

COVER STORY

*the*  
**ARTIST**  
*of the*  
**DEAL**

HOW DO YOU MAKE A KILLING IN OIL,  
BUY A STAKE IN THE CALGARY FLAMES,  
AMASS SERIOUS POLITICAL CLOUD—  
AND STILL MAINTAIN A LOW PROFILE?  
IT'S ALL PART OF THE MURRAY  
EDWARDS BILLIONAIRE PLAYBOOK

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BY MAX FAWCETT

*photographs by Shaun Robinson*

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ON THAT DAY

in  
EDMONTON  
last  
NOVEMBER,

YOU COULD FORGIVE THE CROWD  
OF REPORTERS IN ATTENDANCE FOR  
NOT QUITE TRUSTING THEIR EYES.

After all, there was Murray Edwards, one of the oil patch's most fiercely outspoken champions, sharing a stage with NDP Premier Rachel Notley and Environment Minister Shannon Phillips at the announcement of perhaps the most ambitious package of climate change policies in Canadian history. Their bewilderment wasn't just due to the fact that said strategy included a carbon tax and a cap on emissions coming from the oil sands, two policies that should have been anathema to someone who just happened to head one of the country's biggest independent oil and gas companies. There was also the fact that Edwards and the NDP had been engaged in a political cold war ever since the party had shocked the Progressive Conservative dynasty—and everyone else in Alberta—by actually winning power in May.

The first salvo had been fired by Edwards's Canadian Natural Resources Ltd., when it cancelled an investor presentation, blaming uncertainty created by the new government. Then the company booked a conspicuous \$579-million "deferred income tax liability" that it linked to the NDP's decision to hike corporate income taxes to 12% from 10%.

And yet, just a few months later, there Edwards was, defending, if not quite championing, the government's package of climate policies. "On behalf of Canadian Natural Resources, my colleagues from Suncor, Cenovus and Shell, we applaud Premier Notley for giving us...leadership on climate policy," he announced.

Steve Williams, the CEO of Suncor, who was also on stage with Edwards and Notley, says the presence of CNRL's executive chairman was essential. "Murray was incredibly important because of his reputation for quality analysis, for detail, and for taking a long-term view. He was seen as a very important bellwether—the litmus test in this. Because he's a really tough test for most things."

Tough: It's a word that comes up a lot when you talk to people who know Murray Edwards. Then again, finding people who know Murray Edwards well and are willing to talk is tough too—which helps explain why a man who, at 56, is one of Canada's most successful entrepreneurs and dealmakers, is also one of its least well known. But while Edwards maintained his standard media silence for this story, extensive interviews with more than a dozen of his friends, colleagues and former co-workers reveal a man

who has many more parts than oil-patch billionaire. He still holds on to many of the Prairie values he learned as a kid in Regina. He's a onetime federal Liberal who made hay in Canada's most Conservative city, and someone who isn't afraid to stick his nose into matters of public policy. Yet he's a deeply private person. While talk in recent years of alleged business improprieties—options backdating, environmental carelessness—didn't stick to Edwards, he was stung when the news of his marriage dissolving became public. Not long after, he relocated thousands of kilometres away.

Although it's tempting to think otherwise, it's not his money that gets Edwards a seat at political tables in Canada. Yes, he's been a donor to a variety of parties, including the federal Liberals, the Alberta PCs, their Wildrose competition, and Brad Wall's Saskatchewan Party. And then there was that notable—nay, notorious—act of generosity, a pre-election fundraiser that Edwards held in 2012 for British Columbia Premier Christy Clark at the Petroleum Club in Calgary. But his loyalties are to good public policy, his friends say, not to one particular party or politician. "I think Murray is extraordinarily unique in terms of his effective and active bipartisanship," says Brian Felesky, a lawyer, financier and political heavyweight in Calgary. "He has the ability to move across party lines and maintain a sense of respect, equilibrium and influence."

