

Final Report

Deh Cho Oil & Gas Conference

May 31 – June 2, 2004

**Organized and Hosted by: Deh Cho Business
Development Centre**

**Funded by: Department of Indian and Northern
Affairs - Pipeline Readiness Office**

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Idea and Process

A Deh Cho Oil & Gas Conference was first discussed in late 2003. Matthew Spence, from the Pipeline Readiness Office of Indian and Northern Affairs, asked the Deh Cho Business Development Centre, if it was interested in organizing and hosting a conference for the small business owners and potential small business people of the Deh Cho region. The BDC thought the conference would be beneficial to the region and decided to proceed.

A small working committee was put together from the staff of the Deh Cho BDC, Matthew Spence from INAC and Dennis Nelner, the Regional Petroleum Advisor with RWED. Conference calls were held to decide how to proceed. In the end, the committee decided that the conference needed to be practical for business owners and that the conference would focus on three main areas: Business skills, Investment & opportunity and a Small business community voice.

A draft agenda and budget were prepared based on the committee's input and sent to them for review. To ensure we were on the right track or to make changes if necessary, a survey of business people in the region was conducted. The committee wanted to determine exactly what they would like to see at such a conference. (Survey and results are in Appendix A) A final agenda was then prepared, based upon the survey results, and circulated for comment.

The final agenda covered three days. The first day was a presentation from the Canadian Energy Research Institute. The second day was comprised of three business skills workshops. The final day's agenda allowed time for presentations from Industry, then from funding agencies and departments and finally, provided an opportunity for the small businesses to highlight concerns they might have with the oil and gas development taking place in the region. (The final agenda is in Appendix B)

Implementation

Once the agenda was set, the task of implementing the conference began.

Speakers from companies representing all aspects of the Oil Industry (pipeline construction, geo-seismic, gathering systems, exploration companies, etc.), funding departments and agencies, and CERI were sought.

The only difficulty experienced, when seeking industry speakers was having to wait for one company to confirm their availability before being able to ask another, with the same expertise, for their participation. Most, if not all, companies were interested in attending; however busy schedules would not permit them to attend in some cases.

Many factors were taken into consideration when the committee was choosing the date for the conference; conferences being held elsewhere, ease of transportation and

availability of some speakers were just some of them. Unfortunately, the date chosen did not allow MLAs to attend due to the Legislative House being in session.

Facilities and caterers were found, travel for participants taken care of, equipment was set up and sound was arranged. Once the speakers confirmed their attendance the conference was set to go.

Budget

The original budget for the conference totaled approximately \$60,000. An additional \$10,000 was added to the budget just prior to the conference to cover the costs of participant travel from the communities outside of Fort Simpson but still within the Deh Cho region. The final total conference budget was \$70,305.

In the end total costs were much less though some expenditures were higher than projected. Participant travel was only \$2,982 versus the \$10,000 expected. This was the result of fewer traveling, the use of non-hotel accommodations and other cost saving measures. Most of the companies that agreed to participate attended at their own expense, which in some cases was fairly significant. Though total speaker fees were higher than budgeted, travel costs for them were far less. A translator was not needed, less promotion was necessary and the golf tournament never took place.

As a result, total expenditures were \$48,963. After this is reduced by the \$450 in registration fees charged to those attending the conference from outside of the region, and the \$1,800 donated by Anadarko to pay for the final dinner, \$46,713 remains. This amount was provided by the Department of Indian & Northern Affairs – Pipeline Readiness Office. The final budget and actual expenditures are included in Appendix D.

Agenda

Day 1 – Overview of Natural Gas Industry

Title **Well Head to Burner Tip**

Presenter **Frank Henderson**
Canadian Energy Research Institute

Subject Matter

- What is Natural Gas
- Where is it Found
- Exploration
- Production
- Transportation
- Consumption / Uses for Natural Gas

Approximately 23 people attended the daylong presentation by CERI. Interest was high, many questions were asked and a binder containing the information presented during the session was provided to all participants. Additional copies were left with the Deh Cho BDC to be added to the resource library.

Evaluation

(14 Respondents)

All were pleased with the speaker and his delivery and indicated that it was at least okay in terms of being beneficial to their business. Nine ranked the materials as great and five as good. Overall, the participants seemed to enjoy the presentation, and judging from the feedback, a high percentage found it useful.

