

# Oil Sands Tribunal

The oil sands tribunal is an activity designed to explore an incredibly important topic for Albertans, for Canadians and for the world – the oil and gas industry. The world's supply of this non-renewable resource is past its peak and is now in decline. The use of oil has been targeted by environmentalists as a major contributor to the burgeoning issue of global warming and climate change. The industrialized countries of the world, including Canada, have become dependent on oil and petroleum based products. Oil and oil based products have become the main energy source for the many forms of transportation that have interconnected our world like never before. The developing world's over-consumption of material goods, along with the energy involved in the manufacture and transportation of these goods, has led to incredible pressure on the earth.

Alberta has become the epicenter for future oil development as a result of the depletion of other global reserves. The oil sands deposits found in the northern portion of our province are now recognized as having the largest oil production potential outside of Saudi Arabia. Alberta is therefore at a crossroads in its history as it tries to make decisions about how to balance environmental concerns with the huge potential for financial prosperity that go hand in hand with the development of the oil sands.

Although the following issue question is fictitious, it is certainly plausible within the context of Alberta.

***Should \$20 billion of new oil sands investment and development be approved north of Fort McMurray along the Athabasca River?***

Students will be assigned to one of six different stakeholder groups that represent diverse perspectives on the issue. Students will research and present the perspective of their group in attempt to convince the tribunal to make a decision that will reflect their interests and concerns.

The first group of students will make up the **tribunal** itself. The tribunal will be composed of three judges and their role will include:

- setting criteria for their final decision
- write an unbiased opening statement with historical background on the Alberta oils sands and the global oil industry
- write out their decision

The remaining five groups will represent the **stakeholders** listed below.

**Multinational Oil and Gas Corporations**  
**Government of Alberta**  
**Environmentalists**  
**First Nations and Métis Peoples**  
**Municipality of Fort McMurray**

Each stakeholder group will put together a 5-10 minute presentation that will attempt to persuade the tribunal to address their interests and concerns. The groups can use any form of media to bolster their presentation (posters, charts, graphs, PowerPoint, MovieMaker, others...). The tribunal will be looking for substance, but the creativity and effort that goes into your presentation can influence their final decision. Each group will have to research their perspective and find compelling evidence to support their interests and concerns. Similar to a defense of position essay, students will have to define a position on the issue and then make clear arguments to support that position.

Each group is encouraged to contact people in the various fields they represent (letters and email) in an attempt to get first hand information and perspective. Your group may want to brainstorm some of the potential contacts you could make and some of the potential sources of information you could possibly use.

Your groups work will be evaluated by the teacher using the attached rubric. Your work will be also be assessed by the tribunal in their task of reaching their final decision.

All students will watch the documentary entitled **Crude Awakening** in an attempt to establish some context for the global oil industry (see *Crude Awakening* assignment). Your teacher may also choose to share information that presents some of the history surrounding the development of the oil sands in northern Alberta. Your textbook is also a good source of information on this topic - please refer to pages 350-354.

IMPACT
IMPACT

## FORT MCMURRAY — COPING WITH GLOBALIZATION

Fort McMurray, the focus of the oil sands development in northern Alberta, is booming. The city has been growing by leaps and bounds — and municipal officials have been struggling to keep up with the demands created by the world's need for oil.

In 1996, Fort McMurray amalgamated with the surrounding district to form the Regional Municipality of Wood Buffalo. The entire regional municipality is under a single government, and Fort McMurray is the seat of this government. Between 1999 and 2006, the community's population grew an average of 8.5 per cent a year.

### Early Development

The explorer Alexander Mackenzie recorded the first description of the tar sands in 1781. He wrote: "At about 24 miles (38.4 km) from the fork [of the Athabasca and Clearwater rivers] are some bituminous fountains into which a pole of 20 feet (6.1 m) long may be inserted without the least resistance."

