



April 3, 2009

The Honourable Mel Knight
Minister of Energy
404 Legislature Building
10800 – 97 Avenue
Edmonton, Alberta
T5K 2B6

Dear Minister Knight:

The mandate letter you received last year outlined the priorities you were expected to focus on as Minister of Energy and member of our Cabinet team. Through your leadership, and the hard work of all our ministries, considerable progress has been made on our ambitious agenda. This letter updates and refocuses the initiatives identified last spring. It reflects progress made to date and details the adjustments to keep the strong forward momentum necessary to ensure Alberta remains the best place to live, work, visit and invest in.

We are moving forward in a time of uncertainty. Our past actions have positioned Alberta well. However, to protect Albertans and keep building our province for the long term we must adapt to changing realities and manage within our fiscal capacity.

Our business plan will continue to set out the actions we will take to deliver on our five priorities over the next year. We will also continue to publicly report on these priorities as a part of our regular business planning cycle, allowing Albertans to measure our progress as a government.

In order to fulfill the commitments we made last spring and to continue to focus on the outcomes of most importance to Albertans, our priorities remain:

1. **Resourceful. Responsible** - Ensure Alberta's energy resources are developed in an environmentally sustainable way.
2. **A Healthy Approach** - Increase access to quality health care and improve the efficiency and effectiveness of health care service delivery.
3. **Strong Communities** - Promote strong and vibrant communities and reduce crime so Albertans feel safe.
4. **Creating Opportunity** - Enhance value-added activity, increase innovation, and build a skilled workforce to improve the long-run sustainability of Alberta's economy.
5. **Building Tomorrow** - Provide the roads, schools, hospitals and other public infrastructure to meet the needs of a growing economy and population.

Cooperation and coordination among all ministries is necessary to achieve these priorities, as is working within the resources available to your ministry. Your role will be key in supporting these efforts.

You will take the lead to:

- Ensure Alberta's energy resources are developed in an environmentally sustainable way, and

Lead the following initiatives:

- Implement the vision in the *Provincial Energy Strategy*;
- Review the regulatory framework for energy activities in Alberta to ensure efficient and streamlined delivery of provincial resource and environmental management strategies;
- Implement carbon capture and storage research, and initiate large-scale demonstration projects through the Carbon Capture and Storage initiative; and
- Support research on new oil sands extraction processes that use less energy, less water, reduce tailings ponds, improve land reclamation and support the Oil Sands Strategic Plan.

You will work with the Minister of Advanced Education and Technology to:

- Enhance value-added activity, increase innovation, and build a skilled workforce to improve the long-run sustainability of Alberta's economy, and

Lead the following initiative:

- Implement strategies to increase upgrading and refining capacity in Alberta, including the implementation of Bitumen Royalty-in-Kind.

In addition, as Minister of Energy, you will lead the following initiative which will assist us in achieving our collective goals:

- Develop and implement policy to ensure sufficient and reliable electric transmission facilities are available in a timely manner to support continued economic growth in the province.

I consider this letter and your agreement to work on these priorities and initiatives, in addition to your core businesses in your ministry business plan, to be a contract between us. Your contributions and our commitment as a government, combined with Albertans' spirit to achieve, will help us create an even stronger Alberta.

Sincerely yours,

Ed Stelmach
Premier

