

Economic Implications of Energy Projects

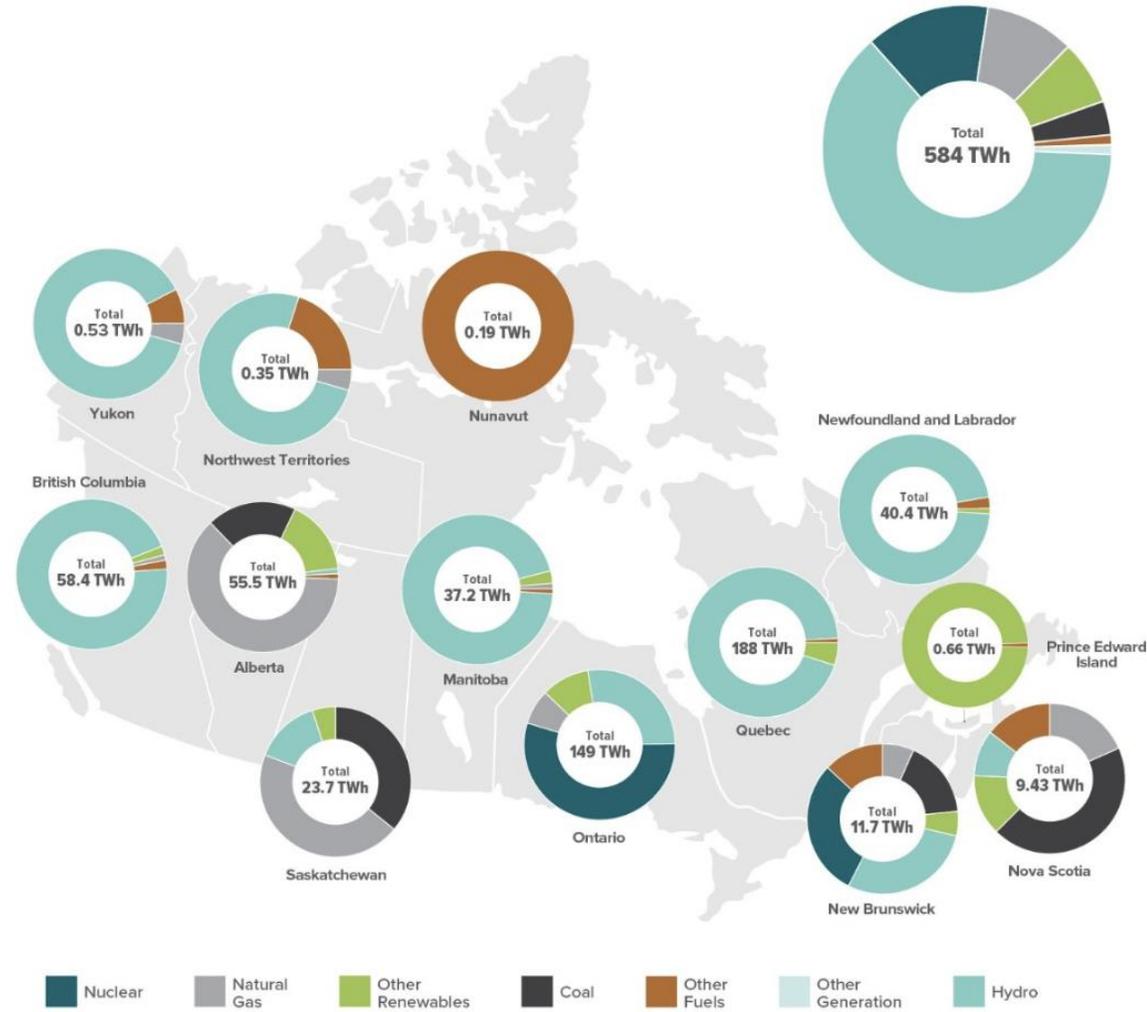
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Macdonald-Laurier Institute
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Anti-Energy Policies in Canada Introduced by Trudeau (“Nine Bad Laws”)

- Emissions cap on oil and gas industry
- Clean Electricity regulations (no new unplanned thermal generation after December 31, 2025; coal phase out by 2030; restrictions on existing natural gas generation starting 2035 with total phase out by 2050)
- Industrial carbon pricing
- EV sales mandate
- West Coast Tanker Ban
- Impact Assessment Act (environmental regulations framework)

