Focus
Alberta’s oil sands are a huge money-maker, but they also have a huge, toxic environmental footprint. The U.S. government wants to construct a giant pipeline that would pump oil from the oil sands into the United States, but environmentalists aren’t so sure this is a good idea. In this News in Review story we’ll look at how both sides are making their views heard.

Further Research
To learn more about the Alberta oil sands, refer to News in Review guide material from February 2008 and April 2009 at http://newsinreview.cbclearning.ca.

Vocabulary
A public relations war—or PR war—means that two opposing sides try to sway public opinion to their side of an argument.

Introduction
The thirst for oil—to drive our cars, heat our homes, make our clothes, and create plastic water bottles—seems unquenchable. To meet the insatiable demand for this depleting resource, extraction from non-conventional sources such as the Alberta oil sands is taking place at an unprecedented pace. But what about the economic, environmental, social, and political costs? Recent controversies have shone the spotlight on the oil sands industry, resulting in an emerging public relations “war” between supporters and opponents.

According to the Canadian Association of Petroleum Producers (CAPP), Canada possesses approximately 175 billion barrels of oil—the world’s second largest oil reserve (Saudi Arabia has the largest). Of that number, 170 billion barrels are in the Alberta oil sands—which consist of vast deposits of bitumen, a molasses-like oil mixed with sand, water, and clay—located in northern Alberta. The extraction of the oil from the sand is an expensive and energy-intensive process. Large quantities of natural gas and water are needed to turn the bitumen into a heavy crude oil that can be transported via pipelines to refineries throughout North America.

The oil sands industry has been given the label of “dirty oil” by environmental and other opposition groups, in part because the oil sands result in the destruction of boreal forests, increased greenhouse gas emissions, and the creation of toxic tailings ponds. The industry plans to expand by building new pipelines to U.S. refineries and to British Columbia’s coast for shipment to the growing markets of Asia. These expansion plans have further fuelled the anti-oil-sands campaign. The oil sands industry and the government of Alberta are fighting back with an array of advertisements to highlight the benefits of their product and to explain how the negative consequences from extraction and processing will be minimized. As the public relations (PR) war rages between these two sides, it will be the consumer who is left to decide where they stand on this contentious oil sands issue.

To Consider
Working with a partner, discuss the following questions. Then join with other pairs or the entire class for a larger discussion.

1. How do you use oil and its related products on a daily basis?

2. What are the benefits of and concerns about expanding Alberta oil sands production to meet our demands for oil?

3. To what extent are the Alberta oil sands the answer to our energy needs?
THE OIL SANDS AND THE PR WAR

Video Review

Pre-viewing Activity
Copy the following KWL (Know . . . Want to Know . . . Learned . . .) chart into your notes. Before watching the video, complete as much of the first two columns as possible.

<table>
<thead>
<tr>
<th>KNOW</th>
<th>WANT TO KNOW</th>
<th>LEARNED</th>
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<tr>
<td>What do I already know about the causes leading to the Alberta oil sands PR war?</td>
<td>What questions do I have about the causes leading to the Alberta oil sands PR war?</td>
<td>What have I learned about the causes and strategies used in the Alberta oil sands PR war?</td>
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Viewing Questions
As you watch the video, respond to the questions in the spaces provided.

1. To where is most of Canada’s oil sands oil exported?

2. Why do some people want the Keystone XL pipeline extended?

3. List the concerns about extending the Keystone XL pipeline.

4. Who is James Cameron supporting in the oil sands debate and why?

5. Complete the following T-chart to record the strategies and arguments used by opponents and supporters of the oil sands.

<table>
<thead>
<tr>
<th>Oil sands supporters</th>
<th>vs.</th>
<th>Oil sands opponents</th>
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Further Research
6. Why is there no clear winner in the oil sands PR battle?

7. What recent events have tarnished the oil industry’s image? Can they afford this negative publicity at this time? Explain.

8. Do the PR campaigns raise your awareness of issues linked to the oil sands? Explain why or why not.

Post-viewing Activities
1. Return to your KWL chart and complete the third column (with the heading “What have I learned about the causes and strategies used in the Alberta oil sands PR war?”) You may also wish to use some of the information in this News in Review Resource Guide to complete this task.