Case in point: While Edwards co-chaired a few Alberta PC lunches with Felesky, he also co-chaired two dinners for Liberal Prime Minister Jean Chrétien with Felesky's wife, Stephanie. Bill DeJong, corporate counsel at Dentons's Calgary office, thinks Edwards's ecumenism is a big reason why he's had the ear of multiple premiers and prime ministers. "Normally, if you've got a guy who's well known and who has made a lot of his money in the oil and gas business, there's a propensity to think that he's going to go in there as a champion of the oil and gas business. But I think what those other regimes learned, under Stelmach, Redford and even Jim [Prentice], is that isn't Murray. He goes in there and does an analysis as to what's the greater good—not what's going to make Murray Edwards a few extra bucks on his share price."

Jim Davidson, who was CEO of FirstEnergy Capital—co-founded with Edwards, Brett Wilson and Rick Grafton, recently bought by GMP Capital—says that a willingness to stake out and stand by a position, even an unpopular one, is typical of Murray Edwards. A good example is Edwards's influencing then-finance minister Jim Flaherty to end the favourable tax status of income trusts. Its demise probably vaporized billions in personal wealth in Alberta alone. But Edwards saw that it had outgrown its stated intent, and with major companies like BCE and Telus threatening to convert into trusts, it was clear that the public treasury was in serious jeopardy unless the federal government acted fast. "In that particular situation, I didn't agree with him," Davidson says, "and I was quite vocal about it. He would always try to justify his opinion to me, so we would go back and forth."

Such debates are, in a way, how Edwards saw his life unfolding when he showed up for classes at the University



of Saskatchewan at the age of 17. "I'd always thought that I was going to become a politician," he told University of Manitoba students in a 2010 speech at the Asper School of Business. "For some reason, I believed that to be a politician you should be a lawyer first." Before becoming a lawyer, he first had to get his undergraduate degree, though, and he settled on studying business—a decision that would change his course forever, although he didn't realize it at the time.

Other people around him did, though. Take Larry Moeller, one of Edwards's oldest friends and the vice-president of finance at Edco Financial Holdings, Edwards's main holding company. The two met as undergrads—back when, as Moeller says, Edwards had "a mustache and a perm." While talking up stock picks was popular sport among the students, Moeller sensed that Edwards was different. "Most of the guys really didn't have a clue what they were talking about. It was all speculation. But I noticed very early that Murray seemed to have some facts."

Having the facts—all of them, if possible—would become an Edwards hallmark. It would help him win the President's Medal as the most distinguished graduate from the University of Saskatchewan, graduate with honours from the University of Toronto's law school, and find himself articling at Burnet, Duckworth & Palmer LLP, one of Calgary's more prestigious law firms, at the age of 23.

John Brussa, who was early in his law career when Edwards came on board at BDP, noticed him right away. "Most articling students, myself included, would kind of cower in the corner. And Murray was a little bit more brash than that—he had a bit of self-confidence." Edwards moved quickly up the ranks. In fact, Brussa says Edwards was pegged as the guy who would eventually replace the legendary Jim Palmer, a founder of the firm. "To be a successful lawyer," Brussa says, "I think you need three things: You need legal smarts, you need business smarts, and you need people smarts. ...Murray had all three in abundance."

DeJong, who was also at BDP, says that Edwards could have easily followed in Palmer's footsteps and become the top dog in Calgary's legal scene. But it was already clear that Edwards's true vocation was business. "He was destined for that from day one," DeJong says. "It was just a matter of when—how much experience he wanted to build up as a lawyer before he figured it was time to exit." There was also the fact that law firms operated as a kind of elegant pyramid scheme, something that didn't square with Edwards's view of how the world should work.

And so, at the age of 28 and despite having already become a partner at BDP, Edwards struck out on his own in 1988. "I had no job," he told the Asper students back in 2010. "I had no office. I just thought I was going into business and do business, whatever that was." Business turned out to be the Peters & Co. Capital Joint Venture, a unique collaboration between three entrepreneurs—Edwards, Ron Mathison and Jim Grenon, who each put up \$100,000 of their own money—and the Calgary-based investment dealer Peters & Co. The partnership, it appears, only lasted until 1993, but by then it had recapitalized three flailing oil and gas companies that would grow into multibillion-dollar businesses: Canadian Natural Resources, Penn West Petroleum and Ensign Energy Services.

