



PETROLEUM HISTORY SOCIETY
OIL SANDS ORAL HISTORY PROJECT
TRANSCRIPT

BERT LANG GREW UP IN INDONESIA AND WAS EDUCATED THERE, IN HOLLAND AND THE UK WHERE HE OBTAINED A CHEMICAL ENGINEERING DEGREE FROM BIRMINGHAM UNIVERSITY. HE WAS EMPLOYED BY IMPERIAL CHEMICAL INDUSTRIES (ICI) AND WORKED AT THE WELLWYN GARDEN CITY AND BILLINGHAM PLANTS. IN 1964, ICI OPENED A PLANT NEAR ROTTERDAM AND HE SERVED AS ASSISTANT PLANT MANAGER RESPONSIBLE FOR PERSPEX MANUFACTURE. HE MOVED UP THE RANKS TO PLANT MANAGER. AND SECTION MANAGER ACRYLICS. IN 1982, LANG WAS HEADHUNTED BY SUNCOR AND BECAME MANAGER OF THE REFINERY AND WAS LATER CALLED MANAGER OF UPGRADING.

IN 1988, HE ATTENDED HARVARD UNIVERSITY FOR THE 4-MONTH ADVANCED MANAGEMENT PROGRAM AND, ON HIS RETURN, BECAME VICE PRESIDENT OF STRATEGIC DEVELOPMENT. IN 1990, HIS DEPARTMENT RECOMMENDED THE CHANGE FROM BUCKETWHEEL TO TRUCK AND SHOVEL. DURING IMPLEMENTATION, LANG BECAME VICE PRESIDENT TECHNICAL AND BUSINESS DEVELOPMENT. IN THE DEE PARKINSON-MARCOUX RESTRUCTURING, HE BECAME VP UTILITIES. IN 1997, HE HEADED THE MILLENIUM PROJECT RETIRING IN 2001. HE HAS SINCE UNDERTAKEN CONSULTING WORK.

DATE AND PLACE OF BIRTH: March 29th, 1936 in Indonesia.

Date and Place of Interview: 1:30 June 19th, 2012 at the Lang residence below.



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Address:

22 Wellington Crescent
Edmonton, AB T5N 3P2
Tel. 780-451-1395
Cell. 780-497-8737
Email balang@shaw.ca

Name of Interviewer: Adriana A. Davies, CM, PhD

Name of Videographer: Jimmy Bustos

Consent form signed: Yes Initials of Interviewer: AD
Transcript Reviewed by Interviewee: Yes

Last name of subject: LANG

AD: My name is Adriana Davies, and I'm a researcher/interviewer for the Petroleum History Society on the Oil Sands Oral History Project.

Outside voice [videographer]: Sorry Adriana, did you turn off your mike? No it's on mute. You must have muted it there.

AD: So we'll start again then.

Outside voice: Okay; we're good.

AD: My name is Adriana Davies, and I'm the researcher/interviewer on the Petroleum History Society Oil Sands Oral History Project. Today is June the 19th, 2012, and it is 1:45 p.m., and I'm interviewing Bert Lang in his residence. Bert, thanks so much for agreeing to be interviewed for this project. As I've mentioned to you, the material will reside in the Glenbow Archives as a part of the Petroleum Industry Oral History collection.

BL: Yes.

AD: Could we begin by you giving me your place and date of birth and also a summary biography, you know, highlights, and then we'll get into the specifics of your involvement in the oil sands.



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BL: Okay. I was born in SuraKarta, Indonesia, which was the former Netherlands East Indies, in 1936. I spent my youth in Indonesia until I was about 11, and spent most of that in a Japanese camp. After the war, my parents sent me over to the Netherlands to get my education there, and that's where I basically resided until about the early '60s when my Dad decided that it was better for me to basically, to go to England and finish my degree there, as the Dutch degree takes a longer time than the British degree. And that's what I did. And after that I joined ICI in the UK, and after a couple of months I was sent to the Netherlands where they basically opened a subsidiary and I worked at that subsidiary until about 19 years later when I was headhunted by a company to join Suncor in Fort McMurray. And that's where I spent the majority of the last 22 years in the oil sands.

AD: Now, was there any ... Your father, I gather, was involved in the oil industry...

BL: My father was working for an American oil company, which was called Standard Vacuum Oil. It was a subsidiary of Standard Oil of the United States, but they were all based in Indonesia at that time.

AD: Now, do you think he influenced you at all in terms of, you know, what you studied at university and then what you ended up doing?

BL: Yes and no. My father didn't like me, basically, to get into the petroleum industry because he said, "It is a dangerous industry to be in. I'd rather that you do something else." But I think somewhere you have smelt the oil [laughter], and it follows you around.

AD: So

Outside voice: Sorry to interrupt, but Hunter's in the back there and he's licking himself [Lang's dog was lying on the sofa within camera range].

AD: [Laughter.]

BL: Maybe I should send him upstairs, you know. Huntie.

AD: Yes [laughter].

AD: So do you want to talk about your studies in England? Where did you study and what was the specialization?



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BL: I studied Chemical Engineering in Birmingham. That was basically the specialization if you want to call it that way. And I basically got my degree with honours and then started to work from there.

AD: And so, I mean, ICI was an international company, a leader in this area.

BL: Yes.

AD: So what work did you do for them?

BL: Well, in ICI you start off basically in Welwyn Garden city in the research department, and from there they, after a while, they send you over to one of their operating units. This one was in Billingham, in the north.

AD: And you then were sent to Holland and what did you ...

BL: That was, that was later, when they opened a subsidiary in the Netherlands. And they wanted basically to make a company called ICI Holland. And that's when they chose those people from Dutch origin and already working in ICI to basically get to the Netherlands, back to the Netherlands.

AD: So what did your work in the Netherlands involve?

BL: I started as assistant plant manager on the acrylic sheet plant.

AD: Okay. And that was exported, the acrylic sheet?

BL: The acrylic sheet was exported all over Europe. Also some of it to the United States, specifically to the aircraft manufacturing facilities.

AD: Okay. Now what intrigued you about Suncor when ... I gather you mentioned that it was Mike Supple that came over to do the interviews. You were settled in Holland.

BL: Well, let's put it that way. I first got a letter from this headhunter which described basically the type of person that they were looking for and what this person would be doing, etcetera, etcetera. And when I looked at that, I said, "Well, that's basically a description of what I am currently doing



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as well, so why don't I give it a try." And it was just basically curiosity that initially triggered me to respond to this particular situation. Well, after that, I basically got a request from the headhunter to meet him in Amsterdam, and we had a discussion there of where it would be, etcetera. I had no clue where Fort McMurray was, and all he said was that it was in northern Alberta. But I mean, if you're used to northern England you think that northern Alberta is kind of equivalent. That's why I didn't bat an eyelid to go ahead basically with the interview, etcetera. So he said they would be in touch with me in six weeks' time and that they would then decide on a point in England where the executive from Suncor would come down and interview.

So that's what really happened. After six weeks, unfortunately at that time, the whole of Europe was hit by a huge November storm and no planes were going, and I couldn't make it in time to the interview. But I could make it to the interview at a later time, if I took a boat from the Hook of Holland to Dover. So that's what I and before I went on the boat I basically phoned Mike Supple, who I knew would be the interviewer in England, and said to him, "Look, I will not be there at 10 o'clock in the morning, but I will certainly be there around about 2:00, 2:30 in the afternoon. Because I will have to take the boat and then the train, as there are no planes going at the moment."

