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## ALBERTA ENERGY ECONOMIST TAKES CLOSER LOOK AT SUMMER POWER PRICES

Alberta electricity prices reached 90 cents per kilowatt hour – equivalent to about \$7 to wash and dry a load of laundry – this afternoon, according to an energy economist.

Energy economist David Gray blames the high rates on TransCanada, arguing the company is taking advantage of economic withholding rules and cutting back power production at six of its coal-fired power generating stations.

Economic withholding, charge critics, is a strategy where electricity companies intentionally reduce power production, creating an electricity shortage that leads to higher energy prices.

“High prices and and high volatility, which we have lots of in this market, add up into everyone’s bill,” Grey said.

TransCanada comments

A spokesman for TransCanada said in a statement that the



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company operates well within Alberta electricity market rules.

Alberta Electric System Operator’s Mike Deising says year-to-date pricing is still lower than the five-year average. (CBC)

“Focusing on the price of power at one minute (out of 1,440 minutes in a day) does not accurately reflect

the price that retail consumers pay for electricity. On July 28, the wholesale price of electricity settled at \$0.24; year-to-date it has sold for an average of \$0.057 and the 10-year average is \$0.065.”

Wholesale prices are not paid by individual retail consumers, according to the statement.

“In fact, Alberta’s retail electricity consumers are served by either the Alberta regulated rate option, or if they choose, by private contracts offered by various retail providers. These two vehicles reduce or eliminate the impact of wholesale price volatility on individual retail consumers.”

Normal operations

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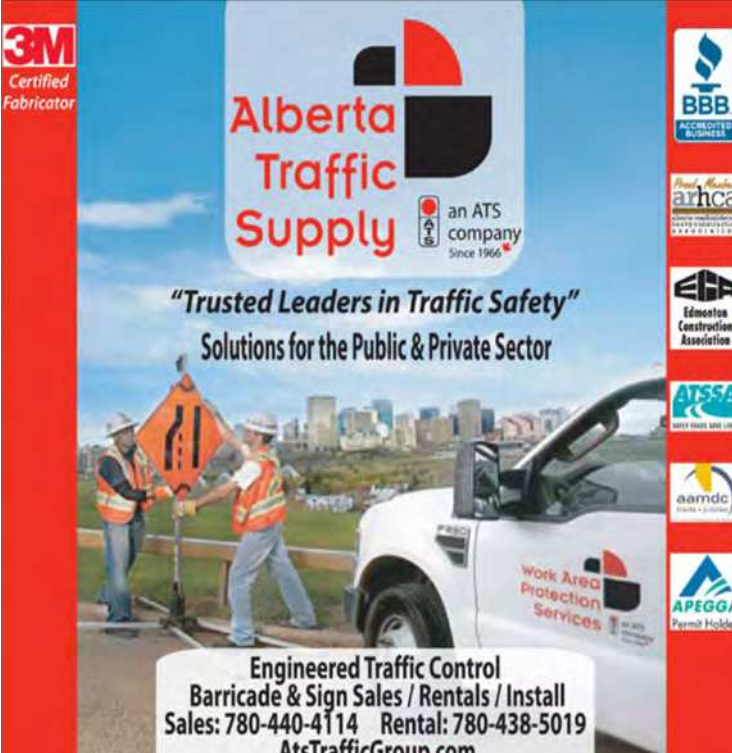
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Alberta's Electric System Operator – the organization that runs the province's power grid – says what's happening is normal.

"During hot days in summer, you are going to see price move," said Mike Deising. "But the important thing is to look at the average across the year. And, this year even though we went through the tremendous heat wave from just a couple of weeks ago, our year-to-date pricing is still lower than the five-year historical average."

Alberta's Market Surveillance Administer, an independent energy watchdog, is watching what's happening with the province's energy producers. But insists what TransCanada is doing appears to be just normal market activity.

Gray has created a free smart phone app called Alberta Power Price allows Albertans to track energy prices.