Conclusion

The presentation, although very expensive when considered alongside the rest of the conference, was still very worthwhile. The presenter knew the subject very well and was able to answer most, if not all, questions. Even if there was no direct benefit to a particular business, many owners benefited from the information provided by gaining a much greater understanding of natural gas.

Day 2 - Business Skills / Training

Participants had a choice of two workshops in the morning and two in the afternoon. They had to decide between “Cash Flow (Debt) Management” and “Joint Ventures and Partnerships” in the first session and “Small Business Management” and “Joint Ventures and Partnerships” in the second.

Title **Joint Venture and Partnerships**

Presenter **Andrew Gaule**
 North of Sixty Training & Consulting Ltd.

Subject Matter

- Types of partnerships that could exist between businesses
- Advantages and disadvantages of each type
- When to consider a JV
- What other options are there
- The process of establishing a JV

Evaluation

(4 Respondents)

Eight people chose to attend the Joint Venturing workshop in the morning and four in the afternoon. Those that provided feedback, indicated that the speaker and his delivery were either good or great, one found it great in terms of being beneficial to his/her business, two indicated that it was good and one okay. All four said the materials were good or great, and all four also indicated that the length and level of detail were good.

Participants were also asked what parts of the presentation were most and least relevant to their business. Various aspects of the JV session were highlighted: What to include in a JV and an explanation of a Joint venture were two of the responses to the most relevant. Very little was deemed irrelevant.

Conclusion

Though few people attended the session it was very informative. The session was well received.

Title **Cash Flow Management**

Presenter **Cal Hughes**
Business Development Bank of Canada

Subject Matter

- The distinction between cash and profit
- The importance of cash flow management
- Causes of cash flow problems
- Sources of cash

Evaluation

(15 – 17 Respondents)

The session received very good reviews. All evaluation forms received indicated that the speaker and delivery were at least good. Almost all said that the sessions were beneficial to their business as well. Fifteen of sixteen said the materials and length of the session were fine and sixteen of seventeen said the level of detail was at least good. No one rated any of the five criteria below okay.

Items chosen as most relevant include cash flow, policy development and how to manage accounts receivable. Most thought the whole session was relevant.

Title **Small Business Management**

Presenter **Cal Hughes**
 Business Development Bank of Canada

Subject Matter

- The various forms of small business
- Advantages and disadvantages of each form
- How to identify and minimize risk
- Meeting the challenges presented by business operations
- Other insights to help small business owners better manage their operations

Evaluation

(15 – 18 Respondents)

Sixteen found the speaker and delivery great while the other two said they were good. In terms of being beneficial to their businesses, eleven respondents said that the session was great and five, good. Materials were found to be fine by almost all. Two said the length of the session was just okay while the remaining fifteen said it just fine. Almost all were happy with the level of detail provided as well.

Some participants indicated that all the information was relevant to their business; others chose risk management and tax information as most relevant. Again very little of the presentation was deemed irrelevant.

All workshops allowed for questions and answers throughout the sessions.

Conclusion

Both BDC sessions were thoroughly enjoyed by the twenty-five to thirty participants. Feedback was very positive. The sessions were a very good fit with the participants and the goals of the conference.

Day 3 – Industry Panels, Funding Panels & Plenary Session

The intention of the Industry panels was to have representatives of most, if not all, aspects of the Oil and Gas industry provide information on the opportunities that may arise from Oil and Gas projects and how small local companies could take advantage of those opportunities.

Title Industry Panel 1 – Business Opportunities

Presenters Mackenzie Gas Project Reid Warne & Kevin Jonasen
Aboriginal Pipeline Group Robert Marshall
Beaver Enterprises Allan Harris
Northern Pipeline Projects Doug Anguish

Subject Matter

Representatives from the Mackenzie Gas Project summarized their plans of highlighting the work involved in the various stages of the project; from the regulatory submission to operations. The construction of access roads, provision of camp services, waste management, vehicle maintenance and general oilfield services were just some of the potential business opportunities mentioned in the presentation by Reid Warne. Kevin Jonasen followed the opportunities presentation with a discussion of the project's procurement policies. Among other things, various methods used to notify the public of upcoming work and the various contracting approaches were outlined.

Robert Marshall provided a brief update on the APG's activities but could not provide specifics.

