

Report Confirms Substantial Benefits from Mackenzie Gas Project

YELLOWKIFE (Tuesday, November 23, 2004) - Findings from a recent economic study, sponsored by the Government of the Northwest Territories (GNWT) and TransCanada Pipelines Ltd, reinforce the significant, positive benefits of the Mackenzie Gas Project.

“This study provides a realistic estimation of the economic benefits accruing to Canada through the development of the Mackenzie Gas Project,” said Resources, Wildlife and Economic Development (RWED) Minister Brendan Bell. “It reinforces our need for a new economic relationship with Canada that will allow the Northwest Territories to cope with the challenges created by this project and benefit from the development of our natural resources.”

The study, produced by Wright Mansell Research Ltd., evaluated the economic impacts associated with the Mackenzie Valley gas pipeline and the associated anchor field development. This study was conducted to update analyses carried out in 2002. Three production scenarios were considered in evaluating the economic impacts of the project.

“The Mackenzie Gas Project will advance the development of the natural gas industry in the NWT, which will also have an impact across the country,” added Minister Bell. “The study shows that the Government of Canada and provinces, such as Alberta and Ontario, will receive substantial revenues from the project.”

The GNWT maintains that Canada should support the development of Canadian gas reserves. Economic studies show the potential impact of development of gas fields and the Mackenzie Valley Pipeline in the NWT to be as much as \$59 billion dollars in increased Gross Domestic Product for Canada over a 31-year period.

A copy of the Wright Mansell Study can be found on the RWED website at:
<http://www.gov.nt.ca/RWED/mog>

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