By 1870, the community of "Fort Mac" was a Hudson's Bay Company post. The first efforts to extract oil from the tar sands were made in 1925, but progress was slow, and by the early 1960s, Fort McMurray's population was only about 2000. But when an oil-sands plant opened in 1967, the population took off, reaching more than 38 000 by 1981. During the 1980s, low oil prices slowed development, but improvements in mining and extraction technologies during the 1990s stimulated a new wave of construction. The population of the area is expected to reach 100 000 by 2012.

### Paying the Price of Growth

The flood of workers into the Fort McMurray area has placed a tremendous strain on municipal services. In 2006, Wood Buffalo municipal officials estimated that 3000 more homes were needed. The municipality also needed a new water treatment plant, a police station, a fire hall, a recreation centre, and two more schools. To pay for this infrastructure and services, municipal taxes increased frequently.

Although the oil business has fuelled the population explosion, the key companies involved in developing the oil sands have been reluctant to help the municipality fund services and build infrastructure. Darrin Park, spokesperson for Suncor, one of the largest companies working in the area, told Canadian Press: "Industry should do what industry does best, which is to work to responsibly develop the resource. Governments should do what they do best, which is to identify needs for public funding and provide the funding."

### IMPACT



**Figure 15-12** This sign reflects the desperate labour shortage among businesses in Fort McMurray. Why do you suppose they have such difficulty finding workers?

The population explosion has also created a need for service industries, such as restaurants, shops, and hotels. But even though they offer spread benefits and higher wages than businesses elsewhere in the province, they are having trouble finding enough employees to meet the demand.

### environmental Concerns

Fort McMurray is located in the boreal forest, an environmentally sensitive sub-Arctic region that consists mostly of coniferous trees such as spruce, fir, and pine. The rapid expansion of oil sands development is raising concerns about the sustainability of the area's environment.

Each barrel of oil extracted from the tar sands requires the mining of two to five tonnes of earth and uses enough natural gas to heat a home for one to five days. The process creates such large emissions that Alberta produces more greenhouse gases than any other province. Oil companies are conducting research into more efficient processes, and when they finish mining an area, they are required to restore the land to a self-sustaining, productive state. But environmentalists and First Nations people worry that the development is too huge and happening too quickly for the forest to be restored.

In addition, say First Nations people, the development has destroyed their way of life. "The environmental cost has been great," Jim Boechat, chief of the Fort McKay First Nation told the *Washington Post*. "Hunting, trapping, fishing is gone."

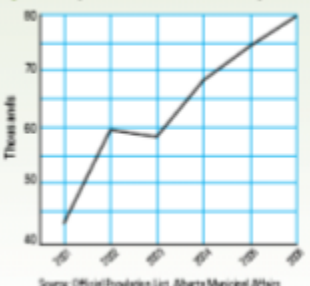


**Figure 15-13** Huge trucks and machines extract sand from an open-pit mine near Fort McMurray. Hot water is then used to separate the oil from the sand.