2. a) What is your position on or opinion about the Alberta oil sands? Do you strongly support or oppose the continued development of the oil sands? Are you somewhere in between?

   b) How have the PR campaigns altered or solidified your position on the Alberta oil sands issue? Be prepared to orally share your thoughts and rationale with your classmates.
THE OIL SANDS AND THE PR WAR

Context

Focus for Reading
As you read the following information, complete the Multiple Consequence Web Diagram. A copy of this diagram can be downloaded from the News in Review Web site at http://newsinreview.cblearning.ca by clicking on the “Worksheets” tab and then “Analyzing Cause and Consequence.” Place the words “Alberta oil sands” in the triangle. In the boxes surrounding the triangle (you may add or connect boxes if needed) record the consequences generated by this issue.

Background Information
The Alberta oil sands—also referred to as “tar sands”—are not only a valuable non-renewable resource, but have also become a complex and controversial issue. These vast deposits of bitumen, a molasses-like oil mixed with sand, water, and clay, are found beneath 140 000 square kilometres of boreal forest in northern Alberta (and some parts of Saskatchewan). Peace River, Athabasca, and Cold Lake house the major deposits that are currently being mined.

open-pit mining, which clears surface vegetation. From the mines, the oil sands are dug up and mixed with hot water to separate the sand and bitumen, resulting in heavy, crude oil. This process uses a great deal of both water and energy. Once the bitumen is heated or diluted with lighter hydrocarbons it can be transported along pipelines to refineries for processing into “useable” oil.

The remaining bitumen, which is located deep within the ground, is extracted by in situ methods—Latin for “in place”—which are more expensive, technically specialized, and produce greater amounts of greenhouse gases than open-pit mining.

The extraction, processing, and transportation of resources from the oil sands have a number of economic, political, environmental, and social impacts.

Economic Benefits
According to the Canadian Association of Petroleum Producers (CAPP), Alberta’s oil sands are estimated to house 173 billion barrels of oil. Production is expected to last for the next 150 years. The numerous companies producing or investing in the oil sands generate billions of dollars of revenue through royalties and taxation for the provincial and federal governments. The Canadian Energy Research Institute estimates that the industry will invest over $200-billion over the next 25 years, which translates

Approximately 20 per cent of Alberta’s oil sands are recoverable through
into thousands of jobs created in Alberta, across Canada, and into the U.S.

Even with the recent economic recession, CAPP’s revised forecasts continue to show industry growth, albeit at a slower pace—and by 2020, Canada is predicted to become one of the world’s top five oil-producing countries.

As global consumption of oil increases, the price of oil has more than doubled from its low point of $30.28/barrel in December 2008.

**New Pipelines**
The planned construction of pipelines to deliver heavy oil from Alberta to U.S. Midwest markets and refineries along the Gulf Coast is viewed as a long-term replacement for dwindling supplies from Venezuela and Mexico and as a means to secure energy supplies. To meet the energy demands of a growing Asian market, the oil sands have attracted new investment by companies from China and South Korea. The proposed pipeline to carry oil to the British Columbia coast and then onto tankers headed for Asia may also contribute to expanded oil sands production.

**Environmental Costs**
The Alberta oil sands development comes at a huge environmental cost. Many scientists, researchers, and some politicians believe that much of the environmental damage already caused by oil sands extraction and processing is likely irreversible. This damage includes the destruction of thousands of square kilometres of boreal forest, the removal of massive amounts of water from the Athabasca River, and the creation of giant tailings ponds that hold the toxic chemical byproducts of the extraction process. The recent controversy of thousands of ducks dying after landing on these ponds heightens calls for more stringent environmental regulations to be implemented by the industry and the provincial government. These and other environmental casualties from oil sands development have not only tarnished the image of the industry, but have also fuelled an aggressive anti-oil-sands public relations campaign.

As the oil sands are predicted to expand, so too are the greenhouse gas emissions created from the burning of natural gas required to heat water for the bitumen separation process. According to a 2010 report from the Pembina Institute, an organization committed to advancing sustainable energy solutions, greenhouse gas emissions are expected to nearly triple between 2008 and 2020. This emissions increase calls into question Canada’s ability to meet its meager 17 per cent reduction targets by 2020 as stated at the Copenhagen climate talks.

