

## North Yukon Conceptual Oil and Gas Development Scenario

Toril Ringholm, October 2011

<b>1. Project / publication</b>	Fekete Associates Inc. and Vector Research (2005): <i>North Yukon Conceptual Oil and Gas Development Scenario and Local Benefits Assessment</i> , 80 pages.  <a href="http://www.emr.gov.yk.ca/oilandgas/pdf/fekete_report_final.pdf">http://www.emr.gov.yk.ca/oilandgas/pdf/fekete_report_final.pdf</a>
<b>2. Initiator</b>	The study was commissioned by North Yukon Oil And Gas Working Group, comprised of representatives from Yukon Government, Vuntut Gwitchin First Nation, Trondek Hwetch First Nation, and the First Nation of the Na-cho Nyak Dun.
<b>3. Objective</b>	The objective of the analysis is to enable the Yukon Government and First Nations to collectively plan for future oil and gas development in North Yukon. The project estimates plausible levels of oil and gas activities and assesses the local benefits and challenges to the Yukon people in case of the reserves being developed.
<b>4. Geographical delimitation</b>	The assessment is delimited to the North Yukon area.
<b>5. Time horizon</b>	The assessment does not correspond with a specific time-span. Indirectly, a time-span of about 20 years can be derived from the text, since it is based on expectations of reserves that are enough to supply a 20" gas pipeline for more than 20 years.
<b>6. Thematic focus</b>	The assessment emphasizes the socio-economic consequences for the region and communities in the form of i.a. employment, royalties, direct investments, local business development and ensuing taxes. Consequences for First Nations are particularly pointed out.
<b>7. Images of the future</b>	Explicit scenarios are not drawn, despite the title of the publication. The assessment is more of a traditional cost-benefit analysis. The study is preoccupied with the impact on the communities in the area of future oil and gas development and their potential strategies for ensuring responsibility and sustainability. Among the measures discussed are supplier development, procurement policies and training of local people.
<b>8. Key driving forces</b>	As this is about the consequences of a specific oil and gas development, this is also the driver that the assessment is based upon.
<b>9. Uncertainties/wildcards</b>	There are uncertainties to all the elements in the analysis, from the size of the reservoirs to the different forms of consequences that petroleum development might bring about. However, these uncertainties are circumvented by the use of approximate estimates.
<b>10. Accomplishment and collaboration</b>	The study is written by experts, and there is no documentation of any other participation in the process.
<b>11. Method</b>	The study is basically quantitative, with a possible exception for the discussion of competence and the region's ability to meet the demands from the oil and gas industry. The question of how the region can gain knowledge and skills from the development is also addressed.
<b>12. Sources of information</b>	The report draws on a number of data sources. Several of them seem to be previous reports on similar themes, while there is also public statistics. In some cases the sources are not made explicit. Particular models are not employed.

<b>13. Strengths</b>	The report is reasonably thorough, which is also what can be labelled its strength. It is, however, a fairly straightforward cost-benefit analysis, and there are no particularly surprises as to the perspectives or analytical tools that are brought in.
<b>14. Weaknesses</b>	See above.
<b>15. Attention and significance</b>	This is not known. But as the report was delivered to the Yukon Government it might have been fed into decision-making processes. We have also been able to trace references to it in the Yukon News.
<b>16. Relevance for the Fram Centre</b>	Both of the companies that have been involved in writing the report are consultancy firms. Fekete Associations works in the area of oil and gas related engineering services while Vector Research does marketing research and opinion polls. None of them appear to be of significant interest for the Fram Centre.