Allan Harris, from Beaver Enterprises, gave a presentation summarizing the services provided by Beaver. Examples include heavy construction, camps and catering, and oil field services. He emphasized that Beaver's number one goal has remained the same since the beginning: to find, create and sustain work, active jobs, for the people in Fort Liard and the surrounding communities. He also indicated that they help, and work with, small businesses to provide many of the services needed by the Oil and Gas projects.

Northern Pipeline Projects is owned by five of the major Unions and Associations involved with pipeline construction in Canada. One of the goals of the company is to provide people with information about pipelines from the perspective of those who actually build them. Doug Anguish highlighted issues that were anticipated in the North, talked about access for Northerners, and discussed unions in general along with their benefits and the process of joining a union, worker selection, training and some real experiences.

Evaluation

The assessment of the first industry panel session was a little more mixed than that of the training sessions, though most found the session to be okay or better on all three criteria; speaker/delivery, beneficial to my business and materials. One person said the speaker/delivery was not good and one said the materials were terrible.

Title Industry Panel 2 – Business Opportunities

Presenters EOS Pipelines Angela Tripathy & Dean Peterson
All West Surveys Marie Robidoux

Subject Matter

EOS Pipelines provided information regarding the company's facilities, capabilities and experiences. They also talked about their commitment to the North, the training they offer and joint ventures that they have had with Northern companies. Finally they outlined the businesses utilized for the construction and maintenance of gathering systems, their equipment requirements, personnel requirements and EOS's supply requirements.

Marie Robidoux, from All West Surveys, discussed opportunities related to surveying, which must be carried out during all stages of Oil and Gas development. Work is done prior to and during construction.

Evaluation

The evaluation of the second industry panel was similar to the first. Almost all respondents were at least okay with the three criteria used to assess the session. One person felt that the materials were not good and one felt they were terrible. One other person felt that the benefits to his / her business were not good.

Title Funding Sources for Small Business

Presenters	Aboriginal Business Canada Business Credit Corporation Business Development Bank of Canada Resources, Wildlife and Economic Dev. Dept. of Indian and Northern Affairs. Deh Cho Business Development Centre	Barry Irwin Afzal Currimbhoy Jim Hanna Murray Cutten Matthew Spence Todd Noseworthy
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Subject Matter

All Funding panel members provided background information on their organizations and the services, financial and non-financial, provided to small businesses.

Evaluation

Feedback received regarding the funding panel indicated once again that most people rated the speaker/delivery, beneficial to their business and materials categories okay or better. Most said the presentations were good or great in all aspects. One person said that the speaker/delivery was “not good”.

All panels allowed for questions and answers throughout the sessions.

Conclusion

The industry and funding panels were a great addition to the conference. It gave the businesses of the region the opportunity to learn more about the various aspects of the industry and a chance to meet some of its players. Participants could even meet one-on-one with the companies to discuss future possibilities if they so desired. Most of the companies that presented gave interesting and practical presentations.

Some of the companies that sat on the industry panels were large general contractors; others were smaller companies that would likely be bidding as subcontractors. Considering the current capacity of most businesses in the region, it would have been beneficial to have more of the latter in addition to all those already present. Most companies in the Deh Cho will probably work for subcontractors on such a large project. Business people of the region would have been able to introduce themselves to more of the companies they would expect to work for.

The Funding Panel members represented most of the traditional sources of business financing in the Northwest Territories. They provided information that would be helpful to those ready to start or expand a business. Participants should be familiar enough with each source to at least choose a starting point to seek assistance with their business venture.

Title Plenary Session – Small Business Concerns

Facilitator Eileen Marlow

Subject Matter

The intent of the plenary session at the end of the conference was to allow small business people a chance to voice concerns regarding upcoming Oil & Gas projects to the Pipeline Readiness Office and the Pipeline Working Group.

Because it was at the end of the conference and some participants were anxious to get home after three or four days, the session was not as well attended as some of the others. Those that did attend did highlight some concerns.

The main areas of concern were: A need for more awareness and opportunity identification, The Procurement Process, the Territorial government's involvement and Access to funding. More detail is included in the report on the plenary session included in Appendix C.

Conclusion

The plenary session was held at the end of the conference with the hope that it would give participants a chance to learn more and thus be able to ask more and better questions and to put their concerns into better context. The end of such a conference is still probably the best place the session, however, organizers must consider the possibility that many of the participants may leave, to return home, before the end of the conference.