**Figure 15-11 Alberta Oil Sands**



**Figure 15-11 Population Growth in Fort McMurray, 2001–2006**



Source: Official Population List, Alberta Municipal Affairs

ASSESSOR  
T=Teacher  
S=Student  
O=Other

|                              |                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                       |                                                                                                                                                                                                              |                                                                                                                                                                                                                |                |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| CREATIVITY<br>(x 2)          | Very little creativity and effort.                                                                                                                                                                                                             | Does not provide much creativity and effort.                                                                                                                                                                                                                                                    | Demonstrates minimal creativity and effort.                                                                                                                                                                                           | Commendable creativity and effort. Creativity adds to the success of the overall work.                                                                                                                       | Impressive creativity and effort. Creativity adds to the outstanding nature of the overall work.                                                                                                               | T=<br>S=<br>O= |
|                              | Student makes almost no connection between the assigned task and the big questions and ideas of the course.                                                                                                                                    | Student makes minimal reference to the assigned task and the big questions and ideas of the course.                                                                                                                                                                                             | Student makes simple connections between the assigned task and the big questions and ideas of the course.                                                                                                                             | Student makes clear connections between the assigned task and the big questions and ideas of the course.                                                                                                     | Student makes insightful connections between the assigned task and the big questions and ideas of the course.                                                                                                  | T=<br>S=<br>O= |
| UNDERSTANDING<br>(x 2)       | <i>Naive:</i> a superficial account; more descriptive than analytical or creative; a fragmentary or sketchy account of facts/ideas or glib generalizations; a black-and-white account less a theory than an unexamined hunch or borrowed idea. | <i>Intuitive:</i> an incomplete account but with apt and insightful ideas; extends and deepens some of what was learned; some "reading between the lines"; account has limited support/argument/data or sweeping generalizations. There is a theory, but one with limited testing and evidence. | <i>Developed:</i> an account that reflects some in-depth and personalized ideas; the student is making the work her own, going beyond the given—there is supported theory here, but insufficient or inadequate evidence and argument. | <i>In-depth:</i> an atypical and revealing account, going beyond what is obvious or what was explicitly taught; makes subtle connections; well supported by argument and evidence; novel thinking displayed. | <i>Sophisticated:</i> an unusually thorough, elegant, and inventive account (model, theory, or explanation); fully supported, verified, and justified; deep and broad: goes well beyond the information given. | T=<br>S=<br>O= |
|                              | Student is not able to express appropriate ideas and concepts (including correct spelling, grammar and punctuation).                                                                                                                           | Student is not developing their ability to express appropriate ideas and concepts (including correct spelling, grammar and punctuation).                                                                                                                                                        | Student is learning to develop and express appropriate ideas and concepts (including correct spelling, grammar and punctuation).                                                                                                      | Student is consistently expressing appropriate ideas and concepts (including correct spelling, grammar and punctuation).                                                                                     | Student is clearly expressing appropriate ideas and concepts (including correct spelling, grammar and punctuation).                                                                                            | T=<br>S=<br>O= |
| DEPTH                        | Very little depth in the work that was completed.                                                                                                                                                                                              | Little depth in the work that was completed.                                                                                                                                                                                                                                                    | Demonstrates some depth in the work that was completed.                                                                                                                                                                               | Demonstrates good depth in the work that was completed.                                                                                                                                                      | Demonstrates great depth in the work that was completed.                                                                                                                                                       | T=<br>S=<br>O= |
| EXPRESSION<br>(PRESENTATION) |                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                       |                                                                                                                                                                                                              |                                                                                                                                                                                                                |                |
| CONTEXT                      |                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                       |                                                                                                                                                                                                              |                                                                                                                                                                                                                |                |