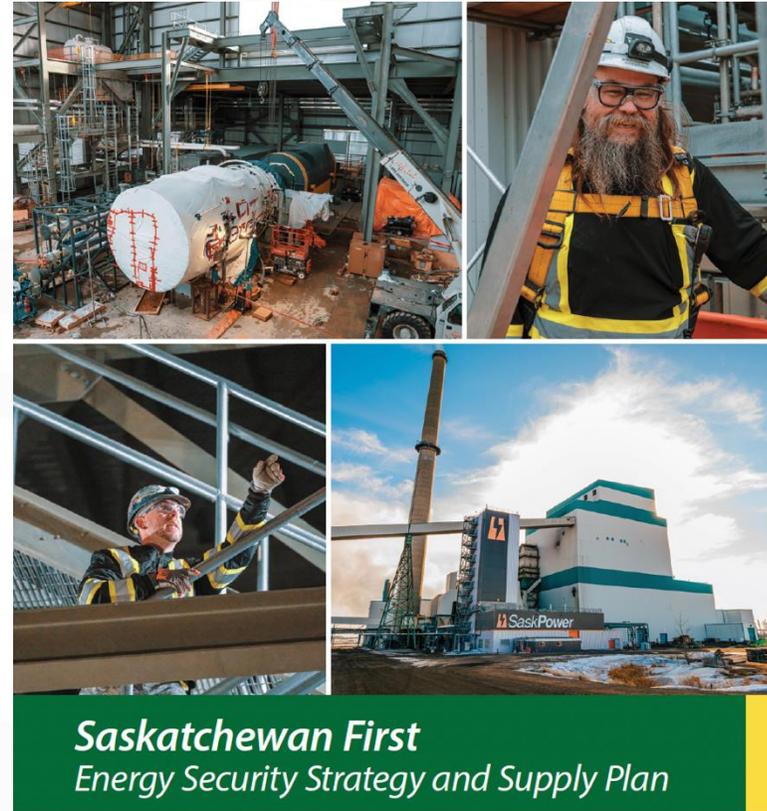
A national picture: How electricity is generated in each province

The Clean Electricity Regulations mainly affected Alberta and Saskatchewan



Saskatchewan First Energy Security Strategy

- Commits to using coal beyond 2030 as a “bridge to nuclear” (which would be in violation of the Clean Electricity Regulations)
- Asserts Saskatchewan’s constitutional jurisdiction over electricity
- Stopped collecting carbon tax



MOU between Alberta and Canada

- Enbridge Mainline expansions to USA of ~400 kbd
- Fedorchak: Promoting Cross-Border Energy Infrastructure Act
- Natural gas exports have increased



Cuts to US oil jobs and spending threaten output growth

By Arathy Somasekhar and Georgina Mccartney

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[1/2] A drone view shows drilling rigs sit in storage at an equipment yard in Odessa, Texas. REUTERS/Eli Hartman/File Photo [Purchase Licensing Rights](#)

Global Energy Layoffs Deepen in 2025 as Crude Prices Weaken, M&A Deals Surge

October 24, 2025



Global energy majors and related companies plan to slash more jobs in 2025, after cutting thousands last year, as the industry navigates weaker crude oil prices and a rapid consolidation. Benchmark Brent crude futures are down 11.6% year-to-date, impacted by increased OPEC+ output and persistent demand uncertainty tied to the U.S. trade policy.

