Brief to the Standing Senate Committee on Energy, the Environment, and Natural Resources

Transitioning to a Low-Carbon Economy

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Transitioning to a Low Carbon Economy and how the Canadian Oilfield Services Sector plays its Role

Extract from the Journals of the Senate of Canada, Thursday, March 10, 2016
The Honourable Senator Neufeld moved, seconded by the Honourable Senator Frum:

That the Standing Senate Committee on Energy, the Environment and Natural Resources be authorized to examine and report on the effects of transitioning to a low carbon economy, as required to meet the Government of Canada’s announced targets for greenhouse gas emission reductions. Recognizing the role of energy production, distribution and consumption in Canada, the committee shall be authorized to:

(a) identify and report on the impact transitioning to a low carbon economy will have on energy end users, including Canadian households and businesses;

(b) identify and report on the most viable way the following sectors — electricity, oil and gas, transportation, buildings and trade-exposed energy intensive industries — can contribute to a low carbon economy in meeting Canada’s emission targets;

(c) examine and report on cross-sector issues and undertake case studies, if necessary, on specific programs or initiatives aimed at reducing greenhouse gas emissions;

(d) identify areas of concern and make any necessary recommendations to the federal government that will help achieve greenhouse gas emission targets in a manner that is sustainable, affordable, efficient, equitable and achievable.
Presentation Overview

- Who we are
- What our sector is currently doing to reduce emissions
- What we can do going forward
- Recommendations
About PSAC

• Represent the service, supply and manufacturing sectors in the upstream petroleum industry

• Our member companies:
  - employ over 35,000 Canadians
  - provide innovation, technological advancement and in-the-field experience to explorers and producers
  - increase efficiency, improve safety and protect the environment
PSAC Membership Expansion

• Recognizing the increasing role of renewables into the mix of energy sources, PSAC has introduced a new membership category for “renewable energy sources” - to encourage new collaborations, while remaining true to our core member base of oil and gas service providers.

• Canada requires a mix of energy sources to meet its energy needs for years to come – wind, solar, geothermal and others can all work in tandem with traditional petroleum energy sources to meet these needs well into the future.
OFS Subsectors Through Oil and Gas Development Investment Cycle

Oil and Gas Services
Major subsectors in the Exploration & Production process from early stage investment to commercial development

Exploration
Engineering
Construction
Transportation
Drilling & Service Rigs
Wellhead Services

Production
Fabrication, Manufacturing
Logistics
Equipment Supply
Equipment Rentals
Downhole Tools
Who is PSAC?

Representing 165 Member Companies

Employing 35,000 Workers
Upstream Petroleum Industry

Exploration & Production

Petroleum Services Sector

Seismic

Service, Supply & Manufacturing

Drilling

Pipelines
Innovation and Technology

Horizontal Drilling

Reduced Environmental Footprint

Technology has made a dramatic difference in the footprint of the drilling and completion process.
The latest innovation to come from CLEANTEK brings even greater benefits than its predecessor.
Environmental Innovation and Technology

CleanSteam™

Environmental Benefits
- Reduces water consumption
- Decreases energy usage
- Reduces emissions
- Improves efficiency
- Prevents hazardous materials from entering the environment

Financial Benefits
- Reduced operating costs
- Increased profitability
- Reduced maintenance costs
- Improved asset life

Operational Benefits
- Simplifies system operations
- Reduces downtime
- Improves safety and productivity
- Enhances system reliability

Waste Streams
- None

Technical Details
- Capacity: 100,000 lb/hr
- Voltage: 480V
- Frequency: 60 Hz
- Power: 1500 kW
- Steam Pressure: 15 psi

PSAC
working energy
DID YOU KNOW?

It is estimated that in 2040 fossil fuels will continue to provide 78% of the nation’s energy, while renewables will provide just 16%. The remaining 6% are expected to be nuclear.

Our future needs Canadian oil.
Hydraulic Fracturing Code of Conduct

WORKING ENERGY COMMITMENT
Hydraulic Fracturing Code of Conduct

HEALTH, SAFETY & TRAINING

- We value the health and safety of all workers and residents, and commit to maintaining a safe workplace.

- We adopt and implement the highest standards of health and safety.

- We ensure that all workers are trained in health and safety practices.

WATER AND THE ENVIRONMENT

- We are committed to preserving and protecting the environment.

- We manage water usage efficiently and minimize waste.

- We implement best practices to protect water resources.

COMMUNITY ENGAGEMENT

- We engage with communities to ensure transparency and accountability.

- We listen to community concerns and work collaboratively to address them.

- We support community development initiatives.

PROPERLY DEVELOPED

- We conduct comprehensive assessments before initiating any development.

- We ensure that all development activities are carried out in a responsible manner.

- We manage and mitigate potential environmental impacts.

FINANCIAL OMISSION

- We disclose financial information accurately and transparently.

- We maintain high standards of financial management.

- We adhere to ethical business practices.

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Recommendations

• Continue to listen to the unique perspective of the oilfield services sector when considering energy policy changes for E&P companies

• Recognize that the Canadian oil and gas industry is leading the world in emissions reduction technologies and that the oilfield services sector is the driver of that innovation

• Encourage the growth of this dynamic, value-added oil and gas services sector through profitable, ongoing oil and natural gas development in Canada
Thank you
For more information, please visit psac.ca

Presented on behalf of the Petroleum Services Association of Canada