Consumers' Gas Company operating in the Toronto area, the Niagara Peninsula and eastern Ontario, and Union Gas Limited serving southwestern Ontario.

A complete set of gas pipeline regulations was issued in 1974 by the National Energy Board and revised oil pipeline regulations are now being discussed with industry and other authorities. The Board's Rules of Practice and Procedure were amended to include additional requirements respecting Canadian content and environmental assessments.

Northern pipelines. Extensive exploration for oil and gas has been going on in the Canadian north and in frontier regions for many years. However, actual transportation and use of such gas from the North began to receive active consideration after the major discoveries in Prudhoe Bay, Alaska in 1968. Recognizing that similar discoveries might well be made in the Canadian Arctic, the Canadian government set up a Task Force on Northern Oil Development to advise on all regional and national matters relating to northern oil and gas development, transportation, marketing and research.

In August 1970 and June 1972 the federal government issued guidelines for construction and operation of northern pipelines which included preservation of the environment, prevention of pollution and thermal erosion, freedom of navigation, protection of the rights of northern residents, and training and employment of residents of the North.

On March 21, 1974, Canadian Arctic Gas Pipeline Ltd. (CAGPL) filed applications to construct and operate a natural gas pipeline from Alaska and the Mackenzie Delta to southern markets. Mr. Justice Thomas R. Berger, of the Supreme Court of British Columbia, was appointed by the Government of Canada to conduct an inquiry into the regional social, environmental and economic impact of the construction, operation and subsequent abandonment of the proposed Mackenzie Valley natural gas pipeline in the Yukon Territory and Northwest Territories. Preliminary hearings were held in the summer of 1974 at Yellowknife, Inuvik, Whitehorse and Ottawa to hear the views of the applicant and other interested parties. The formal inquiry opened at Yellowknife March 3, 1975. A report of the Commission's findings is expected in 1976. In the spring of 1974 a group of specialists was assembled by the federal government to assess the application for government departments and agencies, the hearings of the National Energy Board, the interested public, and the Commission of Inquiry.

Alberta Gas Trunk Line Co. Limited has proposed the Maple Leaf Project, an alternative plan to CAGPL, to transport Canadian gas from the Mackenzie Delta/Beaufort Sea area to the points of connection with the systems of Westcoast Transmission Company and Alberta Gas Trunk Line Company Limited in British Columbia and Alberta, respectively.

The Polar Gas Project, on which studies began in 1973, would build a natural gas transmission system from the Arctic islands to southern markets using a large diameter pipeline running east or west of Hudson's Bay to markets in eastern Canada. Applications for this undertaking are not expected until the late 1970s because of the research and engineering required to determine the feasibility of underwater crossings and to select the most suitable route to southern Canada.

13.2.5 Processing

Oil. Recent changes in energy prices and the reduction in exports have led to a significant change in the outlook for new refinery construction. Canada has a surplus of capacity and the prospect of a slower growth of demand. Table 13.8 gives details of existing and planned oil refinery capacity in Canada in 1974 with scheduled completion dates for new facilities. In addition, some expansion of existing refineries is already in progress. In 1974 Canada had 40 operating refineries with a total refining capacity at year-end of more than 2 million b/d. Refinery runs were about 1.8 million b/d; and net sales of products averaged 1.6 million b/d, representing a growth of 2.1% over 1973. Production of Canadian refineries is closely in balance with total market demand, although there is some interchange of individual products to and from the US. Both exports and imports were down from 1973.

In the past, the location and size of Canada's refineries were determined by the tendency to locate them close to centres of consumption. Thus approximately 58% of the total capacity is located within the populous regions of southern Ontario and Quebec. Ontario has two main refining centres, in Sarnia and south of Toronto; Quebec has the largest refining centre, in