

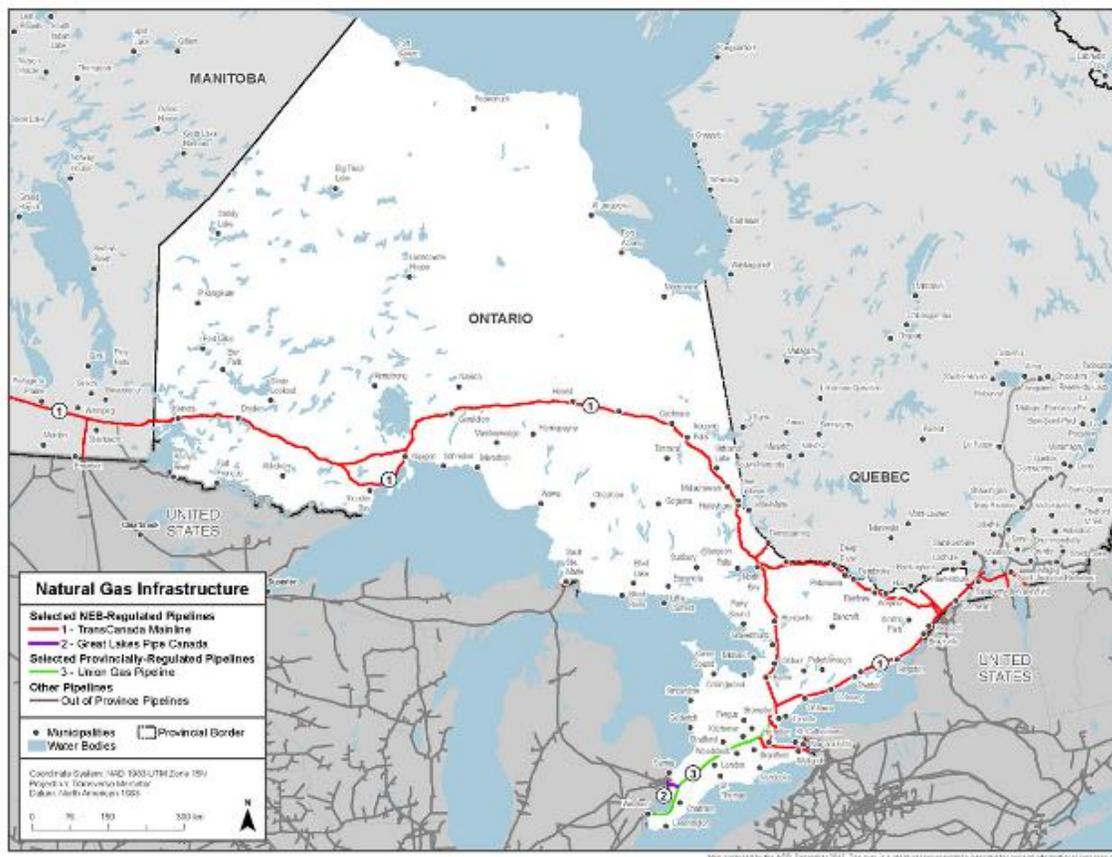
# Doug Ford Puts Albertans Out of Work and Gives Jobs to US. We've Been Duped!

The cost of natural gas has skyrocketed in Ontario and it comes from the US. Alberta gas sells for half the price but we buy from fracked Appalachian sources putting Alberta gas workers out of a job. And it will just get worse with the Canadian dollar dropping and the threat of tariffs from the US. We think heating our homes with natural gas is cheap but it is actually twice what it could be by buying Canadian. Where is our allegiance?

<http://www.neb-one.gc.ca/nrg/ntgrtd/mrkt/nrgsstmprfls/on-eng.html>

The National Energy Board of Canada said natural gas prices increased to \$5.61 per gigajoule (GJ) in Ontario in December 2018; an increase of **47% from the 2018 12 month annual average of \$3.80/GJ.** [Canada's Energy Future 2018](#) assumes that the Alberta natural gas price will average \$2.15/GJ in 2019.

