

2018 Calgary Energy Roundtable

Wednesday, October 10th, Calgary Hyatt Regency

MC: **Tom Clark**, veteran journalist and Chair, Public Affairs and Communications, Global Public Affairs

7:30 am Registration. Continental breakfast will be available

8:00 am Welcome by **Jason Langrish**, President, The Energy Roundtable

8:05 am **Session 1: The energy outlook**

Capital spending to extract oil and gas will fall for a fourth straight year in Canada in 2018 to \$33.2 billion, down 12 per cent from 2017, with the biggest declines in the oil sands. Investors are wary of Canada due export pipeline constraints, lower commodity prices, higher taxes and an increasingly onerous regulatory environment, particularly compared to the US. But there are bright spots. Drilling techniques are making Canadian shale gas and tight oil plays highly competitive. Companies have been grinding down costs, including through new innovation-led efficiencies. A FID on a major LNG project and prices around \$55 US per barrel for the coming years would keep companies profitable, even if the champagne stays in the bottle. And while oil demand will keep expanding over the next five years (and be met mainly by the US), beyond 2023 energy supplies could become tight unless investment in new production rebounds from historic declines. Emerging from one of the worst slumps in modern history, the panel will draw on lessons learnt and provide perspectives on oil and gas going forward and what it means for the Albertan, and Canadian, economies.

- **Heather Christie Burns**, President & CEO, High Ground Energy
- **Todd Hirsch**, Chief Economist, ATB financial
- **Geeta Sankapannavar**, Co-Founder and President of Grafton Asset Management

Discussion led by: **Tom Clark**, Chair, Public Affairs and Communications, Global Public Affairs

8:50 am **Session 2: Oil and gas – Canadian and American perspectives**

US Energy Secretary Rick Perry implored energy industry leaders to embrace a new era of innovation enabled by fewer regulations, fossil-fuel development and Trump tax cuts. The revolution in U.S. shale oil has helped push global prices lower and battered Canada's energy industry in recent years, ending two decades of rapid expansion and job creation in the nation's vast oil sands. Now Canada is looking to its own shale fields to repair the economic damage. Canadian producers and global energy majors are increasingly exploring the Duvernay and Montney formations, which are said to rival the most prolific U.S. shale fields. Canada is the first country outside the United States to see large-scale development of shale resources. Panelists will share their perspectives on shale energy north and south of the border.

- **Ian Dundas**, President & CEO, Enerplus
- **Karl Johannson**, President, Gas Pipelines and Energy, TransCanada
- **Frank Cassulo**, President, Chevron Canada
- **Kevin Neveu**, President & CEO, Precision Drilling

Discussion led by: **Bill Marko**, Managing Director, Jefferies LLP (Houston)

9:45 am Networking break

10:15 am **Session 3: Financing and M&A trends in Canadian oil and gas**

In 2017, \$163 billion globally in upstream sector deals was 17% higher than the \$139 billion reached during 2016 and is also the highest annual outlay since 2014, the year the oil price first dropped in this current cycle. Canada's major oil sands transactions of 2017, as well as Enbridge's acquisition of Spectra Energy, feature prominently in the list of biggest deals by value. Going forward, there may be a decrease in big energy deals in Canada, as many of the larger foreign players pulled out of the market. Energy infrastructure may be an exception to this trend, with major oil and gas infrastructure projects underway to produce, transport or add value to the industry in 2018. While capital markets have remained relatively constrained for many industry participants during the low commodity price cycle, private equity has found successful opportunities to deploy capital in Canada and significant amounts of capital are still looking for opportunities at an attractive part of the cycle from a valuations standpoint. The panel will examine future trends in financing and M&A in the Canadian oil and gas sector.

- **Mike Freeborn**, Managing Director and Head, Energy Investment Banking, CIBC
- **Dave Harrison**, Managing Director, Head of Canadian Natural Resources, J.P. Morgan
- **Brian Boulanger**, President, ARC Financial Corporation

Discussion led by: **Chad Schneider**, Partner, Blake, Cassels & Graydon LLP

- 11:00 am A discussion on technology incubation with **Iggy Domagalski**, CEO, Tundra Process Solutions. Interviewed by **Jason Langrish**, President, The Energy Roundtable
- 11:20 am **Session 4: The disruption dividend – will tech truly transform the oil and gas industry?**
 Innovation isn't just about influencing existing business models in a positive and productive way. It's also about how to monetize new ideas. Oil and gas companies have struggled through price volatility and record production levels in recent years, often leading to massive cost-cutting efforts, reduced exploration, and layoffs. This has forced oil and gas companies to drastically rethink how they operate and identify innovative ways to improve transaction processing. In the wake of developments across IoT, blockchain and AI and machine learning in oil and gas, the potential for companies is enormous. The storage and usage of data in the extraction industries is growing at an exponential rate. The biggest contributor to this increase is the dramatic rise in importance of real-time data, applications and collaboration to optimize the performance of entire fields and across all operations. Panelists will exchange insight on new strategic and technological advances in oil and gas.
- **Nicole Deyell**, VP, Development & Unconventional Centre of Excellence, Progress Energy
 - **Mark Lesinski**, President & CEO, Canadian Nuclear Laboratories (tbc)
 - **Cory Bergh**, Vice President, Financial & Information Services, NAL Resources
 - **Glen McCrimmon**, Innovation Chief, Husky Energy
- Discussion led by: **Ross Manning**, Partner, Canadian Energy Industry, IBM Global Services
- 12:10 pm Luncheon. Keynote by **Andy Calitz**, CEO, LNG Canada: *The path to FID (invited)*
- 1:30 pm Electrification of Canada's Oil & Gas Industry with **Maureen Daschuk**, Senior Vice President, Integrated Planning, BC Hydro and **Keith Anderson**, Vice President, Customer Service, BC Hydro
- 2:00 pm **Session 5: Is this the year LNG moves forward in Canada?**
 Companies are pushing the limits of drilling, completion and production techniques, with one of the strongest positions in the Montney, a top North American resource play. Some companies are attempting to beat price discounts by selling to the Chicago area and U.S. Gulf for LNG export. But given that there is too much supply, LNG exports from Canada are essential. Longer term, many in the industry believe that global demand for LNG will outstrip supplies, which bodes well for Canadian gas if LNG exports move forward. Canada's LNG hopes sputtered in 2017 as Malaysia's Petronas cancelled its plans for a \$36-billion plant in BC. However, optimism remains that other projects will receive the green light in 2018; notably, LNG Canada and the Goldboro LNG project in Nova Scotia. Panelists will discuss if Canada can realize its potential and develop a robust ecosystem for exporting natural gas.
- **Dave Nikolejson**, Deputy Minister, Natural Gas, Province of British Columbia
 - **Victor Ojeda**, President, Steelhead LNG
 - **Alfred Sorensen**, Chief Executive Officer and Director, Pieridae Energy
 - **Charlotte Raggett**, Vice President, Midstream Business Development, Seven Generations Energy
 - **Japanese buyer** – speaker tbc
- Discussion led by: **Mungo Hardwicke-Brown**, Partner, Blake, Cassels & Graydon LLP
- 3:00 pm Close