



The Round-Up: November 9th 2006

Posted by [Stoneleigh](#) on November 9, 2006 - 3:38pm in [The Oil Drum: Canada](#)

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[Dinning favours nuclear power for oilsands](#)

Jim Dinning suddenly became the nuclear candidate Tuesday, promising the crowd at a Vermilion candidates' forum he would look at allowing a reactor plant to meet the oilsands' ballooning energy needs.

The perceived front-runner became the first Conservative leadership contender to publicly flirt with Alberta going nuclear, a controversial idea that retiring Premier Ralph Klein also recently warmed up to.

"We're wasting natural gas, and nuclear power's got to go on the list of energy sources to be considered to support the development of the oilsands," Dinning said, getting cheers from many in at Lakeland College's Vermilion campus theatre.

The oilsands' energy-intensive extraction and processing sucks up massive amounts of natural gas, a need which will grow as more megaprojects join the northern oil rush. While that happens, forecasters predict the Alberta's natural-gas production will peak.

[Alberta considers incentives for oil upgrading](#)

The Alberta government may introduce incentives to upgrade raw oil sands output in the province to discourage the product from being shipped to the United States for processing, according to Murray Edwards, vice-chairman of Canadian Natural Resources Ltd.

"There is the possibility as we move through the next decade, you may see government steps taken to encourage more upgrading to take place in Alberta," Mr. Edwards said at a luncheon during a company presentation to investors. "There may be an economic incentive ... to upgrade that oil in Alberta."....

....The question of upgrading in Alberta is becoming more heated every day. EnCana Corp. last month signed a major deal to export raw bitumen, and Husky Energy Inc. is looking to do the same, possibly with BP PLC as a partner. BP is spending \$3-billion (U.S.) at its Chicago refinery to handle much more bitumen and last week said it is also considering overhauls in Washington State and Ohio.

[Electricity might not make it off Bruce Power site; Province has to increase transmission capacity to take power it has agreed to buy](#)

Failure to move soon on new transmission capacity from Bruce Power could lock in

electricity from a \$4.2-billion retrofit at the site, chief executive officer Duncan Hawthorne warned Wednesday.

Terms of a long-term electricity supply contract struck last year between the Ontario Power Authority and Bruce Power may mean the province ends up paying for power that can't be delivered, Hawthorne said. Price guarantees in the deal led to the company renovating and restoring mothballed reactors at the Bruce A generating station...

...Transmission capacity from Bruce has been undersized since the completion of all eight reactors on the site almost 20 years ago. Current reactor refurbishing projects are designed to boost output from 4,700 to 6,200 megawatts....

...Bruce Power's supply contract requires the province to pay for undeliverable power. It's the flip side of built-in penalties for the company if it fails to meet delivery deadlines.



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