From: Sent:	Michael.Scrim@statcan.gc.ca October 26, 2012 1:23 PM
То:	Part Consultation
Cc:	Andy.Kohut@statcan.gc.ca; Tracy.Hart@statcan.gc.ca; Peter.Greenberg@statcan.gc.ca;
	Karen Morton; Abha Bhargava
Subject:	Ad-GA-ActsLeg-Fed-NEBA-Amend 0101 - Part VI Oil and Gas Consultation

Hello Ms. Young

Karen Morton and Abha Bhargava met with Statistics Canada teams on October 23rd to discuss the consultation process on the reporting requirements under the National Energy Board Export and Import Reporting Regulations.

Statistics Canada would like to express very serious concern with the proposal to stop collecting data on imports of hydrocarbons.

For many of the Energy Statistics Surveys this is our only source of information.

This data is used in a number of areas, here are some of the critical areas: the production of monthly gross domestic product, balance of payments program, reporting requirements for Canada's obligations to the International Energy Agency, and other international reporting requirements, it also used by the Department of Finance for the Equalization payment program.

The data partnership that has existed between the NEB and Statistics Canada for many years has been a important contributor to reducing burden on businesses. With increased pressure by the current government to reduce even further burden on businesses this partnership between NEB and Statistics Canada is even more critical.

If the NEB stops collecting the information or reduces the coverage we will have to come up with immediate measures to continue to get this information

Here are the direct impact on Statistics Canada Programs:

<u>Report on Energy Supply and Demand:</u> biggest impact, as the factors below roll up to the calculation of net supply, a critical component of the energy balances

- relationship between imports and exports is a direct component of the calculation of net supply, which is matched to final demand to calculate the energy balance. This is done for each fuel and is a factor in the energy balance

Electricity Statistics

- All imports and exports of electricity – note that the supply and disposition surveys accounted for imports and exports, but the NEB admin data were deemed to be much better and, as such, this is the source we use

Natural Gas Statistics

- all imports and exports come from NEB data, also by port of entry/exit

- we also get an LNG (liquefied natural gas) report for imports to St. John, NB, and
- a monthly summary of total exports (volume/value/unit cost)

Monthly Crude Oil and Natural Gas U

- we get information from NEB related to this process, but mostly with respect to crude oil exports where export method is not by pipeline (e.g., tankers, trucks and rail) being roughly 10% of exports – this an important component and is expected to play an ever increasing role

I have briefed Statistics Canada senior management on this issue. They will be sending a separate letter to address the Ministry's concern with this proposal.

Please contact me so that we can discuss this issue in more detail and understand better the timetable for these decisions.

Regards

Mike

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