That seems to be what happened in this case. The number of people who participated in the plenary session was well below the number present for other sessions.

Those who remained for the session did provide feedback as outlined above. The session was beneficial and an important part of the conference.

Other Questions / Comments

Other questions asked on the conference evaluation form were as follows:

Evaluate the following: Location, Facilities, Group sizes, Food-Snacks-Entertainment.

All but one of the respondents agreed that all were either good or great.

Describe how the topics and discussions presented might change the way you manage your business?

Replies included: Better overall management or understand how to manage my business better, Help find more funding for my business, Opened my eyes on how to start a business, Gave us good contact with other potential clients/suppliers, Would like to see more workshops on business, and Begin to prepare.

What other topics or subjects should have been presented or discussed during the conference?

Respondents had many suggestions. Some of them were:

*More information on successful businesses in the Deh Cho and how they stay successful
How to negotiate with industry. Just understand how it's done. Tourism and the effects of the pipeline. More background on real construction needs and development and possible spin-offs from the pipeline.*

What time of year / week is best to hold these conferences / workshops?

*Many participants stated that the time of year chosen was good.
Others said Spring or Fall.
Still others said that during break up or freeze up were best.
A few even said that anytime was good.*

Did you find the final plenary session useful? Please elaborate.

It seems that many of the participants misunderstood the question, believing that we were asking if they found the conference useful.

In any case, sixteen of seventeen people said yes.

Some of the comments received were: Opportunity to meet key contacts, Understanding what's happening, Helpful in understanding the pipeline in detail, Good explanation of services and benefits that may be available.

Would you like a copy of the final report on the plenary session? Yes ___ No ___

Thirteen of sixteen said yes.

Did you receive any funding to attend the workshop? If so, please detail.

Eight of nineteen received some form of help. Only two seemed to receive funds outside of those provided from the conference funds. One received some help from the Pipeline readiness Office and one from a Local Training Authority.

Overall Conclusion

Overall, the conference went very well. The CERI presentation was more beneficial than expected, the workshops were enjoyed and appreciated by all while the industry and funding panels provided a great deal of valuable information and a chance to meet many people. The plenary session provided an opportunity for local business people to express concerns they might have with the upcoming Mackenzie Gas Project.

Some portions of the conference could have been improved upon, as indicated above, but were still more than adequate, as indicated by the responses received on the evaluation forms.

It would be valuable to hold such events in other areas of the NWT that are affected by the pipeline project. It would also be very beneficial if portions of the conference were expanded upon. Some participants expressed how useful the workshops were and indicated that they would like to see more. Others liked the opportunity to interact with potential business partners and would like more such opportunities. Perhaps more feedback can be sought regarding the various aspects of the pipeline project as well.

As indicated in the budget section above, funds were left over from the conference. Maybe the surplus can be used to follow up on some of the conference activities.

Note: Participants will receive copies of all presentations that were made available to the Deh Cho BDC. This will enable them to refer back to the information when needed.

Appendix A

Business Survey

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Summary of Results

Survey questions

Deh Cho Oil and Gas Conference

- 1) Please rate the following as to how important it is to your business that these external issues be put forward to government, industry or aboriginal groups and addressed. (1 – of no importance to 5 – extremely important)

Lack of Capital for Start-Up or Expansion ____
Lack of Capital for Training ____
Lack of Skilled Labour ____
Local Hiring of Companies ____
Local Purchasing by Contractors ____
Time taken by Contractors to Pay Invoices ____
Other _____
Other _____
Other _____
Other _____

Would you like to discuss these concerns in a forum setting with other business people of the Deh Cho? Yes __ No __

- 2) How do you expect your business to benefit from oil and gas activity?

- 3) The following are workshops that could be presented at the Deh Cho Oil and Gas conference. Please rank the workshops in order of importance to you, #1 being the most important. List and rank others, which are not included below, as well.

__ Competitive bidding skills	__ Proposal writing
__ Essentials of joint ventures and partnerships	__ other: _____
__ Contract negotiation skills	__ other: _____
__ Cash flow management	__ other: _____
__ Employee capacity building	__ other: _____
__ Alternative business idea generation	__ other: _____
__ Promotional skills	
__ Industry pre-qualification requirements	

- 4) Would you like to know about alternative sources and other traditional financing sources? Yes __ No __

Any particular sources that you would like to hear more about?

