

National Energy
Board



Office national
de l'énergie

Short Term **Canadian** Natural Gas Deliverability, 2005 - 2007

Presentation to NARUC Conference
By
Dr. John S. Bulger, Board Member

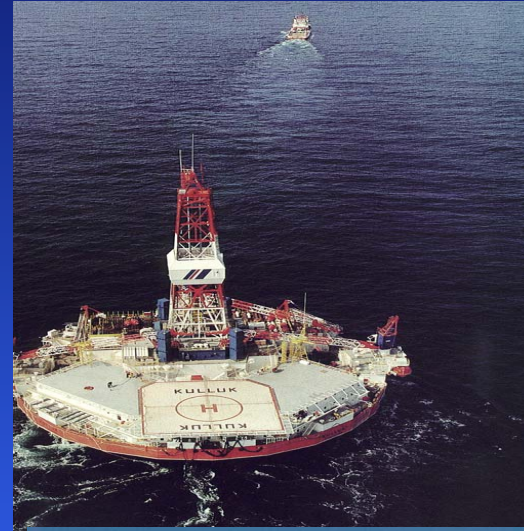
February 2006

National Energy Board



Office national de l'énergie

Canadian National Energy Board



Canada



Currently has 8 Board Members



Chairman
Kenneth Vollman



Vice-Chairman
Gaétan Caron



**Rowland
Harrison**



**John
Bulger**



**Elizabeth
Quarshie**



**Deborah
Emes**



**Carmen
Dybwad**



**Patricia
McCunn Miller**



National Energy Board

- ◆ **An independent quasi-judicial regulatory tribunal established in 1959**
- ◆ **Report to Parliament through the Minister of Natural Resources Canada**
- ◆ **Responsible for administering:**
 - *the National Energy Board Act (NEB Act)*
 - *the Canada Oil and Gas Operations Act (COGO Act)*



What does the NEB do?

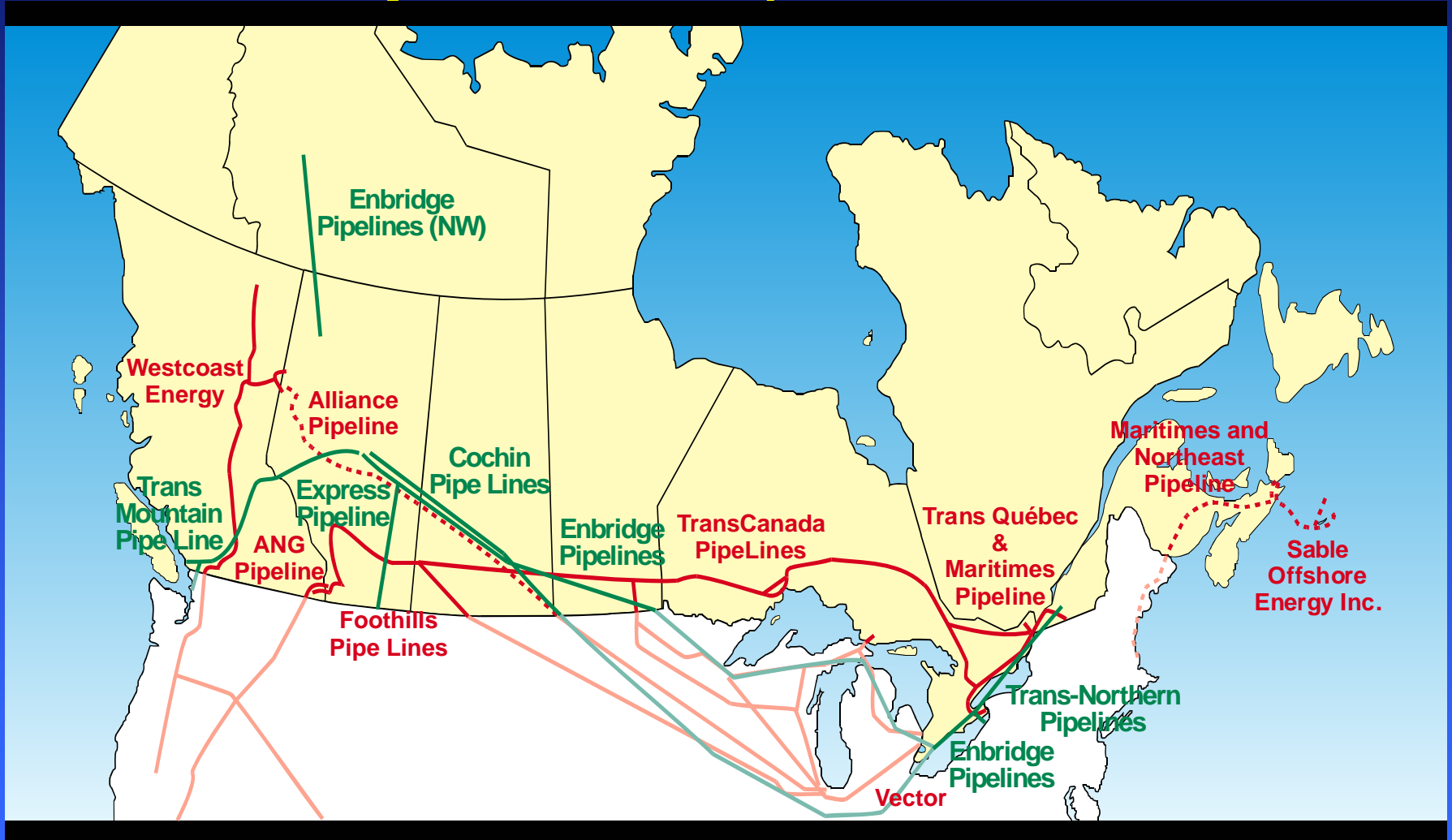
◆ Regulatory role:

- Interprovincial and international pipelines
- Pipeline transportation, tolls and tariffs
- International and designated interprovincial power lines
- Exports of oil, natural gas and electricity
- Frontier oil and gas activities outside of Accord areas (COGO Act)

◆ Advisory role



Major Oil & Gas Pipelines In Canada





Goals

Goal 1

- ◆ NEB-regulated facilities and activities are safe and secure, and perceived to be so.