So he said, "Well, we'll see you then." It turns out I was the only person of all the interviewees that they had for a, lined up for that day, from the Netherlands as well, that basically made it. And maybe that is why I got the job. I don't know [laughter].

AD: So do you remember that interview? Did Mike pitch the company to you? I mean what did he tell you to entice you?

BL: Well, we basically, we started to talk about the issues, more than anything else. He didn't paint a rosy picture of what the situation was, but he sort of painted a picture about the integrity of the plant and the issues that the plant was facing, etcetera, and said to me, "Well, do you like that?"

And I said, "Well, I've always been involved with these kind of issues in my current job as well, so ya, why not? I mean, you know, I have a lot of experience in it, albeit not on the oil side but on the petrochemical side, but you know with everything in chemical engineering, it's pots and pans. And that was what really would be the same." So that's how we basically ended the interview. And then I still had an interview with the HR director at that time. Gary Dewhurst was his name. And with the headhunter as well, who was basically asking me for feedback. And I said to him, "Look, what I've heard is basically challenging, but you know a good challenge in this stage of your career is always good. So if it is based on that, yes why wouldn't I go?" Not knowing what it was [laughter]. So



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anyway, that's how it was. I got a job offer, but the job offer basically wanted me to start forthwith, but I had a contract with ICI for six months, so if I had to basically resign six months ahead of time. So I didn't start in Fort McMurray until the end of June 1982.

AD: So you flew into Edmonton I assume.

BL: To Edmonton and then you had to take a bus to another airport, which was what I didn't know, of course, but that was the airport here, the Municipal. And then there was a plane from PWA to Fort McMurray.

AD: Ya, Pacific Western Airlines. So tell me what your ... You know, you arrived in Fort McMurray, you know, what did you feel?

BL: Well, my only concern I remember, my only concern in Fort McMurray ... In the Netherlands if you move home you have to go to the post office to basically get a telephone. So I kept pushing the guy from Suncor who was driving me around that day to go to the bank and open a bank account and all those kind of things, and I kept saying to him, "We have to go to the post office because I need to have a telephone." Because I wanted to talk to my wife, of course, because she was still left behind in the Netherlands. And he didn't understand why I wanted to go to the post office [laughter], because here it's a far different system. You see. That's what I found out later.

AD: So what was your title then? What was the position that you accepted?

BL: Manager, refinery.

AD: Okay. And so do you want to tell me what that involved at that stage, and what your sense of the issues were at the plant?

BL: I had no sense of the issues at that time. But all I knew was that the plant was just starting up again after a six months being down, because from the time I was hired 'til the time I arrived, the plant had been down to have basically a rebuild because they had a major fire. And that major fire was basically in the middle of winter. The biggest issue that they had was all the water that was being splashed over everything. Everything was basically one solid block of ice, which they had to chip away to get it in operation. And the whole rebuild was basically just finished by the time I arrived. So most of my time, at that time, was basically spent getting the operation in an operability stage again, with the help of the people there. And then it was after that looking at what further issues are there



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that could bite us in the butt, basically. And that was quite a list of stuff that had to be modified or rebuilt or whatever in order to make it a fairly reliable plant. So, we drew up a plan to basically put it all together and I discussed that with the EVP, which was Mike Supple at that time, but my other colleagues said to me, "Well, I wouldn't present it as is to the president because he won't like it and you might likely be tossed, be tossed away."

And I said, "Well, if I get tossed away for this, I might as well go back to Europe because there is no way that this plant will ever run properly if we don't fix it in spades." Well, so that's what I did. I basically presented it to Bill Loar, who was the president at that time, and I remember him looking at me with his steely blue eyes, and said, "Young man, do you really believe what you are presenting here?"

And I said, "Yes, I do. And if you know if we don't basically come to an agreement on this, I might as well pack my bags and go back to Europe because there is no sense of staying here and having a plant that will never operate properly."

AD: So, could you summarize some of your recommendations and maybe the price tag that was attached to them?

BL: Well, I remember the price tag. The price tag was in total about 225 million in 1982 money [which] would be close to a billion now. And it basically implied a lot of things that needed to be done. One of the weaknesses that the plant had was basically the oil pumps. The oil pumps were made without proper, let's say, insulation. So, those recommendations were that we would get modern, up-to-date pumping equipment there, and that was a huge bill basically. So that was one of the improvements that was on the list. But it all takes time. It has to be ordered, it has to be installed. You have to basically do it in such a way that although the plant is not operating at a required level, you don't bring it down to zero because you need the operating income, basically, to pay for it.

AD: So any other issues? Because I guess the issue around those failures would be that you could get leaks and fires, which were an ongoing concern. What other equipment did you identify ...?

BL: Well, the other issues were with the utilities plant. The utilities plant was also basically going up and down like a yoyo and needed basically some serious money to be looked after.

AD: Now, how long did it take to resolve those issues that you identified?



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BL: Oh, it took more than five years to gradually go through the list, and basically revamp everything until, you know, it became a reasonably operating plant. Ya, that was more than five years.

AD: Now chronologically that brings us to the big labour dispute.

BL: Yup.

AD: So do you want to talk about that?

BL: Well, the labour dispute basically in '86 was when we took over the plant ourselves to run it. And that's when we also found that, yes, we believed that some of the labour myths that were basically put in, like we could never run a fourth coker without having additional people. We ran the fourth coker without additional people, and so when the strike was eventually over and we wanted to run the fourth coker, the first thing that came on the table again was, "Ya, but we need extra people to run it." And I said to them, "Well, if we as amateurs could basically run it without additional people, certainly you as experienced operators can run it without additional people." And that was basically the challenge that was out there then, and that happened.

AD: Now, where did you end up working, you know, as a staff person? In what part of the operations during the labour dispute?

BL: I was basically the general co-ordinator of the shifts and basically tried ... I did my old job basically now with my own people [laughter].

AD: Now, did you ... so I mean I gather that secretaries and other personnel, they did things ...

BL: That normally they didn't do, but that we trained them quickly on the job. And yes, there were some risks initially of course, but I must say that people were dedicated to make it a success and, because of that, it happened.

AD: And so that involved, I mean, certainly there was a siege, wasn't there? There were picket lines and the company sought injunctions to reduce the number of picketers and reduce the violence, etcetera. So what did it feel like to work in this embattled atmosphere?

BL: Well, let's put it that way. I was more concerned about basically the people that were not, because we were staying in camp, in the plant. So we were there. If there was to be food to be



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brought in, it could be flown in. We had made a landing strip on one of the dykes in the mine, so that was all in place. The logistics and everything was in place, but what I was more concerned about was basically that there would be some violence against the wives that were at home. I was much more concerned about that than anything else.

AD: Now, looking back in hindsight you know could you summarize in your perception the causes for the labour dispute?

BL: Well, the ... There is always a fault on both sides. And one of the, one of the mistakes that I think we as management made was that if we had some, let's say some changes in the workplace, okay? The last thing that was being thought of is what needs to be done to make this also an agreeable workplace for the people. Okay? And I remember at that point in time that we were basically rebuilding the whole control room, and one of the things that wasn't in the control room, for instance, were new toilets. And so I said to the project manager, "Where are the toilets?"

"Oh ya, well, they come sometime."

