:44.236 --> 00:47:51.136
<v SPEAKER_1>But at the same time, these concerns were legitimate and we should have, they should be taken seriously.

00:47:51.136 --> 00:47:53.016
<v SPEAKER_1>We should learn from them too, for sure.

00:47:53.016 --> 00:47:57.816
<v SPEAKER_4>Well, yeah, and I feel like Canada is pursuing what I think of as the fourth option now, right?

00:47:57.816 --> 00:48:06.696
<v SPEAKER_4>So, you know, in the way back days of, you know, Mitchell Sharpe in the 70s and that report on, you know, where should Canada go with its economy?

00:48:06.696 --> 00:48:08.776
<v SPEAKER_4>Should it, you know, deepen more with the US.?

00:48:08.776 --> 00:48:12.676
<v SPEAKER_4>Should it diversify trade to other countries, et cetera?

00:48:12.676 --> 00:48:18.316
<v SPEAKER_4>You know, and Canada has really tried that trade diversification over the last, you know, number of years.

00:48:18.316 --> 00:48:28.916
<v SPEAKER_4>But the gravitational pull of the US economy has been such that, you know, of course, it's been ever deeper integration with the US for all of the right reasons economically.

00:48:28.916 --> 00:48:33.476
<v SPEAKER_4>And now we're in a situation where, you know, some of that is being pushed back upon.

00:48:33.476 --> 00:48:40.756
<v SPEAKER_4>And so to me, I agree with you, Joe, that the United States is going to continue to be a really important market for Canada.

00:48:40.756 --> 00:49:00.656
<v SPEAKER_4>But sort of the fourth option then is, okay, now that we've integrated as much as we have, how do we, you know, continue to maintain that, but also diversify our trading relationships, also strengthen our energy security, our economic security so that we're not as vulnerable to our neighbor to the south, weaponizing that dependence against us?

00:49:00.656 --> 00:49:01.936
<v SPEAKER_1>Absolutely.

00:49:01.936 --> 00:49:06.736
<v SPEAKER_2>Yeah, it's a great place to end at the beginning.

00:49:06.736 --> 00:49:19.396
<v SPEAKER_2>You know, it's unfortunate that the infrastructure to take the majority of what Canada can export isn't there now yet and to other countries.

00:49:20.356 --> 00:49:28.976
<v SPEAKER_2>But maybe we'll get there and we'll see, given the taste for hard political conversation.

00:49:28.976 --> 00:49:30.356
<v SPEAKER_2>So we'll see.

00:49:32.136 --> 00:49:33.816
<v SPEAKER_1>Thanks so much for coming on the podcast, Monica.

00:49:33.816 --> 00:49:35.436
<v SPEAKER_1>It's always a pleasure.

00:49:35.436 --> 00:49:36.196
<v SPEAKER_4>Thanks for having me.

00:49:36.196 --> 00:49:37.796
<v SPEAKER_4>It was a great conversation.

00:49:37.796 --> 00:49:38.316
<v SPEAKER_1>All right.

00:49:38.316 --> 00:49:40.316
<v SPEAKER_2>Take care now.

00:49:40.316 --> 00:49:45.636
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00:49:46.516 --> 00:49:50.996
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00:49:53.176 --> 00:49:58.436
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00:50:14.796 --> 00:50:15.676

<v SPEAKER_2>I'm Kelly Ogle.

00:50:15.676 --> 00:50:17.676

<v SPEAKER_2>Thanks for joining us on Energy Security Cubed.