

2019 Energy Sector Review

The energy sector is a major economic contributor, generating employment across communities in New Brunswick. In 2019, the sector comprised 70 primary and secondary businesses, generating 4,525 full-year 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 is shipped out of the country. New Brunswick has the largest oil refinery in Canada. Additionally, New Brunswick is the leading exporter of energy products in the Maritimes, with sales totaling \$7.6 billion in 2019. Energy products represented 58 per cent of the province's total export value in 2019. The main export destination for New Brunswick's energy products is the United States, accounting for 94 per cent of exports. Together, oil and gas account for 98 per cent of export share.

Industry at a Glance

Number of primary energy businesses	16
Number of secondary energy businesses	54
Total energy output (2017)	\$11.3 billion
Value of exports	\$7.6 billion
GDP (direct)	\$1.9 billion
Employment-Primary ¹	180
Employment-Secondary ²	4,345

^{1,2} Full-year equivalent jobs.

Exports by Country (\$ Million)

Country	2018	2019
United States	7,247.1	7,158.7
Netherlands	42.5	158.1
Ireland	42.0	120.7
Belgium	25.2	64.9
Panama	0.0	58.4
Bahamas	0.0	19.9
Other	28.1	5.5
Total	7,384.9	7,586.1

Source: Global Trade Tracker (January 2021).

Note: 2018 exports have been revised.

Exports by Product (\$ Million)

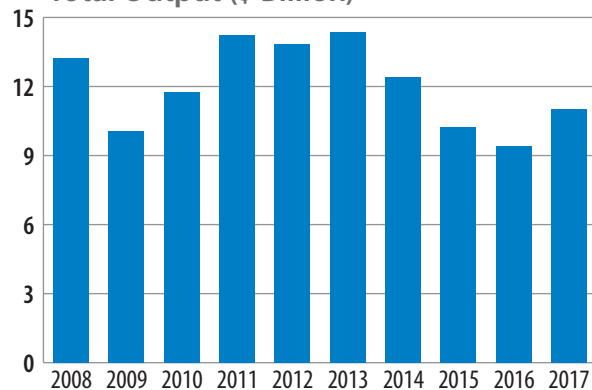
Product	2018	2019
Refined petroleum products	6,890.6	7,034.4
Natural gas	214.0	283.9
Liquefied petroleum gases	173.6	151.9
Electrical energy	106.6	116.0
Other	0.0	0.0
Total	7,384.9	7,586.1

Source: Global Trade Tracker (January 2021).

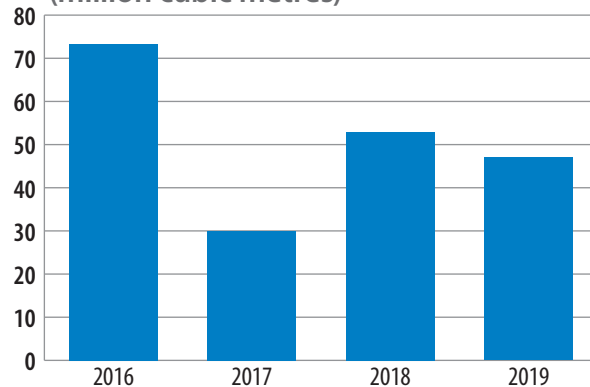
Note: 2018 exports have been revised.

Due to rounding, numbers in the tables in this report may not add up precisely to the totals provided.

Total Output (\$ Billion)

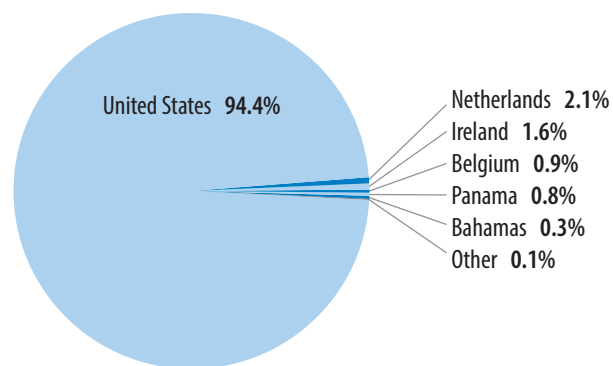


Marketable Natural Gas Production (million cubic metres)

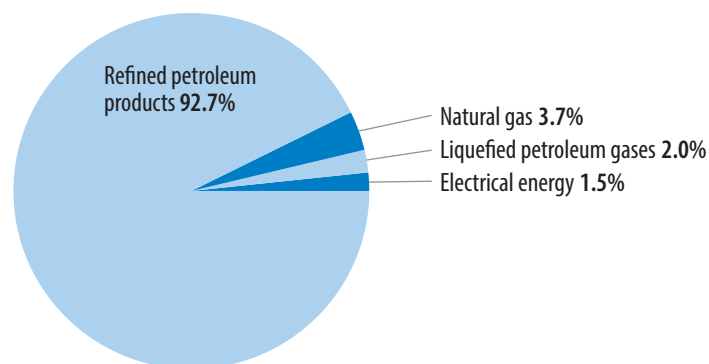


Note: Marketable natural gas production in 2018 has been revised due to a reporting error.

