Research Article

POLITICAL BARRIERS TO CANADA'S CONTRIBUTION TO TRANS-ATLANTIC ENERGY SECURITY

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Canada is unlikely to play a meaningful direct role in trans-Atlantic energy security. Despite the presence of large energy reserves on Canadian territory, political barriers prevent the construction of energy export infrastructure oriented toward the Atlantic. These barriers include the special role of Quebec within the Canadian confederation, uncertainty over the treatment of GHG emissions in Canadian regulatory processes, and political influence over the impact assessment process.

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In August 2022, German Chancellor Olaf Scholz made a high-profile visit to Canada, flanked by an array of German CEOs. The central reason for the visit was to discuss how Canada could help shore up German energy security.[1] Following the Russian invasion of Ukraine, Germany's longstanding reliance on Russian natural gas had proven to be short-sighted. Canada was a promising option as Germany surveyed the world for alternate natural gas suppliers. Canada possesses enormous energy resources and an active energy industry. In June 2022, Scholz spoke with Canadian Prime Minister Justin Trudeau about the possibility of exporting LNG from Canada's East Coast on the sidelines of that year's G7 Summit.

Proved Canadian natural gas reserves are estimated at over 5,200 billion cubic meters,[2] enough to cover pre-invasion European gas consumption for 12 years. Canada produced 188 billion cubic meters of natural gas in 2022, making it the fifth-largest gas producer in the world after the United States, Russia, Iran, and China.

Unlike China and Iran, Canada is a member of several Western military, political, and economic institutions aligned against Russian aggression. Canada is a founding member of the North Atlantic Treaty Organization and the G7 group of major economies. Furthermore, Canada and the European Union approved the Comprehensive Economic and Trade Agreement in 2017, bringing Canada closer to Europe on trade. These factors should have helped ensure alignment with Germany and other European countries on energy security.

Despite these benefits, the German visit did not provide a path for Canada to become a strong energy security partner to Europe. Instead, the agreements that came out of the visit focused on long-term plans around the export of Canadian hydrogen and critical minerals.

While geography plays a role, political barriers are the main reason for Canada's limited participation in Trans-Atlantic energy security. The construction of major new energy infrastructure to bring Western Canadian energy to the Atlantic is hindered by three main factors: the politics of federalism in Québec, uncertainty about the treatment of emissions in regulatory processes, and the politicization of environmental impact assessments.

Canada's Current Role in Trans-Atlantic Energy Security

Canada currently plays a minor role in supplying energy to the European Union and

1) Prime Minister of Canada. 2022. "Chancellor of Germany Olaf Scholz to Visit Canada." 23 August 2022. https://www.pm.gc.ca/en/news/news-releases/2022/08/13/chancellor-germany-olaf-scholz-visit-canada

2) U.S. Energy Information Administration. 2024. "Country Analysis Brief: Canada". 30 May 2024. https://www.eia.gov/international/content/analysis/countries_long/Canada/pdf/Canada_FY2024.pdf

the United Kingdom, contributing around 1 percent of total EU oil supply and 3.6 percent of total UK oil supply. Most of Canada's oil exports to the European Union and the United Kingdom are sourced from offshore oil fields in Newfoundland and Labrador, which in 2023 produced just over 200 thousand barrels per day of crude oil.[3]

Total EU oil consumption stood at around 331 million metric tons in 2022.[4] According to Eurostat data, Canada exported around 3.4 million metric tons of crude oil and petroleum products[5] to the European Union in 2020. For comparison, the United States exported more than 52 million metric tons of oil to the European Union in the same year. Canada has a larger role in the United Kingdom, contributing around 1.8 million metric tons of the UK's 50.1 million tons of total supply in 2023.[6]

Infrastructure constraints limit the role of Western Canada's vast oil fields in Trans-Atlantic energy security. Canada's incumbent crude oil export pipeline system is primarily meant to supply the U.S. Midwest. Today, the only route for Western Canadian oil to reach the Atlantic is via American pipelines to the U.S. Gulf Cost.

