

Figure 2.5: Domestic Use and Exports of Natural Gas, 1993 (billion cubic metres)

Source: Statistics Canada and Natural Resources Canada, Energy Statistics Handbook (January 1995), Catalogue 57-601.

Reliability: The Canadian gas system is highly reliable. The gas industry closely monitors supply and demand for gas in Canada and the United States to ensure that the anticipated peak daily demand can be met. An exacting test came during the winter of 1993/94, one of the coldest on record. Over this period, the transmission and distribution system functioned without interruption.

To upgrade its transmission capability, Trans Canada PipeLines Ltd. has roughly doubled its mainline capacity since 1989, adding parallel lines to existing pipelines. More storage facilities are being built, which helps to balance the fluctuations in day-to-day use and keeps overall operating costs down.

Prices: Canada's natural gas prices are significantly below those of other G7 countries. (See Table 2.8.)

TABLE 2.8

Natural Gas Prices in G7 Countries

(US \$/107 kcal, gross calorific basis, second quarter, 1994)

Country	Industry	Households
Canada	80.41	154.43
United States	118.63	256.25
France	127.01	436.10
United Kingdom	128.28	280.84*
Italy	152.65	636.13*
Germany	186.51*	423.55*
Japan	464.93*	1,204.14*

* 1993 prices

Source: International Energy Agency, Energy Prices and Taxes (Second Quarter, 1994).