Penn West and Ensign have both had their moments, but it's Canadian Natural Resources Ltd. where Edwards made his reputation—and one hell of a lot of money. When it was recapitalized by Edwards and his team, CNRL had four employees, 100 barrels of production a day and a market capitalization of just under \$1 million. It traded at 10 cents a share. Today, it vies with Suncor to be the biggest independent producer in Canada, and even in the face of one of the most vicious bear markets for energy stocks in a generation, its shares traded comfortably above \$40 as of the end of October. How much wealth has Edwards created in the process? Well, if you'd invested \$1,000 in CNRL shares back in 1988 and held onto them, you'd be sitting on a tidy \$6 million-plus capital gain today.

The company had started by drilling shallow gas wells on lands in Southern Alberta that had been abandoned by the majors, who largely exited the Western Canadian Sedimentary Basin after the OPEC-driven oil crash in 1986.

"What that did was it created a niche in the food chain," says John Brussa. "It's like the dinosaurs kind of dying off and the mammals emerging from their burrows." One of the mammals was CNRL, but it was joined by competitors like Renaissance Energy and POCO Petroleum, which were also taking advantage of both the majors' retreat and improvements in seismic surveys and simulations to tap relatively small oil and gas formations that had not been previously economic. The challenge for them, Brussa says, is that there were only so many of these formations to tap, and their relatively high decline rates meant that it was hard for the companies drilling in them to grow past a certain point. "By the nature of the basin, that kind of business plan had a ceiling, and in order to break through it and become a truly big company, you had to get some long-term assets."

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**MILLION-  
PLUS**

*capital gain today*

For CNRL, those long-term assets first came in the form of heavy oil properties that it picked up in the early and mid-1990s. These were joined a few years later by some mature fields in the North Sea and offshore assets in West Africa that CNRL got as part of its acquisition of Ranger Oil.

But it's the company's oil sands assets that have transformed it into a major player, and while it seems obvious now that an Alberta oil and gas company looking to beef up its portfolio would look to Fort McMurray, back then the oil sands were far from a sure thing. "The oil sands were 10% of what they are now, and regarded as a science project that had created white elephants," says Gord Jaremko, a veteran energy journalist. "You had widespread attitudes in the investment community that oil was a 'mature industry' and that, in fact, it was a 'sunset industry' because the economy was going over into the digital era."

But, Jaremko says, there were signs that the oil sands might be on the verge of evolving from a science project into a cash cow. After the high-profile failure of the OSLO (Other Six Lease Owners) project in the early '90s, the governments of Canada and Alberta had begun discussions about how to keep the oil sands alive. Those discussions would eventually substitute the so-called generic fiscal regime for the custom-tailored Crown agreements that had made it difficult for operators to accurately forecast their royalty and tax payments. But it took until 1997 to get the new regime in place—which created an opportunity. "The value of the oil sands was basically zero, or minus," Jaremko says. "So if you went in and started acquiring properties, you were on the winning side—if you could see that this stuff was going to happen."

That's exactly what Edwards saw—and what CNRL ended up doing. In 1999, it bought all of BP Amoco's Alberta oil assets, including its Mic Mac oil sands properties (later renamed Horizon), which contained upwards of three billion barrels of oil, for \$1.1 billion. CNRL would go on to spend about \$10 billion developing the first phase of Horizon, which began construction in 2005 and produced its first barrels of synthetic crude on Feb. 28, 2009. Those barrels represented the culmination of a strategic vision that few had the stomach for a decade earlier.

That vision may soon start paying even larger dividends. CNRL is expected to complete the third phase of Horizon by the end of 2017, at which point it will be cranking out 250,000 barrels per day. If oil prices, lately less than \$50 (U.S.), climb to \$60 (U.S.) and stay there, the company could be cranking out one million barrels of oil equivalent production per day by 2019. And while Edwards and CNRL's management team would surely love to see oil trading north of \$100 (U.S.) per

barrel again, they don't need it to—by 2018, they expect to be able to generate more than \$3 billion in free cash flow at just \$60 (U.S.). Not surprisingly, given those numbers, the company's shares have weathered the recent storm well. While the Canadian energy sector as a whole was down 30.2% between Oct. 1, 2014, and Sept. 30 of this year, CNRL's shares slipped just 0.45%.