Goal 2

- ◆ NEB-regulated facilities are built and operated in a manner that protects the environment and respects the rights of those affected.

Goal 3

- ◆ Canadians benefit from efficient energy infrastructure and markets.

Goal 4

- ◆ The NEB fulfills its mandate with the benefit of effective public engagement.

Goal 5

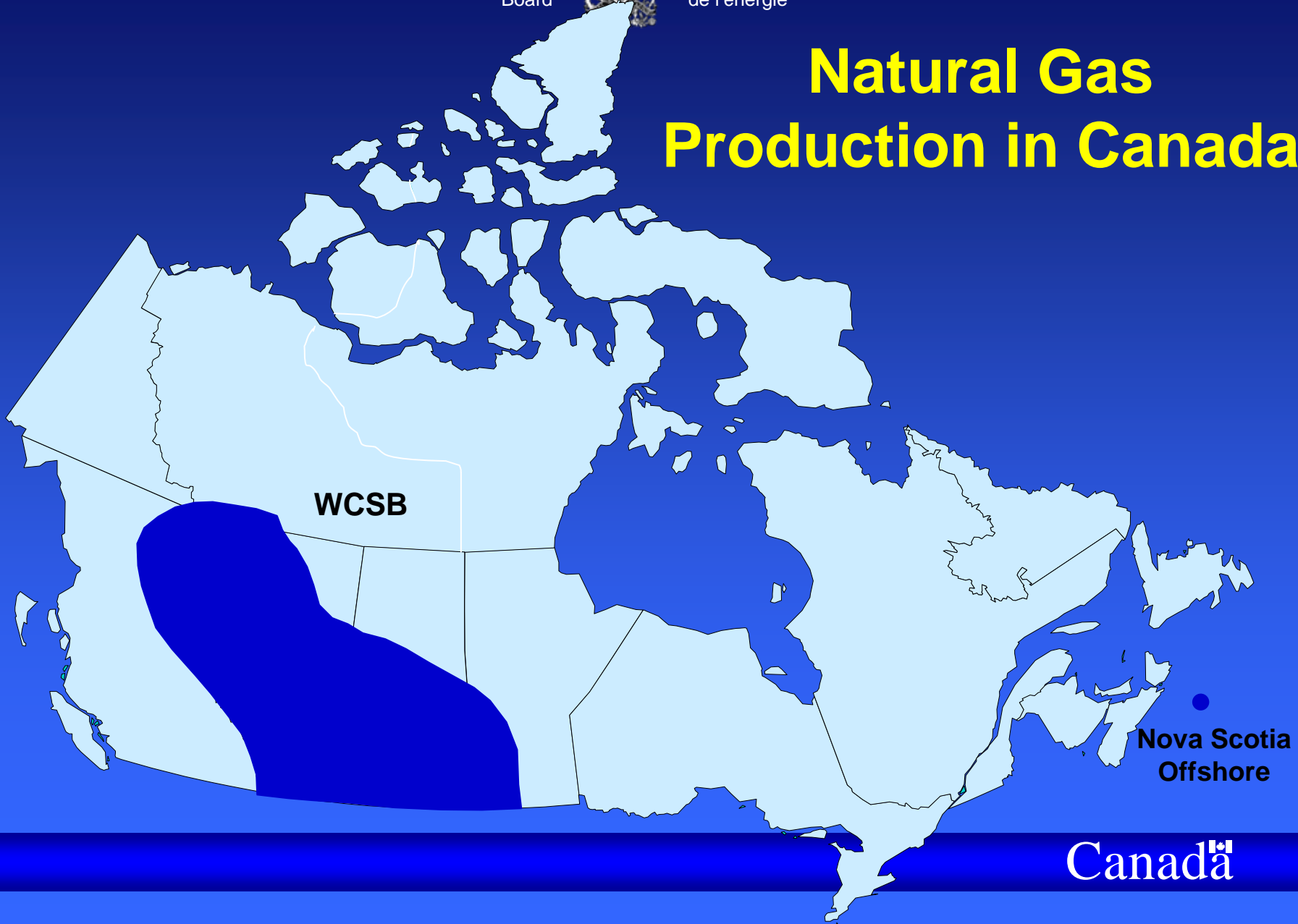
- ◆ The NEB delivers quality outcomes through innovative leadership and effective processes.

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Natural Gas Production in Canada