Canada does not export electricity to Europe due to the cost and technical difficulty of laying submarine power cables across the Atlantic. Canada also does not export natural gas to Europe, since it lacks the infrastructure to transport Western Canadian natural gas to the Atlantic, liquefy it, and ship it across the ocean.

The Case of Énergie Saguenay

The Énergie Saguenay LNG project's fate illustrates the barriers preventing Canada from playing a larger role in Trans-Atlantic energy security. Énergie Saguenay was a natural gas liquefaction facility and export terminal proposed by the company GNL Québec near Saguenay, Québec. The facility would have had a production capacity of 10.5 million metric tons of LNG per year, equivalent to around 14.3 billion cubic metres of natural gas, sourced from Western Canada through a 780-kilometre pipeline connected to the Trans-Canada gas pipeline.

The project aimed to export Canadian natural gas to Europe,[7] and the project seemed

3) Government of Canada, Canada Energy Regulator. 2024. "CER – Provincial and Territorial Energy Profiles – Newfoundland and Labrador." 10 September 2024. https://www.cer-rec.gc.ca/en/data-analysis/energy-markets/provincial-territorial-energy-profiles/provincial-territorial-energy-profiles-newfoundland-labrador.html

4) EuroStat. 2024. "Oil and petroleum products - a statistical overview". 15 April 2024. https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Oil_and_petroleum_products_-_a_statistical_overview

5) Eurostat. 2024. "Imports of oil and petroleum products by partner country". 27 July 2024. https://ec.europa.eu/eurostat/databrowser/view/NRG_TI_OIL__custom_2062566/bookmark/table?lang=en&bookmarkId=4317bdd7-0b35-43e9-a56e-38c5a7545ab8

6) "Energy Trends: UK Oil and Oil Products." 2024. GOV.UK. 26 September 2024. https://www.gov.uk/government/statistics/oil-and-oil-products-section-3-energy-trends

7) LNG Prime Staff. 2021. "Germany's Hanseatic Plans to Import Canadian LNG." LNG Prime. 4 June 2021. https://lngprime.com/americas/germanys-hanseatic-plans-to-import-canadian-lng/21635/

like an excellent fit for European energy security. In 2013, when the project was first proposed, Europe imported most of its LNG from three countries: Algeria, Nigeria, and Qatar.[8] The three countries posed energy security concerns for Europe: Algeria over the diplomatic status of the Western Sahara, Nigeria with its industry's intermittent outages, and Qatar because of its often-tense relations with its neighbors. Canada, by comparison, is a stable Western democracy.

Énergie Saguenay was planned to be built on industrial land in the Port of Saguenay, a deepwater port servicing dozens of commercial ships per year[9] exporting bulk commodities to Europe. The port is close to major road infrastructure and has a skilled local industrial workforce owing to the local forestry and aluminum industry. From a climate perspective, GNL Québec made efforts in its plans to reduce emissions, including the unusual step of using hydroelectric power to run its liquefaction units rather than natural gas.

Most importantly, the project had received the political support of the Government of Québec. In the years between 2015 and 2017, Québec offered a series of investment incentives including a special industrial rate on electricity, accelerated land sales, preferential tax treatment, and eventually offers to invest in the project in 2016, 2017, and 2020. The Québec government voiced public support for the project. In February 2020, Coalition Avenir Québec (CAQ) leader and Québec Premier François Legault affirmed his view that the project would bring net environmental benefits: «Si on réussit à remplacer un certain nombre de ces usines au charbon par des usines au gaz liquéfié, on va réduire les GES, ça va aider la planète.[10]» [If we succeed in replacing a certain number of these coal-fired plants with liquefied gas plants, we will reduce GHGs, it will help the planet.]