I said, "No, they come first, and then we do the rest, okay?" And those were typical, I would say, points where people would butt heads on no regard for the person that was working. And that was one of the, I would say, obvious things. Having come from the Netherlands whereby the labour relations are very much not only unionized but also basically being ruled by the government how you should operate with your workers and things like that. What they call workers and management ...

AD: Teams?

BL: Teams to basically talk about the issues, that didn't exist at that time, okay? And gradually we started to build those things into the day-to-day operation. And I think that that, eventually, after the strike were one of the things that started to happen. And since then, the labour relations have improved significantly.

AD: Now, you know, how aware were you in your position of, for example, the accumulating grievances in the last year or so because ...

BL: Very much so, because in the end it all ended up on my desk, too. And I ... you know, when I started off, one of the disadvantages I had was that I couldn't understand the Newfoundlanders. And I remember the union president talking to me about something. And I had no clue what he was



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talking about, and I said to one of the shift supervisors that was sitting in, with that whole conversation, I said to him, "Could you basically explain to me what this was all about, because I have no clue what he was talking about." You know, so that made things a little more difficult because you had to get used to the way the language was pronounced. It is like a Dutchman listening to a person from Friesland in the north, who we cannot understand either, and I think that was the same situation here between myself and the Newfoundlanders. I had the greatest difficulty understanding what they were saying, and it took me quite a bit of time. Now I can understand them freely, but in those days it was difficult.

AD: So if I understood you, that you had come from an environment where there was a collaborative attitude toward issues in a production entity to one where it was confrontational.

BL: It was confrontational. It was always confrontational. Ya. And that was something I had great difficulties in the beginning to really understand, why it had to be that way. And I started to change it, gradually, in the upgrader. And I remember that after about half a year, we had a little get together for all the shifts. Just, you know, a social, with the management, and one of the great things, and my wife still remembers that too, that the guys stood up and presented me with a bottle of whiskey as a thanks for, you know, trying to make this a more collaborative event. Some of that resulted as well that if I had people from the upgrader at the gate when I had to pass the picket line, it was a lot easier for me to go through than for anybody else. Because they saw me, and they said, "Bert, go through." You know, because there was already that kind of understanding between each other.

AD: Now, I heard that the unionized workers were upset because of an article that appeared in the Ontario media about the company looking to shut the plant, or considering shutting the plant. Now, is that true? Do you remember that?

BL: It certainly wasn't true in '86. That was true later, when we had a new CEO, Tom Thompson. Tom Thompson was very much in the head space of shutting down the oil sands operation, and maybe that leaked at that time. But in '86 none of that was basically on the table.

AD: But I, but in terms of the company they were facing the recession, the decrease in the price of oil, etcetera. Post-1981. So, in terms of the company, they were looking at cuts.

BL: Ya, but it wasn't evident though, because they were still spending all that money to get the plant back on track and things like that and if that was the case why would they basically at that time decide to cut, to basically shut down the operation.



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That came later. Tom Thompson came later. When I had been to Harvard and I came back, I was appointed vice-president of strategic development, and one of my tasks at that time was to sell the oil sands plant. And that was the task given to me by Tom Thompson, the CEO at that time, and fortunately, I didn't manage to do it.

AD: We're going to go back, because we're now looking at you were part of that post-1982 rebuilding, making the plant more functional and therefore more production, more potential for revenue generation, but then we have the labour dispute and almost immediately the fire, the big fire. Now do you want to talk about that?

BL: Ya, but that fire wasn't as, let's say, wasn't as destructive as the fire prior to my arrival.

AD: Do you want to talk about the differences, then, between the two?

BL: Well, that fire was pretty well cured quickly and the plant was back in operation fairly quickly as well. And you know it didn't have the same impact I would say as the fire that was there in the early 1980s. So ...

AD: And you said that affected the refinery.

BL: Ya, because this one was the refinery as well.

AD: As well ...

BL: Ya, and there was ... Later on, there was a fire in the extraction plant which basically had an effect on the extraction plant, but it certainly was fixed quicker than the previous fires.

AD: Okay.

BL: So yes it had an impact, but it basically was ... in the first place, it was well insured. In the second place, it was fairly quickly re-established, let's put it that way.

AD: I've heard from others that, you know, the new agreement between the company and its unionized workers resulted in greater collaboration and opening the lines of communication that you were talking about, in terms of the Dutch model, so that there was great flexibility in terms of doing the work of rebuilding.



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BL: Yup, yup.

AD: Now, we're in terms of the different eras of development, we're now moving into the conversion to truck and shovel. Now, do you want to talk about that, because of course that was your area of responsibility, was it not?

BL: Yup, yup. Well, we took ... Truck and shovel was basically ... Well, let's go back to 1990, when Rick George was appointed chief executive at the time. Mike Supple was on his way out to Calgary and Dee Parkinson came in as the new EVP. At that time, the truck, the truck and shovel wasn't in play as yet, but there was a study being done by MacKenzie about, you know, what is basically oil sand and what is the most profitable area in the oil sand. And because I was in that development situation, the people from MacKenzie all the time came back and said, "Well, what do you think of this? What do you think of that?" So there was kind of a discussion going on. Meanwhile, we had ourselves looked at truck and shovel, but there wasn't a lot of reception about it in the organization. So the final conclusion by MacKenzie was that the only valuable area in the whole oil sands was the upgrader. And when they came with that, I said to them, "But have you looked at this?" And that was the truck and shovel. And they said, "No, we haven't." So I said, "Well, why don't you put that into your report, and suggest that that is one of the options to basically reduce the price of operating."

Because we had figured out that it would basically reduce the operating costs by about four to five dollars a barrel, which in those days was a lot of money. And so that's what they did. So basically they managed to convince the rest of the organization that this was the way to go. And then we in the oil sands got the approval ... Well, we first got the question of how much would it cost to basically remodel this, and the operation into truck and shovel. And we had already done all our homework, so we could present the appropriation for expenditure straightaway. And it was ... At that time we were pegging it at about a hundred million, and we brought the whole thing in at 78 million. But that was the big turnaround basically in the oil sands.

AD: Now, do you want to talk about, you know, the differences between ... I mean, because they're really two types of technology of mining and the advantages that the truck and shovel operation gave you ...

BL: Well, the truck and shovel basically gave ... The bucket-wheel excavator is a huge apparatus, turns around slowly, and then it has to move basically from face to face, and that takes time. So it is not a quick thing, and if you suddenly hit with your bucket-wheel excavator a patch which is low in



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oil sands, then you're basically churning sand onto the extraction operation. You barely get any bitumen out of it. So, you know, you get into an unbalance then. With truck and shovel, if you hit basically the non-bituminous area, you basically switch, because the shovel is quick. And you switch to an area which has a lot of bitumen, and you start to churn that onto your conveyor to the extraction plant, and the extraction plant is back in business again. So that's the big difference, really.

AD: Now, I gather that the bucket wheels had been a problem from the beginning.

BL: And lots of maintenance. I mean, what was the big plus on getting rid of the bucket wheels was that we had basically 400 hundred people in maintenance on the bucket wheels, and you know over the years what we did is we basically tried to find different roles for these people and get rid of them on the most humane possible basis. And that, that's why this specific issue of turning to truck and shovel didn't cause us a lot of problems with the unions because there was a good way of getting, you know, different employment for the people.

AD: Redeploying people.

BL: Ya, ya.

AD: Now, how did you source the truck and shovel equipment?

BL: Well, there's lots in the world already.

AD: So there ...