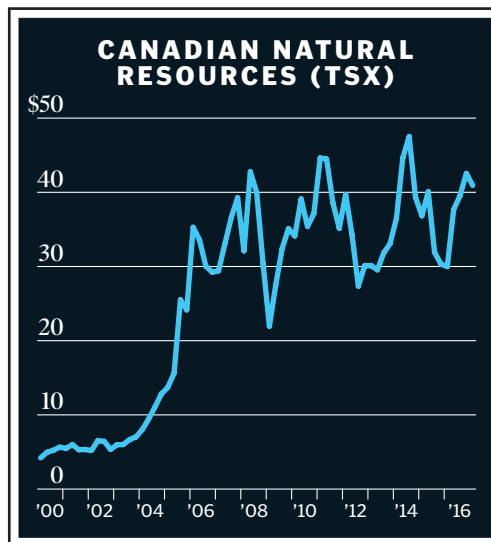
That's a sign, Canoe Financial senior portfolio manager Rafi Tahmazian says, of the market's respect for what Edwards has built. "He's got a conventional oil company. He's got a natural gas company. And he's got an oil sands company. Those businesses were built off of small transactions relative to the size of those assets today, which means he did it in the most effective way possible." The feat is also a credit to the company's operational and fiscal discipline, something that the market looks upon with particular favour when commodity prices are low. "Relative to the size of his assets, his ability to manage growth within cash flow was ridiculous," Tahmazian says. "It's not necessarily unprecedented, and there are others that were able to do it in small ways. But he's the biggest of the best."

It's one thing to put your stamp on an oil and gas company, much less turn it into one of the most successful companies in Canadian history in just two decades. It's a whole other thing to simultaneously spearhead the creation of an energy services company, Ensign Energy Services, that would become No. 2 in the country and, in Penn West, an oil and gas producer that would go from producing 900 barrels per day to more than 180,000.

But even that wasn't enough for Edwards. A few months after he left the Peters & Co. Capital Joint Venture in 1993, he saddled up with his university pal Larry Moeller at Edco Financial Holdings. Edwards had created Edco in order to manage his various investments; Moeller joined in 1994 to help diversify the portfolio away from the energy sector.

First, though, Edwards had to actually persuade Moeller, who by that point was a partner at Deloitte, to join him. "My wife thought I was crazy," Moeller says. "I was a young man. Three kids, leaving a nice paycheque. But I had a high degree of confidence that we'd be able to create something and it would pay off." Did it ever. In 1994, Edwards made a major investment in Imperial Metals, a copper and gold mining company that now operates three mines in British Columbia, while the following year he led a recapitalization of Magellan Aerospace, an Ontario-based aircraft-parts manufacturer that had fallen on hard times.

Edwards also joined the Calgary Flames ownership group in 1994, and rescued the Resorts of the Canadian Rockies, the largest privately owned ski resort company in Canada,



# THE EDWARDS EMPIRE

His personal stake in these public companies alone adds up to more than \$2 billion

## CANADIAN NATURAL RESOURCES LTD.

Market cap  
**\$46.8 BILLION**  
Share price  
**\$42.57**

Edwards's stake  
2%

=

**\$916 MILLION**  
Edwards's title  
**Executive chairman**

## MAGELLAN AEROSPACE CORP.

Market cap  
**\$1.1 BILLION**  
Share price  
**\$18.35**

Edwards's stake  
74%

=

**\$790 MILLION**  
Edwards's title  
**Chairman**

## ENSIGN ENERGY SERVICES INC.

Market cap  
**\$1.3 BILLION**  
Share price  
**\$8.09**

Edwards's stake  
17%

=

**\$210 MILLION**  
Edwards's title  
**Chairman**

## IMPERIAL METALS CORP.

Market cap  
**\$414 MILLION**  
Share price  
**\$5.15**

Edwards's stake  
34%

=

**\$143 MILLION**  
Edwards's title  
**None**

## CANEXUS CORP.

Market cap  
**\$286 MILLION**  
Share price  
**\$1.54**

Edwards's stake  
9.5%

=

**\$27.3 MILLION**  
Edwards's title  
**None**

## PRIVATE

### Resorts of the Canadian Rockies

Edwards is majority owner and chairman of Canada's biggest privately owned ski operator

### Calgary Sports and Entertainment Corp.

(Calgary Flames, Calgary Stampeters):  
Edwards is part-owner and chairman, as well as a member of the NHL's executive committee

### Edco Financial Holdings

(private holding company):  
Edwards is chairman

from bankruptcy in 2001. These feats were the capstone on a run that put Edwards near the top of the mountain among Western Canada's greatest entrepreneurs.