However, in December 2020, the Government of Québec pulled funding for Énergie Saguenay. In March 2021, citing a critical report from environmental impact assessment agency Le Bureau d'audiences publiques sur l'environnement (BAPE), Québec Environment Minister Benoit Charette indicated that the project did not meet three conditions: social acceptability, promoting the energy transition, and contributing to GHG emissions reductions. Then, in July 2021, the project was formally rejected by the Government of Québec.[11] This decision was followed

8) Victoria Zaretskaya, Chris Peterson, and Warren Wilczewski. 2022. "Three Countries Provided Almost 70% of Liquefied Natural Gas Received in Europe in 2021 - U.S. Energy Information Administration (EIA)." 22 February 2022. https://www.eia.gov/todayinenergy/detail.php?id=51358

9) Port of Saguenay. 2023. "2022 Annual Report". N.d. https://portsaguenay.ca/donnees/protected/rapport/files/Port%20Saguenay%20Rapport%20Annuel%20Anglais_LR%284%29.pdf

10) Carabin, François. 2021. "GNL Québec: Des Citations Qui Prouvent Que Le Gouvernement a Complètement Changé D'idée." Le Journal De Québec, 21 July 2021. https://www.journaldequebec.com/2021/07/21/gnl-quebec-des-citations-qui-prouvent-que-le-gouvernement-a-completement-change-didee-1

11) Jacob Serebrin, The Canadian Press. 2021. "Quebec Rejects $14B Natural Gas Project in Saguenay Over Environmental Issues." Global News, 21 July 2021. https://globalnews.ca/news/8048493/quebec-rejects-14b-natural-gas-project-saguenay/

by another critical report from the Federal environmental impact assessment body, the Impact Assessment Agency of Canada (IAAC), and subsequent formal rejection by Federal Environment Minister Stephen Guilbault[12] in February 2022.

In 2023 the U.S.-based parent of GNL Québec filed a request for international arbitration with the World Bank's Institution of Conciliation and Arbitration Proceedings. The company accused the Canadian Government of violating the foreign investment safeguards in NAFTA. In the request, the company claimed that the environmental review process involved "improper intervention of Québec politicians at the highest levels", which interrupted the normal regulatory work of BAPE with a set of last-minute regulatory changes aimed at "supplying the government with motives to refuse the Project it no longer wished to approve".[13]

Unfortunately for GNL Québec, politics had shifted against the project. As Énergie Saguenay moved through the regulatory process, a coalition of local opposition groups, Indigenous groups and environmental NGOs rallied public opposition. In December 2020, a Leger poll found that 46 percent of respondents were opposed to the project, while 33 percent were in favour.[14] All Québec opposition parties, including the Liberal party which initially attracted the investment, soon came out against Énergie Saguenay. With an election set for October 2022, the CAQ decided that the local economic benefits were not worth the political damage of allowing the project to proceed.

The Role of Politics in Permitting Canadian Energy Infrastructure

The chain of events surrounding Énergie Saguenay highlights the current toxic politics surrounding new energy infrastructure in Canada, and the ensuing effect on regulatory processes. The unique place of the Province of Québec in the Canadian confederation, uncertainty about how emissions outside of the control of the project affect regulatory decision-making, and the politicization of Canadian environmental assessment processes all function as barriers to this infrastructure. These barriers limit Canada's ability to contribute to the energy security of our trans-Atlantic allies and partners.

For historical reasons, Québec holds a special place among the provinces of Canada.

12) Impact Assessment Agency of Canada. 2023. "Government of Canada Releases the Final Decision on the Énergie Saguenay Project." Government of Canada, 8 June 2023. https://www.canada.ca/en/impact-assessment-agency/news/2022/02/government-of-canada-releases-the-final-decision-on-the-energie-saguenay-project.html

13) International Centre for the Settlement of Investment Disputes. 2023. "Ruby River Capital LLC. V. Canada". World Bank Group. 17 February 2023. https://icsidfiles.worldbank.org/icsid/ICSIDBLOBS/OnlineAwards/C11097/DS18460_En.pdf