BL: There is, there are other mining operations apart from tar sand that basically use truck and shovel, so that was easy. That was the easy part. The difficult part is that you had to convince most of the manufacturers that this wasn't sand. That this was tar sand, and one manufacturer in England basically said, "Ya, that's okay." And so we put a clause in that if it didn't work then they would basically fix everything until you know, and it almost caused their bankruptcy.

AD: Because again, it's the conditions. That in the summer it's a viscous consistency. In the winter ...

BL: In the winter, it's like a stone. I mean, what they didn't believe from us is we said look, "In the winter, you might have basically lumps." And if people think about lumps they think about this size, not ... The lumps are as big as a Suburban. And that's what we told them, and they didn't believe us.



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And that's when it didn't work, they had to fix it, and then they came in the winter and they looked and it, and they said, "Oh my God, how are we going to fix this?" You know.

AD: So how long did it take to resolve those issues?

BL: That went basically while things were still operating, so it took one or two years to solve it. But it wasn't as, let's say, horrendous as one would basically envisage. You could still operate, let's put it that way.

AD: Now, let's go back to ... you made a reference to your going to Harvard. Do you want to talk about that issue of how the company nurtured leadership from within, because I assume this is why this program was initiated? Can you describe your experiences as well?

BL: Well, at the time I was told that they were sending me to Harvard to get a broader, basically, view of things and to get more educational background to be in a future leadership role. As a matter of fact, at that time, we were all ... All the guys who went to Harvard were promised that we would be potentially the next EVP, which never happened. But that was the big promise at the time.

AD: And so how many of you from Suncor went?

BL: Three in total.

AD: And who were the other two?

BL: One was Arnie Godin, and the other one has left the company.

AD: Okay. And so what did this Harvard intense short course consist of?

BL: Well, it basically taught you a lot of the basic things they do in an MBA program, but then in the short form. And just with the emphasis on those things you need, basically, in a leadership role, let's put it that way.

AD: So when were you at Harvard? What period?

BL: 1998. [should be 1988]

AD: 1998. [should be 1988]



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BL: Yup.

AD: And so they were looking for leadership from within, but there was also intensive strategic planning and the whole terminology began to change around human resources. Do you want to talk a bit about that? Which, then of course changed when Dee came on board with her particular mandate, so maybe you can move into that as well.

BL: Well, Dee's mandate really was to shut down the operation. But we didn't know that. Okay? And what Dee did at that time was a couple of things. I was in charge of technical and business development, which was basically the whole engineering group. And she said, "Well, it's a very expensive group so what can we do with it?" And I said, "Well, look you are trying to basically organize everything in business units." So there was a business unit upgrading, a business unit utilities, etcetera. I said, "What you have to do is chop the engineering group up and get every business unit their own engineering group, which is really focused on getting the issues and getting the projects that are necessary for that particular business unit. And if you look at the whole scale then what you can save is basically is about 10 dollars a barrel because that is what, you know, the engineering group is costing you at the moment. And what you have left over is what is absolutely necessary for the engineering group." And that's what happened, really. So, I basically got myself out of a job. And that's when she moved me to utilities, so I became vice-president, utilities at that time.

AD: Well, we'll talk about that shortly. But I want to revisit that you're the first person that has stated it as succinctly that you bring in an efficiency expert from outside, who doesn't know anything about the industry. And she does the environmental scan and in depth consultations with people in the company, in the units, but she doesn't have any stake in company or in the community. And you also then talked about the possibility of shutting down the company, which was very real. Now, what changed the situation?

BL: I think what changed the situation is that the company with the way we were structured in business units had focused leadership on every business unit and it basically became successful.

AD: Okay.

BL: You know, ...

AD: They didn't think it was going to be successful.



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BL: I think the anticipation was that, you know, it has never been successful. If we change it to this particular organization, it may not be successful again, and then you know we really should shut that down. I think that's the background thinking. I mean, I'm only guessing this. I have no evidence to that effect. But, but it was successful. Everything became really ... It started to click over. And so, that was basically when the next step happened. So Dee left and Mike Asher came in, and then Rick basically decided that now it is time to duplicate the plant and that's when Project Millennium was started.

AD: The ... You know, when you're talking about all of this equipment, and potential for equipment failures and the investment in that, the whole human resources, you know, from the unionized labour to the staff, the other thing that happened if I understand correctly, in this period is that in terms of the downsizing of the unionized labour people were largely redeployed, but there were real cuts within staff. Is that correct?

BL: Ya, there were cuts in staff as well. Yes, because if you take the engineering group there was a small proportion that went to the business units. But what is left over, basically, was leaving.

AD: So and I mean my understanding is that there were packages, bridges to retirement, all of that.

BL: Yup.

AD: But there were some hard feelings.

BL: Oh ya, oh ya, yup. Very much so.

AD: So that in a sense, it's like ... You know, if you view the company as a living organism, and I use this not in a pejorative sense, but a snake has to change its skin to grow. And so that we've seen that the company had to morph in different ways, didn't it?

BL: Yes

AD: You were shifted then to the power plant, to utilities, which right at the beginning you said there were major problems with. So what were your duties and responsibilities in that area?

BL: It was to make it more reliable. It was still ... It did not get the same attention as the up-grader did. By now, the up-grader was 99 percent reliable, and the utilities plant was maybe 65 percent reliable. It had to get to the same level.





AD: What did that involve?

BL: Well, it involved that we had to rebuild a number of the boilers. Basically, all the boilers were starting to get about 30 years old by now. And a lot of the boiler tubes had had their life, and so they had to be replaced. But, in the end, we basically came to the conclusion that the boilers and that the whole utility is not something that belongs to an oil company. And that's when we started to negotiate with ATCO to take it over and eventually they did. And then when we did Millennium, the powerhouse for Millennium was built by ATCO. We didn't have that in the two and a half billion that was appropriated at the time.

AD: Can you give me a brief description ...

Outside voice: You're blocking your mike. I'm going to move it up for you so that you can be more comfortable. And it's recording.

AD: Can I ask you for a summary description for what the Millennium Project involved and what made it possible?

BL: Well the Millennium Project was basically a doubling of the plant. We were a single train, in actual fact. We had four cokers. We had basically hydro-treaters, but it was all one single plant. And what we were now building was another four cokers plus hydro-treaters, so that if one part fell off, the other part was still producing. And that has basically improved things quite a bit, because before, if we had a turnaround, half, the whole plant was shut down for a month. Well, take that into consideration what that costs. But it was a necessity to, you know, repair those things which you could not repair if the plant was on line. So now you basically shut down one part of the plant, Plant 1, and Plant 2 is still producing. So you always have income. You know, and that's the big thing about Millennium and that was basically why once Millennium started to basically churn, it meant a lot of money for the company. But Millennium itself paid itself back in two and a half years.

AD: Wow.

BL: Despite the fact that it was over budget.

AD: So let's talk about that. When did it start? And when did it come on stream?



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BL: It started in ... I went over to Millennium in '97, so it started just before that. Before that, the conceptual design was basically already there. And that was how they got to the the price tag, etcetera. And that was approved at the time to go further into design so that you would have a better price tag and then go to the board with whatever it was.