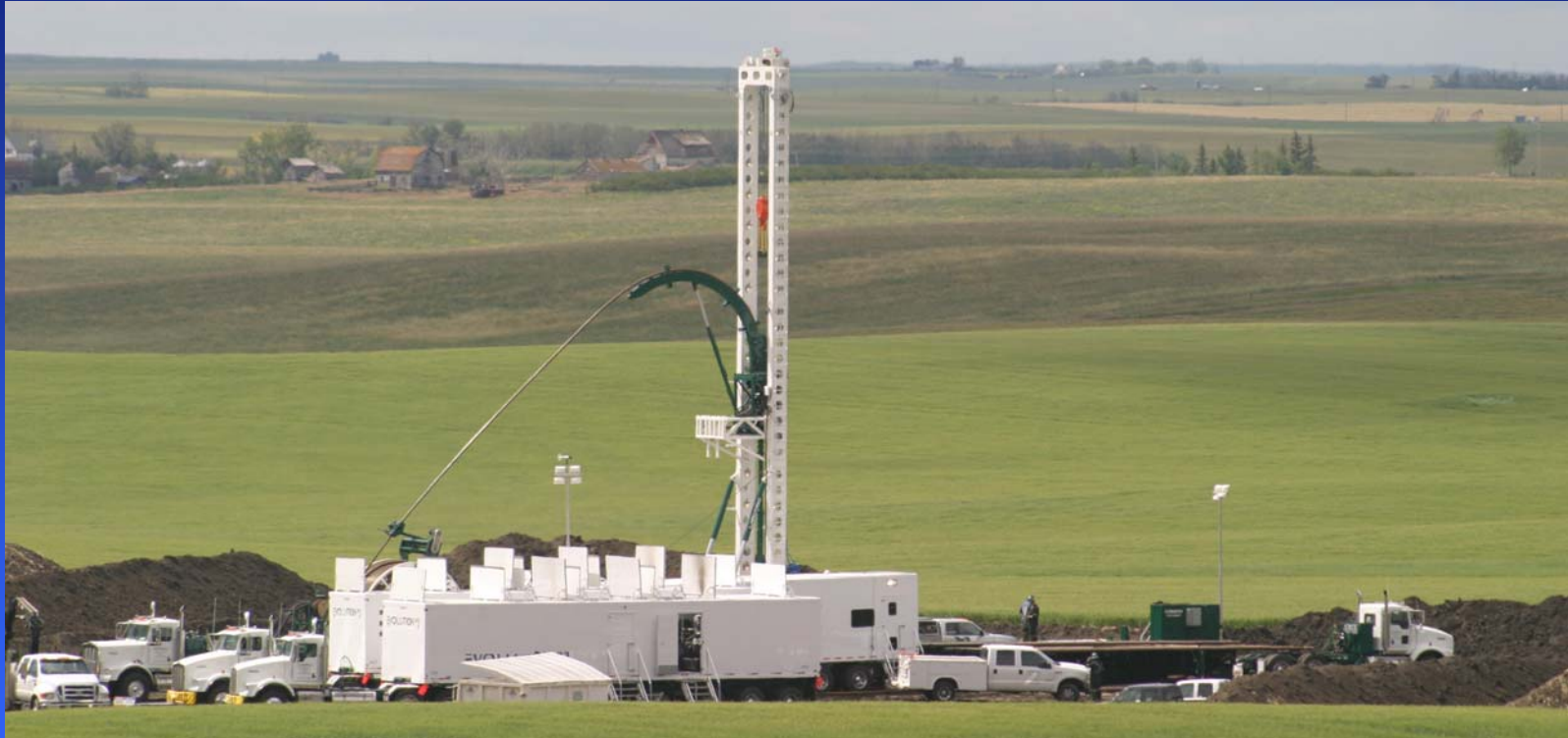
WCSB

Nova Scotia Offshore

Canada



The WCSB



= Solution Gas + Conventional + Unconventional



Solution Gas

- ◆ Produced in conjunction with oil
- ◆ Historically ~ 8.5% of gas production in WCSB





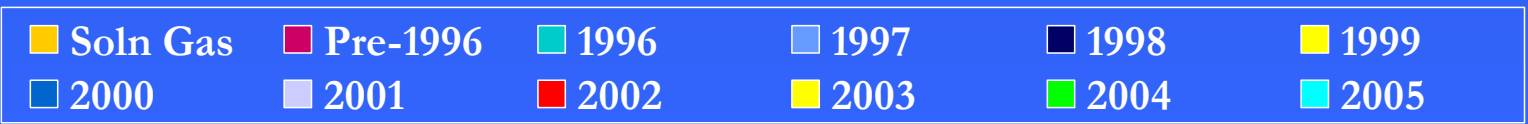
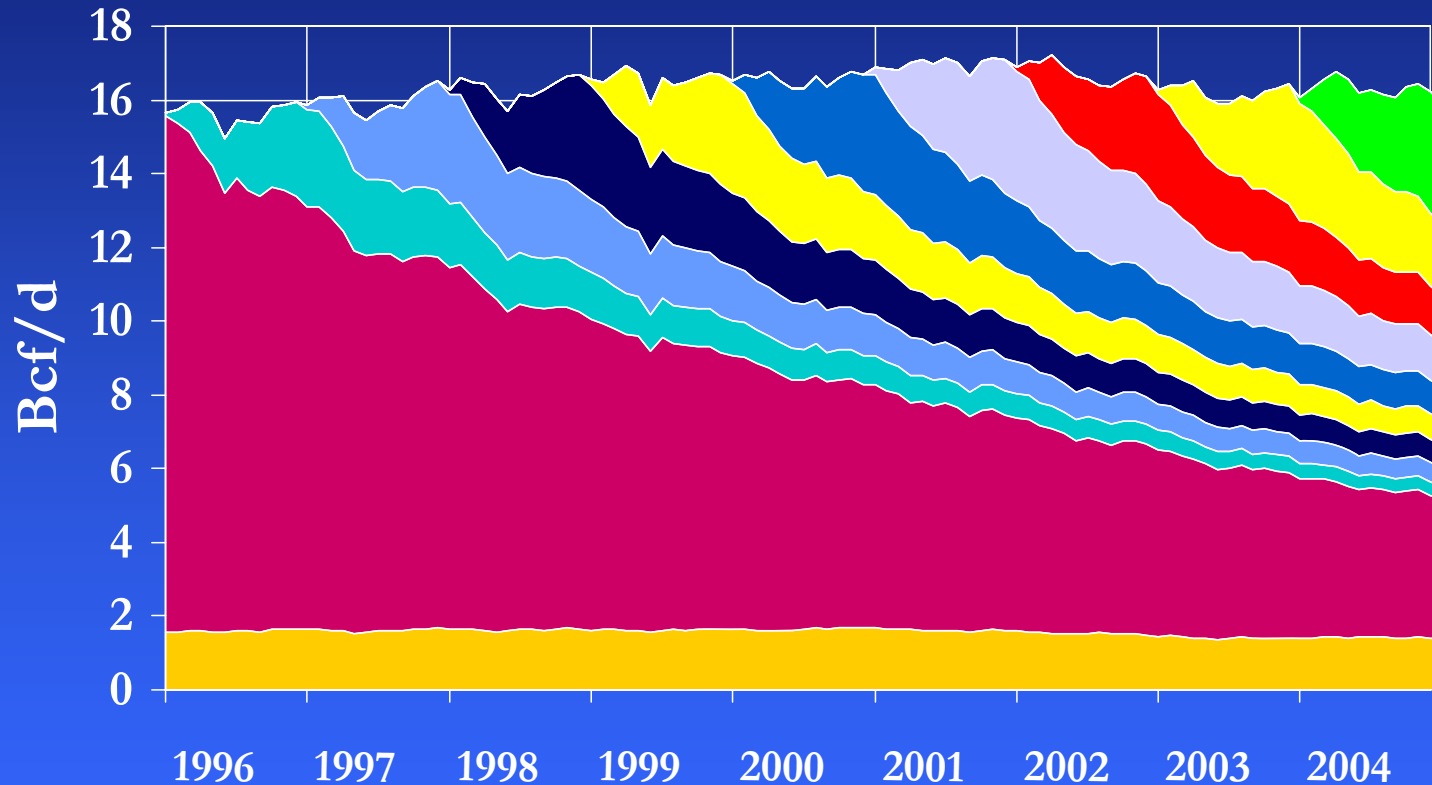
Conventional Gas Wells