### CANADA ENERGY PARTNERS REPORTS ON SPECIAL MEETING OF SHAREHOLDERS

Canada Energy Partners Inc. (the "Company") (TSX VENTURE:CE) held its special meeting of shareholders (the "Meeting") on July 29, 2014. The Company reports that the shareholders of the Company approved the sale of the Company's interests in certain Montney Shale lands and wells for gross proceeds to the Company of \$15,720,000, subject to adjustment, and the distribution to shareholders of up to \$12,204,000 of the net proceeds of the sale, as more particularly

described in the Company's previous press releases dated April 1, 2014 and June 26, 2014, and the management information circular dated June 25, 2014 in respect of the Meeting. The Company anticipates that closing of the sale transaction will occur on or about Thursday, July 31, 2014, following which the Company will issue a press release with further details regarding the distribution, including the record date and the amount of the distribution.

On behalf of the Board of Directors of Canada Energy Partners Inc.

John Proust, Chairman

Neither the TSX Venture Exchange nor its Regulation Services Provider (as such term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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### OIL SANDS, FRESH POLICIES DRIVE CANADA'S METALS & MINERALS INDUSTRY TO \$313 BILLION IN PROJECT SPENDING, AN INDUSTRIAL INFO NEWS ALERT

Thanks to abundant natural resources and an increasingly favorable political atmosphere, Canada's Metals & Minerals Industry is spurring heavy project investments, with the booming Alberta Oil Sands driving almost one-third of the nation's estimated spending. Industrial Info is tracking 473 active and unconfirmed projects in Canada that have a total investment value (TIV) of more than \$313 billion. Construction on 128 projects worth \$53 billion is expected to kick off within the next 12 months.

Within this article: Details on Canada's booming mining industry, including major projects from Imperial Oil Limited, Exxon Mobil (XOM), Tata Steel, New Millennium Iron, and Vale S.A. (VALE), with investment values, schedules, contractors and locations.

Industrial Info Resources (IIR), with global headquarters in Sugar Land,

Texas, three offices in North America and 10 international offices, is the leading provider of global market intelligence specializing in the industrial process, heavy manufacturing and energy markets. Industrial Info's quality-assurance philosophy, the Living Forward Reporting Principle™, provides up-to-the-minute intelligence on what's happening now, while constantly keeping track of future opportunities.

### ARCTIC OIL SPILLS LIKELY TO SPREAD ACROSS BORDERS

New research suggests a major oil spill in Canada's western Arctic would likely spread quickly and foul oceans around Alaska and possibly as far west as Russia.

The research, funded by the World Wildlife Fund, comes as the National Energy Board prepares to consider blowout prevention plans in two separate proposals for offshore energy drilling.

The authors considered 22 different oil-spill scenarios in the Beaufort Sea, off the northwest coast of the Northwest Territories.

They found that in all cases there would be at least an up to 50 per cent chance that an oily slick would spread into Alaska.

In the case of a blowout, it's almost certain that oil would spread across international boundaries, with an up to a 25 per cent chance of affecting Russia.

Subsurface oil contamination

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from a blowout would also be highly likely to spread into Alaska.

The energy board is considering proposals from Imperial Oil and Chevron Canada for offshore drilling in the Arctic.

Current rules require them to have a second drill rig nearby to promptly sink a pressure-relieving well in the case of a blowout, which would make capping it much easier.

But both companies are proposing methods they say would be equally effective and much cheaper.

The board has agreed to consider their alternatives.

### CANADIAN STOCKS ERASE GAINS AS RUSSIA SANCTIONS OFFSET EARNINGS

Canadian stocks erased gains, closing near a record, as new U.S. and European sanctions against Russia overshadowed better-than-forecast corporate earnings.

WestJet Airlines Ltd. advanced 3.9 percent, the most since September, after second-quarter profit rose 16 percent and the carrier said it expects to keep a lid on costs in 2014 amid continued revenue growth.

The Standard & Poor's/TSX Composite Index rose 1.33 points, or less than 0.1 percent, to 15,446.55 at 4 p.m. in Toronto. The index closed at a record 15,455.04 on July 25. The equity index trades at 21.2 times earnings, the highest level since 2010.