At the root of Edwards's success is a talent for dealmaking that might be unique in this country. Yes, Donald Trump may have his name attached to a book called *The Art of the Deal*, but Edwards could actually have written it. Where Trump's dealmaking was underwritten by inherited wealth and a willingness to burn creditors, Edwards drew more on things like knowledge and hard work. "Murray knows as much or more about the capital markets as anyone I've ever met," Brussa says. "He has a very good sense of how to raise capital and how to shape a company to fit in the capital markets." Selby Porter, former president of Ensign Energy Services, is even more succinct when asked if he's ever met a better dealmaker than Murray Edwards. "Very simply: no. Not even close."

Edwards's gift was particularly integral to CNRL. "He helped clean up a very beaten-up intermediate sector in the '90s that never really created a [low] cost of capital or a return on invested capital," Tahmazian says. "As [those intermediates] started to weaken, he was able to strategically take them out—they were companies that either were potential competitors for his existing businesses or companies with assets that he wanted to pursue in new areas."

Unlike Trump, Edwards's conception of a good deal isn't framed by the need to do better than the person on the other side. "For Murray, there isn't a win-lose," says Michael Lang, the chairman of StoneBridge Merchant Capital. "Generally, he's always trying to figure out a win-win." Lang says he's

seen deals in which Edwards left money on the table, or agreed to a concession rather than trying to grind the other side down. "In the end, it was more important to have them motivated properly than to extract the last nickel."

Porter saw the pattern repeated frequently during the 20-plus years he worked for Edwards. They first met in the late 1980s, when Porter had been charged with selling Regent Drilling on behalf of the bank that had been forced into owning it; Edwards was one of the people who made an offer. "I didn't know if he was a legitimate buyer at the time, to tell you the truth," Porter says. "I thought there were other guys that had a lot more wherewithal." But Edwards ended up convincing the board of directors to sell it to him, and he also ended up keeping Porter around, as president.

In that role, Porter had to compete against formidable Precision Drilling. While Precision had the bigger name, Ensign had Murray Edwards. "The main difference was Murray was better at putting the deals together," Porter says. "A lot of the time, these companies were coming to us. They were owners who were getting older, and for various and sundry reasons they wanted to sell. And Murray was always able to attract those people because he was seen as the guy who did the fair deal."

Porter also remembers Edwards looking after people farther down the rungs of power. "He could come into the office and talk to almost anybody on the floor—or on the many floors that we had along the way—and he knew most of the people. He was a people person as much as anything." This gave Ensign an edge when it came to dealing with prospective sellers. "That was important to the vendors of those companies. ...They wanted to sell to someone who was going to treat their people well." Chris Severson-Baker

of the Pembina Institute, a green-leaning western think tank, says he's heard that CNRL has one of the lowest rates of internal turnover in the industry, a feature that's particularly conspicuous in a town where people routinely cross the street to work for a competitor. "It seems to generate a lot of loyalty amongst its employees," he says. "So I get the sense that it may have had a pretty tough exterior to the rest of the world, but not so tough an interior."

Edwards was just as good—better, maybe—at attracting and retaining leadership. "There was an insane amount of talent that he attracted [at CNRL]," says Rafi Tahmazian. "These guys commanded incredible respect in our industry, the oil patch, and in the investment industry globally. And when you have the ability to command respect at a global level from an investment perspective, you're going to get incredible amounts of access to capital."

Yet Edwards is no soft touch. "Make no mistake—this is no wallflower when it comes to being tough," says Ken King, CEO of Calgary Sports and Entertainment Corp., which owns the Calgary Flames and the Calgary Stampeders. "But tough and fair is different than tough and ignorant, or just mean-spirited. It's 'What can we do to fix it?' as opposed to 'Whose fault is this?'"

If you ask people who know Edwards about what makes him so successful, they all mention his appetite for information. Bill DeJong likens it to a "Vulcan mind-suck," and he says everyone Edwards meets gets it. "They think they're having a wonderful conversation with this fellow. But they walk away a half-hour later, and they know nothing about Murray—they didn't get one question in. And Murray knows how much they have in the bank, where they were born, and how many boyfriends they had."