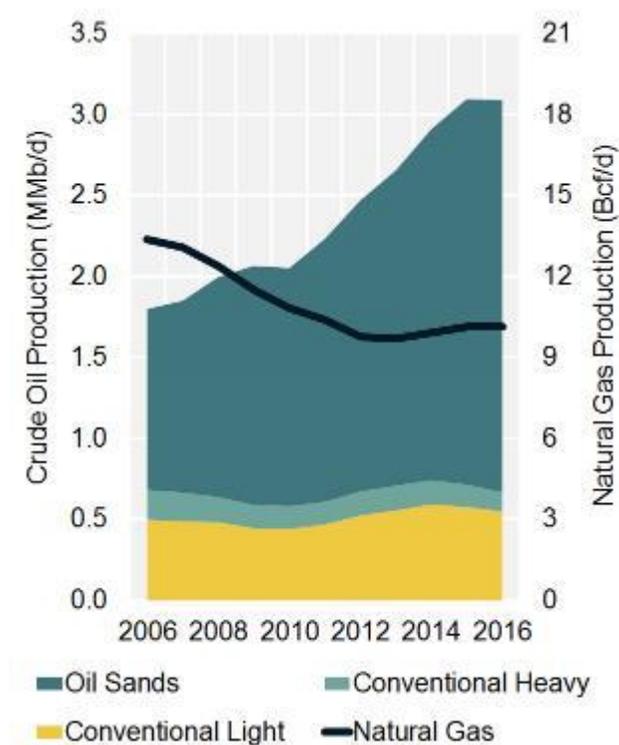
Historically, Ontario was a consumer of western Canadian natural gas and flowed through more natural gas to the U.S. than it imported. In recent years, Ontario has become a net importer and has increased gas imports from the U.S. Northeast and Midcontinent.



## Alberta

In 2016, Alberta's natural gas production averaged 10.2 billion cubic feet per day (Bcf/d) (**Figure 1**). Alberta's gas production represented over 67% of total Canadian natural gas production in 2016. But production is dropping as Ontario buys US fracked natural gas.

**Figure 1: Hydrocarbon Production**



# Why does Canada import natural gas, while being a major exporter? Location, location, location!

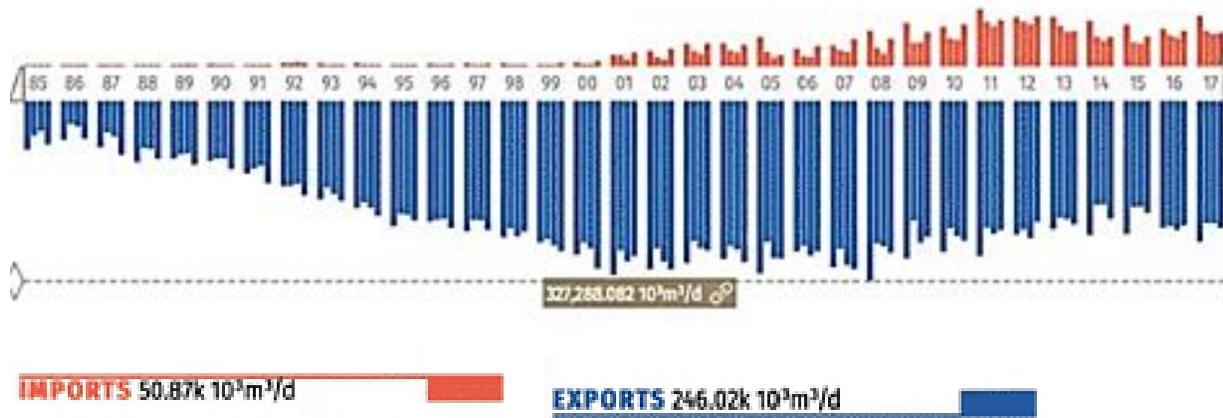
Release date: 2018-07-11

Canada exports more natural gas than it imports. Since 2011, natural gas export volumes have been about three times as much as the import volumes. Canada trades natural gas mostly with the United States. The blue bars on the graph represent natural gas flowing to the U.S., and the orange bars show import volumes. Gas trade (exports and imports) increased from the mid-80s, and export volumes peaked in the early 2000s before decreasing.

