



Natural Resources
Canada

Ressources naturelles
Canada

Ottawa, Canada
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Mr. Jean-Denis Fréchette
Parliamentary Budget Officer
Office of the Parliamentary Officer
50 O'Connor Street, 10th Floor
Ottawa, Ontario K1A 0A9

Dear Mr. Fréchette:

I am writing in response to your letter of July 24, 2017, addressed to Ms. Christyne Tremblay, Deputy Minister of Natural Resources, requesting information from the department on the following two items:

1. The actual GST collected on products and services with a carbon tax or a cap-and-trade system by province (Alberta, British Columbia, Ontario and Quebec) and by sector, including transport (carbon tax on direct consumer fossil-fuel purchases) and electricity (tax on coal-fired power and natural gas plants).
2. Actual and projected evolution of the producer/consumer prices and quantities of the exhaustible natural resources: oil (i.e. petroleum), natural gas, and coal by province.

Regarding the first part of your request, Natural Resources Canada (NRCan) does not compile data on collected revenues or GST related to a carbon tax or cap-and-trade system by sector or by resource. I understand, however, that you have made similar requests to Environment and Climate Change Canada and Finance Canada, which are well positioned to provide you with this information.

With respect to your second question, and with a view to enhancing transparency and accessibility for consumers, NRCan maintains current and historical consumer prices for crude oil and related products (e.g. gasoline, diesel, furnace oil, propane, as well as average retail and wholesale prices). This information is available on our Transportation Fuel Prices website at <http://www.nrcan.gc.ca/energy/fuel-prices/4593>.

The National Energy Board (NEB) is the independent federal regulatory agency that regulates pipelines, energy development, and trade. As part of its mandate, the NEB monitors Canadian energy markets and publishes annual forecasts. NRCan provides policy oversight for the NEB and relies on its estimates of exhaustible natural resources,

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as well as long-term projections for Canadian energy supply, demand, and prices. The most recent data available is from the NEB's *Canada's Energy Future 2016: Energy Supply and Demand Projections to 2040* report at <http://www.neb-one.gc.ca/nrg/ntgrtd/fttr/2016/index-eng.html>. Specific data on oil and natural gas reserves, projected production, and prices are available in the report's appendices, at <https://apps.neb-one.gc.ca/fttrppndc/dflt.aspx?GoCTemplateCulture=en-CA>.

The Department also consults a number of third-party forecasts that help provide a more comprehensive view of long-term price expectations. A table comparing several of these price forecasts is provided below:

Price Forecasts for West Texas Intermediate

Year	U.S. Energy Information Administration	International Energy Agency	PIRA Energy Group
2020	\$ 74.82	\$ 79.00	\$ 63.87
2025	\$ 86.23	\$ 95.00	\$ 70.78
2030	\$ 94.52	\$ 111.00	\$ 78.38
2035	\$ 102.15	\$ 117.50	\$ 86.64

As regards coal producer and consumer prices, NRCan tracks the prices of coal used for metallurgical processes, such as steel production, but does not track the price of coal used for thermal energy production. NRCan does not have any current data on coal reserves. The latest available data is from a survey conducted by the Geological Survey of Canada in 1988 (<http://www.nrcan.gc.ca/earth-sciences/geography/atlas-canada/selected-thematic-maps/16872>).

I trust that you will find this information satisfactory.

For further information related to this request, I encourage you to contact Mr. Terence Hubbard, Director General, Petroleum Resources Branch at Natural Resources Canada, at terence.hubbard@canada.ca.

Yours sincerely,



Mollie Johnson
Assistant Deputy Minister
Communications and Portfolio Sector