But two-way exchanges happen too. Tzaporah Berman, the environmentalist who co-chairs the Alberta government's Oil Sands Advisory Group, remembers her first interactions with Edwards: "He asked a lot of challenging questions, and really seemed interested in the answers. And then the next time we met, the conversation would build on the conversation we had before. He has an incredible memory and his mind moves very quickly." That made it easier, she says, to find common ground. "We had, and probably have, a number of disagreements....But I got the sense that he was truly interested in trying to understand our perspective."

Edwards also has the ability to handle the kind of workload that would break most high-achieving Type A 20-somethings in a matter of weeks. "He didn't mind working hard," DeJong says of their days as young lawyers at BDP. "Others would get burned out because it's no fun or they've had enough, but that wasn't Murray. He'd always keep on going. He never had enough." Late-night phone calls, meanwhile, were—and still are—standard practice. "He will call you any time of the day or night," says Ken King, "and it is *literally* any time of the day or night." NHL Commissioner Gary Bettman, a man who's known for keeping a pretty bruising schedule himself, clearly recognizes a kindred spirit in Murray Edwards. "He has an incredible energy—and, prob-

ably, an incredible capacity to go without a lot of sleep." (Edwards was a key actor on the owners' side during the 2012-13 NHL labour dispute.)

Edwards is also endlessly competitive, whether it's in doubles squash—"contact squash," as he calls it—or a board game with friends. "We'll play squash, Ping-Pong or cards—anything—and it's competitive. But it's a nice competitive," Lang says. It's not like Edwards is incapable of having fun—far from it, friends say. He just happens to find work to be one of the most fun things of all, which is why he'll happily watch a movie with friends at the cottage and plow through paperwork at the same time.

One place Edwards has *not* channelled his energies is in his public profile. But this, too, is deliberate. "He's a private guy," Larry Moeller says. "He doesn't like people knowing his business. He has a small circle of close friends. He likes to enjoy his life in privacy—he's not looking to be on the front page of magazines or that sort of thing." It's not secretiveness, King says. Edwards simply doesn't see the value of being in the public eye any more than he has to be. Again, he's the anti-Trump. "You've never seen him on TV. You're not likely to. You know he has influence, but you never hear about it. That's kind of what you want, I think, from a leadership standpoint, unless you're somebody who has hubris or ego. But the last time I looked, that doesn't bring much value to anything."

If there's a downside to this approach, his friends say, it's that he doesn't get enough credit for his philanthropy. "There are some things that are obvious, like the Edwards School of Business [at the University of Saskatchewan], but there are a lot of things that are very low-key," Lang says. "I think he's been the most supportive of anybody certainly in Calgary—and maybe in Canada—as far as philanthropy goes. But some people are a lot more demonstrative about it than he is." Ruth Ramsden-Wood, the former CEO of the Calgary United Way, says she's been working with Edwards on a speakers' series focused on younger philanthropists in Calgary. While he was happy to help develop the program, he demurred when she asked him to step onto the proverbial stage. Why? "He saw that as bragging, and he didn't think he had the bragging rights."

Ramsden-Wood thinks that modesty was shaped by Edwards's upbringing in a family where volunteer work was esteemed. So too, in a way, does Daphne Taras, who was dean of the Edwards School of Business between 2010 and 2016. She came to Saskatchewan by way of Toronto and Calgary, and thinks the province's unique culture plays a key role in Edwards's value system. "He doesn't come from the Alberta prairie tradition, he comes from the Saskatchewan prairie tradition, where you are a capitalist but you take care of your neighbours. And you don't donate money because you get to name things. You donate money because you're paying it forward."

Those Saskatchewan roots might also explain Edwards's personal frugality. Yes, he's a billionaire, and Larry Moeller says he's hardly a stranger to the finer things in life, be it



the A.Y. Jackson paintings he collects or the bottles of good Bordeaux he likes to drink. But he remains the same guy who drove around Calgary in a beat-up brown Firebird that shuddered if it wasn't going fast enough. "At lower speeds, if we were driving downtown, you could hardly talk because your head would be wobbling and we'd both start laughing," DeJong says. "It was a beater, but it didn't matter—Murray was making a statement. It was a sign that he appreciated the value of money."