And it was the first major project in Alberta, so even for the engineering companies this was something way beyond their dreams because they had never touched something as big as this. So what we had to do is to say, "Well, how can we make this a success?" And what we developed was a pattern whereby there was a risk-reward curve. So, if you brought it in at a certain price, then the reward was this and that would be shared by everybody. Okay? And that was the alliance. So we basically worked with an alliance concept. And we had also the alliance of the three organizations, plus ourselves, and I was the chair of the alliance at that particular time. Now, when things didn't work out as well with, with the price tag, that's when the alliance members started to basically say, "Well, if you don't pay us, then we don't work." Okay? So there was a sort of a pressure point that they put on the company to still get a sort of a reward, because otherwise they wouldn't continue with the work. Okay.

AD: Now what was the ultimate price tag?

BL: The ultimate price tag was 3.4 billion.

AD: And when did it go on stream?

BL: It went on stream on time and at the required basically production as well. So it went on stream in 2002, as it was in the original project spec. And it also was, also producing 95 thousand barrels a day, which was basically the spec for that project.

AD: Now of course, major amounts of capital had to be found to be invested, and now we get into the political arena. You know, the renegotiations with the government of Alberta and the federal government with respect to the royalty regime around 1993. Correct?

BL: They, ya in 1993, but that was, that was there, the royalty regime was there.

AD: But that made it ...

BL: That made it possible. Ya.



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AD: to raise the capital to be able to do that.

BL: Yup, yup.

AD: Now, I don't necessarily want to leave the discussion of Suncor and its evolution quite yet, but in terms of the criticism of the industry which has been escalating around environmental and other issues, they look at the profits of say the last 15 or so years. Oops.

BL: Have you shut it off?

Outside voice: If you want, we could wait.

AD: Yup, we can wait.

Outside voice: Unless you have it set for ...

BL: It's already picked up.

AD: Okay.

Outside voice: He woke up when in range, so he's back in action [laughter]. I'm just going to move so I block him out. [reference to the dog]

AD: Okay.

Outside voice: I went into this before but I don't want to move too fast. Just going to get my focus.

AD: Oops.

BL: Watch out.

AD: His own headphones.

Outside voice: I've got like 20 pairs.

AD: Is that a valid question, what I was about to ask you.



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Outside voice: And it's good. Go ahead.

AD: Now I'll rephrase it.

BL: Rephrase it, because I kind of, ... it when the phone rang.

AD: Well, I was struggling to phrase it. It's the whole issue that contemporary critics of the industry you know look at what they perceive as ungodly profits, going back to the corporation and not to the community or the government or whatever. But of course in terms of the profit making as a portion of the Suncor's history, it's fairly recent. I mean, that it was a bottomless pit until when? I mean, it was a bottomless pit when you entered.

BL: It was a bottomless pit until about I would say 1990. When George came on board, saw what could be done with it, it started to change because there was a vision suddenly. Before that, all the CEOs were in the headspace of "We really have to get rid of this." Well that's not the way to run something. Okay? And George basically had this vision, and he made it happen too. And so things started to change for the better, and that you know... But it took time. I mean, don't forget this all started in '67. And between '67 and '90, I would say what was the ultimate result? Zero, in total, if you add it all up. Okay? Ya, maybe the last few years there was a little bit of profit, but if you compare what had been spent into the operation, it was zilch. And now it is basically, ya now you get a return. But don't forget what risks were taken between '67 and '90, '91. Twenty-four years.

AD: Now in terms of your responsibilities, the whole environmental monitoring, controls. Can you address that for me?

BL: Well, there has always been environmental controls as far as the tailings ponds were concerned. We basically had a pretty hefty program going to make sure that a lot of the water in the tailings pond was recycled, so that we didn't have to pull fresh water from the ponds, from the river. That basically minimized and so you know there was always the intention on what can we do with the tailings pond. At a point in time, when we basically got our flue gas desulphurization plant, which basically gave a calcium sulphate as one of the byproducts because it caught the SO₂. That went into the ponds. There was a formula developed so that the pond water could be treated with that, so that was the start basically of how we could reduce the tailings ponds and how we could better the whole pond situation. At the moment they have this TRO at Suncor, and the tailings ponds, which used to look at a 40-year cycle, are now looking at less than a 10-year cycle. Okay? So that there's lots of work that has gone into it, and if I would guess from the time that we started to look at it 'til now,



there has have been more than a billion dollars spent on the tailings ponds only. And people still show basically pictures, also in the States, of the old tailings pond that is already covered up now and that is re-vegetated and everything—the one that was near the river. And that one is already reclaimed.

AD: What about the issue of seepage. Do you want to talk about that?

BL: There is very little seepage because the way the pond is constructed is such that there is such a compaction of the clay in the bottom that there is barely any seepage going. And it's so far away from the river, as well. I mean, the one pond that was risky was the one close to the river, but even there was all the monitoring that we've been doing. We've never basically detected any seepage to the river.

AD: Because I ask that question advisedly, because again accusations are made about this. And that you know, whether it's the media or anti-petroleum environmentalists and others that don't seem to understand that the bituminous sands are a naturally occurring part of the region.

BL: If you basically go through the Athabasca River upstream, you see seepage, but it's seepage from natural bitumen. That is still happening.

AD: But not from the oil sands operations of today.

BL: No, because today the ponds are way too far away, way too far away from the river to have seepage at all. Plus the fact that the compaction as the ponds as they are is such that there is no seepage, as far as I'm concerned.

AD: So that's moving into sort of the whole dry tailings pond versus, you know, the other ...

BL: Well, this is what they are working on at the moment. I mean, I'm too far away from it now. All I can know is from reading about it. But, you know, at the moment they are doing dry tails, and it seems to work very well, but that is something that people don't listen to. And like I said before they always show the same old pond that doesn't exist anymore.

AD: Now, what about air quality and carcinogens. Because I mean these things are thrown out.



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BL: Well, we've basically, we've basically put that flue gas desulphurization plant in to capture the SO₂. The SO₂ is primarily from the boilers. There is not a lot of SO₂ coming off the upgrader. It's the boilers that were really ... because basically using petroleum coke. And petroleum coke has got a lot of sulphur caught in it. But the flue gas desulphurization plant basically captures 99.7 percent of that, so all the stuff that we, that was ... Basically we were not going to get from the Alberta government an approval to continue with an expansion of the plant if we didn't have any SO₂ recovery.

AD: Now, in terms of the environmental impact assessments done for Syncrude, they happened in the period 1975 to 1980. Initially, it was joint federal government-Government of Alberta. Alberta Environment was in charge of those. The feds pulled out after about two years, but 19.4 million was spent on the environmental and social impact assessments. In terms of the Millennium Project, what kind of work was done in terms of the environmental area and mitigation?

BL: There was well, in the first place, we had to go through all the hearings and assessments in order to get the approvals. And so that was a fairly big study that was done by Golder and Associates at the time.

AD: Can you just repeat the name?

BL: Golder and Associates.

AD: Golder and Associates.

BL: And they, at the time, took basically ... you know, looked at what the impact would be on the environment, on the forestry, etcetera, etcetera. So there was the approval, the environmental assessment for Millennium at the time, and we're talking now about 1997, '96, '97, was between seven and a half to nine million. Only, you know ...

AD: Now, it's my understanding that ... Was the Pembina Institute involved in that or ...?

BL: Ya, they were involved. They were always basically involved with that.

AD: Now why isn't that ever talked about? That the implication in the media is that, you know, willy-nilly, all of these subsequent plants have gone up without any controls.



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BL: Search me. Search me.

AD: I ask these questions for the record, because it's important for people from the industry in positions of authority to actually address those questions. Because you're not being asked in the media, are you?