- ◆ 91.5% of gas production in WCSB
- ◆ Deliverability =
Existing Gas Wells
+
Future Gas Wells



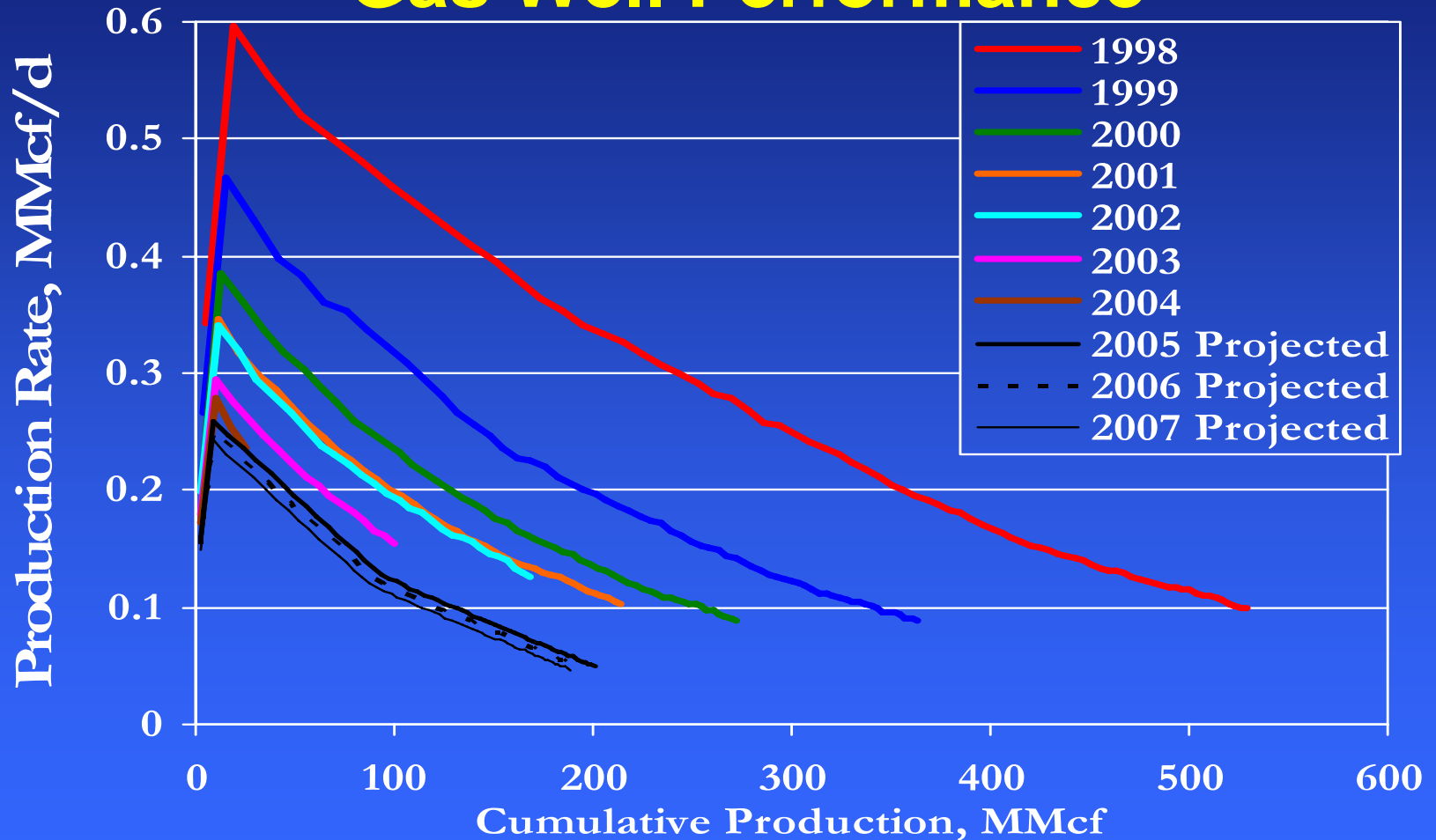


WCSB Production History Solution Gas and Conventional Gas Wells



