

Canadian resources. Since these resources are earmarked for use over a 30-year period, resources recoverable at prices up to twice the current market price are being included in the assessment.

Utilities will be required to demonstrate that they are maintaining a contracted forward supply of nuclear fuel to enable each operating reactor to work at 80% of annual capacity for at least 15 years, or for reactors committed but not yet operating for 15 years from their in-service dates. Today 11,600 MW of nuclear capacity is operating or committed for construction in Canada. Including first-core requirements, the 15-year forward fuel supply for these reactors would require about 27,000 tons of uranium oxide.

To ensure that sufficient uranium is available for the Canadian nuclear program to reach its full potential, forward sales commitments by Canadian producers will be limited to 15 years with the last five years being conditional on the contract providing for renegotiation of price for the uranium to be supplied in those five years, and Canadian utilities having a right to recall a portion of this material should they be unable to maintain a contracted 15-year forward supply of fuel by other means.

Requiring utilities to maintain a 15-year supply of fuel together with the time restrictions on export contracts should provide continuity of supply to Canadian utilities for existing and committed stations and for those which may be committed for operation more than 10 years in the future. A mechanism assuring supply for those nuclear stations which may be committed for operation between seven (current lead time from commitment to operation of a nuclear unit) and 10 years in the future is provided by the government stockpile of uranium.

To further secure uranium supplies, the government stated in late 1974 that, unless specific exemption is granted by the regulating agencies, uranium must be processed to the most advanced form possible in Canada before it can be exported.

### 13.4 Coal

Canadian production of coal in 1974 was almost 23.3 million short tons valued at nearly \$270 million (Table 13.9). Production increased only slightly but dollar value rose 50% compared to the previous year. Production increased in all provinces with British Columbia posting the largest gain in terms of value. Extraction of coal in western Canada totalled 21.4 million short tons while the output of Nova Scotia and New Brunswick mines totalled 1.8 million tons. Imports from the US decreased markedly to 13.6 million short tons because of supply and transportation disruptions. As a result inventories of coal in 1974 declined by 1.6 million tons.

About 50% of production, or 11.5 million tons, were exported in 1974 with British Columbia and Alberta accounting for 68% and 28% respectively. Japan received 11 million tons or 95% of all exports. Spot shipments of coal were made to a growing list of countries including the US, France, Federal Republic of Germany, Denmark, Italy, Britain, South Korea and Chile.

Canada's coal industry serves two principal types of markets: the production of thermal power and the manufacture of coke for the steel industry. The use of coal for thermal power generation has a promising potential particularly in Alberta, Saskatchewan, Ontario and British Columbia. Virtually all of Canada's coking coal is exported and competes in the international market.

In 1974 approximately 8.2 million tons of coking coal was converted to coke. Imports from the US provided roughly 90% of the coking coal used with Canadian steel companies importing approximately 55% from captive mines in that country.

Coal used for thermal-electric power generation increased slightly to 17 million tons in 1974. Domestic coal, mainly subbituminous coal in Alberta and lignite in Saskatchewan, supplied roughly 9 million tons to local power stations. Bituminous coal is used in small quantities for thermal power generation in New Brunswick and Nova Scotia. Ontario Hydro imported the remainder used in the thermal power industry.

**British Columbia.** Within British Columbia coal mining is being conducted in the Crowsnest Pass region near the continental divide in the southeastern portion of the province.

Kaiser Resources Ltd., with two operating coal mines in the Crowsnest coal field, shipped about 4.9 million clean long tons of coking coal and 430,000 net tons of thermal coal in 1974.