

RESOURCEFUL.
RESPONSIBLE.

Alberta - Canada's Petrochemical Leader

Overview of Alberta's Petrochemical Industry

Alberta is Canada's leading producer of petrochemicals. Located primarily in Joffre and Fort Saskatchewan, petrochemical production is one of the largest manufacturing industries in the province. Four world-scale ethylene plants with a combined annual production capacity of 8.6 billion pounds, or 3.9 million metric tonnes, operate in Alberta, representing a world class downstream industry in the Province.

Ethylene comprises the bulk of Alberta's petrochemical production, with up to 245,000 barrels, or 38,700 cubic metres, of ethane feedstock being extracted from the province's natural gas supply daily. Ethane is sourced primarily from natural gas, with small quantities coming from refinery and oil sands upgrader off-gas capture.

Petrochemicals have been Alberta's top manufacturing sector since 2001 with over \$11 billion invested from 1974 to 2012. Employment statistics in 2013 indicate the industry directly employs 9,500.

Government Policy

Alberta is committed to the ongoing success of the petrochemical industry as it is a model for value-added industry in the province, allowing Albertans to get the most out of the provinces resources – whether in investment capital, exported products or jobs.

As Alberta moves forward, more and more emphasis is placed on developing value-added opportunities in the province.

Incremental Ethane Extraction Program (IEEP)

The Government of Alberta has taken significant steps to assist the petrochemical industry in securing feedstock including investing \$350 million dollars in the Incremental Ethane Extraction Program (IEEP). With the approval of 2012 open season applications, the IEEP has been fully expended.

The program covers 91,000 incremental barrels per day of conventional and off-gas sourced ethane. Total capital investment associated with incented barrels is anticipated to be over \$1.8 billion CDN over the life of the IEEP.

Several IEEP projects will receive royalty credits for capture of off-gas ethane from bitumen upgraders and petroleum refineries located in Alberta that would have been burned as fuel or shipped out of the province.

Major Petrochemical Sites in Alberta

Location	Company	Product
Fort Saskatchewan	Dow Chemical, Shell Chemical, MEGlobal	ethylene, ethylene glycol, ethylene oxide, polyethylene, styrene monomer
Edmonton	Celanese	cellulose acetate, ethylene vinyl acetate
Prentiss /Joffre	Dow Chemical, Nova Chemicals, MEGlobal	ethylene, ethylene glycol, polyethylene

Alberta is a low cost producer of ethylene, second only to the Middle East. ~ IHS CERA

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