BL: No. No, we're not. No.

AD: And so that's why I think it's important with respect to this project that ...

BL: Well, it always amazes me on the way if I read it in the papers that yes, it's willy-nilly, etcetera, it's not that way. I mean, they should really sit in with these hearings on all of these approvals that we have to go through, and the time spent and the people spent and the money spent just to get through the approval process. And, you know, it's incredible. And it's all public. You know, there's nothing being hidden. It's all public. And yet we get the negative vibes that it's just happening.

AD: Raping and plundering [laughter].

BL: Yup.

AD: You finished your work on the Millennium Project and then what did you do?

BL: That was the point when I retired. I basically ... Suncor executives retire at 62 and I stayed on to finish the Millennium Project 'til I was 65. So, they had to make an exemption for me on my pension and all those kind of things.

AD: And so what have you done since?

BL: Oh lots.

AD: So do you want to talk about that?

BL: But this has got nothing to do with oil sands.

AD: But the petroleum industry?



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BL: Well, after I basically retired, I stayed on for about a year as a consultant with Suncor to finalize the start up of Millennium and all those kind of things. And after that I basically got approached by the same headhunter that took me to Canada, and he said, "I hear that you are basically free at the moment. And I have maybe a job for you if you are willing to do it."

And I said, "Sure, and what is it?"

And he said, "It's a mining company in the east that has bought a petrochemicals company or is in the process of buying a petrochemical company in either Romania or Slovakia. And would you like to basically you know be involved with that?"

And I said, "Sure I want to be involved with that," because that's my previous background, right? ICI was petrochemicals. So that's what I did. I went for this particular company first to Romania. In Romania I stayed in the old castle of Georgescu, which was quite an experience, because every door handle and every toilet handle is made of gold. And then you look outside the window and you see these old ladies on donkey carts, you know, with ... well they're not very rich. And you look at this shining armour everywhere, and it's just a shame. You know, the doors there are basically oak, about that thick. And the whole castle was just something. Because the company that we were visiting used that as their lodging house, but they could just as well put me in a hotel because I felt so lonely in the whole thing [laughter]. So that really was what I did.

We then looked at another company in Slovakia and ultimately this Canadian company bought that company in Slovakia. And they promoted me to president and chief operating officer of that company, but I didn't basically move to Slovakia. I moved backwards and forwards so I was three weeks there and one week here, at that time. It was quite interesting. It was different again going back into operations after a major project. And they asked me to basically get the whole thing organized, and that's what I did. The difficulty was that the people in Slovakia still were thinking in the way that Communists have taught them for years and years. So, you are not basically running a company to make profit; you are running a company to make it a social institution where people can work and get some money, and whether you need the people or not, they need to work.

AD: Now that's interesting. And of course in terms of the media you've heard Mulcair going back to that pitting one region against the another, and, you know, oil sands development is hurting Ontario and Quebec. Do you want to talk about this, because you've raised the term social enterprise and that there are different conceptions of what good corporate citizenship means?



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BL: Well, what I find surprising about what Mulcair is saying is the fact that a lot of the shops here in Alberta and also in Saskatchewan are full. They cannot do any more work for the oil sands because they just don't have the capacity. So, a lot of that work is going to the east. And if you look to the east with the manufacturing, basically 90 percent I would say in the manufacturing in the east is for the oil sands. And so I'm quite surprised that he says the oil sands is hurting us, because the oil sands is basically giving them the work that they can do now to basically make the oil sands happen.

AD: Now, in terms of your career, and I ask this question because, of course, you've been in management and you've done international consulting, is that we ... There seems to be a disconnect between an understanding of the energy needs in all of their various forms of our society. And you've worked in petrochemicals as well as the whole fuel end and so on.

BL: But it all comes down to oil.

AD: Ya.

BL: Petrochemicals comes down to oil. I mean that's the basis of everything.

AD: And that there's a lack of public understanding of that.

BL: And it's you know I mean the car that you drive—and it's 90 percent of cars these days—are plastic. Well, where does this plastic come from? Oil. It all comes back to oil, and I mean you can say well we need to use solar energy, but then what do we do with the plastics that we use. You know, I mean these are all the kind of things that fall off the table then, and what is the alternate that we have to replace it? We don't have that. And it will take forever, and certainly I would say 20 to 30 years minimal to find alternatives that are made from a different base. But it's all oil, unfortunately for the people that don't like it.

AD: Now, in terms of the issues for the environmental movement, say, in the '70s and '80s, the issues around the 1950s, Rachel Carson's *The Silent Spring*, you know, Love Canal, and they understood water pollution. And, then, of course in terms of Scandinavian forest, you know, sulphur gases that become hydrosulphuric acid, i.e., acid rain. Now, things have changed dramatically in terms of the carbon footprint, and the different expectations with respect to an industry that has hydrocarbons as its modus operandi. Do you want to talk about that? Because that's being used, you know, to attack the oil sands.



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BL: Ya but, let's put it this way. I think that a lot of what is, what is being done against the oil sands at the moment, is being financed by some groups in the United States and some of, what I would say, richer film stars and things like that. They basically at the moment finance the people that are against the Enbridge Pipeline. Okay? Why? What else could they do better with their money? I would say, if they basically give that money that they are now putting into this environmental group that is just, I would say, wasting it, into a country like Somalia. I was just reading about Somalia today, and that 90 percent of the population there is basically living below the poverty line. It would help those people. Then you could help basically improve the whole world in a different way. Because going against the oil, which you need in the end, okay, is nothing, is not something that will help you. It is something that at a point in time stagnates the world. And people do not want to stagnate the world, because they don't want to go back from their lifestyle. That's the point.

AD: Is it simply, you know, that kind of environmentalism the result of a highly-developed Western economy, Western civilization that has reached a pinnacle in terms of ...

BL: I would say so. I would say so. And people basically have all their money and they don't know what else to do with it, so let's throw it to the next best thing they think, and that's what they do. But that's unfortunate, because it could be used so differently. You know, I get papers here for people that say, "When you buy a cow, you can help a whole family in Africa." Well, why don't they give it to these kinds of things rather than waste it away on a bunch of what I would call unemployed yahoos that go against this just because it is opportunistic and they get paid for it. Right?

AD: Now, to go back to your life and that of your family in Fort McMurray, it's clear that the work was very challenging and interesting for you. Otherwise, you had all sorts of options. I mean, you could have gone back to Holland or anywhere else to work. You know, what kept you there and ...

BL: The challenge. It was a challenge. I mean, every day that you worked in McMurray, there was a different challenge. And the challenge was always, let's say, enticing you to find a solution. Okay? And that was what really kept you going, because you could get a job for the same amount of money anywhere else, but it was just the challenge, really.

AD: And you know ...

BL: And sometimes you say to yourself, "Am I stupid or what?" [Laughter]



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AD: Well, you know, it's like living in a boomtown. They'll ask, you know, the Klondike Gold Rush, the Alaska Gold Rush, the California Gold Rush. You know, can you describe, you know, what it was like working with your colleagues there?

BL: Well, you were all in the same circumstances. Okay? And because of that ... We had a reunion the other day, of all places in California. And you had 30-odd people there that had all been living in Fort McMurray. And we said, "How is it that we still are basically good friends?"

And they said, "It's because we had nobody else to fall back on. We didn't have grandfathers. We didn't have grandmothers, etcetera. We only had ourselves and our friends to fall back on." And that basically made it such a close-knit society, where everybody helped everybody, and basically was there, you know, to give a hand is something wasn't going well.

