



Canadian Propane Association Supports Alberta's Natural Gas Vision and Strategy

OTTAWA, ON, October 7, 2020 – The Canadian Propane Association congratulates the Government of Alberta on its long-term Natural Gas Vision and Strategy.

Earlier, the Alberta government announced its vision to transform Alberta into the number one supplier of clean, secure and responsibly sourced natural gas in Canada and internationally.

“Alberta’s strategy does more than support one of the fastest growing sources of energy in the world, it also provides support for the expansion of propane use and diversification,” says Nathalie St-Pierre, President and CEO, Canadian Propane Association.

Here’s how the five goals of Alberta’s new strategy will affect the propane industry.

Hydrogen Exports

The government’s goal is to export hydrogen and hydrogen products across Canada, North America and globally by 2040. The propane industry is satisfied that this will encourage an increase in drilling for natural gas and natural gas liquids, which contain propane. This propane can then be used for electricity generation in remote communities, home heating, appliances, agriculture, petrochemicals, export and transportation.

Petrochemical Manufacturing

Alberta’s goal is to become a global top 10 producer of petrochemicals and diversify the portfolio of products manufactured. This consolidates propane’s advantage with the two polypropylene facilities already under construction in Alberta which will use propane as the feedstock. If the Alberta government supports the advancement of more polypropylene facilities, this will provide an increase in demand for propane.

Plastics Recycling

Alberta aims to be established as the Western North America centre of excellence for plastics recycling by 2030. Again, as polypropylene derived from propane is recyclable, unlike many other plastics, this will create more demand for propane-based plastics and carbon fibres.

Industrial Demand

Alberta seeks to grow the demand for natural gas and natural gas liquids with increased investment in natural gas processing infrastructure. While a number of power generation facilities in the province are also looking to convert to natural gas as a fuel source, many rural and remote communities are unable to connect to the electricity grid. Propane-based electricity generation is an excellent option for these communities. Plus, an increase in natural gas transportation infrastructure means more capacity for propane transport.

Liquefied Natural Gas (LNG)

The government’s goal to ensure Alberta’s natural gas has access to Asian and European markets through two to three additional large-scale LNG projects by 2030 is also on the table. While these projects are good, natural gas requires extensive and expensive infrastructure to transport. Propane is highly transportable and can be used more efficiently and economically in many Asian jurisdictions that don’t have the infrastructure needed by natural gas. Currently two export terminals are supplying propane to Asian markets and we believe the Alberta government will continue to support these efforts.

About the Canadian Propane Association

With over 400 members, the Canadian Propane Association (CPA) is the national association for a growing, multi-billion-dollar industry that impacts the livelihood of tens of thousands of Canadians. Our mission is to promote a safe and thriving propane industry that plays a vital role in Canada's energy sector. To achieve this, we champion propane and the propane industry in Canada and facilitate best practices, safety and a favourable business environment through advocacy, training and emergency response.

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