14) Patrice Bergeron. 2020. "Québec ne fait « aucun effort » pour favoriser le projet". La Presse, 2 December 2020. https://www.lapresse.ca/actualites/politique/2020-12-02/sondage-sur-gnl-quebec/quebec-ne-fait-aucun-effort-pour-favoriser-le-projet.php

Francophone nationalism is a powerful force in Québec. Starting with the Quiet Revolution in the 1960s, Québecois society has increasingly exerted its autonomy from Anglophone Canada. Today, the explicitly sovereigntist Provincial and Federal political parties, the Parti Québécois and the Bloc Québécois, are powerful forces in Canadian politics. As a result, while the Federal government may act with more force on energy policy elsewhere such as when it pushed forward with the Trans Mountain pipeline despite opposition from the Government of British Columbia,[15] it acts with caution on matters which may inflame tensions in Québec.

The structure of Québec's energy system is equally important. Owing to its distance from productive natural gas reservoirs, Québec does not have an extensive natural gas grid. Heating in Québec is instead mostly baseboard electric heaters and diesel-fueled furnaces.[16] This is why Énergie Saguenay required a 780-kilometer pipeline to connect to Ontario's natural gas grid. With little incumbent infrastructure and no way to avoid going through Québec, the province can effectively veto Western Canadian energy reaching the Atlantic.

A second major political barrier is uncertainty over treatment of emissions in major projects because of influence over regulatory processes by Canadian and international environmental non-governmental organizations (ENGOs). Canada is home to a powerful set of such organizations, including Équiterre, the David Suzuki Foundation, Greenpeace Canada, and the Québec Association of Physicians for the Environment. These organizations quickly organized in resistance to the Énergie Saguenay project and its associated pipeline, spreading similar messages about the negative impact on the climate, as well as highlighting the impact on local wildlife such as beluga whales. The groups[17] collectively[18] proposed[19] that the project should be responsible not only for the direct emissions from its operations but also upstream emissions from natural gas production in Alberta and downstream emissions from combustion of the natural gas in Europe and elsewhere. The inclusion of Scope Three

15) Lindsay, Bethany. 2019. "B.C. Premier Disappointed by Approval of Trans Mountain Expansion." CBC, 19 June 2019. https://www.cbc.ca/news/canada/british-columbia/trans-mountain-decision-bc-reaction-1.5180363

16) Government of Canada, Statistics Canada. 2022. "Primary Heating Systems and Type of Energy." 12 December 2022. https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=38100286012

17) "Quebec Climate Wins - David Suzuki Foundation." 2022. David Suzuki Foundation. 21 September 2022. https://davidsuzuki.org/story/quebec-climate-wins/#:~:text=Getting%20out%20of%20GNL/Gazoduq,Thank%20you

18) Loujain Kurdi, 2020. "What GNL Québec Is and Why You Must Block the Project. - Greenpeace Canada." Greenpeace Canada. 28 July 2020. https://www.greenpeace.org/canada/en/press-release/41055/what-gnl-quebec-is-and-why-you-must-say-no-to-it/

19) Equiterre. 2019. "GNL Québec – What You Need to Know" 11 April 2019. https://www.equiterre.org/en/articles/news-gnl-quebec-what-you-need-to-know

emissions was a major area of focus[20] in ENGO submissions[21] to environmental impact assessment bodies.

The influence of ENGOs is obvious in the Impact Assessment Agency of Canada report rejecting the Énergie Saguenay project. On page 38 of the final impact assessment report, the IAAC highlighted the role of ENGOs in expanding consideration of Scope Three GHGs.[22] It is best practice to restrict impact assessments to the direct impacts of a project, including the project's direct greenhouse gas emissions and local environmental and sociological impacts in the area. The reason for this is to reduce regulatory burden in the spirit of "one project, one assessment."[23] Consideration of Scope Three emissions will inevitably hold each project as responsible for the environmental impacts of the entire supply chain and subject every project to dozens of environmental impact assessments.