The U.S. sanctioned three Russian

banks and a state-owned shipbuilder that serves Russia's navy and oil and gas industry, joining with the European Union today in escalating the penalties for Russia over its actions in Ukraine. The EU curbed Russia's access to bank financing and advanced technology in its widest-ranging sanctions yet.

The U.S. Federal Reserve will announce its next policy decision tomorrow and investors will get a reading on second-quarter growth the same day. The U.S. is Canada's largest trading partner.

Seven of 10 industries in the S&P/TSX advanced on trading volume 4.5 percent lower compared with the 30-day average.

WestJet Profit

WestJet soared 3.9 percent to C\$28.49 for a sixth day of gains. Earnings increased as revenue for each seat flown a mile was up 4.8 percent, outpacing the 4.2 percent rise in costs on that basis. The Calgary-based airline also said that excluding fuel and employee profit sharing, those expenses will climb 1.5 percent to 2 percent this year, down from an earlier outlook of as much as 2.5 percent.

Air Canada, the largest airline in the nation, added 2.2 percent to C\$9.79. It's scheduled to report earnings on Aug. 7.

BlackBerry Ltd. retreated 4 percent to C\$10.32, erasing earlier gains, as Ford Motor Co. will replace its BlackBerry smartphones with Apple Inc. iPhones for about 3,300 workers by the end of the year.

The company also agreed to buy Secusmart GmbH, a provider of anti-eavesdropping technology whose clients include German officials such as Chancellor Angela Merkel. Financial terms weren't disclosed for the deal. John Chen, chief executive officer of BlackBerry, was in New York today presenting the company's plans for its securities services with media and analysts.

Athabasca Oil Corp. sank 7.2 percent to C\$5.95, the lowest close since May 2013. The stock has plunged 14 percent in the past two days as Athabasca continues to wait for a C\$1.32 billion payment from PetroChina Co. for a Canadian oil-sands project.

### OILSANDS CAUSE FOOD CONTAMINATION AND HIGHER CANCER RATES

Research released Monday shows a link between oil sands development and higher cancer rates in northern Alberta.

The report, from the Athabasca Chipewyan First Nation, the Mikisew Cree First Nation and scientists from the University of Manitoba, found higher levels of contamination due to the Athabasca oil sands in food consumed by First Nations people in the area. It also found higher levels of cancer in that community.

"There's something unique that is happening in Fort Chipewyan," Stéphane McLachlan, the lead researcher from the university, told a news conference Monday. "It's a situation that is

alarming and demands attention."

The report – titled Environmental and Human Health Implications of Athabasca Oil Sands – is the result of three years of research.

The study says of 94 participants it found 23 cases of cancer.

"Cancer occurrence increased significantly with participant employment in the oil sands and with the increased consumption of traditional foods and locally caught fish," said the report.

It also found total levels of carcinogens in the traditionally hunted foods were higher compared with similar studies around the world.

But it found the dietary intake was low because community members were turning away from the traditional foods in favor of store-bought sustenance.

The methodology combined scientific methods with anecdotal information from community members.

The study also reported generally higher concentrations of industrial heavy metals in moose, duck, muskrat and beaver.

It reported the arsenic and mercury levels in muskrat, duck, and moose to be of concern to young children.

There were also elevated cadmium levels in moose, beaver, and duck.

It said selenium levels in all wildlife were high enough to be a concern to adults and children alike.


Steve Courtoreille, chief of the Mikisew Cree Nation, said everyone interviewed is concerned about


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the general decline in health. "It's time the government does something," said Courtoreille. "The reality is our people are dying." Alberta Health Minister Fred Horne was to comment later Monday.

New Democrat critic Rachel Notley said the evidence in the new report cannot be ignored.

"What this report shows is that the reports that preceded have not asked the right questions, are not looking into the right things, and therefore they're shielding the government from taking the responsibility that they need to take," said Notley.