AD: Now the, both the oil sands and you know conventional oil gets a black eye in terms of the generous salaries, and then because the workforce is basically young, and the whole issue of drug and alcohol abuse and all of that, and of course, recently you know we've seen the twinning of highway 63. I mean, do you want to comment on all of that?

BL: Well, let's put it this way, yes, there is a lot of money being paid to the people that are working there. But, on the other hand, what else is there to attract people to Fort McMurray? Not very much. Let's put it that way. And so that's the only way that companies can attract people and to basically attract good people. Let's put it that way, too, because you need to have well-qualified, well-trained, and dedicated people. And that's how they get them there. Sometimes they say, "We'll stay there four years, and then we go out." But the funny thing is that they always stay longer, because, once they are there, they get into the community and for one reason or another, I don't know now, but in those days it was such a close-knit community that it was like separating from the community if you left, you know.

AD: You know, in terms of the workforce, in speaking to some of the oil sands pioneers from Suncor, that first generation, a lot of them were manual labourers or, you know, farm boys, who could fix equipment. And that was the first generation of the workforce, separate from the staff that had clerical and administrative and other functions. But, of course, there was also a change in the workforce, in terms of requiring higher educational credentials and so on. Do you want to comment about that in your area? You know, the hiring practices and the skill sets, and any changes that you saw post-1982.





BL: Well, the ... what we needed to have, basically, and that was pretty evident for the upgrader, in particular, was that you needed to have somebody that had basic qualifications, either a steam certificate or a certificate from a college, so that there was a basis. You cannot just hire somebody from the street and say, "Well, here's the upgrader," and go at and train him because it won't work. Because he needs to understand if you say things like "What do you read temperatures in?" and "What do you read pressures in?" and the relationship between the temperature and pressure, etcetera. Those are the kinds of understandings that they need to bring with them so that they have a little bit of a basic to start from. You cannot just get somebody that has no education whatsoever and put him into an upgrader. That's impossible.

AD: So that, in the pioneering era when the technology was still being worked out and the equipment was being modified, you could have entry level people. But then by the time it was debugged in the 1980s ...

BL: It gets complicated.

AD: Now what about the women in the labour force?

BL: Surprisingly enough, there were quite a number of women in the labour force, specifically in the mining area. And they were pretty good and pretty diligent, as truck drivers. Now, unfortunately, when we basically did our truck and shovel and we had to layoff people they were basically the youngest in. So they were the first in, or last in, first out. That's the way the union works, unfortunately. So that was basically where we lost a lot of our female employees.

AD: Bright young women.

BL: Yup.

AD: And was work found for them within.

BL: Some of them, yes. Some of them didn't want to, because they just wanted to stick with what they were doing. Okay.

AD: And what about the issue of Aboriginal people in the workforce. I mean, in your area of responsibility.



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BL: They were there too, but they were a little bit more difficult to get them in the workforce because time management is a very difficult thing with the Aboriginal groups. They got, they get mad if you say it, but that's the case. I mean, unfortunately.

AD: But the company did nurture some spin off businesses, didn't they?

BL: Yes, they did.

AD: And did you want to talk a bit about that?

BL: Well, mostly it was, you know, for tree clearing, for basically all the bush work, so what we tried to do is to set up companies that were pure Aboriginal and then let them work in specific areas to bring income into it. And some of them were very successful. We also had some maintenance which was primarily Aboriginal, and they were excellent. I mean, once they were trained, and once they were basically into that particular piece of business, they were really good. And that's what we tried to do, and then you know set up small enterprises that they could run.

AD: So then, an enterprise model that rather than a conventional shift employee so that there was a fit.

BL: Exactly, ya, ya.

AD: Now is there anything that, any area that I've neglected to ask you about that you feel that you want to talk about for the record.

BL: No, I think we have covered the whole scala. Some of them were in depth, and some of them maybe a little superficial.

AD: Well, is there any area that we've handled superficially that you'd like to provide additional commentary on?

BL: Well, it was, that was more in the era of basically the tailings ponds. But the tailings ponds in itself is something that you could have a separate couple of hours interview over, and then still not have gone into in depth about it. It's one of those subjects that people have great difficulty with understanding. And I think it will always be an issue that will hound the oil sands.



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AD: The industry. Norbert Morgenstern, who you know is a geotechnical specialist from the University of Alberta, you know did a lot of consulting with Syncrude around the tailings pond.

BL: Yes, he did with us as well.

AD: Now, of course, he mentioned that former Dean Hardy, R.M. Hardy, who was the Dean of Engineering at the U of A, his consulting firm did the first work on the tailings ponds. And of course the way he described them was ...

BL: I think Hardy later became Golder Associates.

AD: Okay, exactly. So that's ... Okay, so there is that continuity. Now as Norbert, who wrote for me for the *Canadian Encyclopaedia*, said, he said that "They're basically earth dams, and that you utilize the materials that were there." In other words, the sand and clay and so on. So that they were engineered. It wasn't that willy-nilly.

BL: Oh ya, because we ... Every quarter there is a committee of wise men which are basically the best geotechnical people in the world. Not just somebody plucked from the street. No. Norbie Morgenstern and a lot of people that basically he had recommended that we should have on our panels. And these panels look at the dam design, at the movements, because we have basically movement, piezoelectric cells, and they look at it and say, "Well, here is a little bit of a risk. You should be adding this, that, or the other to it." That's every quarter and these ... And we pay these guys to basically give us their valuable contribution to it.

AD: So that's again a part of the monitoring. Maybe it's too sophisticated for the general public to understand, that ...

BL: That's possible, ya.

AD: That happens. That they were designed. That they were the state of the art when it was done, but of course they've changed. State of the art has changed over the years.

BL: Oh yes, and basically these people, we hire them and we still hire them to tell us what is possible that can go wrong and what we need to do to prevent it from going wrong. That's what I mean these are the best geotechnical brains in the world. I mean, you know, they're coming from the United States and from Canada. And Norbie has always been ...



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AD: He is the international expert.

BL: Ya, he is ... 'Cause the other day I was flying to Beijing and Norbie was on the same plane, so we talked about the good old times at the tar sands. And I said to him, "And where are you off now?" And he said, "Well, I doing some geotechnical stuff in Hong Kong."

AD: Now, you know, you look at the industry and that ... Do you want to talk about the safety record of Suncor?

BL: Well, I would say if you look at the safety. When I came on board, safety was okay but not great. Okay? And what we did in the end is we adopted basically the Det Norske Veritas [DNV] the safety institute to basically give us the specifications, etcetera, and we followed their, their how you call it ...

AD: Standards?

BL: Standards to get to, you know, to a good safety situation in all the aspects of the operation, so that was both in mining, upgrading and extraction, and the utilities. And those standards have been adopted and expanded, and a lot of people have taken basically safety certificates, and if I look at where they are now with safety at Suncor, it is way up there. And there is a president's award for safety that is being handed out to both groups and individuals, annually, and I must say it has gone from somewhere over there to something which is really at the forefront of the thinking of everybody.

AD: Going back to the tailings ponds, you know, the birds that landed on the Syncrude tailings pond. Why do you think that generated so much public attention and sympathy?

BL: It's because people basically are not aware that these tailings ponds are ponds that contain oil, I would say. And suddenly they're confronted with the fact that these birds have landed and they're covered in oil and "Oh God, we didn't know that." Excuse me.