Regardless, in 2016 the Canadian Federal Government introduced new guidance on environmental impact assessment which required assessment of upstream GHG emissions.[24] As a result, upstream emissions from natural gas production – a factor completely out of the control of GNL Québec – are considered in the final IAAC report. On page 48 of its report, the IAAC concludes that the project would represent 10 percent of Québec's greenhouse gas emissions.[25] These emissions are not in Québec; instead, they are located mostly in Alberta and British Columbia. In October 2023 the Supreme Court of Canada found that the Impact Assessment Act was unconstitutional,[26] because IAAC impact assessments interfered with Provincial jurisdiction over energy. The courts are currently considering the impact on this ruling on IAAC upstream emissions assessments.

Further, the IAAC report also analyzed downstream greenhouse gas emissions from the

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20) Equiterre. 2020. "Dévelopment de l'industrie de gaz fissile: comment investor dans le passé". October 2020. https://registrydocumentsprd.blob.core.windows.net/commentsblob/project-80115/comment-55940/equiterre_bape_energiesaguenay.pdf

21) Greenpeace Canada. 2020. "GNL Quebec: à quel prix?" October 2020. https://registrydocumentsprd.blob.core.windows.net/commentsblob/project-80115/comment-55991/d70492d4-22.10.2020_me%CC%81moire-sur-gnl-que%CC%81bec_-version-finale-fr.pdf

22) Government of Canada, Impact Assessment Agency of Canada. 2021. "Energy Saguenay Project Environmental Assessment Report". November 2021, 2.

23) Government of Canada, Impact Assessment Agency of Canada. 2022. "Cooperative Impact Assessments". Government of Canada. 26 January 2022. https://www.canada.ca/en/impact-assessment-agency/corporate/acts-regulations/legislation-regulations/cooperative-impact-assessments.html

24) Government of Canada, Natural Resources Canada. 2016. "Government of Canada Moves to Restore Trust in Environmental Assessment". 27 January 2016. https://www.canada.ca/en/natural-resources-canada/news/2016/01/government-of-canada-moves-to-restore-trust-in-environmental-assessment.html

25) Government of Canada, Impact Assessment Agency of Canada. 2021. "Energy Saguenay Project Environmental Assessment Report". November 2021. https://iaac-aeic.gc.ca/050/documents/p80115/142710E.pdf

26) Maureen Killoran, Sander Duncanson, Brodie Sutherland, Sean Naga, Ankita Gupta and Marleigh Dick, 2023. "Supreme Court of Canada finds the federal Impact Assessment Act unconstitutional". Osler Hoskin & Harcourt LLP. 13 October 2023. https://www.osler.com/en/insights/updates/supreme-court-of-canada-finds-the-federal-impact-assessment-act-unconstitutional

Énergie Saguenay project, even though the Canadian Federal Government explicitly does not require assessment of downstream GHG emissions.[27] Emissions from burning the natural gas are the responsibility of the country where the natural gas is burned,[28] according to the UN Paris Agreement.

In its analysis, the IAAC argues that the Énergie Saguenay project would contribute to higher global GHG emissions. In coming to this conclusion, on page 42 the IAAC cites the International Energy Agency's 2021 Net Zero Emissions Roadmap's claim that no additional oil and gas infrastructure would be necessary in a net-zero emissions world.[29] It is unclear why the IAAC would use IEA Net Zero modeling in its analysis, since the IEA has said explicitly that Net Zero modeling is aspirational, and blocking oil and gas infrastructure before demand falls is a recipe for an energy security crisis.[30]

The IAAC concludes by stating that downstream emissions from Énergie Saguenay are outside of the scope of the analysis, raising the question of why this was analyzed, and how this analysis affected decision-making in the IAAC. This is especially concerning given the extent to which the IAAC followed the lead of Québec's BAPE, even quoting the Quebec regulator's position that "the implementation of new natural gas exchange infrastructure could be an obstacle to the energy transition in the markets targeted by the participant".[31]

A third, related issue concerns the transformation of environmental impact assessments from a regulatory process into a political process. The legislation that established the Impact Assessment Agency of Canada in 2019 dramatically broadened political decision-making in regulatory processes. The previous environmental impact legislation ensured that decisions would only be delegated to cabinet-level officials in cases where significant adverse effects were considered likely.