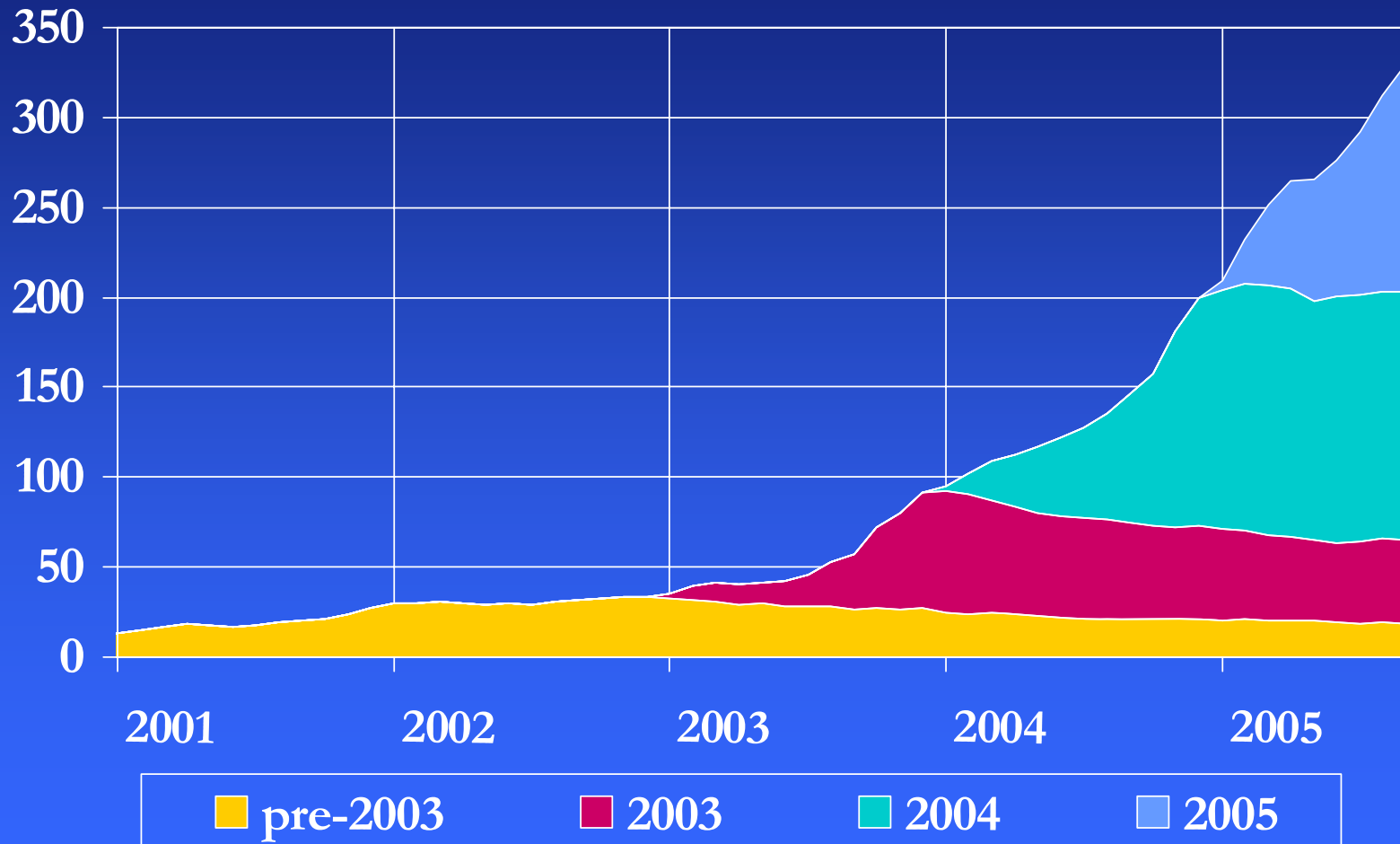


Average Conventional Gas Well Performance





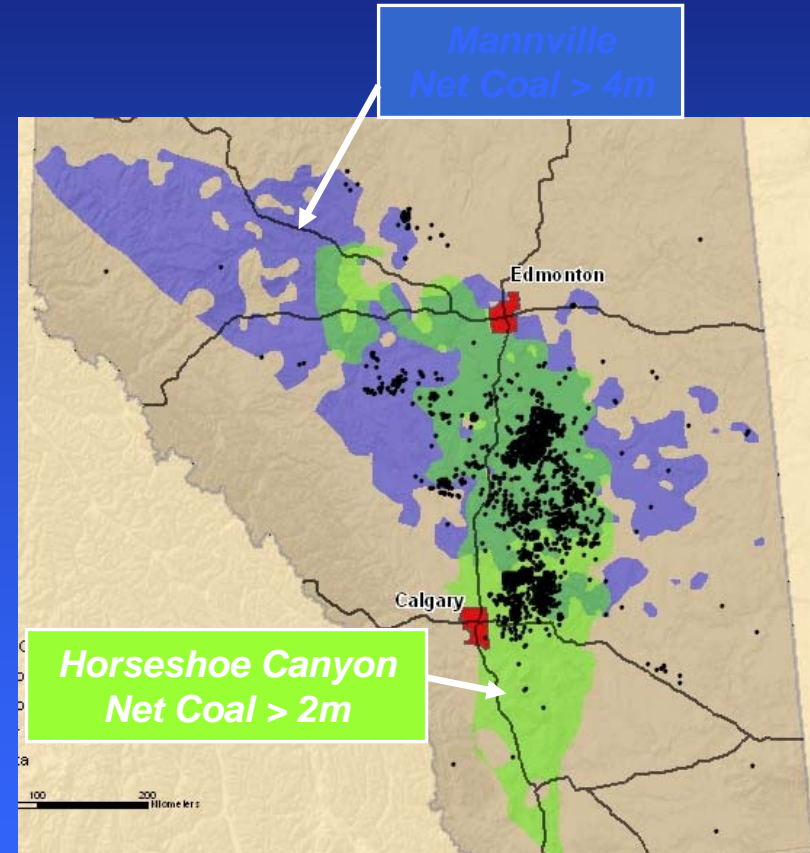
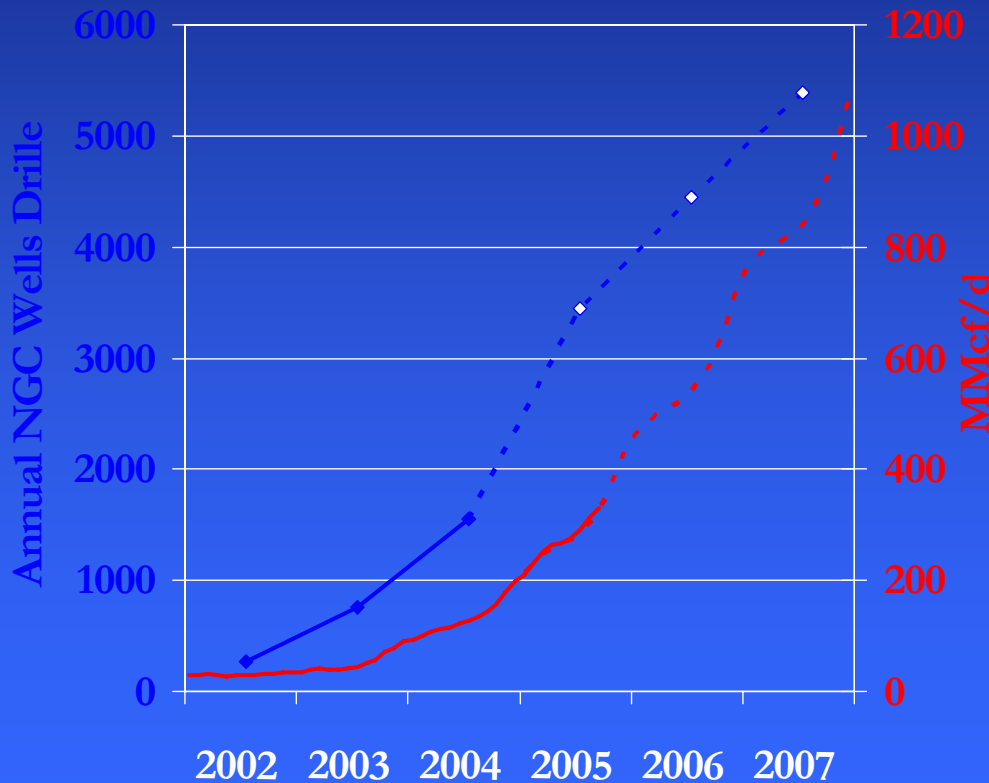
Unconventional Gas- NGC Production by Connection Year