Exports by pipeline are shown by the blue arrows for each province's ports. Most of Canada's natural gas exports cross the international border from British Columbia (B.C.), Saskatchewan, and Manitoba. Alberta and B.C. produce most of the exported natural gas. The majority of Alberta's exported gas passes through nearby provinces by pipeline before being exported.

Import volumes are represented by the red shaded arrows. Some provinces do not produce enough natural gas, so consumers must get their gas from elsewhere. Natural gas usually moves by pipeline, and the costs of transportation are related to the distance the gas must travel. Ontario can get gas from the [Western Canada Sedimentary Basin](#) (WCSB) or from the U.S., but the WCSB is much farther away. It may be easier, or **less expensive to import the closer U.S. gas.**

Historically, Ontario's demand was met by natural gas from the WCSB transported on the [TransCanada Mainline](#). However, imports into Ontario began to increase after 2000 after the Alliance pipeline began operating. The Alliance pipeline carries natural gas from the WCSB to the U.S. Midwest, where it may be re-imported into Ontario through interconnecting pipelines. Since 2008, technological advances in horizontal drilling and **hydraulic fracturing** led to the development of significant tight and shale resources in the Marcellus and Utica basins in the U.S. Northeast. This also led to [increased imports into Ontario](#), particularly through the Niagara Falls port. As a result, Ontario now receives less gas from the more distant WCSB.



## Natural gas coming into Canada from New York, U.S.

Release date: 2018-03-14

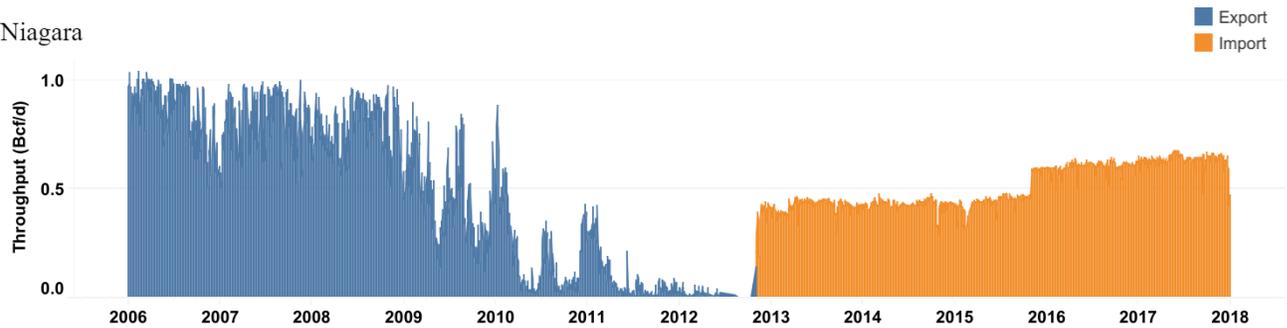
For decades the TransCanada Mainline has been used to export natural gas from western to eastern Canada and into New York State. However, the eastern portion of this pipeline is now being used to import natural gas from New York into eastern Canada.

The Niagara [\[Folder 2695030\]](#) and Chippawa [\[Folder 2921583\]](#) terminals were modified and now mainly import gas. Niagara was modified in 2012 and Chippawa was modified in 2015. TransCanada Pipelines Limited received National Energy Board approval [\[Document 3392379\]](#) to modify its Iroquois export terminal in November 2017. The modifications would allow the Iroquois terminal to switch from an export point to mainly an import point, although it could function as either.

