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Why Canada should become the world's next energy superpower

Highlights:

- Within this chaos, Canada stands at a historic moment with an open window of opportunity. The question before us is not whether energy demand will decline, but whether Canada will rise to meet the enduring and evolving needs of a world that is hungry for reliable, responsible energy.
- Let me be very clear here—the future will need more oil and natural gas. Over the last 35 years, the share of hydrocarbons in the global primary energy mix has hardly changed, from 85% in 1990 to about 80% today.
- In a world where some superpowers are weaponizing their energy abundance and looking for dominance, Canada can lead with reliability, trust, and responsibility.

Good morning and thank you for that introduction.

It's great to be back at the National Energy Roundtable here in Toronto. This is one of the country's premier gatherings of energy executives and the discussions here have an influence on Canada's energy future. And I want to take a moment to congratulate Jason Langrish and his team on the Roundtable's tenth anniversary—a significant milestone marking the ongoing importance of this forum to Canadians.

I really enjoyed the discussion the last two panel discussions—and I agree with most everything that was said—but for this session, I would like to "pull up" to 50,000 feet and provide an overarching frame on the "what" and the "why" behind everything we are talking about today.

As I stand here today, the world is undergoing massive changes at a pace not seen since perhaps the Industrial Revolution. Geopolitical upheaval from military conflicts and trade wars is rewriting the global order, potentially permanently.

At the same time, technological advancements in artificial intelligence and cloud computing are impacting every business in every industry around the modern world and changing the trajectory of energy demand.

Within this chaos, Canada stands at a historic moment with an open window of opportunity.

The question before us is not whether energy demand will decline, but whether Canada will rise to meet the enduring and evolving needs of a world that is hungry for reliable, responsible energy.

Traditional drivers continue to push up energy demand—population growth and the modernization of economies, particularly throughout the Global South.

In the Global North, the energy demand curve is changing rapidly and unexpectedly, driven by the push for more electrification and the development of data centres to enable the global implementation of artificial intelligence.

Driven by AI, the U.S. economy is projected to consume more energy in 2030 for processing data than what is consumed for manufacturing all energy-intensive goods combined, including aluminum, steel, cement and chemicals. [1]

And let me be very clear here—the future will need more oil and natural gas.

Over the last 35 years, the share of hydrocarbons in the global primary energy mix has hardly changed, from 85% in 1990 to about 80% today. [2]

Last year we reached record levels of demand and the world is on track to reach another record in demand for all sources again this year, and next. [3]

To emphasize the world's continuing need for conventional energy, a recently released report from the International Energy Agency estimates an average investment of $540 billion dollars each year is required globally until 2050 just to maintain current levels of oil and gas production. [4]

And two of the three IEA World Energy Outlook scenarios released last week show global oil demand staying over 100 million barrels for the foreseeable future. [5]

Eventually, developing economies will modernize and other sources of energy will continue to grow in supply. But this transition will be measured in multiple decades, not years.

We need to approach energy with an "addition" mindset, or an "all of the above" approach—rather than "replacement". Meaning that the continued growth in renewables will simply be stacked on top of the continued growth in conventional in order to meet the immense global demand for energy.

As demand for critical energy supplies rises, we are increasingly seeing countries, like China or Russia, or organizations like OPEC, use statecraft to control markets, coerce trade and dominate strategic resources.

Russia's invasion of Ukraine and the weaponization of their natural gas resources was the first time many countries were forced to think seriously about energy security.

It was no longer was OK to just consider availability and price—countries had to start considering who's supplying their energy.

OPEC, historically a stabilizing force for global oil prices, in recent years has acted against market dynamics. During COVID, OPEC and Russia flooded an oversupplied global market in a bid to push out U.S. shale producers, cratering prices into negative territory. [6]

Today, the consortium continues to undercut global oil prices by adding barrels to take back market share.

And the United States has taught us a valuable lesson: Canada must no longer rely on a single trading partner for our energy security and economic well-being.