The recent demise of Bill C-311—the Climate Change Accountability Act—in the Senate leaves Canada without a comprehensive plan or policy to reduce greenhouse gas emissions. Although federal environment minister Jim Prentice announced in October 2010 the establishment of a Regional Aquatics Monitoring Program (RAMP) to review environmental monitoring in the oil sands by an independent panel of scientists, it remains to be seen if this program can begin to address the environmental concerns linked to the Alberta oil sands.

**Political Implications**
Called an “energy superpower” by Prime Minister Stephen Harper, Alberta plays a pivotal role in supplying the United States with energy resources. This was exemplified when Alberta Premier Ed Stelmach took a group of U.S. state legislators around the oil sands and met with Nancy Pelosi, Speaker of the House of Representatives and vocal supporter of clean energy initiatives, to discuss energy

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**Did you know . . .**
Over one million barrels a day of Alberta oil sands crude was exported to the United States in 2010, and this is estimated to increase to 1.3 million barrels a day by 2012.

**Further Research**
Security, the economy, and oil sands development. The U.S. ambassador to Canada, David Jacobson, stated that energy and the impact that oil sands development has on the environment will become one of the most prominent and potentially controversial issues between the two countries. With the prospects of thousands of jobs and billions of dollars of investment generated in the United States as a result of Alberta oil sands pipeline projects coupled with a reconfigured political landscape in Congress, it is unlikely that the Obama administration will impose clean-fuel regulations on Canadian oil sands industries.

Within Canada, a political strain between Alberta and Ontario surfaced during the recent economic recession. Ontario argued that the Alberta oil boom inflated the value of the Canadian dollar, making export goods more expensive and resulting in job losses in Ontario’s once powerful manufacturing sector. Alberta contends that the oil sands generate spin-off jobs and revenue across the country. To help mend fences these two provinces co-hosted a conference to develop innovations aimed to “green” the oil sands.

Social Concerns
Fort McMurray once had a population of 1,600 residents. Forty years later, it has grown to 65,000. The rapid influx of workers from across Canada and around the world to work in the oil sands created a number of challenges such as lack of infrastructure, minimal affordable housing, high cost of living, substance abuse, and a growing crime rate.

For remote First Nations communities such as Fort Chipewyan, situated downstream along the Athabasca River, the impact of oil sands production on human health and animal life has been a long-standing concern. The residents of Fort Chipewyan are thought to experience elevated cancer rates resulting from contaminants in their water supply and the surrounding landscape where they hunt and fish, although this is not fully recognized by Alberta Health and Wellness. The health issues of Fort Chipewyan’s residents garnered attention from Hollywood director James Cameron, who visited and found it appalling that people in this community were getting sick. He urged the government to further investigate the issue.

Follow-up
1. With a partner or in a small group compare your answers from the Focus for Reading Activity. Which consequence(s) do you think the public would be most concerned about and why? How do you think opponents and supporters of the oil sands would use these consequences in a PR advertisement?

2. Go to CBC Edmonton’s Web site at [www.cbc.ca/edmonton/features/dirtyoilphotogallery.htm](http://www.cbc.ca/edmonton/features/dirtyoilphotogallery.htm). Scroll through each of the oil sands images on the site and read the corresponding captions. Using evidence from the images, answer the following questions:
   - How is the landscape being altered by oil sands production?
   - What type of equipment and techniques are used to extract and process the oil sands?
   - Why do you think environmental and human health concerns are at the forefront of the oil sands issue?
   - How do the images make you feel about the oil sands? Is it a necessary or destructive resource?
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Recent Controversies

Focus for Reading

For each of the following controversies, answer the five “Ws” in your notebook: What is happening? Where is it happening? When is it happening? Who is involved? Why is it happening?

Opponents of the Alberta oil sands claim that oil sands production is “dirty oil” because of the environmental impact, the proposed construction of additional crude oil pipelines, and unresolved issues around energy security with emission reductions for North America. These controversial issues have garnered significant media attention and raised questions about the sustainability of the oil sands.