AD: Bless you.

BL: And I think that's the main reason that is the main reason.

AD: But what about the comparison, you know ... So many birds, 500, 600 whatever versus good solid jobs, the labour force is drawn from across the country. You know ...



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BL: Nobody thinks about that.

AD: Apples and oranges.

BL: It's apples and oranges. And I mean, what about all those birds that are getting killed by these, those wind turbines?

AD: The wind turbines in California.

BL: There are thousands. I mean, we're not talking about a couple of hundred. No, it's thousands of birds.

AD: Aircraft, sucked into aircraft engines.

BL: Ya.

AD: Hunting, you know.

BL: Ya hunting as well. But I mean with these turbines I think there were ... The other day there was a publication in California, and I think ... we were talking about hundreds of thousands and here we're talking about 500 or whatever it was. And the whole world is standing on its head because of that.

AD: So what do you make of, you know, green oil, all of these concepts that are being bandied about today?

BL: It ... I mean green oil is a wish.

AD: Or ethical oil, I mean.

BL: Well, ethical oil is what basically Ezra Levant is calling the oil sands. Because what he is saying is look at all the other oil we are getting from Venezuela, you name it, and these are all aggressors that are against the Western world and here we have a peaceful, quiet country and you know that's the oil that you should take.

AD: So, whether environmentalists and other opponents of the industry like it or not, you cannot substitute wind energy or solar power, you know, those alternative energy forms ...



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BL: Not if you don't want to change the rest of our lives. Because if you take oil as the basic, and yes part of it goes into gasoline. The rest of it goes into clothing, plastics, your bottles. You know, if you look around this house basically there's a lot of things made from ...

AD: Your television.

BL: Your telephones.

AD: Everything.

BL: The camera.

AD: Ya. So it's really, I mean, the movement to post-industrial, and that since I edited the articles for the [Canadian] encyclopaedia, commissioned and edited the articles on primary and secondary industry, you know, it was acknowledged that those were really the building blocks of the economy. But then, there was a shift to the information age and that somehow this was all going to become irrelevant. Where do these delusional ideas come from? You know, one wonders.

BL: I don't know. I think a lot of it is wishful thinking.

Your light is blinking.

AD: Have we run out of time?

Outside voice: Anything summative to say.

BL: I think that basically the oil sands is at a juncture at the moment whereby there will be a lot of people still against it. But it is the oil of the future, because no matter how we look around, all the other oil-producing nations are basically in their peak. And we are a ways away from it. And with modern technology there will be more and better ways to get to the oil sands.

AD: Thank you.

AD: I mention my interview with Norbert Morgenstern, where he's talking about academic researchers really looking at the reconfiguration of landscape as a part of the whole addressing tailings issues. Do you want to talk about some of that new science and technology?



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BL: Well, some of that has already happened, really, if you look at the way Pond 1 at Suncor was reclaimed. It is, I would say, a magnificent piece of work and if you say, well, here was an old tailings pond, nobody believes it because it is a wonderful, nice landscape. It is re-vegetated. It really looks very good. And last but not least, all the wildlife is coming back too.

AD: Now what would be the size in terms of square kilometres or acreage of that tailings pond area.

BL: Oh, I would have to really guess. I mean, I cannot figure it out. But I can ...

AD: But it is extensive.

BL: It's extremely large. There must be some documentation somewhere about it.

AD: I'm sure there is. But animal species are repopulating that area.

BL: They're repopulating the area.

AD: Now I've read that in terms of the mix that they're using species that are more southern species of the Boreal forest, because that's really what we're talking about. But I don't know where that comes from, because you're using university researchers and specialists in terms of this area to re-vegetate it.

BL: Yup, yup. And that's basically you know, now they've also determined that there's a musk ox that's come all the way from the Northwest Territories into Alberta, so ...

AD: This little micro-environment. There was one other question that I wanted to ask you that has just escaped me at the moment.

Oh yes, of course, the whole SAGD [steam-assisted gravity drainage] technology. Do you want to comment on that? I mean, you know ...

BL: Well SAGD was basically developed later and initially it was being developed by the AOSTRA, and fortunately, Allison Redford, our new Premier, is basically revitalized re: AOSTRA again, which is a real good thing, because that is one of the main drivers, it used to be, of technology in the oil sands. So SAGD was developed by them, and I think it is a reasonably good technology. I think



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there's a lot of development that needs to be done because the recoveries of SAGD are not as great as what you would get in the mining operation. As a matter of fact, our mining guys in Suncor were always saying, "We're still better than the SAGD people, so you know, no worry."

AD: But I guess part of the argument for use of SAGD technology, is that it's less environmentally disruptive. I mean, you're not doing an open pit mine.

BL: True, true, but on the other hand you also need to use a lot of water. So you would have to have water availability close by. And the water I basically used to transform it into steam and the steam disappears into the bottom of the earth ...

AD: You can't recycle that.

BL: Is it coming back? No, it isn't. So there is an issue there again, which people for the long term will say, "Well, the cost is another issue."

AD: So any new technology has its period of having, of having the kinks worked out and then moving into an era of greater efficiency to be replaced by ... In other words, you're saying that you don't see SAGD becoming the technology of choice with respect to oil sands extraction.

BL: Possibly, but then there needs to be a lot of development still being done to basically get that incremental 65 percent to 90 percent or whatever or you know. And that is basically where it's still at a disadvantage. Whereas the mining operation, yes, there is a lot of disturbance but basically the recoveries are in the 90 percent.

AD: Finally, what about the health care issues, because Dr. Schindler in terms of the documentary, the recent documentary that was screened by David Suzuki and the *Nature of Things* last year. The whole issue of carcinogens. I mean, do you want to comment on that?

BL: I think the companies as such have done quite a bit to curtail all the environmental let's say irresponsible stuff. And I just can't see where there is worse carcinogens being developed there than what is being done with our cars that we basically spew out in the air here. So it's difficult to say well it's worse or not, but I think as far as let's say, looking at responsible operations, that is what has been done so far. I would say. You can always twist it in one way or the other.



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AD: Or the other. That the science is still not definitive.

BL: No.

AD: What about a carbon tax and all of the discussions around that?

BL: Well, that's still a ... That is still something that I would say is being developed by people that are in favour of getting to the rich part of the world so that it will help, maybe, the poorer part of the world. But I don't know whether it is proper to do it at this stage of the game. Whereby, we don't have everybody on board either. I mean, China is not on board. And if you've ever been in China, big polluter.

AD: Huge polluter. And that in a sense you wonder whether having achieved this pinnacle of wealth and high standard of living whether we're denying that to the developing world, that in essence maybe has to go through its dirty industrial revolution before it gets into cleaner ...

BL: But I think a country like China has already passed that, basically. I mean, China on a standard of living is at par with us, except that there is still this differential between the very rich and there is no middle class. And I think that's what's prevailing. If you had a middle class the, you know, the poorer people would be lifted up anyway.

AD: Would be elevated. But I'm also thinking of the environmental ... well the pollution that you see everywhere. I mean, in southern China, in the new territories.

BL: There's still, there's still a lot of that. Ya.

AD: Well, is there anything else that you want to add? Otherwise, I think this time it will be a wrap [laughter].

BL: No, I don't ...

AD: Well, thank you so much for giving generously of your time and knowledge and ...

BL: Well, I hope that it's of any use.

AD: I'm sure that it will be. Thank you.

BL: You're welcome.



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