NOVA Chemicals
Adding Value in Canada

Senate Committee on Energy, Environment and Natural Resources
November 15, 2016
North American Production & Sales

Top five producers of ethylene and polyethylene in North America
1) Dow Chemical
2) Lyondell Basell
3) ExxonMobil
4) Chevron Phillips
5) NOVA Chemicals

We sell into multiple markets
- Canada : 20%
- U.S. : 65%
- Asia : 10%
- Europe : 5%
Community Impact

Recent partnerships in our communities

- $2 million Canada Winter Games 2019
- $2 million Lambton College Foundation
- $1 million TELUS Spark Science Centre
- $250,000 Inn of the Good Shepherd
- $200,000 Calgary Homeless Foundation
- $250,000 Waskasoo Environmental Education Society
- $57,500 YMCA of Sarnia-Lambton Youth Aboriginal Leadership Program
- $20,000 St. Clair Township Fire Department
Feedstock Leadership
“First Mover” Sources

- Horn River
- Montney
- Duvernay
- Oil Sands
  - Fort McMurray
  - Redwater
  - Fort Saskatchewan
- NOVA Chemicals Joffre
  - Cochrane
  - Empress
  - Waterton
- Bakken
  - Tioga
- NOVA Chemicals Sarnia
- Utica
  - Marcellus
  - Houston

Pipelines:
- Boreal
- Ethane Feedstock
- Joffre Feedstock Pipeline
- Extraction / Fractionation Plants
- Ethylene Delivery System
- Alberta Ethane Gathering System
- Vantage
- Mariner West
Investment Under Consideration

- A third phase in the conversion and expansion of the Corunna Cracker
- A new world class polyethylene facility
  - Sarnia-Lambton is the base case
- Expect Board of Directors’ final investment decision in 2017
Investment Considerations

Positive Trends

- Corporate tax reduction
- Highly skilled workforce
- Cluster
- Geography

Challenges

- Feedstock supply
- GHGs
- Tax and fiscal policy
- Rail
- Incentives
- Electricity Costs
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