

## **Natural Gas Service in First Nations Reserves**

## Data by province and cost difference snapshot

Energy for a Secure Future (ESF) commissioned "<u>The Other Energy Security: Addressing Energy Poverty in Canada's Indigenous Communities</u>" by Heather Exner-Pirot to highlight the major challenges faced by First Nation's communities in accessing affordable energy for heating. Many First Nations have been trying to access natural gas for decades — in some cases their communities surrounded by natural gas services or transmission but new infrastructure, often prohibitively expensive for the nation is needed to extent access.

As shown in Table 1, natural gas is significantly cheaper than electricity per unit of energy consumed, where space heating is often the highest source of residential energy demand. Heating costs in First Nations communities reliant on propane heating or electrical heating can approach over \$1,000 per month — a significant hit to household incomes. The challenge is compounded by heat loss from homes on many First Nations reserves where important upgrades to housing stock are needed.

Indigenous Leaders highlight the urgent need for reliable, affordable energy for their communities



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Table 1: On reserve energy access and unit cost comparison of electricity and natural gas.					
Province	Utility	# First Nations with natural	# First Nations without natural gas connection	Cost of per gigajoule of energy served (CAD \$)	
		gas connection	in the province	Electricity	Natural Gas
Alberta	ATCO	36	9	84.99	13.06
British Columbia	FortisBC	58	118		
	Pacific Northern Gas	7	19	40.19	19.22
Ontario	Enbridge	24	109	44.11	17.76
Manitoba	Manitoba Hydro	4	58	38.24	15.98
Saskatchewan	SaskEnergy	52	20	67.73	16.79

<sup>\*</sup>Data was not available for Quebec, the Atlantic provinces or the territories.

Source: Canada Energy Regulator. Canada's Energy Future Data Appendices.

<sup>\*\*</sup>Inclusion of a community in these figures may not mean full access for all buildings; in some cases, it references a single community building, facility, or residence.

<sup>\*\*\*</sup>Data for electricity and natural gas costs are from 2022.

In **Alberta**, ATCO services 36 First Nations communities out of a total of 45, though access can be incomplete. For instance, Alexander First Nation has gas service in some areas (e.g. Alexander 134 and 134B), while others, like Alexander 134A, remain unserved. Across the province, 9 First Nations are entirely unconnected, and even among those classified as connected, service often falls short of community-wide needs.

In **British Columbia**, natural gas service is divided between FortisBC and Pacific Northern Gas (PNG). FortisBC serves 58 First Nations communities, with its infrastructure crossing 150 traditional territories, while PNG's pipelines traverse the territories of 26 Indigenous communities in Northern BC, yet only 7 receive service. Despite a total of 65 First Nations having some level of access, many communities experience limited distribution. Meanwhile, 137 First Nations in the province remain unconnected, relying on propane or electricity to meet their needs at higher cost.

In **Ontario**, Enbridge Gas serves 22 First Nations, though access is often limited, with some communities, like Caldwell and Thessalon First Nations, having only a single building connection. Additionally, the *Six Nations Natural Gas Company* serves Six Nations and Mississaugas of the Credit First Nation, bringing the total to 24 connected First Nations. However, with 133 First Nations in Ontario, 109 remain unconnected.

In **Manitoba**, access to natural gas is extremely limited, with only four First Nations having some connection and 58 remaining unconnected. The lack of infrastructure leads many communities to depend on high-cost alternatives, exacerbating energy access challenges in the province.

In **Saskatchewan**, 52 First Nations have access to natural gas to some extent, but infrastructure rarely covers entire communities, leaving many homes reliant on higher-cost options like propane or electric heating. For example, **Beardy's & Okemasis Cree Nation** has only partial access, with approximately 250 homes still dependent on electric heat and propane. One community elder's power bill for heating, shared with ESF, was for a \$366 payment on a balance of \$1,152.



## Why is access to natural gas important?

Across Canadian provinces, in residential sector, the cost of energy per gigajoule for electricity far exceeds that of natural gas, with average electricity costing as much as \$84.99 per gigajoule in Alberta in 2022 compared to just \$13.06 for natural gas. Similar trends are evident in British Columbia, Ontario, Manitoba, and Saskatchewan, where natural gas costs less than half — or even a quarter — of electricity prices as show in Table 1.

Accessing lower cost natural gas could be enabled by expanding eligibility in existing federal programs focused on indigenous peoples and energy – today natural gas infrastructure is excluded from such programs, including the Canada Infrastructure Bank, the Clean Energy for Rural and Remote Communities Program among others. Ending energy poverty should be a pillar of Canada's approach to reconciliation.

<sup>&</sup>lt;sup>1</sup> Canada Energy Regulator. Canada's Energy Future Data Appendices (2022).