NGC Development in Alberta

NGC Production and Well Drilling



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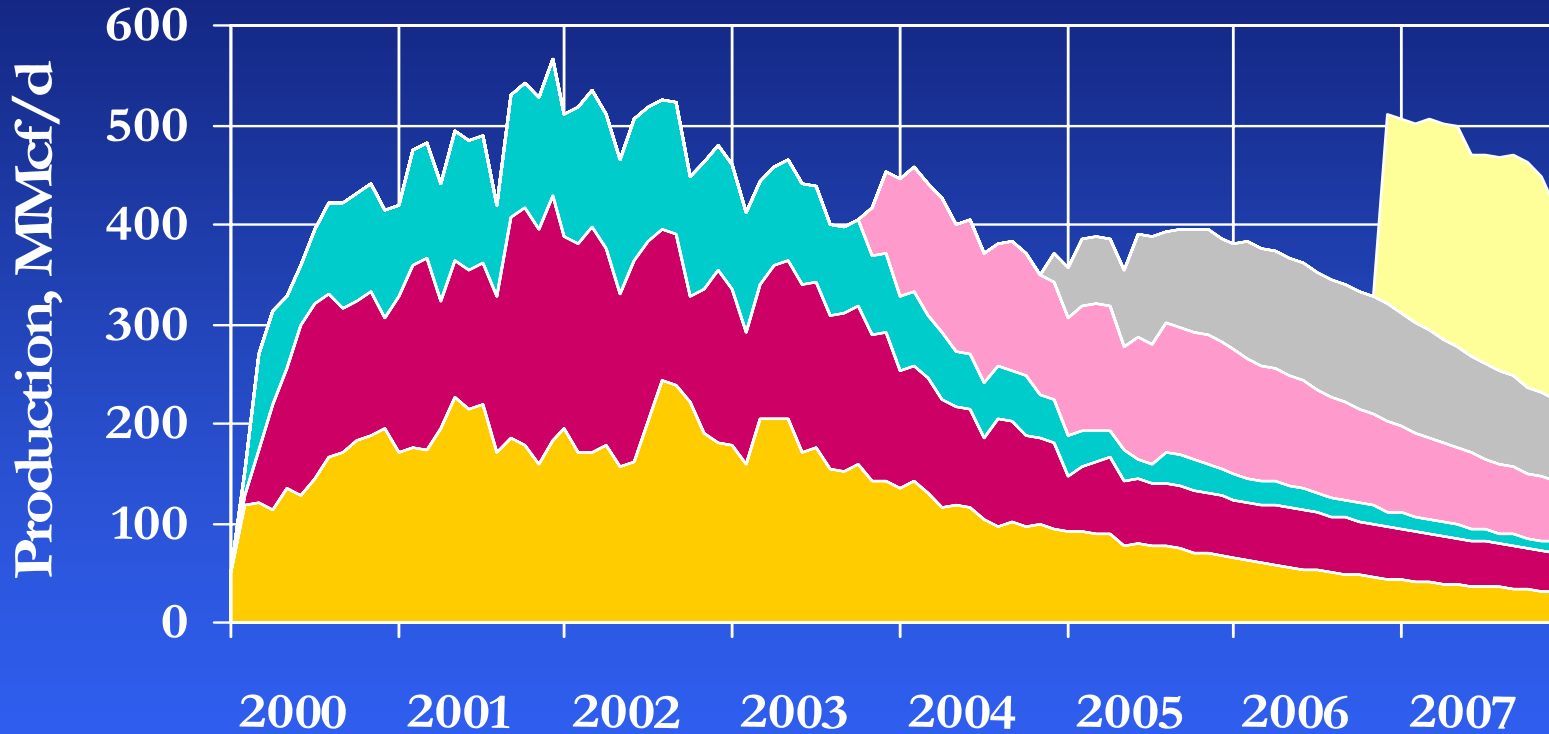
Offshore Nova Scotia



Canada



Offshore Nova Scotia Deliverability



Thebaud

Venture

N Triumph

Alma

S Venture

Compression

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Other Potential Sources of Gas from Canada

