

Statement

GREENPEACE

Greenpeace Canada statement on ExxonMobil and ConocoPhillips write-down of Canadian reserves

23 February 2017 (TORONTO) – Yesterday, ExxonMobil announced that in response to sustained low prices, 3.5 billion barrels of bitumen at their Kearl tar sands mine no longer qualify as proven reserves, while ConocoPhillips has stated that it would write down 1.2 billion barrels (i.e. half) of their proven reserves in the tar sands.

Greenpeace responded with the following:

Keith Stewart, senior energy strategist with Greenpeace Canada, said:

"These write-downs of high-cost, high-carbon tar sands reserves highlight how important it is for governments to recognize the hard truth that in a carbon-constrained world, the oil boom can't go on forever. We either let the oil market impose negative economic outcomes on us, or work together to manage the transition to the new energy economy in a way that protects workers, water and communities."

Charlie Kronick, senior programme advisor with Greenpeace UK, said:

"While the industry might wish to paint the oil price plunge since 2014 as a cyclical storm to be waited out, the reality is that there are fundamental structural problems with the oil majors' business model which predated the price crash, and which the crash simply put into stark relief. The dependence of the oil majors' business models on continuing high oil demand represents a gamble on both the world's policy-makers failing to tackle climate change and the absence of transformational disruptive technologies. This is an increasingly high-risk bet. Tar sands are uniquely exposed to such risks, given the long timescales of projects. Relying on these types of oil plays means betting that there will be no serious climate policy or disruptive technology, not just in the next 10 years, but for decades to come."

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For more information:

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