- 5) Which organizations would you like to see make a presentation or answer questions at a Deh Cho oil and gas conference?

RWED ___ Pipeline Readiness (INAC) ___ Producer Group ___
Pipeline Working Group ___ ECE ___ Community Mobilization ___
HRDC ___
Other _____ Other _____
Other _____ Other _____

- 6) Would you like to participate by providing information or a workshop on your particular area of expertise? Yes ___ No ___

What topic would you like to present?

Oil and Gas Survey results

(14 responses to 27 questionnaires distributed)

Significant results:

Q1) Rate the issues that are most important to your business:

5: Very important 4: Important

Lack of start up or expansion capital: 85 % responded 4 or 5

Lack of training capital: 61% responded 4 or 5

Hiring of local companies: 85% responded 4 or 5

Invoice payment period: 71% responded 5

‘Other’ comments that were rated 5:

Lack of adequate highway infrastructure, facilities and maintenance

The requirement for ‘continuous pre-qualifying’

Discontinuity in industry invoicing techniques and procedures

54% of respondents wished to discuss these issues in a forum setting.

Q2) How do businesses expect to benefit from O&G activity:

Labour and supply contracts (but only if local hiring is enforced)

Increased road traffic

Long term contract security

Q3) Important workshops that could be presented at an O&G conference:

Most of the interest was indicated for the following workshops:

Cash flow management, contract negotiation skills, joint ventures and partnerships, pre-qualification requirements, and employee/business capacity building.

It was also noted that the workshops should be delivered in terminology that is familiar and practical to local small businesses and entrepreneurs.

It was suggested that a short very general workshop about oil and gas geology would be useful.

It was mentioned that a cash flow management workshop should deal with debt management

A short workshop stating the reasons and requirements for pre-qualification should be presented by each pipeline or exploration company, which requires pre-qualification.

All pipeline and exploration companies should present a short workshop about their particular invoicing requirements and payment periods.

Q4) Would you like more information about alternative financing sources?

The response was minimal but DIAND and RWED were primarily identified.

Q5) What organizations would you like to see make a presentation?

The responses included RWED, Pipeline Readiness (INAC), 'Alternative Funding' institutions, and the Producer Group (as long as this group focused on the communication of real opportunities).

It was mentioned several times that the Pipeline Working Group should not present due to its 'political' agenda.

It was noted that that DIAND's Pipeline Readiness should not only make a presentation and provide more information, but that they should have much more of a presence in the region, (ie: a local representative or office).

It was emphasized that all the 'major' oil and gas companies should make presentations (including Canadian Zinc?).

It was suggested that some groups present information of the social impacts of future pipeline and oil and gas activity.

There was interest in an Alternative financing (not commercial banks) presentation.

Q6) Only one company surveyed would like to make a presentation.

Appendix B

Conference Agenda

**Fort Simpson
Oil and Gas Conference Agenda
May 31, June 1, June 2, 2004**

- May 31:** 8 AM- 9 PM CERI Registration, snacks, coffee
- 9:00: **Canadian Energy Research Institute (CERI)**
“From Wellhead to Burner Tip: An overview of petroleum deposits, exploration, production, and transportation” (Large Upstairs Room)
- 12:00 Lunch
- 1:00 **CERI** continued
- 3:00 Snacks
- 5:00 Dinner
- 6:00 **CERI** continued
- 9PM: Reception, refreshments, snacks
- June 1:** 7:00 Breakfast with facilitator, George Tuccaro (Community Hall)
- 8:00 **Business skills workshops Session #1: (CHOOSE ONE)**
- Cash flow (debt) management**
Business Development Bank of Canada (Large Upstairs Room)
- Joint ventures and partnerships**
North of 60 Training & Consulting (Curling Lounge)
- 10:00 Snack, coffee (Community Hall)
- 10:15 Workshops continued
- 12:00 Lunch with facilitator, George Tuccaro (Community Hall)
- 1:00 **Business skills workshops Session #2: (CHOOSE ONE)**
- Small Business Management**
Business Development Bank of Canada (Large Upstairs Room)
- Joint Ventures and Partnerships**
North of 60 Training & Consulting (Curling Lounge)
- 3:15 Snack, coffee (Community Hall)
- 3:30 Workshops continued
- 6:00 Dinner with facilitator, George Tuccaro (Community Hall)
- 8:00 Networking Session - music, snacks, cash bar.