Dead Ducks

In April 2008, images of bitumen-covered ducks and the subsequent death of over 1,600 ducks were reported after these birds landed on a 12-square-kilometre tailings pond at Syncrude Canada’s oil sands mine near Fort McMurray, Alberta. Syncrude was found guilty in June 2010 of breaking provincial and federal wildlife laws and was held legally responsible for the dead ducks. The company had failed to install adequate deterrence techniques such as air cannons or scarecrows around its tailings pond despite the Alberta Energy Resources Conservation Board policies that require companies to have effective deterrence systems in place and to set target dates for the reclamation of these ponds back to their natural state.

Syncrude was later charged a fine of $3-million, which included $2.2-million to fund research on how to improve methods to keep migratory birds away from the tailing ponds and to restore the wetlands habitat (The Toronto Star, October 23, 2010). In response to the court ruling, Syncrude warned that the decision and fine, the largest environmental penalty in Alberta court history, could have dire consequences for the oil sands industry. Although the environmental group Greenpeace felt that the court ruling was important, they didn’t feel it was a harsh enough penalty for the multi-billion-dollar industry.

Just days after the court fined Syncrude, the company faced further negative publicity when hundreds more ducks died in the tailings pond at Mildred Lake, north of Fort McMurray. At the time this guide went to print, the Alberta Ministry of the Environment had issued an investigation. But the Pembina Institute, a prominent environmental group, says the government needs to focus on cleaning up the 840 billion litres of tailings that continue to grow and to eventually purge all toxic ponds (The Globe and Mail, October 27, 2010). The Syncrude controversy highlights the difficulty in managing the tailing ponds and the larger environmental challenges facing this industry.

Pipelines

Oil and natural gas are transported throughout North America via an extensive system of pipelines. Two of Canada’s largest pipeline companies—Enbridge Incorporated and TransCanada Corporation—which are headquartered in Calgary, have plans to expand their networks from terminals in Alberta to the U.S. Midwest, the U.S. Gulf Coast, and to the coast of British Columbia.
These pipelines have heightened the debate between providing secure energy for North America and environmental concerns.

**Keystone XL Pipeline**
TransCanada Corporation is seeking approval from the U.S. State Department to build a pipeline extension called the Keystone XL. This pipeline would use existing and new lines to deliver 500,000 barrels of heavy crude per day—roughly enough to fill a very large municipal water tower—from the oil sands to refineries along the U.S. Gulf Coast. The company’s rationale for this pipeline cites less heavy oil coming from traditional suppliers like Venezuela and Mexico, and job creation in the United States.

This pipeline has been criticized both economically and environmentally. It is thought that the demand for oil has peaked in the U.S. and that there will be little growth in the next decade. There are environmental concerns about the impact that a pipeline leak could have on the Ogallala Aquifer—a vital groundwater source for eight states across the Plains. Despite these concerns—and further protests from over 50 U.S. legislators—Secretary of State Hilary Clinton has stated that she is “inclined” to back this $12-billion pipeline expansion project (*Maclean’s*, August 16, 2010).

**Alberta Clipper Pipeline**
Enbridge—which operates the world’s longest crude oil and liquids transportation system throughout Canada and the United States—plans to continue its pipeline expansion to selected regions in the U.S. The $3.3-billion Alberta Clipper pipeline project will use existing and new pipelines to transport mainly oil sands crude from Alberta to Wisconsin. The 1,600 kilometre pipeline construction was completed on April 1, 2010, and was expected to be fully operational, delivering a targeted 450,000 barrels of crude oil per day by the end of 2010 (*The Globe and Mail*, August 21, 2009).

Despite the over 3,000 construction jobs created by it in the United States, this pipeline has faced much criticism from U.S. environmental groups and legislators who cite destruction of the boreal forest and increased greenhouse gas emissions. As well, major oil producing companies—such as Suncor and Imperial Oil—are questioning the necessity of yet another pipeline when U.S. demand for crude oil is in decline.

**Dirty Oil vs. Energy Security**
Renewed attention to the Alberta oil sands has called into question the role that this resource will have in the energy future of the U.S. Environmental activists such as the Rainforest Action Network have touted the oil sands as the “dirtiest oil on Earth [that] has no place in a U.S. clean energy future” (*The Globe and Mail*, September 17, 2009).

