

# Energy sector outlook

March 2023

## ALBERTA CRUDE OIL AND EQUIVALENT PRODUCTION SUMMARY

Barrels per day (bpd)

	YTD 2022*	YTD 2023*	YTD Change	% YTD Change
Conventional (Light and Medium)	330,247	383,914	53,667	16%
Conventional (Heavy and Ultra Heavy)	120,357	132,431	12,074	10%
Non-upgraded Bitumen	1,871,931	2,117,716	245,785	13%
Synthetic Crude Oil (SCO)	1,169,350	858,124	-311,226	-27%
Pentanes	271,209	287,036	15,827	6%
Condensate	68,547	77,441	8,894	13%
<b>TOTAL</b>	<b>3,831,641</b>	<b>3,856,662</b>	<b>25,021</b>	<b>1%</b>
<b>Crude Oil and Equivalent Production</b>				

\* YTD comparison is for January 2022 and January 2023. Results for bitumen and synthetic crude oil will be reviewed and adjusted later in 2023. Synthetic crude oil (SCO) production in January 2023 was hampered by unplanned outages at Syncrude's and CNRL Horizon's upgraders.

## Oil prices

Price fluctuations occur due to changes in market demand and supply. The price a producer receives for a barrel of oil depends on the type of oil, where it's produced, and where it is sold.

**\$ 49.94** **Western Canadian Select** – One of the benchmark prices for heavy oil produced in North America. Price reflects supply-and-demand balance and transportation constraints for heavy crude in North America.

**\$ 76.86** **West Texas Intermediate** - The benchmark price of oil in North America. Its price changes reflect the supply-and-demand balance and transportation constraints for light, sweet oil in North America.

WCS (January 2023 US\$/bbl) and WTI (February 2023 US\$/bbl)  
Sources: Alberta Energy, U.S. Energy Information Administration (EIA)

## ALBERTA'S NATURAL GAS LIQUIDS PRODUCTION SUMMARY

Barrels per day (bpd)

	YTD 2022*	YTD 2023*
Propane	206,925	205,829
Butane	131,850	131,207
Ethane	216,571	244,976
<b>Total NGLs Production</b>	<b>555,347</b>	<b>582,012</b>

\* YTD comparison is for January 2022 and January 2023.  
Source: Alberta Energy Regulator ST-3.  
Note: totals may not add up due to rounding.

## Alberta's oil and gas reserves

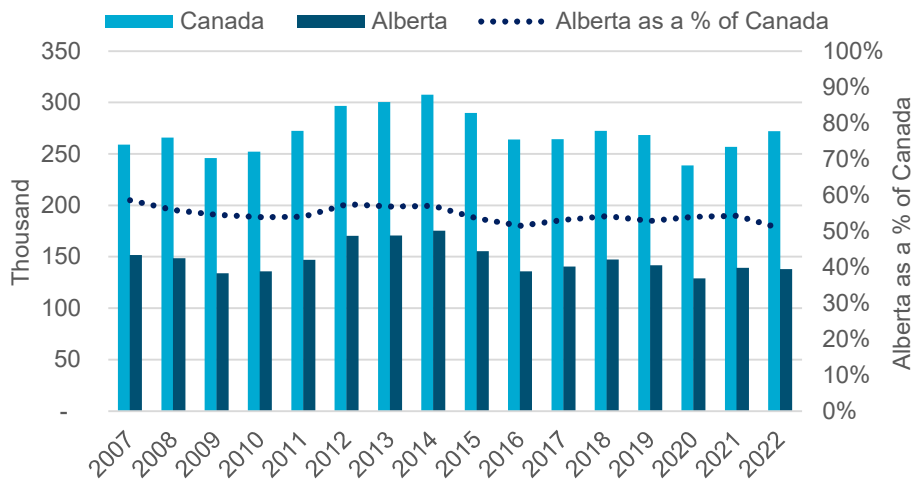
- Alberta has the fourth-largest proven oil reserves in the world, after Venezuela, Saudi Arabia and Iran.
- As of 2021, Alberta's total proven oil reserves were around 161.7 billion barrels; of which 160.1 billion barrels were oil sands and 1.6 billion barrels were conventional oil.
- As of 2021, Alberta had the ultimate potential (recoverable) resources of 223 trillion cubic feet (Tcf) of natural gas.

## Energy industry employment

In 2022, Alberta's mining, quarrying, and oil and gas extraction sector, or upstream energy sector employed about 138 thousand people, accounting for about 6 per cent of total employment in Alberta.

- Alberta's mining, quarrying and oil and gas extraction employment decreased by about one per cent in 2022 compared to 2021 when 139 thousand people were employed in the sector.
- Employment in the upstream energy industry has averaged about 148 thousand people per year over 2007-2022 period, peaking at 175 thousand people in 2014.

### EMPLOYMENT IN MINING, QUARRYING, OIL AND GAS EXTRACTION



Source: Statistics Canada

### ALBERTA MERCHANDISE EXPORTS

Energy products

Full year 2021 **99,491**

Full year 2022 **157,993**

**+59%**

\$ Millions

Source: Statistics Canada

### ALBERTA'S MARKETABLE NATURAL GAS

Production summary

YTD 2022\* **9.8**

YTD 2023\* **10.6**

**+8%**

Billion Cubic Feet per Day

Source: AER.

\* YTD comparison is for January 2022 and January 2023

## **Carbon Capture Utilization and Storage (CCUS)**

- Alberta has a proven track record of supporting carbon capture utilization and storage (CCUS).
- Through Budget 2023, we're increasing our support of this important technology to reduce emissions across the province, including additional support for CCUS through TIER and funding for the construction and operation of CCUS projects.
- 25 proposals have been selected to explore how to develop environmentally safe carbon storage hubs.
- Funding of \$246 million over three years for the Carbon Capture and Storage Initiative is supporting the construction and operation of projects that will capture, compress and store carbon.

## **Energy Security**

Minister Guthrie attended the CERAWeek conference in Houston, Texas, March 6-10 where he participated in a panel to discuss solutions for hard-to-abate sectors, highlighting Alberta's global leadership in carbon capture utilization and storage.

At CERAWeek, Minister Guthrie met with industry leaders, energy experts, and other decision-makers to help increase investment into our province and strengthen our access to international markets.