Exports by Country (\$7.6 Billion)



Exports by Product (\$7.6 Billion)



2019 Highlights

- Annual output produced by the energy sector has fluctuated considerably over the years, largely due to changes in petroleum product manufacturing in response to world oil prices. Due to a three-year lag in reporting, data on the value of energy output are only available up to 2017. Compared to 2016, output levels increased notably by 21 per cent to total \$11 billion in 2017, largely attributable to higher oil prices.
- Electricity generated by New Brunswick's energy industry fell slightly by two per cent (197 GWh), from 13,016 GWh in 2018 to 12,819 GWh in 2019. Nuclear energy, hydraulic energy and coal and coke were the top three electricity generating sources, representing 39 per cent, 23 per cent and 22 per cent of generation, respectively.
- Marketable natural gas production amounted to 47 million cubic metres in 2019, about 6.1 million cubic metres (12 per cent) lower than the previous year. This decrease can be explained by normal field production decline combined with a large production difference in the month of December.
- Production volumes of New Brunswick's refined petroleum products are suppressed by Statistics Canada due to confidentiality requirements.
- Compared to 2018, the value of New Brunswick's exported energy products rose three per cent (\$201 million) to reach \$7.6 billion in 2019. Sales of refined petroleum products and natural gas increased the most notably, while exports of liquefied petroleum gases (LPG) fell.
- Exports of refined petroleum products increased by \$144 million (two per cent) to \$7 billion in 2019. Particularly, exported volumes of light oils and petroleum bitumen rose notably, while volumes of medium oils and other petroleum oils dropped. Significant increases were seen in exports to the Netherlands (by \$116 million), Ireland (by \$79 million), Panama (by \$58 million) and Belgium (by \$40 million). On the contrary, declines were seen in sales to the United States (by \$146 million) and Venezuela (by \$23 million).
- Natural gas sales were up by one-third (\$70 million), totaling \$284 million in 2019, with all exports destined for the United States. This resulted from a significant 47-per-cent rise in volume outweighing a 10-per-cent drop in market price. Of note were the high export volumes seen in January, February and March of 2019, as the United States endured an exceptionally cold Winter, with record low temperatures.
- LPG exports were valued at \$152 million in 2019, down \$22 million (12 per cent) from 2018. This was mostly due to lower liquefied propylene sales as a considerable decline in market price outweighed a rise in volume. New Brunswick's LPG exports were all destined for the United States.
- The value of New Brunswick's electrical energy exports grew by \$9.3 million (nine per cent) to total \$116 million in 2019, with all sales going to the United States. This increase resulted from an 11-per-cent rise in volume, mainly due to increased sales contracts with Maine customers, outweighing a two-per-cent drop in market price.
- The top market for New Brunswick's energy products continued to be the United States, with sales amounting to \$7.2 billion in 2019. Compared to the previous year, exports were down marginally by one per cent (\$88 million). This was attributed to lower exports of refined petroleum products and LPG.
- Other significant markets for New Brunswick's energy products included: the Netherlands (valued at \$158 million), Ireland (\$121 million), Belgium (\$65 million) and Panama (\$58 million).
- Note that the exports reported above are international and do not include interprovincial sales. For instance, a significant proportion of New Brunswick electrical output is sold to other Canadian provinces.

Electricity Generation by Type (Gigawatt-hours)

Type	2018	2019
Nuclear	4,874	5,016
Hydro	2,535	2,994
Coal & coke	3,406	2,796
Natural gas	978	943
Wind	825	888
Petroleum (liquid)	399	182
Total	13,016	12,819

Sources: Statistics Canada, Table 25-10-0020-01 and Table 25-10-0019-01.
 Note: The table above includes electricity generated by organizations that, as their prime purpose, generate, transmit and/or distribute electric energy for sale. They can be private or public (provincial or municipal).

Electricity Generation by Type (12,819 GWh)