The 2019 Impact Assessment Act reallocated decision-making away from the regulatory body and towards the Minister of Environment and Climate Change. Under the current processes, if the IAAC finds any adverse effects, then the final decision is given to political actors to determine whether the project is in the "public

27) Government of Canada, Service Canada. 2020. "Strategic Assessment of Climate Change." Government of Canada. 6 October 2020. https://www.canada.ca/en/services/environment/conservation/assessments/strategic-assessments/climate-change.html

28) United Nations. 2016. "Paris Agreement". 14 March 2016. https://treaties.un.org/doc/Treaties/2016/02/20160215%2006-03%20PM/Ch_XXVII-7-d.pdf

29) Government of Canada, Impact Assessment Agency of Canada. 2021. "Energy Saguenay Project Environmental Assessment Report". November 2021. https://iaac-aeic.gc.ca/050/documents/p80115/142710E.pdf

30) Bordoff, Jason and McNally, Robert. 2024. "Recapping a (Respectful) Dialogue About IEA Analysis". Columbia University Center on Global Energy Policy. 22 March 2024. https://www.energypolicy.columbia.edu/recapping-a-respectful-dialogue-about-iea-analysis/

31) Government of Canada, Impact Assessment Agency of Canada. 2021. "Energy Saguenay Project Environmental Assessment Report". November 2021. https://iaac-aeic.gc.ca/050/documents/p80115/142710E.pdf

interest".[32] This effectively establishes political veto power over all major projects in Canada.

Additionally, the 2019 Impact Assessment Act dramatically expanded participation rights for intervenors. Whereas the previous legislation limited participation in hearings and review panels to people directly affected by the project or with special subject matter expertise, the current legislation eliminated these limits. As a result, people and organizations from across Canada have standing to give their opinions on any major project,[33] regardless of the relevance of their input. As a result, the regulatory process has been transformed into a platform for ENGOs to grandstand their broad policy positions.

The problem with politicization of this process is obvious: as Énergie Saguenay demonstrates, the politicization of approvals makes planning for major projects impossible. The political atmosphere can whipsaw remarkably fast, introducing a level of investment uncertainty that will dissuade any investor. Since the new legislation was enacted, just one project has been approved by the IAAC,[34] Cedar LNG on Canada's West Coast – a relatively small project with indigenous ownership.

In summary, the political role of Québec within Canadian federalism complicates the construction of energy infrastructure throughout the province. In addition, the expansive treatment of emissions in regulatory assessment closes the door on most major projects. And finally, the politicization of the environmental impact assessment process introduces enormous uncertainty into investment, undermining energy system planning.

What About Hydrogen?

The European Union often cites hydrogen produced through the electrolysis of water with renewable energy as a central pathway for decarbonizing its heavy industry. In 2022, Canada and Germany signed a non-binding declaration of intent for Canada to begin exporting Canadian hydrogen to Germany beginning in 2025. This is unlikely to be an important development for trans-Atlantic energy security.

The global hydrogen market has been disappointing. The Oxford Institute for Energy

32) Bishop, Grant and Sprague, Grant. 2019. "A Crisis of Our Own Making: Prospects for Major Natural Resource Projects in Canada". CD Howe Institute. February 2019.
https://www.cdhowe.org/sites/default/files/2024-01/Commentary_534.pdf

33) Kai Alderson, Bridget Gilbride, Emile Bundock, and Stephanie Sanger. 2019. "The New Federal Impact Assessment Act". Fasken LLP, 28 August 2019.
https://www.fasken.com/en/knowledge/2019/08/the-new-federal-impact-assessment-act

34) Heather Exner-Pirot, 2024. "Canadian Competitiveness in Resource Development – a Post-Mortem". Macdonald-Laurier Institute. 3 May 2024. https://macdonaldlaurier.ca/canadian-competitiveness-resource-development-post-mortem-heather-exner-pirot-commentary/