Data Centers Are a ‘Gold Rush’ for Construction Workers

Surging demand means six-figure pay and more perks



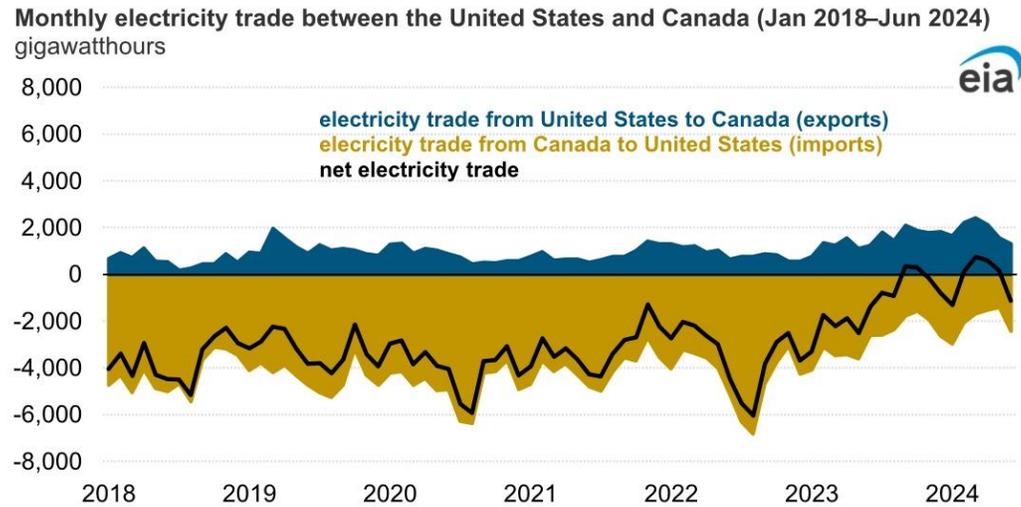
An investment boom in artificial intelligence is creating a thirst for massive data centers. PHOTO: SHELBY TAUBER/REUTERS

Electricity prices are surging in the US

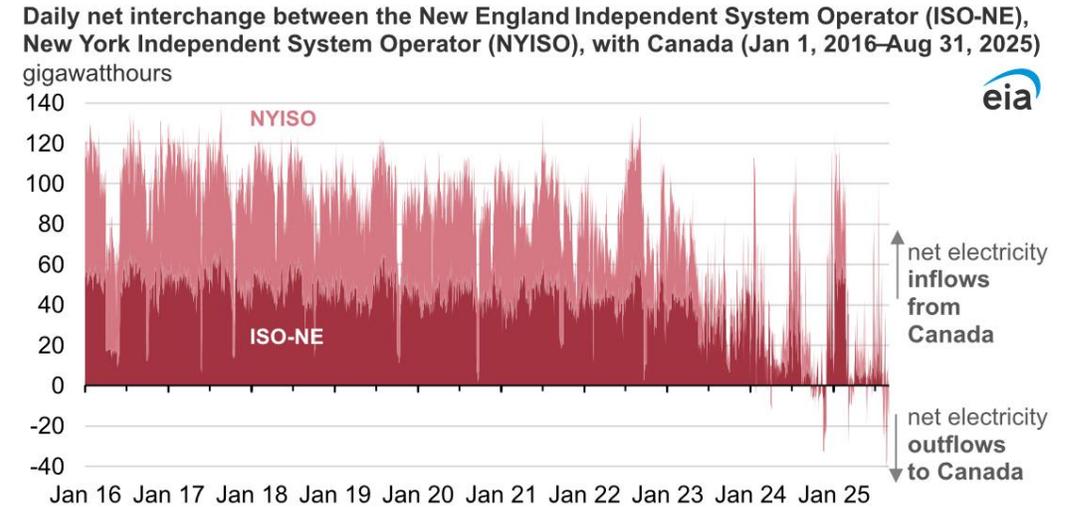
— Average US city electricity price, in dollars per kilowatt-hour



