

# Final Report

Premier Klein's Mission to Washington, D.C. and New York  
June 23-28, 2003



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## Overview:

As part of concerted efforts to encourage the United States and other countries to reopen their borders to Canadian cattle and beef, Premier Ralph Klein sought to raise the awareness of U.S. political and business leaders about steps Alberta has taken following the discovery of bovine spongiform encephalopathy (BSE) in one northern Alberta cow. While in Washington, D.C., the Premier met with U.S. Vice President Dick Cheney, other high-level American political leaders, and with representatives of U.S. agriculture and food industry associations. While the meetings dealt primarily with the BSE situation, the Premier and Energy Minister Murray Smith also updated appropriate American officials on developments in Alberta's energy industry, Alberta's position on the softwood lumber dispute, and reinforced the province's support for the U.S.-led war on terrorism.

While in New York, Premier Klein and Energy Minister Smith promoted investment opportunities and recent developments in Alberta's energy sector, particularly the oil sands, and raised awareness of Alberta as a secure and reliable energy source. Highlights included a meeting with New York Stock Exchange officials, and an address to the New York State Bar Association's International Law and Practice Section.

The mission was successful in meeting its objectives as outlined below.

## Mission Objectives:

### Washington

1. Support Canadian efforts to resolve the BSE and Country of Origin Labeling issues, restore beef and cattle exports to the U.S., and re-establish our image as a safe and a reliable supplier of quality food products.
2. Inform U.S. Administration and Congressional leaders responsible for energy policy of Alberta's role as a secure and reliable supplier of energy within North America, and of the Alberta government's ownership of, and jurisdiction over, energy resources.
3. Highlight the recent recognition of the oil sand reserves and that Alberta now accounts for 15% of the world's proven oil reserves.
4. Invite Administration and Congressional leaders to visit the oil sands.
5. Support development of northern gas and pipelines, while conveying concerns about proposed price subsidies. Promote awareness of the competitive benefits the Alberta hub can provide in connecting northern gas to Lower 48 markets.
6. Advise U.S. decision-makers of Alberta's continued support for U.S. leadership in the war against terrorism.

7. Reinforce Alberta's commitment to finding a long term, lasting solution to the softwood lumber dispute with the U.S.
8. Support Alberta companies participating at BIO 2003 – the world's largest gathering of biotechnology leaders.

### **New York**

1. Build investment community awareness of Alberta as a secure and reliable energy provider, particularly in light of Middle East, Nigeria and Venezuela uncertainties, and diminished prospects for near term expansion of Mexico's oil and gas production and exports.
2. Highlight the recent recognition of the oil sand reserves and that Alberta now accounts for 15% of the world's proven oil reserves.
3. Reassure investors and customers of Alberta natural gas, oil and petroleum products who:
  - are worried that natural gas production has peaked and that reserves are declining rapidly;
  - have concerns about reported delays in oil sands developments related to Kyoto, labour costs and availability, production costs, etc.;
4. Update American business leaders and American and Canadian media on Alberta's dynamic economy, broad range of business opportunities, and energy security.

### **Results:**

#### June 24

In Washington, Premier Klein met with Michael Kergin, the Canadian Ambassador to the United States and senior embassy officials. He highlighted the urgency of the BSE issue and urged the embassy to re-double its efforts to reopen the border. The Ambassador provided an update on current Canada-U.S. relations, including BSE, energy, border security and softwood lumber.

On Capitol Hill, the Premier and Minister Smith met with Representative Joe Barton (R-Texas), Chair of the House Sub-Committee on Energy and Air Quality; and with Representative Richard Pombo (R-California), Chair of the House Committee on Resources. Premier Klein and Minister Smith provided information about oil sands development, the significance of Alberta's natural gas exports to the United States, and the benefits of an Alberta natural gas pipeline hub to unlock and deliver the potential of northern gas to markets in the Lower 48 states. The Premier also outlined Alberta's position on BSE and Country of Origin Labelling.



