



June 2011

Letter from the Publisher:

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EEF visit to oil sands in Alberta, Canada

The EEF has been invited by the mission of Canada to the EU to visit Alberta and its oil sands. The visit, planned for the period **31 August – 3 September 2011**, will include meetings with government officials and stakeholders, visits of oil sands production sites as well as a CCS project.

Canadian officials will explain how the governments of Canada and Alberta are acting responsibly in this context.

We know that the production of “oil sands” is very harmful to the environment and that non-governmental organisations, in Canada and elsewhere, oppose this development. However, the government is committed to tapping this resource and will undoubtedly provide us with the appropriate information, in the form of a kind of “educational” training session.

Since our forum is basically an organisation of free debates in which expression can be given to both sides of the argument, we deem it advisable that provision should officially be made for the participation of NGOs that are opposed to the official arguments.

As far as the European visitors are concerned, we likewise feel that the group of Active and Associate EEF Members should include at least one member of the European Parliament who would “a priori” be hostile to the production of oil sands, regardless of where this occurred, and at least one association of promoters of “clean energy” which could expound its evidence. We will be working in that direction.

Canada has huge deposits of oil sands, most of which are to be found in the province of **Alberta**, and more specifically in the **Athabasca** river basin.

From the point of view of Canada’s mining-based energy resources, it should be noted that the Athabasca river basin extends to the east of Alberta into the province of Saskatchewan, which contains the world’s largest uranium

deposit with an extensive mineral concentration, making it easier and less expensive to develop (NB: the visit to Alberta will not take in Saskatchewan).

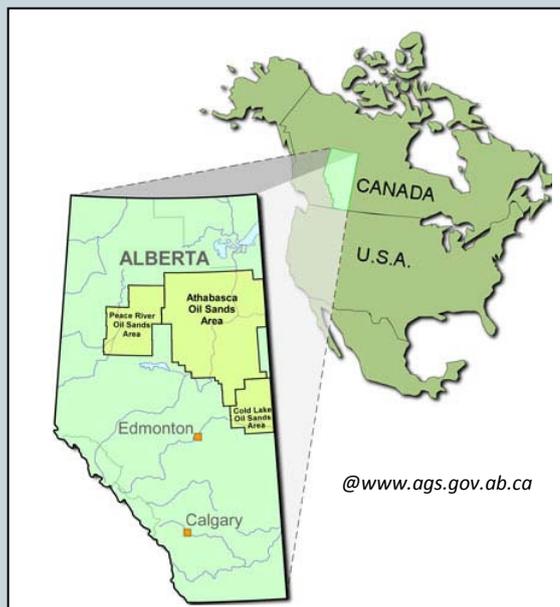
If we bear in mind the vast hydraulic resources located between the Hudson Bay and the St Lawrence River, we realise that Canada is potentially a key player on the world energy market.

Coming back to the oil sands deposits, the three main deposits located in Alberta extend over an area the size of Belgium. It is estimated that the reserves that could be recovered from these deposits

represent at least 170 billion barrels of oil. So far less than 10 million barrels have been produced (and exported to the USA), which is still a negligible amount.

Finally, the total amount of oil trapped in the region’s sands represents 1,700 billion barrels – much more than the total volume of oil currently produced worldwide.

Sooner or later this supply of hydrocarbon will end up being tapped – even within a system of strict environmental



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criteria. Europe will not be able to ignore the existence of this resource, so it would be a good idea if it got ready to work out a strategy now, which is specific to it and suitable for it, such as to enable it to deal with this challenge.

Except for the case of Venezuela, which also has substantial reserves, the quality levels of the oil sands resources in those few other countries that boast them are markedly lower than those to be found in Canada. It should be noted that the tapping of oil sands began in the Palaeolithic age and was intended for all kinds of uses that were not originally energy-related.



In **Europe**, oil sands resources have been extensively exploited near the village of **Pechelbronn**, in Alsace, where the process of separation by steam was used from 1742 onwards.

Pechelbronn is a lovely village located 40 km north of the Cathedral of Strasbourg as the crow flies. The substratum of this area has been extensively drilled and analysed and is perfectly documented from the point of view of its geology. This geological knowledge was pivotal in the selection of the site for the “European deep geothermal science project”, which, by drawing the heat from the ground at a depth of 5,000 m, has begun to produce electricity on a demonstrational basis. The site of this project is 2 km from Pechelbronn, in the village of Kutzenhausen, a hamlet adjoining the small town of Soultz s/s Forêt.

Less than 20 km to the east of this complex is the village of **Beinheim** where a company has for over a year been tapping geothermal heat for commercial purposes in the food-processing industry.

It goes without saying that at the request of any member of parliament, the EEF can arrange an ad-hoc visit to these sites, outside its normal programme.

