

with regard to such matters. The Act also authorizes the extension of the export and import provisions to oil upon proclamation by the Governor in Council. The Board, which reports to the Minister of Energy, Mines and Resources, consists of a chairman, a vice-chairman and three other members.

The *National Oil Policy*, announced in 1961, had the initial objective of attaining certain target levels of oil production, including natural gas liquids. Production, which in 1960 had averaged only 544,000 bbl./day, averaged an estimated 923,000 bbl./day in 1965, an increase of almost 70 p.c. This increase was achieved by greater use of Canadian oil in domestic markets west of the Ottawa Valley and by extension of export sales to the United States and, as a result of the co-operation of the industry, the objectives of the Policy were achieved largely without formal regulation. The *National Power Policy*, announced in 1963, stressed the need for taking full advantage of evolutionary changes in the power industry for the provision of abundant electric energy at lowest possible cost and for a flexible export policy that would permit long-term export of large blocks of power to the United States to assist in the immediate development of large-scale Canadian power projects and the strengthening of Canada's balance-of-payments position. In pursuance of these aims, the Board co-operates with other agencies in the consideration of inter-provincial and international interconnection of electric power systems.

During 1965, the work of the Board included the issuing of 629 certificates, licences and orders, compared with 574 in 1964. Following public hearings, six certificates were issued authorizing the construction of additional oil pipeline facilities and a pipeline to transport liquid petroleum products, and one certificate was issued authorizing the construction of a new international power line; the licences and orders issued concerned the export of gas and electric power, the import of gas, the export of butanes by pipeline and the exemption orders, the latter relating to the construction of pipelines or branches or extensions not exceeding 25 miles in length. The Board also issued numerous orders relating to protection and safety in pipeline operation and carried out field inspections relating to the pressure-testing of new gas and oil pipelines, gas compressor and oil-pumping facilities and other pipeline installations. The financial aspects of operations of pipeline companies under the Board's jurisdiction received continual scrutiny and the rates charged by oil pipeline companies and the contractual arrangements for the purchase, sale and transportation of gas by gas pipeline companies remained under continual review.

During the year, the research work of the Board included: the study of project evaluation and rating procedures; the development of computer programs to simulate gas pipelines, optimize the design of a gas pipeline and schedule pipeline expansions and additions; and, in co-operation with other Government agencies, the design of a general framework for an activity-oriented regional model of the Canadian economy which, among other functions, will permit the rapid evaluation of possible changes in the great number of engineering, economic or policy factors that affect the energy sector of the Canadian economy. In addition, the Board was involved in several special studies, including those on the Lower Nelson River power sites, the St. John River power development, and the massive power failure of Nov. 9, 1965 involving Ontario and the eastern United States. The Board continued work on its comprehensive forecast of all forms of energy and supply and demand in Canada and also continued to co-operate, in energy matters, with the Canadian Standards Association Sectional Committee, the Emergency Supply Planning