That stubborn frugality is something DeJong thinks Edwards picked up from his father, who worked as an accountant in Regina. "In talking to Bill, his dad, you could sense that: careful with money. Not cheap; careful. And you had to know when to spend. That's something Murray still does well to this day."

Indeed, John Brussa says Edwards is still basically the same person he met as a young lawyer in the early 1980s. "I'm sure he's a multibillionaire but he's still an accessible guy, and I still talk to him the same way I talked to him 30 years ago. I don't find that he has a huge amount of pretense—I mean, he's just a guy from Regina."

**B**russa is right—Edwards is indeed a multibillionaire, coming in at number 1,367 on the latest global ranking from *Forbes*; he was 26th in Canada. But his reputation has taken some dings in the last few years. First, there was the allegation that he and fellow insiders at Ensign Energy Services enriched themselves via options backdating between 1993 and 2006. A 2011 lawsuit filed by a shareholder noted that the company tended to grant options on the stock's lowest-trading days. After an internal investigation conducted by retired Alberta Justice Dennis Hart concluded that the company's option-granting process had indeed been flawed, the company settled out of court in 2014. Four of Ensign's officers and directors—including Edwards—agreed to together pay the company back more than \$4 million, without admitting any liability, while Ensign paid the complainant's legal fees of \$1.09 million.

That wasn't the only allegation of options backdating that Edwards would have to face. In 2014 and 2015, *The Globe and Mail's* Carrie Tait reported on allegations of similar misconduct at Penn West Petroleum between June, 2005, and August, 2006. But, as Tait reported, while Edwards was named in the suit, the time frame in question was after he'd stepped down as chairman after a disagreement over Penn West's decision to convert into an income trust in May, 2005.

A decision on whether the suit will be allowed to proceed is expected early next year.

More serious, perhaps, is the environmental record of Edwards's companies, marred by incidents like the 2013 leak at Primrose, CNRL's thermal in situ oil sands project north of Cold Lake. The project relied on high-pressure cyclic steam stimulation, a form of "huff and puff" that gets at the bitumen underneath a thick layer of caprock. The approach is predicated on the notion that the steam will not fracture the caprock itself. But it did appear to "breach" the caprock at Primrose. Rather than wait for the Alberta Energy Regulator to complete its investigation, CNRL initially blamed the leak (one that would eventually amount to more than a million litres of bitumen emulsion) on some old vertical wells in the field that hadn't been sealed correctly.

As it turned out, the root of the problem lay more in the excessive steam being deployed by CNRL. But Robert Bedin, an analyst with RS Energy Group in Calgary, says the way CNRL handled Primrose wasn't surprising. "They're recognized as a pretty aggressive operator in their dealings with other partners, and it appeared that they were rather aggressive with the [regulator] in how their response came out in regard to Primrose." Severson-Baker of the Pembina Institute has the same view. "It reinforced that image—that CNRL is, or can be, a fairly aggressive player in the oil patch. It's willing to argue pretty vigorously against environmental rules and regulations that other companies may be more willing to accept."

If the fallout from CNRL's ham-fisted handling of Primrose was bad for Murray Edwards's play-fair reputation, the consequences of the 2014 breach of a tailings pond at Imperial Metals' Mount Polley mine was downright brutal.

The incident spilled 24 million cubic metres of toxic stew, some of which flowed into nearby rivers and lakes. As the biggest shareholder of Imperial, Edwards faced public and government anger for his company's pushing the envelope. As Bill Bennett, B.C.'s Minister of Energy and Mines, told the *Financial Post*, "[Imperial Metals was] in compliance, but they were—very often—very, very, very close to the line that if you cross it, you're getting into dangerous territory."

But for all his business troubles, it might have been the report in *Frank* (and other vectors for gossip like Britain's *Daily Mail*) that Edwards and his wife, Heather, had split up—and that she was romantically involved with Alberta-born singer k.d. lang, no less—that hurt him the most. His friends refuse to talk about that part of his life, except to say

*If CNRL's ham-fisted handling of the Primrose leak was bad for Edwards's play-fair reputation, the 2014 breach of a tailings pond at Imperial Metals' Mount Polley mine was downright brutal*



that he was obviously heartbroken. Toss in the collapsing price of oil, the 2013 flood that swamped his neighbourhood in Calgary, the 2014 death of his father, and the election of an NDP government, and it's not hard to see why the last few years of Edwards's life have probably been his worst.

