

# POTENTIAL FOR NORTHEAST B.C. UNCONVENTIONAL GAS

## TABLE OF CONTENTS

---

Section	Page
INTRODUCTION.....	1
EXECUTIVE SUMMARY.....	1
BC GAS SUPPLY .....	3
Northeast BC Gas Resources .....	5
Shale Gas Resources .....	5
Tight Gas Resources .....	5
Coalbed Methane Resources .....	5
Gas Production Fundamentals .....	6
Gas Well Completions (Drilling) .....	6
Initial Gas Well Productivities.....	7
Gas Well Declines .....	7
Gas Supply Forecast to 2035 .....	8
Horn River Overview .....	9
Full Cycle Cost of Horn River Gas .....	10
Gas Well Production and Decline Rate.....	11
Gas Well Resources .....	11
Horn River Cost Components .....	12
Montney Overview.....	13
Full Cycle Cost of Montney Gas .....	14
Gas Well Production and Decline Rates .....	15
Gas Well Resources .....	15
BC Conventional & Other Gas Overview.....	16
BC Conventional Gas Supply Parameters.....	17
Full Cycle Cost & Components of BC Conventional Gas.....	18
Competiveness of BC Gas Supply Costs .....	19
GAS DEMAND TO 2035 .....	20
BC Demand.....	20
Impacts on Northeast BC Gas Development.....	21
Alberta Oil Sands.....	21
Alberta Power Generation.....	22
Alberta Nuclear Options.....	22
LNG Liquefaction Options .....	23
Drivers for Kitimat LNG Liquefaction.....	23
Kitimat LNG --- Timetable .....	24

NORTHEAST BC INFRASTRUCTURE .....	25
Pipelines and Facilities .....	25
Processing Options.....	26
Aitken Creek Storage.....	27
Pacific Northwest versus Eastern BC Flows .....	28
Pipeline Extensions.....	29
Spectra.....	29
TransCanada .....	29
Terasen.....	29
Alliance.....	30
Enbridge System for Oil .....	30
Pacific Trails Pipeline .....	30
Ruby Pipeline Impact.....	32
IMPACT OF NORTHERN GAS .....	33
Alaska .....	33
Mackenzie Delta .....	33
Access to Yukon Gas (Eagle Plains) Potential supply .....	33
OTHER CONSIDERATIONS.....	34
Provincial Policy Framework.....	34
First Nations Relations.....	35
Environmental Considerations .....	35
APPENDIX A .....	36
Comparison of Key Gas Shale Plays .....	36
A Cautionary Tale .....	37
APPENDIX B: OVERVIEW OF ZIFF ENERGY .....	38
Gas Consulting Services.....	38
Ziff Energy Team .....	39
APPENDIX C: BROCHURE .....	42
Proposed Table of Contents .....	46
Feedback Form.....	48