

Collaboration in motion

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Collaboration is the heart of innovation and progress, particularly in the evolving energy sector. While the sector typically focuses on tangible issues – including decarbonization, the rise of micro-vehicles and the growing demand for natural gas – it’s crucial to factor in the importance of culture, talent, communication and behavior to its future.

Collaboration, however, can be a difficult proposition.

Canadian Oil Sands Innovation Alliance (COSIA)

Canada’s oil and gas industry made considerable headway in this regard with the formation of Canada’s Oil Sands Innovation Alliance (COSIA) in 2012. Today, COSIA’s membership accounts for over 90 per cent of oil sands production in the country.

The organization’s vision, as stated on its website, is to “enable responsible and sustainable growth of Canada’s oil sands while delivering accelerated improvement in environmental performance through collaborative action and innovation.” More specifically, COSIA aims to:

- produce oil from the oil sands with lower greenhouse gas emissions than other sources of oil
- reduce the footprint intensity of oil sands mining on land and wildlife
- improve the management of oil sand tailings
- reduce water use and increase water recycling rates

The organization’s ongoing initiatives include:

- exploring the use of carbon capture and storage options to divert carbon dioxide underground before it reaches the atmosphere, including a pilot project that engages algae to reduce GHG while producing valuable products
- collaborating with other stakeholders to release a comprehensive review of technologies that will accelerate tailings treatment
- investigating steps to reduce freshwater use intensity by 50 per cent and the net water use intensity from the Athabasca River and its tributaries by 30 per cent, both by 2022

By joining COSIA, members commit to achieving these goals by sharing experience and intellectual property with other members. As of July 2018, according to a report prepared by the Canadian Association of Petroleum Producers, the organization's members had shared 981 distinct technologies and innovations that cost more than \$1.4 billion to develop.

Finally, with the announcement from Alberta Premier Jason Kenney's new United Conservative Party government that it intends to replace the province's carbon tax government with a Technology Innovation and Emissions Reductions program for large industrial emitters, innovation in Alberta's oil and gas industry appears to be gaining traction.

According to Graeme Edge, co-founder of Energy Disruptors Unite, the sector is still not collaborating enough.

"For example, smaller companies frequently take a very different approach from the multinationals," Edge says. "Many bigger players say carbon pricing is a critical component of reducing emissions and a vital part of the social license to operate, while small and mid-cap companies see it as a cost to business."

The lack of alignment has contributed to the misperceptions regarding Alberta's oil and gas industry and its role in climate change.

Creating trust in energy

"If we're going to move the needle on the way the public perceives the sector, we're going to have to communicate with a much more unified voice that speaks about emotions and value instead of just facts and data," Edge says. "In the end, the average consumer just wants to know that we share his or her value of supporting economic growth while reducing the world's environmental footprint."

Mark Little, president and CEO of Suncor Energy Inc., says that his company tries to achieve that by "talking about who we want to be and how we can contribute to society – by creating trust in energy while caring for people's lives."

Still, the message can't be uniform around the globe.

BLG's [Richard Eisenbraun](#) notes that different jurisdictions have different needs, which can result in disparate energy sources, pricing and levels of efficiency. "The signals we're sending out need to be curated carefully," he notes.

Internal alignment aside, the greater challenge may be getting traditional oil and gas companies to collaborate with producers of other forms of energy.

"It's not easy to work with others if you see them as a huge threat to your survival," Edge says. "But that kind of collaboration presents a huge opportunity, which in turn starts with culture change."

Focusing on inclusiveness

To that end, forward-looking companies should focus on opportunities to collaborate.

“Relationships with startups is essential, as is reaching out to new technologies,” Edge says. “So are initiatives like better connectivity to the transportation sector and other service suppliers as well as a better understanding of the kind of talent required in our industry in these times.”

BLG’s [Kent Howie](#) says inclusiveness is the key.

“When I’m thinking about collaboration, I ask myself ‘What can my client do that someone else can’t, and what can someone else do that my client can’t?’” he says. “The trick is to bring as many people as possible into the tent and when you’ve got them there, take them as you find them and make sure you satisfy their values as well as your own.”

The approach seems particularly apt in the case of social license collaboration.

“It’s no longer a case of approaching an Indigenous group, telling them what is going to happen and asking them what we can do for them,” Howie says. “Rather, the approach is, ‘This project will not be built without you or your cooperation.’”

Interacting and sharing in value creation

According to Arno van den Haak, Head of worldwide business development oil & gas at Amazon Web Services, the ultimate goal is to “create a network of peers in which the participants interact and share in value creation.”

Gregory John, vice-president of Indigenous relations at Project Reconciliation, endorses that view.

“Equality through partnership rather than consultation is the path that provides the greatest advantages of sharing,” he said.

BLG’s [Brad Pierce](#) believes that Alberta’s oil & gas industry is now ready for an expanded approach to collaboration, something it may not have fully accepted in the past.

“However, we need to change the narrative by emphasizing the social license advantages our resources have over other producers in the world, and that we should be a preferred source of those resources because we’re making the effort to change things,” he notes. “But I’m concerned that those leading the debate are sending us in the wrong direction and wasting energy, resources and time the planet doesn’t have by simply saying that the sky is falling and not offering a solution towards which we can all work together.”

Clearly, the time to change the message is now.

According to New York Times best-selling author Malcolm Gladwell, “If you have an authentic story to tell, there’s never been a better time in history to tell it.”

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