

2015 Energy Sector Review

The energy sector is a major economic contributor, generating employment across communities in New Brunswick. In 2015, the sector comprised around 60 primary and processing businesses, creating approximately 8,400 full time equivalent jobs. A significant proportion of output produced by the energy sector is generated by processing activities. Part of this output is consumed locally and the rest shipped out of

the country. New Brunswick is the largest exporter of energy products in Atlantic Canada, estimated at about \$7.3 billion in 2015. The main export destination for New Brunswick's energy products is the United States, accounting for over 99 per cent of exports. Petroleum oil products and light oils are the leading export commodities, accounting for 45 and 42 per cent of export share, respectively.

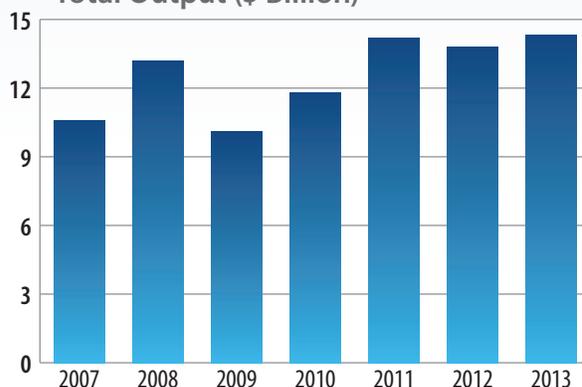
Industry at a Glance

Number of primary energy businesses	14
Number of processing energy businesses	47
Value of primary energy production	..
Value of processed energy product shipments	x
Value of exports	\$7.3 billion
GDP (direct)	\$1.8 billion
Employment-primary (FTEs)	3,300
Employment-processing (FTEs)	5,100

.. Data are not available

x Data are suppressed

Total Output (\$ Billion)



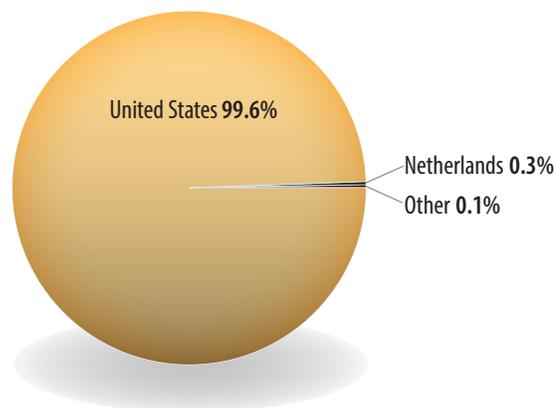
Exports by Country

Country	Value (\$ Million)	
	2014	2015
United States	8,594.8	7,239.3
Netherlands	0.0	25.2
Other	40.5	0.4
Total	8,635.2	7,264.9

Exports by Product

Product	Value (\$ Million)	
	2014	2015
Petroleum oil products	3,904.6	3,270.8
Light oils	3,795.2	3,050.2
Natural gas	222.8	393.3
Petroleum bitumen	315.6	279.0
Liquefied petroleum gases	204.2	146.2
Electrical energy	178.3	122.1
Other	14.5	3.3
Total	8,635.2	7,264.9

Exports by Country (\$7.3 Billion)



2015 Highlights

- Prior to 2011, there were fluctuations in annual output produced by the energy sector. However, by 2011 output levels began to stabilize. A slight decline in these levels was anticipated in 2014 due to the significant drop in oil prices. Nonetheless, output levels are expected to stabilize once again after 2017.
- Compared to 2014, New Brunswick energy export revenues fell by \$1.4 billion (16 per cent) to \$7.3 billion in 2015. This decline in export revenues resulted from a decrease in sales to the United States.
- The United States is New Brunswick's most important trading partner for energy products with \$7.2 billion in sales, accounting for over 99 per cent of total exports.
- The export value of petroleum oil products decreased by \$634 million (16 per cent), to around \$3.3 billion in 2015. This decrease resulted from the notable fall in oil prices. Nevertheless, petroleum oil products continued to account for the largest share (45 per cent) of the province's energy exports.
- The export value of light oils fell by \$745 million (20 per cent) to \$3 billion in 2015. This decline was most likely due to the drop in oil prices.
- The value of natural gas exports rose by \$170 million (77 per cent), to a total of \$393 million in 2015. This increase was most likely attributable to the significant rise in natural gas prices during the 2015 winter months (October to January), as a result of higher demand from the United States coupled with limited supply.
- Other New Brunswick exports included petroleum bitumen, liquefied petroleum gases, and electrical energy valued at \$279 million, \$146 million, and \$122 million, respectively.
- Note that the exports reported above are international and do not include interprovincial exports. For instance, a significant proportion of New Brunswick electrical output is exported to other Canadian provinces.

Exports by Product (\$7.3 Billion)