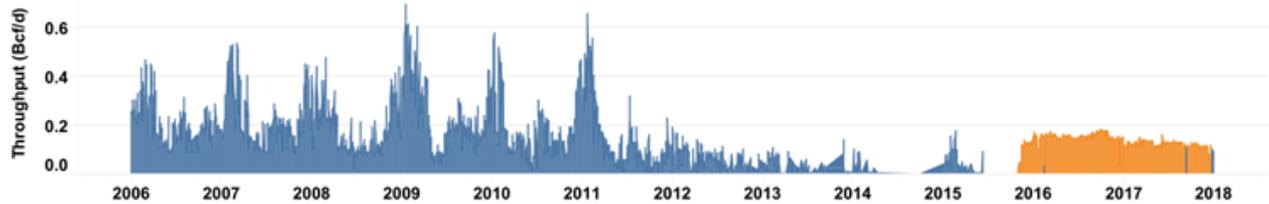
The switch from exports to imports is partially explained by the **rapid growth of shale gas production in the Appalachia region in northeastern United States (U.S.)**, which includes the Marcellus and Utica basins. This area has accounted for most of the U.S. production growth over the last decade, increasing from very little production in 2009 to almost [27 billion cubic feet per day](#) of dry gas production in March 2018. Some of the Appalachian gas now feeds the eastern U.S. market, displacing some of the gas supplied by the Western Canadian Sedimentary Basin gas via the Niagara, Chippawa, and Iroquois terminals.

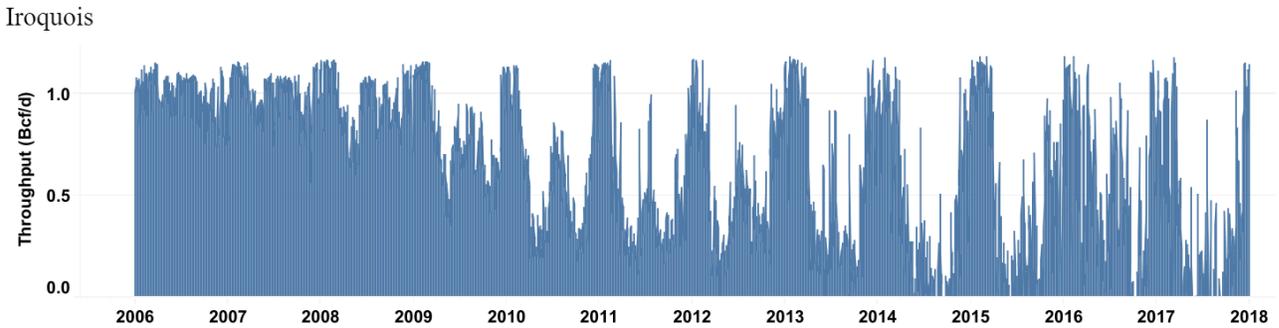
## Natural gas throughput at Ontario-New York border terminals

Niagara



Chippawa





Natural gas exports at Iroquois decreased between 2009 and 2017. Although gas throughput is seasonal, declining exports are most notable in the summer months, when throughput is the lowest. These exports have been mainly displaced by U.S. Appalachian natural gas production.

In response to increased shale gas production in the Appalachian area, several pipeline proposals and modifications have either been approved, or are in the regulatory approval process under the U.S. Federal Energy Regulatory Commission (FERC).

*Meanwhile, fracking is banned in New York, Vermont and Maryland.*

**Crank up your gas furnace and kill the planet. Your gas is probably from fracking.**

The approach to fracking there has been likened to the “[Wild West](#).” Unlike in British Columbia and Alberta, for example, there is no requirement in Saskatchewan or Manitoba to disclose the contents of the chemicals in the fracking fluids. There isn’t much active public opposition to fracking in either province, although last summer’s [Husky Oil spill](#) in the North Saskatchewan River has led to calls for

better oversight.



## Where is Fracking Banned?

There are no outright fracking bans in Canada; instead there is a mix of explicit and de facto moratoriums due to either public outcry or lack of economic feasibility due to geology.

(Fracking is banned in New York, Vermont and Maryland as well as in a number of U.S. counties and cities; Bulgaria and France have also banned the practice, it is [largely banned](#) in Germany, and Scotland is in the midst of a consultation over whether to turn a moratorium into an outright ban.)

After long, heated campaigns, New Brunswick and Nova Scotia announced fracking moratoriums within months of each other in 2014.