Thus it's also not hard to see why he might have wanted a fresh start somewhere else—like, say, London, England. His move late last year went unnoticed until reporters spotted a change in his listed residence on Magellan Aerospace's annual information form. But while Edwards's decision to leave Calgary surprised his friends, his choice of a new base did not. "He's always liked London," DeJong says. "It's a terrific place, one of the financial capitals of the world. Murray's a real foodie, and the restaurants there are terrific. So it's very exciting for him, and you can feel it when you visit with him."

As to the notion, first floated by the Wildrose opposition, that Edwards left entirely because of the NDP's decision to raise personal and corporate income taxes, Larry Moeller doesn't buy it. "People think it's all tax. It's not all tax. It's also about lifestyle. He's got a very nice lady in his life who lives in London and knows her way around the city. He's got lots of employees over there....He can be anywhere in the world. And at some point, working 60 to 70 hours a week non-stop for decades, you want to say, 'Well, what else is there out there?'"

It probably doesn't hurt that London is a city where Edwards can be anonymous. While the chumminess that defines downtown Calgary may have once been a draw, it probably feels a bit claustrophobic there these days, especially given the mixed feelings that were generated by Edwards's decision to do business with the NDP government. It was viewed by some as a kind of betrayal, one that put a dent in the reputation he'd earned among his peers in the patch. For even Murray Edwards is not a proxy for an entire industry. "I think their deal gave the NDP the ability to use it as a data point of the energy industry supporting their decisions, which is not true. It is absolutely not true," says Tahmazian. There's also the fact that the mood right now in Calgary is decidedly—and relentlessly—downbeat. "He's living in a great city where it's buoyant and lots is happening," Moeller says. "When he comes back to Calgary, he says, 'Oh, man, it's gloomy here—it's depressing.'"

But whatever the reasons behind his decision to move to London, Edwards's future is still inextricably linked with Calgary's—and with Canada's. Calgary Sports and Entertainment is in the midst of an attempt—so far, largely unsuccessful—to persuade local politicians to support CalgaryNEXT,

an \$890-million arena/sports complex that would host the Flames and the Stampeders. Edwards's philanthropy also brings him back to town on a regular basis. And then there's his son, Adam, for whom he shares custody. DeJong says Adam, 10, is a huge part of Edwards's life. "Murray's a good dad. That's a huge job to continue being a good dad, and I think he really sees that."

For better or worse, it's Edwards's relationship with Alberta's energy sector and its suddenly uncertain future that will define his legacy in Canada. And in a way, he's a father figure there as well. According to the Pembina Institute's Severson-Baker, Edwards's support for the climate change plan was a turning point for the industry. "I think it was huge, because it really marked the end of the era of the big open debate between industry and environmentalists and government. There's still lots of folks out there who need to be convinced that this is the best plan, but you just don't see the debate raging between the same players in the same way that you used to." Now, Severson-Baker says, the industry is more focused on how it can adapt to climate change rather than whether it actually needs to.

That adaptation will almost certainly come in the form of technological improvements, something that Tzaporah Berman says Edwards has great faith in. "I remember expressing some doubt at some point at one of the meetings about the potential to reduce emissions per barrel equivalent to conventional, and I remember Murray at one point kind of looking at me and saying, 'Huh? A couple of decades ago people told us that we couldn't produce oil sands cost-competitively at all. We've proven them wrong, and we'll prove all the naysayers wrong again.'"

If Edwards is right, he'll have helped save one of Canada's most important economic assets from a much bleaker future—and with it, the livelihoods of thousands of Canadians. "I think the writing was on the wall for the oil sands industry that public licence was eroding faster and faster," Severson-Baker says, "and there really was going to be no possibility of building pipelines to get more bitumen out of the province—especially to tidewater—if the campaign continued to grow against Alberta for being a laggard on climate change." Edwards didn't single-handedly stop that campaign by supporting the NDP's plan, of course. But in a lifetime of ambitious dealmaking, it may one day prove to be his most important deal of all.