Premier Klein attended a lunch meeting hosted by the Canadian Ambassador that included representatives of the American agricultural industries. The Premier stressed the importance of the agriculture and food industry representatives in efforts to reopen the border to Canadian cattle and beef and in ensuring the long term integrated relationship that benefits the industry on both sides of the border.

The Premier also visited BIO 2003, the world's largest biotechnology industry gathering with more than 10,000 delegates in attendance. Approximately 30 members of Alberta's biotech industry took part in the event to promote the Alberta Advantage and Alberta's biotechnology industry to potential investors and partners. The Premier took advantage of the opportunity to meet with many of the Alberta delegates and their business contacts.

### June 25

As a follow-up to their successful energy-focused meeting in 2001, Premier Klein and U.S. Vice President Dick Cheney again met in the West Wing of the White House. The



Premier Klein and Energy Minister Murray Smith meet with reporters at the White House

Premier and the Vice President discussed key developments since their previous meeting, including the heightened importance of energy security; oil sands development; the security of Alberta's natural gas supplies; proactive steps taken following the discovery of one cow with BSE; and the importance of reopening the U.S. border to Canadian cattle and beef. The Premier also reinforced Alberta's commitment to finding a long-term, lasting solution to the softwood lumber dispute.

The Washington portion of the U.S. mission concluded with the Premier delivering a speech to the U.S. Energy Association.

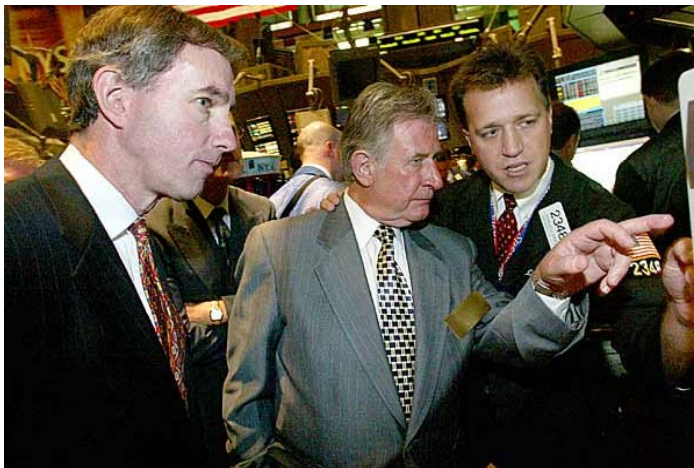
Approximately 50 officials from Capitol Hill, the energy industry, and the media attended.

In his speech, and during a question and answer session that followed, the Premier focused on oil sands development, Alberta as a secure source of energy supply, the Alberta Advantage, and Alberta's support for the United States in its war on terrorism.

June 26

Premier Klein met with senior executives of the New York Stock Exchange to promote the Alberta Advantage and to deliver Alberta's energy messages. Currently, there are 20 Alberta-based companies listed on the exchange.

The Premier delivered the keynote address to the New York State Bar Association's International Law and Practice Section. The Premier outlined Alberta's leading role in the North American energy market to 250 key corporate officials. The Premier and Energy Minister Smith took part in a roundtable session with U.S. east coast energy company representatives. Discussions centered on the outlook for natural gas production and supply.



Premier Klein on the floor of the NYSE with Robert Britz, Stock Exchange President (right) and Douglas Shaw, Stock Exchange specialist (left).

The day ended with a dinner hosted by Ms Pamela Wallin, the Canadian Consul General in New York. This event allowed the Premier to meet with a diverse group of senior executives in an informal dinner setting to promote the Alberta Advantage and deliver Alberta's energy messages.

June 27

On the final day of the mission, the Premier and Energy Minister Smith participated in an investment roundtable at Lehman Brothers Brokerage world headquarters. Lehman Brothers is a global investment bank serving the financial needs of corporations, governments, institutional clients, and high net-worth individuals worldwide. More than one hundred company representatives and clients took part in the roundtable through an electronic call-in system. The Premier and the Energy Minister provided information about Alberta's economy, oil sands developments and the security and long-term outlook of Alberta's energy supply. The session also presented an important opportunity for Alberta to gather strategic information about the U.S. financial community's views on oil sands investment.