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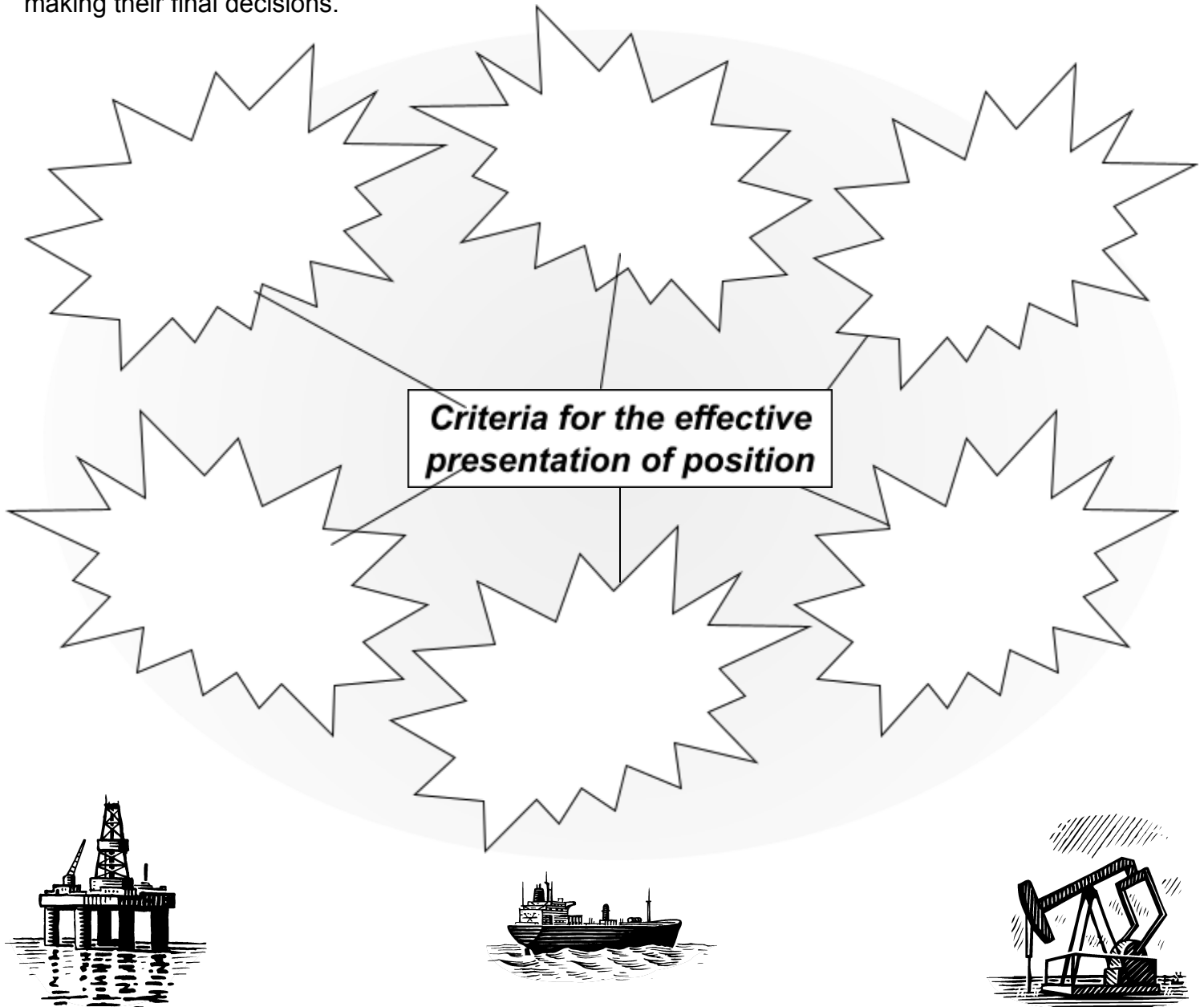
STAKEHOLDER/PERSPECTIVE: \_\_\_\_\_

TOTALS:  
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The tribunal will be composed of three judges and their role will include:

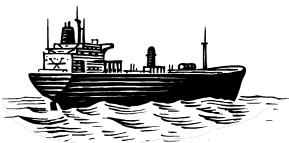
- setting criteria for their final decision
- write an unbiased opening statement with historical background on the Alberta oils sands and the global oil industry
- write out their decision

The tribunal must establish at least **six criteria** they will use to evaluate each presentation with. The evaluations will help the tribunal make their final decision regarding the issue. All students, within their defined groups, will come up with their own criteria. The stakeholder groups will give their criteria to the tribunal and the tribunal will create a final list of criteria that will be used in making their final decisions.



Watch **Crude Awakening** and takes notes with the following questions in mind:

- What is the history of the oil industry?
- What is the future of the oil industry? What is ‘peak oil’?
- How important is oil to industrialized countries like Canada and the United States?
- What are the limitations of oil as a source of energy?
- What impact is the world’s reliance on oil having on the environment?
- What are the political ramifications of oil at the local, provincial, federal and international levels?
- How is oil connected to war?



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