Supporters like the Consumer Energy Alliance argue that Canada is a critical supplier of secure, affordable energy to American consumers. According to the Cambridge Energy Research Associates (CERA), the United States will remain the world’s biggest oil market.

The approval of the Alberta Clipper pipeline and the U.S. State Department’s favourable stance toward the Keystone XL pipeline proposal signal a shift in the Obama administration’s electoral pledge for national clean energy initiatives. A sluggish U.S. economy and high unemployment rates may result in the U.S. government having to embrace the Alberta oil sands rather than stick to its principles about clean energy alternatives.
Follow-up

1. Select one of the controversies on the previous pages. Using your information from the Focus for Reading activity, prepare a “late-breaking news report” thatbriefly describes the controversy and explains why it is a contentious topic. Add any up-to-date information you can locate through research into this controversy. Your news report can be delivered either orally or in writing.

2. Working in a group of four, debate whether you agree or disagree that the oil sands industry should be labelled as “dirty oil.” Two members of the group take the “agree” side and the other two members take the “disagree” side. Use information from this Resource Guide to prepare your arguments. Once you have exhausted your points, switch sides and debate the topic again from a different perspective!

3. As a Canadian, do you think it hypocritical to oppose the oil sands and related projects like the pipelines while enjoying the benefits of a fossil-fuel economy? Write a one-page personal response to this question. Think about your everyday uses of oil as well as the information you have learned in this Resource Guide.
THE OIL SANDS AND THE PR WAR

The PR War

Reading Prompt
Have you seen or read any of the advertisements or Web sites either opposing or defending the Alberta oil sands? If so, try to recall the message, how it was conveyed, and whether or not it was effective. You may wish to orally share your recollection with the class prior to reading. While you read this section, make a list of the strategies that both sides use in their public relations (PR) campaigns.

The recent controversies linked to the Alberta oil sands have re-ignited much debate about this energy resource. In the wake of the BP Gulf oil spill and the Copenhagen climate change conference, growing public concern has focused on fossil fuel use and its impact on the environment. The result? Over the past 18 months, varied groups who oppose or defend the oil sands have begun to wage a PR “war” to express their viewpoints and to mobilize public support at home and abroad. Advertisements, media publications, documentaries, retail boycotts, protests, and even personal commentaries given by famous Canadians are examples of the “weaponry” used by both sides in this PR war.

Did you know . . .
James Cameron’s blockbuster film Avatar is about a native community overrun by evil, resource-hungry colonists. The film was in theatres before Cameron visited the oil sands.

Oil Sands: Opposition Strategies
A wide range of tactics have been used by oil sands opponents to attach the “dirty oil” label to the industry. For example, Greenpeace had activists sneak into three mines located in the Fort McMurray area and place huge banners reading “Tar Sands: Climate Crime.” This embarrassing tactic not only halted the operation of the mines and called into question their security, but photos of the banner were sent around the world, reinforcing a negative image of the industry. A coalition of environmental groups used widespread media strategies such as YouTube videos, Web sites, billboard ads, and postcards to launch their Rethink Alberta campaign to deter potential tourists by drawing awareness to the destruction the oil sands have caused to the area’s natural beauty.

Another environmental group, Forest Ethics, has contacted Fortune 500 companies and asked them to boycott transportation providers who use Alberta oil sands crude. To date, six companies, most notably Whole Foods, The Gap, and Levi Strauss have joined this boycott. Interestingly, Bed Bath and Beyond initially supported this boycott but then altered its position after coming under intense pressure from businesses and consumers in Alberta.

James Cameron, the Canadian-born Hollywood director of films like The Titanic added significant star power and media attention to the oil sands PR war when he toured the region and met with the Alberta Premier, industry executives, and local aboriginal leaders. Prior to his visit he stated that the oil sands are a black eye on Canada. After his visit Cameron called for a moratorium on future oil sands development until the environmental and health consequences are further investigated.

Oil Sands: Defence Strategies
Trying to counter the “dirty oil” image has not been an easy task for the oil sands industry. They initially responded by holding conversations with smaller audiences outlining the benefits, technological advances, and improved environmental impact of oil sands production. They then expanded
to Twitter feeds and Web sites such as the Canada’s Oil Sands site created by the Canadian Association of Petroleum Producers (CAPP). The industry also paid for advertisements in smaller U.S. publications such as the *Washington Times* and *The Hill* to counter anti-oil-sands lobbies.

