

The dependence upon petroleum products is even greater than indicated on the preceding page. Fully, 40% of the electricity consumed by NWT residents is generated by diesel electric plants. These consume about 65 million litres of fuel in 1983. In this case almost 90% of energy consumption in the N.W.T. is generated from petroleum. This dependence on petroleum products has led to some severe problems for the NWT, chief among which is an abnormally high energy cost burden on territorial residents.

Petroleum products can be broken down into the basic fuel types as follows:

Table 14 Petroleum Products Used in the NWT (1983)

FUEL	000's Litres	TJ	%
Diesel Fuel	161,734	6250	39.0
Fuel Oil (Light & Heavy)	120,886	4742	30.0
Aviation Turbo	66,291	2380	15.0
Kerosene Stove Oil	17,866	673	4.0
Motor Gasoline	42,491	1471	9.0
Aviation Gasoline	8,748	303	2.0
Other	3,141	100	1.0
	423,734	15,925	100.0

Source: EMR Secretariat

The industrial sector, primarily the mining industry, accounts for one third of all NWT consumption of energy. Commercial and residential consumption split the remaining 25%. This is contrary to the commonly held notion that residential heating is a major part of energy use in the North. While the actual value is not small, it is considerably less than transportation and industry.

b) Energy Supply

Aside from the production at Norman Wells, all of the petroleum products (liquid fuels) are imported from southern Canada. The Baffin Region imports from Montreal mainly. Churchill supplies the majority of the Keewatin while Edmonton supplies to the Fort Smith Region and parts of Kitikmeot Regions (see Chart 1).

Norman Wells, the only local supply point, services the northern Mackenzie and its Delta as well as some Kitikmeot communities as far east as Spence Bay.

Methods of supply range from sea haul to trucks to railroads to air-lifts. The vast distances, harsh climate and few roads cause high transportation charges applied to the retail price of these liquid fuels. Attempts to reduce these costs by only shipping supplies once a year have resulted in high storage costs in the remote communities.