



The Round-Up: October 24, 2008

Posted by [Sam Foucher](#) on October 24, 2008 - 10:41am in [The Oil Drum: Canada](#)
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[Petro-Can may scrap Fort Hills upgrader to cut costs](#)

...Petro-Canada's partner, UTS Energy, estimated deferring the upgrader would cut costs of Fort Hills by about half, to the \$13-billion to \$15-billion range. "Due to several factors including costs, current commodity, equity and credit market conditions, the partners are considering deferral of any decision to construct the upgrader," UTS said in a statement. Petro-Canada, the country's third-largest oil company, said in September that costs at Fort Hills, located roughly 90 kilometres north of Fort McMurray, Ab., had ballooned between 50% and 60% to more than \$23-billion through the last year....

[Suncor could cut plans further if price slump persists](#)

CALGARY -- Suncor Energy Inc. -- which axed capital spending plans by more than a third Thursday, delaying completion of its third oil sands upgrader -- could also hold back future expansion plans at its Firebag in-situ operations if the credit crisis and slumping oil prices stick around... Suncor on Thursday cut its spending plans to \$6-billion in 2009, down from its previous forecast of \$9-billion to \$10-billion. About \$3.6-billion, or about 60%, of its 2009 spending will go into its planned \$20.6-billion Voyageur expansion project, which includes its new upgrader. The upgrader will be delayed to sometime in 2012, pushed back from late 2011.

[Quick Sand: Credit Crunch and Falling Oil Hit Oil-Sands Projects](#)

It's unclear whether the pullback owes more to the financial crisis or to falling oil prices, which make exotic oil fields such as tar sands less economically-appealing. Either way, it shows how oil-gathering efforts that were said to make sense a year ago no longer seem so economic...

[OIL SANDS-PART 3: Biggest Customer Has Second Thoughts](#)

Together, skyrocketing construction costs, falling crude prices, increasingly vocal

opposition from some native groups, and a little known section of the 2007 U.S. Energy Independence and Security Act all threaten growth projections in northern Alberta.

"If I was an investor, I wouldn't want to take the risk of putting money into the tar sands right now," said Liz Barratt-Brown, a senior attorney at the Natural Resources Defence Council, an NGO leading U.S. lobbying efforts against Canada's heavy oil industry.

[Les sables bitumineux \(special report in French\)](#)

Il y a présentement 17 projets d'expansion de raffineries dans la région des Grands Lacs, dont 16 en territoire américain. Les chercheurs de l'Université de Toronto signalent que les promoteurs des raffineries sont attirés par les Grands Lacs car ils pourraient faire usage des grandes quantités d'eau disponibles dans la région.

Le rapport scientifique, qui doit être dévoilé ce mercredi, précise que la valeur des projets d'expansion des raffineries d'ici 2015 pourrait atteindre 31 milliards \$ US afin qu'elles soient en mesure de traiter les sables albertains. Mis ensemble, ces projets risquent d'anéantir les gains de lutte à la pollution réalisés dans cette région depuis les années 70, selon les auteurs.



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