- June 2:**
- 7:30 Breakfast with facilitator, George Tuccaro (Community Hall)
- 8:30 **Industry Panel 1:** Companies present, explain or elaborate on potential small business opportunities and the particular tendering and bidding processes (Community Hall)
- Mackenzie Gas Project:** Pipeline and environmental spin-off opportunities – Kevin Jonasen & Reid Warne
Aboriginal Pipeline Group – Experience to date - Robert Marshall
Union representative – How the unions fit - Doug Angusih
Beaver Enterprises – Experience to date – Alan Harris
- 10:15 Snack (Community Hall)
- 10:30 **Industry Panel 2:** Companies present, explain or elaborate on potential small business opportunities and the particular tendering and bidding processes (Community Hall)
- Shehtah Drilling** – Drilling related opportunities – Greg Nyuli
All West Surveys Ltd. – Survey related opportunities – Marie Robidoux
EOS Pipelines – Pipeline gathering related opportunities – Angela Tripathy / Dean Peterson
- 12:15 Lunch with facilitator, George Tuccaro (Community Hall)
- 1:15 Funding Panel: Short presentations, general Q&A (Community Hall)
- Indian & Northern Affairs** – Altaf Lekhani
Resources, Wildlife & Economic Development – Murray Cutten
Business Development Bank of Canada – Jim Hanna
Aboriginal Business Canada – Barry Irwin
Deh Cho Business Development Centre – Todd Noseworthy
Business Credit Corporation – Afzal Currimbhoy
- 3:15 Snack, coffee (Community Hall)
- 3:30 Plenary session: small business issues- Facilitated and written report/letter to Pipeline Readiness Group & Pipeline Working group..
- 6:00 Dinner with facilitator, George Tuccaro (Community Hall)
- The golf course is open and will be free to registered conference participant. Golf clubs are not available for rental.**
- Door prizes will be awarded at each session on Day 2 & Day 3. You must be in the room when your name is called to win.**
- Please do not forget to fill in your evaluation form at the end of the conference. We really need and appreciate your feedback and there will be a draw for a \$250 cash prize.**

Appendix C

Plenary Session Summary

REPORT ON
PLENARY SESSION
DEH CHO OIL & GAS CONFERENCE
MAY 31 – JUNE 2 / 04

Prepared for Pipeline Readiness Office / Pipeline Working Group

June 9, 2004

By

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Just In Time Solutions

Edited and amended by

Todd Noseworthy, General Manager
Deh Cho Business Development Centre

Overview

At the end of the conference, a plenary session was held to provide an opportunity for small business owners to voice any concerns or questions they had pertaining to the development of the pipeline and the Mackenzie Gas Project.

The discussion revealed that there are at least five areas of concern:

- 1. A need for more awareness and opportunity identification related activities**
- 2. The procurement process and local business involvement during construction**
- 3. More training sessions & better information availability**
- 4. Territorial Government's involvement**
- 5. Funding**

This report will provide more information on these concerns.

Concerns and Questions of Small Businesses

1. Awareness & Opportunity Identification

The business people of the Deh Cho see a need for more workshops related to the general awareness of pipeline activities and the types of business opportunities available during the construction of the pipeline.

Business people know very little about pipeline construction. More information sessions, even videos of the construction of other pipelines, might highlight opportunities and generate ideas. Another way to gather information was to actually visit a site as work is being completed.

Some other suggestions for more awareness were organizing school fairs and seeing more industry representatives within the communities who can provide information on opportunities and training initiatives. EOS Pipelines has volunteered to invite individuals interested in experiencing how they operate.

2. The Procurement Process & Local Business Involvement

There was a concern expressed regarding the procurement process used by the Mackenzie Gas Project. Business people want to ensure that "Buy North" sentiments are expressed in top level contracts that will be negotiated with general contractors. Businesses within the community are quite concerned about the way the whole MGP will be designed so that the entrepreneur within the community can maximize their benefits.

The process and the contracts must allow local businesses to take advantage of opportunities. They should not be passed over in favor of local companies that may have established relationships with the General Contractors.

Even when the contracts do attempt to favor local companies, timing can be a major issue. Businesses need sufficient time to plan and prepare. Should an insufficient amount of time be given, Deh Cho vendors will not be able to effectively supply the goods and services required during construction.