Jean-Claude Charrault
Director General

News from the EEF

EEF Upcoming events

07.06.2011 Dinner-debate Strasbourg — **Transport Fuels in Europe: Energy for the Mobility of the Future**, at the invitation of ExxonMobil

08.06.2011 Lunch-debate Strasbourg — **US Energy Policy - Why so different from the EU?**, at the invitation of ENERCON

15.06.2011 Dinner-debate Brussels — **Energy Trading in the EU: Sector specific regulation and market oversight**, at the invitation of E-CONTROL

17.06.2011 Briefing for MEP assistants Brussels — **Basics of Gas and Power market regulation in Europe**, at the invitation of the European Energy Forum

05.07.2011 Dinner-debate Strasbourg — **Coordinating national energy policies: a must for a successful energy future**, at the invitation of EURELECTRIC





EEF Past events

11.05.2011 Lunch-debate Strasbourg — How to start building and financing the European Supergrid? , at the invitation of Friends of the Supergrid



The concept of Supergrid was first launched a decade ago as the future electricity system that will enable Europe to undertake a once-off transition to sustainability. Supergrid is not an extension of existing or planned point to point HVDC (High Voltage Direct Current) interconnectors between two EU states, but a new idea. It will involve the creation

of "Supernodes" to collect, integrate and route the renewable energy to the best available markets. It is a trading tool which will enhance the security of supply of all the countries of the EU.

Friends of the Supergrid combines today 20 companies in sectors that will deliver the infrastructure and related technology, together with companies that will develop, install, own and operate that infrastructure.

During this lunchtime discussion, Ana Aguado

Cornago and Eddie O'Connor informed us on the project. Preliminary indicative calculations for the costs, the risks of providing this new transmission service and early knowledge gained during the policy formation and design stages were presented and discussed with the audience.

25.05.2011 Dinner-debate Brussels — Which Energy mix by 2050?, at the invitation of ENEL



Following the Fukushima accident, the energy industry faced a rethink of the approach to nuclear electricity generation.

The Energy Efficiency Action Plan, the Smart Grids communication, the Low Carbon Roadmap 2050 and all political initiatives touching power production and distribution may force the energy sector to define new strategies.

The speakers, Simone Mori (Vice-President, Director of Regulatory and Environmental Management of Enel SpA) and Giuseppe Montesano (Head of Environmental Policy of Enel SpA) offered their views and hints for a debate oriented to factual realism rather than visionary desires.



EEF Members

New Associate Member:

The European Network of Transmission System Operators for Gas (ENTSOG)



ENTSOG is an association established according to the 3rd energy package framework, in particular Regulation (EC) 715/2009 on conditions for access to natural gas transmission networks (REG-715). It was founded on 1 December 2009 and is now comprised of 33 TSOs from 22 Member States of the European Union.

ENTSOG works to promote the completion and functioning of the internal market and cross-border trade for gas and to ensure the optimal management, coordinated operation and sound technical evolution of the European natural gas transmission network.

The work is focused to deliver tangible improvements.

In line with [REG-715](#), ENTSOG's tasks include:

- elaboration of network codes in the following areas
 - network security and reliability rules
 - network connection rules
 - third-party access rules
 - data exchange and settlement rules
 - interoperability rules
 - operational procedures in an emergency
 - capacity-allocation and congestion-management rules

- rules for trading related to technical and operational provision of network access services and system balancing
- transparency rules
- balancing rules including network-related rules on nominations procedure, rules for imbalance charges and rules for operational balancing between transmission system operators' systems
- rules regarding harmonised transmission tariff structures
- energy efficiency regarding gas networks
 - development of Community-wide Ten-Year Network Development Plan (TYNDP) and Summer and Winter Supply Outlooks
 - enhancing the provision of information to the market
 - delivering common network operational tools to co-ordinate network operation
 - delivering recommendations relating to the coordination of technical cooperation between Community and third-country transmission system operators.

Additionally, ENTSOG is required to produce its own Annual Work Programme and Annual Report to inform stakeholders about its activities and to ensure that the challenges and opportunities ahead are well understood, as well as to enable resources to be mustered to ensure good progress is made. ENTSOG is committed to consult all stakeholders on its activities to come up with solutions that are balanced and sustainable. Since its inception, ENTSOG has consulted extensively on issues related to gas infrastructure development, capacity management, balancing and interoperability.

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Eurogas is pleased to announce that **Ms. Beate Raabe** has joined Eurogas as the association's **Secretary General** as of May 16th.

She started her EU Affairs career 18 years ago at the International Union of combined Road-Rail transport companies (UIRR) in Brussels, moving on later to the German and Swedish railways. She joined OGP in 1998 as Manager EU Affairs and was promoted in 2005 to head OGP Europe at the Brussels representation office.

"I found the Eurogas team highly motivated and I look forward to working with the secretariat staff and members in a strong joint effort to confirm the sustainability of gas in a well-functioning energy market." - Beate Raabe

Ms. Margot Loudon will continue to work for the association as Deputy Secretary General. Mr. Simon Blakey will continue his task as Special Envoy to enhance the advocacy role of Eurogas.

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