Alaska Gas Pipeline

Mackenzie Gas Pipeline

Prince Rupert

Kitimat

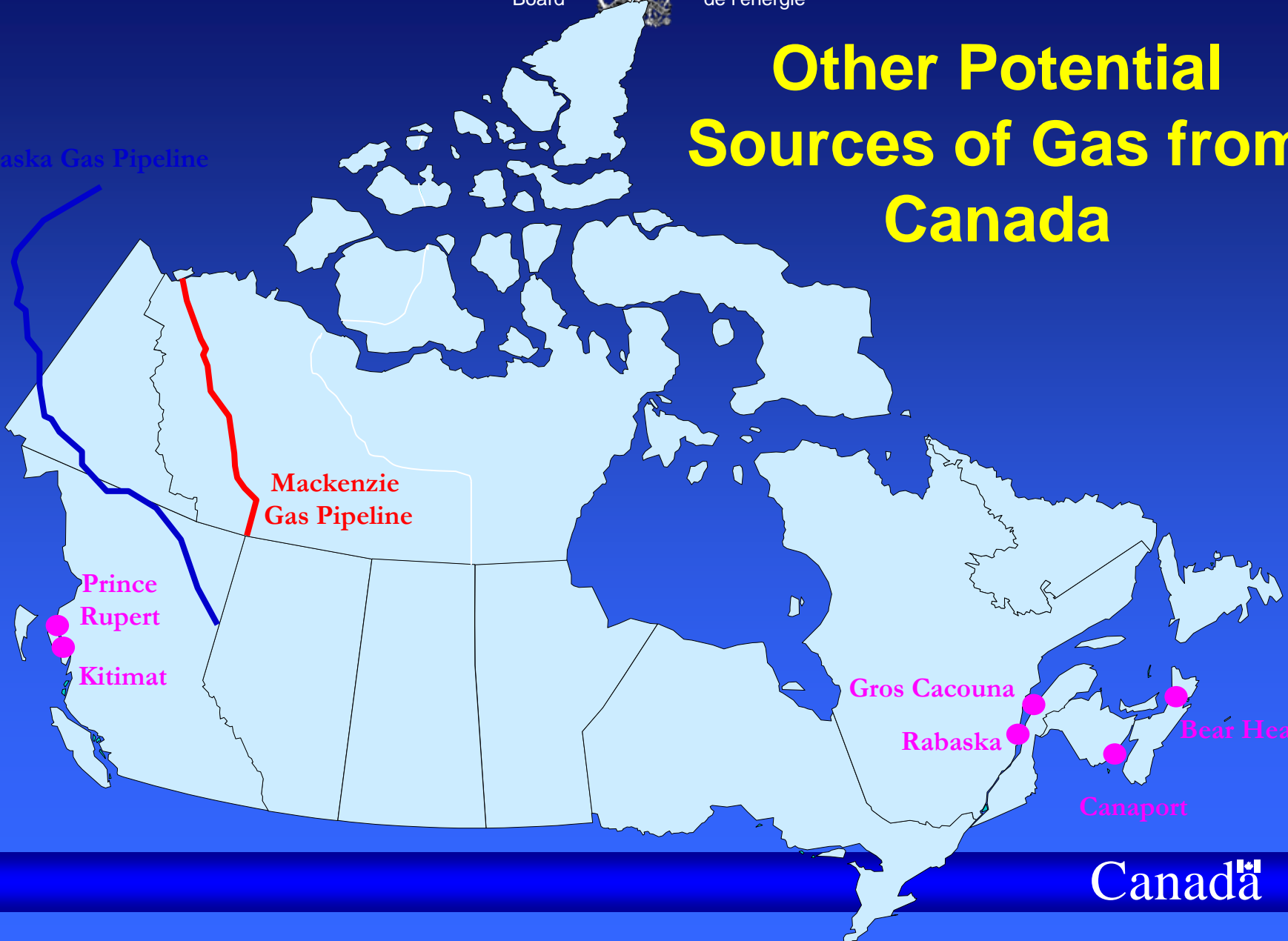
Gros Cacouna

Rabaska

Canaport

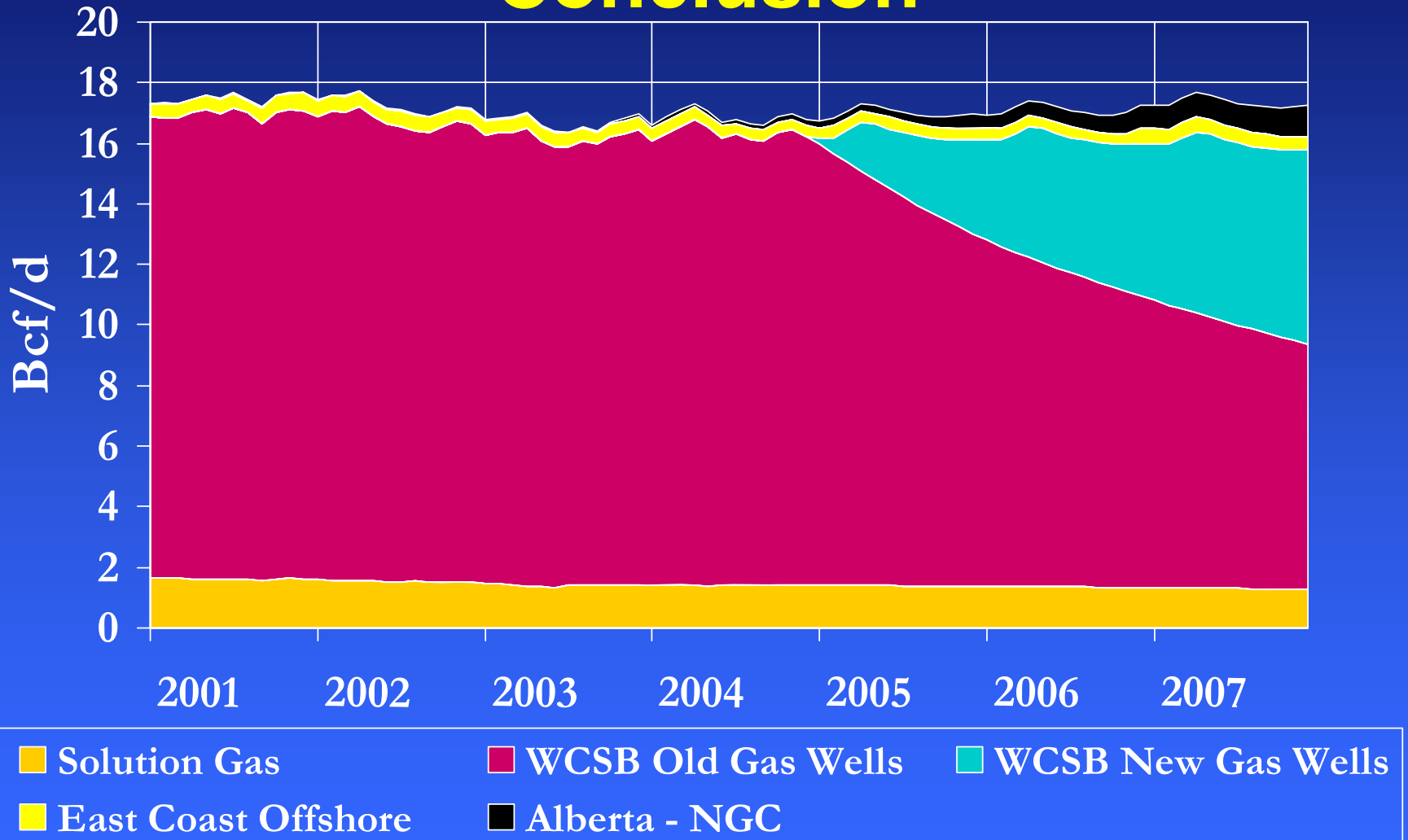
Bear Head

Canada





Conclusion



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Available at:

[http://www.neb-one.gc.ca/energy/EnergyReports/
EMAGasSTDeliverabilityCanada2005_2007/
EMAGasSTDeliverabilityCanada2005_2007_e.htm](http://www.neb-one.gc.ca/energy/EnergyReports