Uncertainty also affects local businesses. They try to prepare themselves for upcoming work even though they know that there is a possibility that the work may be cancelled. How do local companies ready themselves in such an environment? The business community needs a guarantee or a safety net of some sort before proceeding with 'stocking their shelves'.

Responses to the concerns included:

- Industry pointed out that companies are required to list local services to be used and local hires as part of their bids.
- Perhaps a labor force inventory could be compiled as well as a business registry to inform the pipeline companies what is available.
- Local businesses should identify their core business. Larger companies will be interested in talking to those who can supply services and products needed.
- Local business people should make a presentation to the National Energy Board to show them what goods and services can be provided locally and to ask that they ensure that there is a "local buy" policy.

3. Training & Information Availability

Some business people commented that the workshop sessions were helpful and that they would like to see more of them.

It was also indicated that the information needed by local businesses is scattered throughout various government department and levels and within industry. Having the information available is not enough. Owners need to know where to look to get the correct information. The business community would like to know whether the Government can set up an office to assist people to find the needed information.

4. Territorial Government's Involvement

There is a need to know what the Territorial Government's level of involvement is, or will be, in the Mackenzie Gas Project.

- What are the Government's economic priorities?
- Is an Impact Benefit Agreement being negotiated?
- Who is representing our interests?
- When will communication open up between the Government and the businesses of the Deh Cho?

- What is the Government's plan to prepare, maintain and repair the region's infrastructure that gets used during pipeline construction?

These are some of the questions the business members expresses and need answered.

5. Funding

Funding is required to address many of the issues / concerns discussed in the plenary session.

Workshops and information sessions require qualified speakers and instructors who must be brought to the communities. Businesses who wish to see actual operations must travel to active job sites. The setup of information sources or offices will also require information.

Identification of funding sources to help address these concerns is necessary.

Appendix D

Budget-to-Actual Comparison

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Summary of Expenses

Oil and Gas Conference Projected Budget

	Amount	Budget Total	Actual Total
Fees			
Conference facilitator	2,250		
Plenary session facilitator	2,000		
Skills workshop presenters	4,500		
Entertainment: reception	1,000		
Entertainment: wrap up	3,000		
Driver and vehicle	1,200		
Volunteer honorarium	1,500		
		\$ 15,450	\$ 18,303
Travel			
Skills workshop presenters	5,000		
Facilitators	2,000		
Entertainment	2,500		
Meals	2,040		
Accommodation	2,850		
		\$ 14,390	\$ 4,725
Accommodation			
Remote community participants	5,000		
Remote community participants	5,000		
		\$ 10,000	\$ 2,982
Catering			
Reception	1,350		
Break snacks	3,600		
Breakfast	2,340		
Lunch	2,700		
Dinner	5,400		
Entertainment- wrap up	1,500		
		\$ 16,890	\$ 14,156
Facilities			
Recreation Center	1,950		
Sound system	2,250		
Translator	700		
		\$ 4,900	\$ 3,058
Promotion			
Newspaper- Deh Cho Drum	2,000		
Newspaper- News North	1,000		
Radio	500		
Faxes	50		
Poster	500		
		\$ 4,050	\$ 1,996
Gifts: Panel, workshop	1,875	\$ 1,875	\$ 2,197
Conference materials	1,750	\$ 1,750	\$ 1,547
Prizes: Golf tournament	1,000	\$ 1,000	\$ -
Total costs		\$ 70,305	\$ 48,963

**Community Futures Development Corp. of the Deh Cho
Project Income Summary**

**Project
Oil & Gas Conference Implementatior**

	Revenue	Expense
Oil & Gas Conference - DIAND	46,713.41	
Oil & Gas Revenue - Other	1,800.00	
Registration Fees	450.00	
Instructor & Speakers Fees		17,628.66
Speaker Travel & Accom		4,724.79
Materials		1,207.74
Sound and technical req'ts		1,744.00
Entertainment		674.48
Participant Travel		2,981.60
Catered Meals & Breaks		14,155.54
Speakers Gifts		2,197.45
Promotion		1,579.75
Room Rental		1,314.45
CPP Expense		0.00
Advertising & Promotions		415.83
Office Expense		228.63
Postage & Freight		72.04
Miscellaneous		38.45
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	48,963.41	48,963.41