Aboriginals and environmental critics have long sparred with provincial officials over whether pollutants from oil sands operations are seeping and spewing dangerous toxins into the ecosystem.

In March, a study by the Alberta government found that an aboriginal community downstream from the oil sands does not have higher overall cancer rates than the norm.

The Alberta Health Services Survey, using data from 1992 to 2011, did find there was a prevalence of two types of cancer in Fort Chipewyan that were higher than expected.

Bile duct and cervical cancer rates were the two cancers cited in a survey that compared the incidence of 81 cases of 18 different types of cancer.

The survey also noted that most cervical cancer is caused by a virus and that U.S. research suggests tenuous links between duct cancers and environmental toxins.

Environmental concerns have become a critical factor in expansion of the oil sands.

The U.S. government has withheld approval of the Keystone XL pipeline amid concerns by opponents that it would ensure a reliance on the oil sands resource and cause further harm to the environment.

The issue has taken centre stage in Alberta's Progressive Conservative party's leadership race, which will determine the next premier.

Liberal Leader Raj Sherman said the health issue is intertwined with all other issues when it comes to Canada's international reputation.

"If we don't work with the First Nations to address their concerns, it's going to hurt our bottom line and it's going to continue to hurt good people," said Sherman.

**DECISION ON KINDER MORGAN'S TRANS MOUNTAIN OIL PIPELINE DELAYED UNTIL AFTER NEXT FEDERAL ELECTION**

Canada's National Energy Board (NEB) announced today that it is stopping the clock on the review of Kinder Morgan's Trans Mountain oil pipeline expansion due to the company's new proposed corridor through Burnaby, B.C. — which will push a decision on the project back to after the 2015 federal election.

The board will take a seven-month timeout from its 15-month timeline between July 11, 2014,

and February 3, 2015, to allow Kinder Morgan time to file studies for its new corridor through Burnaby Mountain, according to a letter to interveners sent today.

That pushes the board's deadline to file its report on the project with cabinet back seven months from July 2, 2015, to Jan. 25, 2016.

"The significant thing is that this decision now won't be made until after the next federal election. It'll be up to the next Prime Minister to make that call," says Karen Campbell, staff lawyer with Eco Justice.

"From a campaign perspective, it certainly gives some wind in the sails of those who want to make sure this isn't a fait accompli before the next election," she says.

But Campbell also cautioned that there are still a lot of shortcomings in the process that the energy board has not addressed.

That's a concern echoed by Gregory McDade, legal counsel for the City of Burnaby.

"There are so many other incomplete items that need work," McDade says. "We've been pushing all along for a proper public hearing with cross-examination and evidence and the NEB said they couldn't do that because of the tight timeline. Now that we have the time, why aren't we doing a proper public hearing?"

McDade says that without cross-examination, the energy board's review is not legitimate. He noted how Kinder Morgan failed to answer many of the questions put to them through the "information

request" process, which he described as a "colossal joke."

"Stalling it seven months doesn't help at all if you're not going to properly examine the evidence," he said. "It just puts the decision off."

Chris Tollefson, executive director of the Environmental Law Centre at the University of Victoria, says this ruling is just a small step toward fixing the problem and that the entire process needs to be put on hold until Kinder Morgan's application is complete.

As of right now, the rest of the hearings are scheduled to move forward more or less as per the previous schedule.

"The board has now recognized that this process was not working and that the timelines were unrealistic," Tollefson says. "What we would call upon the board now to do is to revisit its decision to eliminate cross-examination from this process."

Any which way, the Conservatives will be in the limelight over their support for heavy oil projects on B.C.'s coast in the 2015 election, according to Kai Nagata, energy and democracy director at Dogwood Initiative, a B.C. democracy group.

"It'll be a live issue for sure," Nagata says. "The way Kinder Morgan is going, the more time the NEB gives them to alienate landowners and First Nations, the more likely they are to remind people of Enbridge."

Kinder Morgan's proposed expansion would ship 590,000 barrels of oil sands bitumen to Burnaby each day, where it would be loaded onto 400 oil tankers each year.

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