The industry later recognized that this low-key strategy was not working and embarked on a more publicly visible and aggressive campaign to clean up their image by focusing on the industry’s advantages. For example, CAPP communicated its own “responsible oil” slogan through newspaper and television ads showing photographs of the natural features and explaining how the industry is working hard to protect the environment.

Cenovus Energy Inc., a Canadian company operating in the oil sands, has embarked on an edgy multi-million-dollar advertising campaign to get people thinking about the uses of oil—from ultrasounds to prosthetic limbs. Rather than focusing on explaining the company’s financial aspects in the newspaper’s business section, Cenovus ads can be seen in consumer magazines, before a movie at the cinema, and on the Internet. And Syncrude Canada runs local radio ads where employees describe how their company is using methods to better manage tailing ponds and to remind the public that they are one of the largest employers of aboriginal people.

**Will there be a truce?**

The Alberta oil sands PR war is like a high-stakes tennis match—back and forth between the industry supporters who are trying to re-image themselves by showcasing the advantages of the oil sands and the industry opponents who have labelled the oil sands as “dirty.” The one common ground is that the various PR strategies used by both sides have raised public awareness and discussion about the role that the oil sands play to meet energy our needs.

**Analysis**

1. Using your list of PR strategies recorded when reading this section, select a minimum of three strategies that you think most effectively convey the message from the opponents and/or supporters of the oil sands. Rank these strategies—first, second, third—and explain your rationale for each. Share your selections with a partner.

2. Scenario: James Cameron has just informed the Government of Alberta that he will be visiting the oil sands for a second time in the near future. His visit will likely again bring extensive media attention. As a communications advisor, you need to suggest a couple of PR strategies for the Premier to use prior to, during, and after Cameron’s visit.

3. Do you think that PR campaigns are an effective way to raise public awareness about oil sands issues, or do the catchy slogans and glitzy ads cause the public to lose sight of the important aspects of this issue? Join with a small group of students to discuss your responses.
THE OIL SANDS AND THE PR WAR

Activity: Design your own PR campaign!

Marshall McLuhan, a Canadian scholar and media professor, coined the famous expression “the medium is the message.” This means that the form of a medium (e.g., television, print, social networking) can influence how the message is perceived. The PR strategies used in the oil sands debate exemplify this quote—whether it is a television ad showing a gently flowing river in the background and an industry engineer explaining how their company is protecting the environment or a full-page colour photo of a duck suffocating under a layer of bitumen.

Your Task
You are to design your own PR campaign about the Alberta oil sands. Refer back to information in this Resource Guide to decide which aspect of the oil sands you would like to communicate. For example: do you oppose or support one of the pipeline projects, do you want to see more forceful regulations of the tailings ponds, or do you think the public needs to know more about the benefits of the oil sands?

Start by examining the following Web sites, which showcase the various strategies used in the current oil sands PR “war.” For each PR strategy record the message, the techniques being used to convey the message, and assess whether the strategy captures the viewer’s attention and effectively communicates the message.

- More than Fuel: [www.cenovus.com](http://www.cenovus.com) (view the ads under “More than Fuel”)
- Rethink Alberta: [http://rethinkalberta.com](http://rethinkalberta.com)
- Canada's Oil Sands: [www.canadasoilsands.ca/en/](http://www.canadasoilsands.ca/en/)

Choose the medium for your PR campaign. Possible suggestions include a poster display, slideshow, Web page, mock FaceBook page, audio or video presentation, and photographs. Just remember that your PR campaign needs to:

- have specific, accurate, and factual information
- take a stance on a particular aspect of the oil sands issue
- be visually and/or orally creative and appealing
- contain catchy slogan(s)

Present your PR campaign to your class members either in a digital or hard-copy format. Provide your constructive comments about the “medium” and the “message” used in at least three of your peers’ campaigns. Did it effectively and creatively convey the message? Did it raise your awareness about the oil sands issue? Did it change your position on this issue?

Review the comments from your peers about your PR campaign. Briefly outline what aspect of the oil sands issue your next PR campaign will focus on and what strategies you plan to use.