Canada net electricity exports to United States have declined

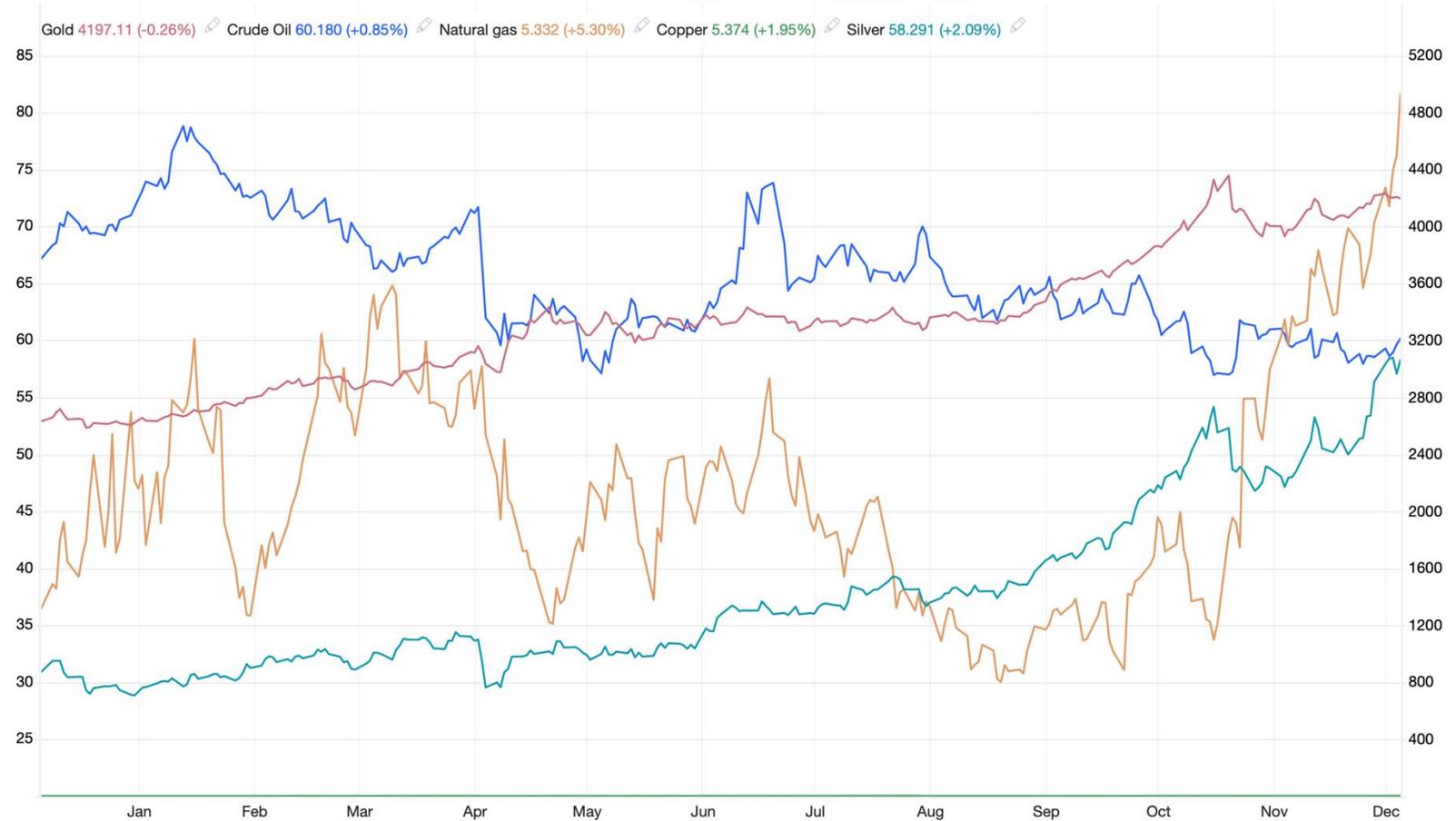


Data source: U.S. Energy Information Administration, Form EIA-111, *Quarterly Electricity Imports and Exports Report*



Data source: U.S. Energy Information Administration, *Hourly Electric Grid Monitor*

Commodity runs this year:
 Gold 59.44% YTD
 Silver 88.39%
 Copper 35.05%
 Natural gas 46.97%
 Crude oil WTI **-16.19%**



Political implications of high energy costs

- Utility bills are a kitchen table issue. High prices are extremely unpopular
- Electricity prices are very likely to go up for a while before they have a chance to go down
- Past political responses:
 - Windfall profit taxes or price caps
 - Export restrictions
 - Cutting taxes on utility bills
 - Subsidizing low income households
 - Launching energy efficiency programs

Winners and Losers

- Energy producing states & provinces will benefit from royalties and taxes (and to a lower extent jobs) from higher commodity prices (natural gas, uranium, heating oil, refining)
- States and provinces with abundant electricity will have a comparative advantage over those with scarce electricity supply
 - Attracting new industry to set up
 - Lower cost of living
 - Net in-migration
- Right to service? Some jurisdictions are already curbing electricity access to crypto mining and data centres

How can you make sure your state or province is a winner, not a loser, in this very predictable sequencing of events?

Thank you!

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