For Canada, the new global order is not an abstract debate.

It is an urgent question: how should a resource rich and trade-dependent nation position itself in a world where economic FORCE, not market fairness, is setting the rules.

Yet Canada's posture continues to be passive, with our oil and natural gas exports still incredibly tied to one customer and sold at a discount.

Over the past 15 years, selling our oil at a discount to the U.S. has cost Canada's economy nearly $50 billion U.S. dollars. [7]

Frankly, growing our role as a global energy supplier is not just an opportunity for Canada, it is an obligation.

Our country has one of the largest, untapped energy reserves on the planet. We have hundreds of years of economically recoverable natural gas reserves, and oil reserves larger than Russia, yet we produce only about half of what they do. [8]

For these reasons, Canada can and should become the world's next energy superpower.

In a world where some superpowers are weaponizing their energy abundance and looking for dominance, Canada can lead with reliability, trust, and responsibility.

- In 2024 alone, the Trans Mountain expansion contributed an estimated **$10 billion in additional revenues to Canadian producers** by narrowing the differential between WCS and WTI crude prices. [9]

- By our own analysis at CAPP, we estimate that every full cargo of LNG that leaves Canada's pacific coast is **worth on average about $59 million.** Assuming about 3.5 ships a week, which is what LNG Canada expects at full capacity, that equals **over $200 million per week of export value** coming back to Canada. [10]

And with the recent listing of Ksi Lisims LNG and LNG Canada Phase 2 on the Major Projects list, along with Cedar and Woodfibre LNG which are under construction, Canada is on a path to become one of the top-five LNG exporters in the world. [11]

If we are successful, the potential benefits to Canadians are profound.

First, strengthening our sovereignty. Diversifying energy exports enhances our trade leverage and ensures full value for our resources. Oil and gas exports represented over 20 percent of our total trade value last year. [12]

Second, funding our military and national security. Over the past three years, the sector contributed nearly $95 billion in taxes and royalties. [13] Growing this sector is one of the fastest ways to generate revenues for defense and public services.

Third, advancing Indigenous economic reconciliation. Since 2017, over $5 billion in Indigenous equity positions have been taken in oil and gas projects. [14] This is not just participation—it is leadership. Canada is a global model for Indigenous partnerships in resource development.

Fourth, our goal of building the fastest-growing economy in the G7. The oil and gas industry supports nearly 900,000 jobs, contributes $74 billion to GDP, and leads all sectors in environmental protection investments. [15]

It is our ace in the hand to drive productivity, prosperity, and innovation.

So, let me conclude with a dose of realism.

To realize this vision, we must act decisively.

That means a material reset to streamline Canada's overly complex layers of regulations, accelerating approvals, and respecting provincial jurisdictions to give investors the regulatory certainty they need, and to make Canada a competitive destination for large-scale and long-dated capital again.

It means building the infrastructure to export our energy and ensuring we have the upstream production to fill it.

And it means federal and provincials governments must work together and resist falling into the old patterns that halted projects and drove away investment.

The federal government has recognized Canada needs to fix our regulatory environment and has sent signals that they are serious about becoming an energy superpower. Our moment is now—and we need to move from signals to tangible action with urgency.

Within the chaos being caused by an unpredictable U.S. administration, Canada can stand out as a trusted and reliable investment partner.

At this moment, we need a Team Canada approach to turn a crisis into an opportunity.

It will take setting short-term politics aside and looking at the map of Canada as a blank canvas to chart a path forward that leverages our strengths as a resource rich and talent-heavy nation.

The world needs more Canadian energy. The window of opportunity is open—but it will not remain so indefinitely.

If Germany can build three LNG import terminals in a year, and the U.S. can become the world's top LNG exporter in eight, then Canada can—and must—move with equal urgency.

Let us not squander this moment. Let us step forward with clarity, courage, and conviction. The future will need more energy—and more Canadian energy. Canadians are ready and industry is ready. Let's start building more, together.

Thank you.

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