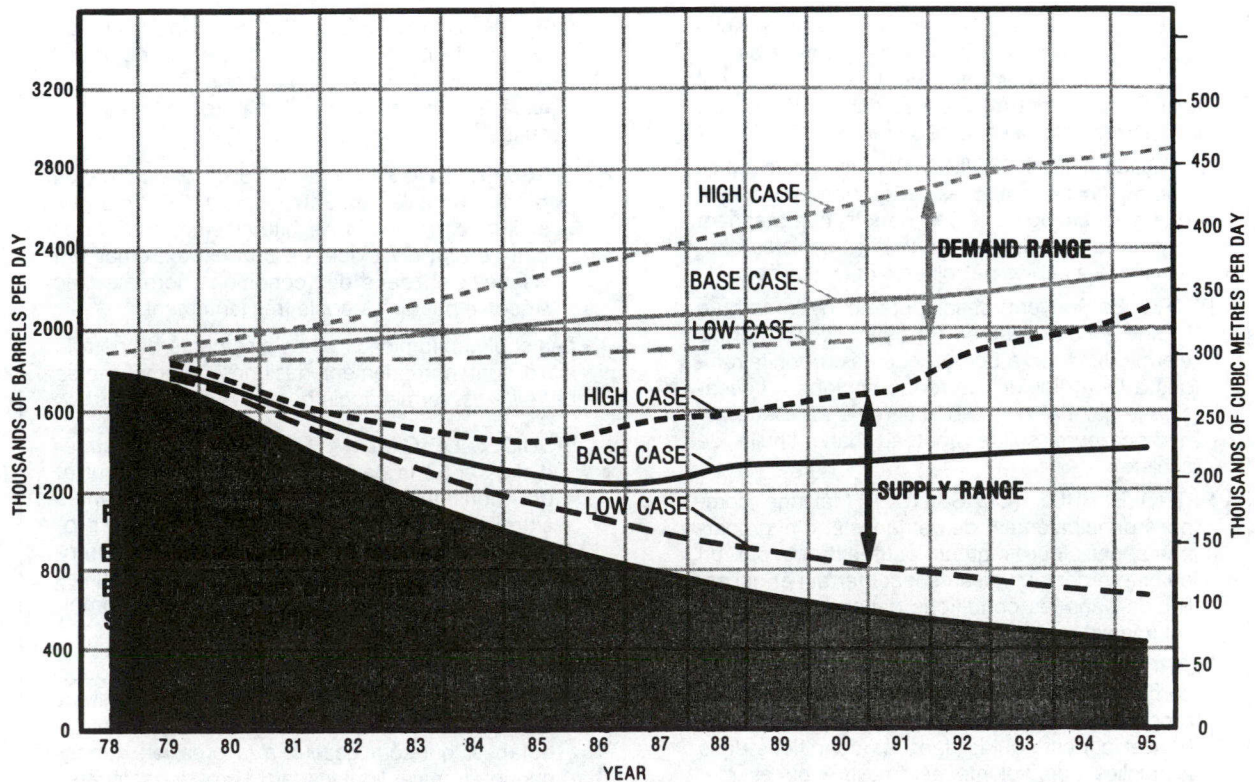


Figure 3-8: RANGE OF OIL PRODUCIBILITY AND DEMAND FORECASTS, 1978 NATIONAL ENERGY BOARD REPORT



The lower, shaded area of the graph represents reasonably assured future production from known conventional reserves and from the two operating plants in the tar sands. The upper supply curves are producibility forecasts based on optimistic, base case and pessimistic assumptions for future additions to conventional reserves and to nonconventional production capacity. Similarly, the demand curves represent high, low and base case projections.

Source: After Canada, National Energy Board, 1978.

## B. NATURAL GAS

As shown in Table 3-2, Canada's natural gas reserves and resources are extensive. Figure 3-10, which displays Canada's reserves of marketable natural gas since 1955, indicates an almost continual expansion in our reserves position. As is the case with crude oil, the resource is strongly concentrated in Western Canada, particularly in the Province of Alberta. If all known natural gas reserves in Canada could be produced and delivered to the Canadian market at a rate sufficient to meet domestic requirements, the supply would last for some fifty years at current rates of consumption (about 45 billion cubic metres per year), and additional resources could add about 180 years to this total. Of course, such numbers must be used cautiously, bearing

in mind that Canada will continue to export gas; that new domestic markets will be established in Quebec and the Maritime Provinces; and that new reserves will be discovered. Nevertheless, it is apparent that in the context of Canadian energy demand, the national resource base for natural gas is substantial indeed.

Canada is in a position to make a major substitution of natural gas for crude oil in meeting its domestic energy requirements and in backing imported crude out of the Eastern Canadian market. Extending the distribution system for natural gas into Eastern Quebec and the Maritimes in Eastern Canada and onto Vancouver Island in Western Canada are matters of high priority. Only after sufficient reserves have been set aside to supply a truly national distribution system should gas be allocated to the export market.