Studies estimates that European green hydrogen demand may reach 2-3.8 million metric tons by 2030,[35] far below the 20 million metric ton EU target. As a result, many planned green hydrogen production facilities have been scaled back or canceled.[36]

This creates problems for Canadian hydrogen export. World Energy GH2 plans to produce around 0.2 million metric tons of hydrogen per year from its project in Newfoundland, and EverWindFuels plans to produce a similar amount from its project in Nova Scotia. It is questionable whether these two projects will be able to compete in the small European green hydrogen market, given the high costs of converting the hydrogen to ammonia, shipping this ammonia to Europe, and then re-converting the ammonia back into hydrogen.[37] It will almost certainly be cheaper for the EU to manufacture its own hydrogen closer to home.

For comparison, Énergie Saguenay's capacity of 10.5 million metric tons of LNG is equivalent to more than 15 times the combined energy export capacity of the two planned Canadian green hydrogen and ammonia projects.

Concluding Remarks

Canada plays a small role in trans-Atlantic energy security. If Equinor's Bay du Nord project proceeds, Canada's role in European oil markets could grow by up to 200 thousand barrels per day,[38] a significant but still relatively minor role. Canada is unlikely to play a role in European green energy. Engineering and cost hurdles will block trans-Atlantic trade of electricity and hydrogen.

Canadian oil and natural gas in the provinces of Alberta, British Columbia, and Saskatchewan are unlikely to play a major direct role in trans-Atlantic energy security in the short to medium term. Political barriers to building energy infrastructure in the Atlantic will prevent Canadian energy from flowing to Europe. The combination of Québec's special place in the Canadian confederation, uncertainty around the treatment of GHGs in regulatory processes, and the politicization of the impact assessment process undermine Canada's ability to assist our Trans-Atlantic allies and partners on energy security.

35) Martin Lambert, Alex Barnes, Andrei Marcu, Olivier Imbault, Adithya Bhashyam, Martin Tengler, Chiara Cavallera, and Gabrielle Romeo, 2024. "2024 State of the European Hydrogen Market Report". June 2024. https://www.oxfordenergy.org/wpcms/wp-content/uploads/2024/06/2024-State-of-the-European-Hydrogen-Market-Report.pdf

36) Will Mathis, 2024. "Green Hydrogen Hype Fades as High Costs Force Project Retreat ". Bloomberg. 3 October 2024. https://www.bloomberg.com/news/articles/2024-10-03/green-hydrogen-hype-fades-as-high-costs-force-project-retreat

37) Michael Liebreich, 2022. "The Unbearable Lightness of Hydrogen". BloombergNEF, 12 December 2022. https://about.bnef.com/blog/liebreich-the-unbearable-lightness-of-hydrogen/

38) Ashok Dutta, 2023. "Equinor unveils drilling program for 200,000 b/d Bay du Nord Canadian oil project". S&P Global Commodity Insights, 14 August 2024. https://www.spglobal.com/commodityinsights/en/market-insights/latest-news/oil/081423-equinor-unveils-drilling-program-for-200000-bd-bay-du-nord-canadian-oil-project

Despite the lack of direct trans-Atlantic energy trade, Canada nevertheless plays a crucial role in global energy security. Canada supplies enormous quantities of oil and natural gas to the United States. With the assurance provided by Canadian energy, the United States can leverage its impressive trading infrastructure in the Gulf of Mexico to export LNG and oil. Most of these exports are destined for Europe[39] and have played a central role in allowing Europe to extricate itself from Russian energy. With the opening of the Trans Mountain Pipeline earlier this year and next year's planned opening of LNG Canada, energy from Western Canada will solidify the energy security of Canada's partners and allies in Asia, and, through them provide greater stability and certainty to global energy security.

39) Matthew French, 2024. "U.S. crude oil exports reached a record in 2023". U.S. Energy Information Administration, 18 March 2024. https://www.eia.gov/todayinenergy/detail.php?id=61584