/EMAGasSTDeliverabilityCanada2005_2007/EMAGasSTDeliverabilityCanada2005_2007_e.htm)

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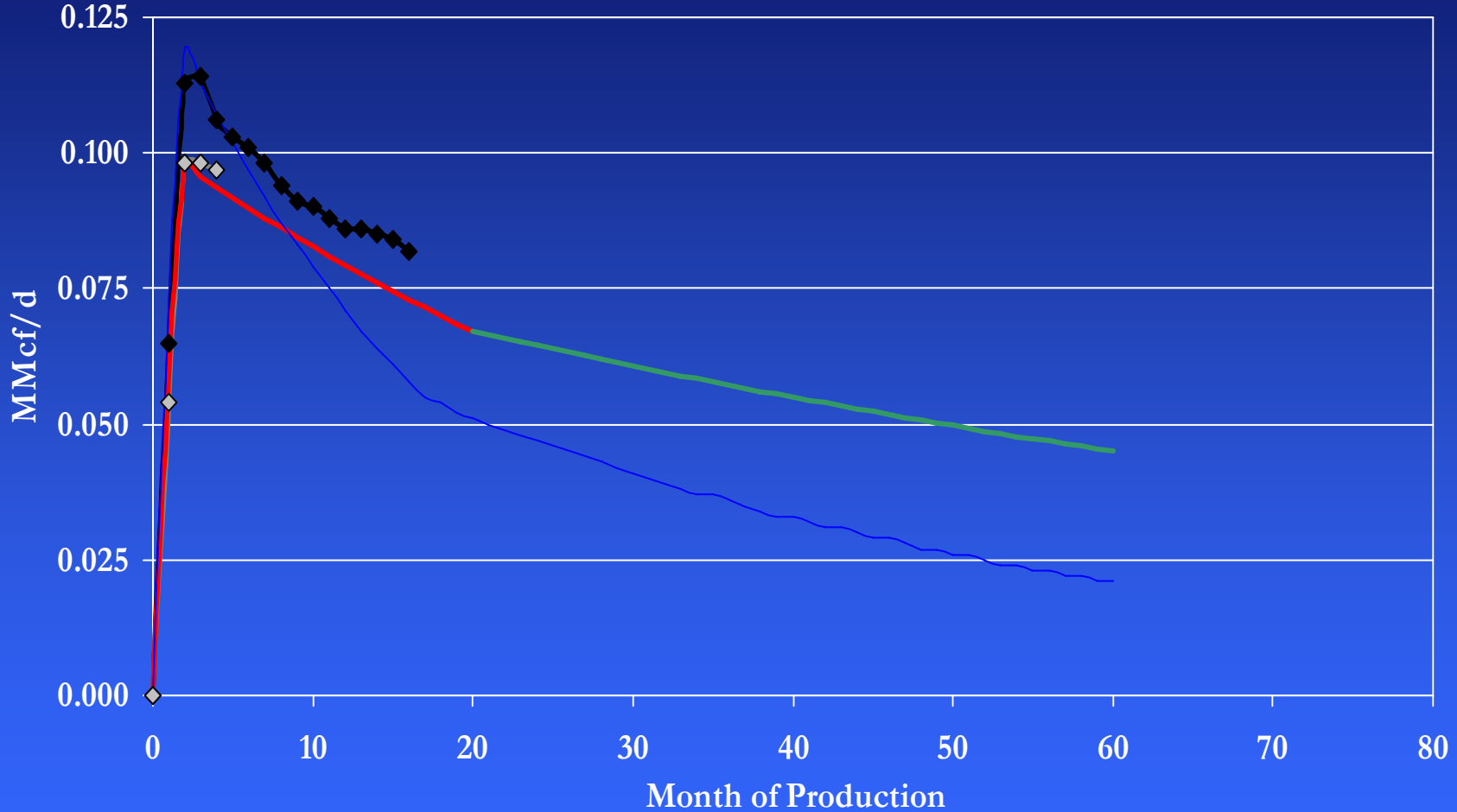


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Extra Slides



NGC Average Connection Performance



◆ 2003 NGC Avg Well, 614 Connections

◆ 2004 NGC Avg Well, 1434 Connections

— Avg NGC Conn 1st Decline

— Avg NGC Conn 2nd Decline

SE AB Avg Conventional Gas Well- 2004