



Edmonton main staging area

Average daily transport is 30 to 35 trucks per day, most heading north

Whatever goes up must eventually come down ... just not necessarily in the same form. That's ultimately the case when the materials needed to help in the development of the rich natural resources of Canada's north depart Edmonton only to be returned in the form of oil and gas.

Virtually all items needed by big industry are transported from Edmonton, including the odd tire or two.

-File photo

"There are two kinds of transport," says Alain Moore, spokesperson for Syncrude. "There is operational support, which is the day-to-day necessities, and there are deliveries for our expansion projects."

Either way, Edmonton acts as a kind of staging area for cargo sent in from abroad.

"We have peaks and valleys, but the average day-to-day transport is between 30 and 35 truckloads per day," says Moore. "Most of those loads travel north via Edmonton."

"We'll get shipments from the west coast and the east coast, and we consoli-

date them in Edmonton before we bring them up. Edmonton is our transportation hub."

However, those shipments from abroad are the proverbial drop in the bucket compared to what the Edmonton area actually produces.

"Syncrude has a commitment to purchase goods and services from local companies first," says Moore, explaining that Wood Buffalo region businesses are looked at first, but after that, Edmonton is where the region goes next.

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"Our business volume in Edmonton and area alone in 2003 was \$1.4 billion, while the rest of Alberta was \$1.3 billion."

When the total bill for goods and services for Syncrude is added up, Edmonton and area accounted for nearly half of the \$3.3 billion total.

Capital gets the capital

"Our expansion projects not only benefit the Wood Buffalo region, where we are, but Edmonton," says Moore.

"Edmonton is the biggest centre so we spend the majority of our Alberta capital expenditure in there."

"The Edmonton and Fort McMurray economies are tied together."

The situation is no different for Suncor, another big player in the oilsands.

"Eighty per cent of our \$3.4 billion capital budget for our Millennium oil sands expansion was spent in Alberta, with the majority coming from Edmonton," says Brad Bellows, Suncor spokesperson, adding no load is too large.

"We just finished moving our second 88 metre-long, 972,000 lb. coker drum from Edmonton."

"They are loaded by five to seven super heavy-duty tractors, some pulling, some pushing, and they take about a week to deliver, weather permitting. It has to be done while there is still frost in the ground to help support the

load."

A third piece of the puzzle is on the way to help Suncor's expansion designed to increase oil production capacity to 350,000 barrels per day in 2008.

As that oil is wrung out of the oilsands, the trip back to Edmonton is a little different, as the vast network of pipelines right back to Edmonton takes over.

"Our pipeline is the most cost-effective, safe and efficient way to move our product to market," says Moore of the Alberta Oil Sands Pipeline, controlled by Pembina Pipelines.

Edmonton is Alberta's refinery hot-spot supported by Endbridge, PetroCanada, Strathcona, Trans Mountain and Shell Scotford.

In all directions

"There is a tremendous pipeline network heading to the local refineries in Edmonton."

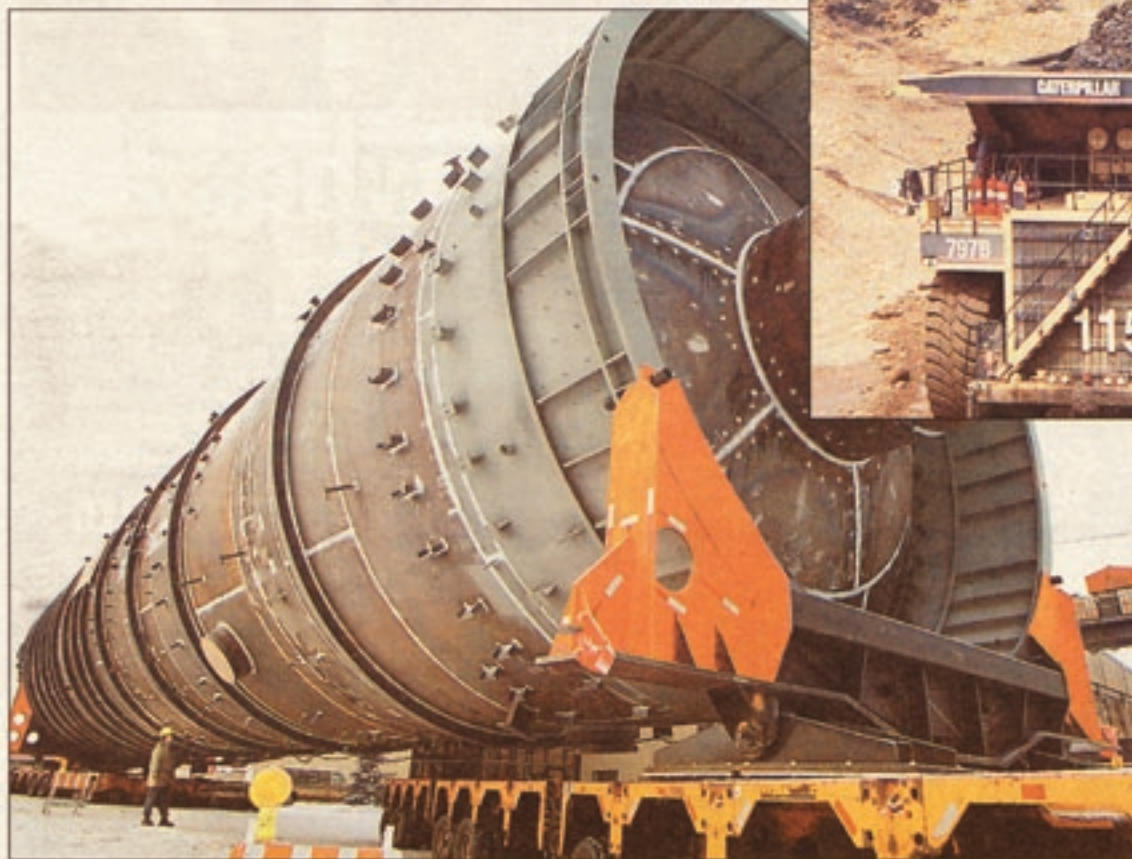
From there, refined oil is sent on a new stretch of pipeline headed for the United States.

"The Enbridge line heads down into Hardisty and heads off to the lakehead and into Ontario," says Ken Bills, supervisor of business development for Pembina Pipelines.

"Terasen has the Express pipeline that heads down into the midwest states via Milk River."

"It all starts in Edmonton."

-MICHAEL BROWN



ABOVE: A heavy hauler pulls away from a hydraulic shovel at the Muskeg River oilsands mine site in this June, 2003 file photo, north of Fort McMurray. **LEFT:** Mechanic Richard Chatterley (lower left) is dwarfed by a Coker Fractionator weighing 400 tonnes and measuring 37.5 feet tall and 250 feet long as it sits on a trailer at Dacro Industries (9325-51ave) in this February, 2003 file photo. The coker was built by Dacro and transported by Premay Equipment to the Syncrude Oil Sands UE-1 Project in Ft. McMurray, Alberta.