CHINNECK LAW professional corporation

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May 20, 2011

File #11-616

By Email – <u>boardsec@ontarioenergyboard.ca</u> By Fax – 1-416-440-7656 By Regular Mail (2 copies)

Ms. Kirsten Walli Board Secretary Ontario Energy Board P.O. Box 2319, 26th Floor 2300 Yonge Street Toronto, Ontario M4P 1E4

Dear Ms. Walli:

Re: Letter of Intervention EB-2011-0076, EB-2011-0077, EB-2011-0078

We act for 2195002 Ontario Inc. (hereinafter "Ontario" or "Intervenor").

Further to the notice of proceedings dated May 10th, 2011 in these matters, please accept this letter as an application for:

(a) Intervenor status in the referenced matters by the Intervenor in accordance with OEB Rule of Practice and Procedure 23, and

(b) Eligibility for an award of costs in accordance with the OEB Practice Direction on Costs.

Please be advised as follows:

(a) Intervenor's Interest in Proceeding and Grounds

Ontario holds a valid petroleum and natural gas lease and **the only gas storage lease** over the lands which overlie 76.441% of the Stanley Reef (the "Lands") as such is a "person with an interest in lands affected by the process" and the Intervenor wishes to ensure that its rights are respected, and that it is treated fairly by the Applicants.

(b) Nature and Scope of Participation

The Intervenor intends to participate fully in the referenced Applications including submitting evidence, interrogatories and arguments and by cross-examining witnesses to:

- (i) ensure its rights are respected; and
- (ii) ensure the Pipeline has capacity sufficient to service the Stanley Reef in every eventuality and to ensure that it will be safe and safely operated; and
- (iii) to consent to the designation of the Stanley Pool, if it is in the public interest to do so and to review the filed evidence and make enquiries of the Applicants to ensure that it is in the public interest to designate the same; and
- (iv) (a) to challenge the Applicants' right to apply for authority to inject, store and withdraw gas from the Stanley Reef given that in 2009 the Ontario Court of Justice declared the Applicants' oil and gas lease and gas storage lease over the Lands to be terminated and vacated, and given that the Ontario Court of Appeal did not overturn the finding below that Tribute's gas storage lease was terminated, and given that Ontario holds the only valid gas storage lease on the Lands (which by the Unit Agreement overlie 76.441% of the Stanley Reef) leaving the Applicants, at best, with leases over less than 24% of the Stanley Reef, and to oppose such applications; and
 - (b) if unsuccessful to seek fair and proper compensation for its rights; and
 - (c) n/a
 - (d) to ensure that operations are conducted safely; and
 - (e) to ensure that the water supply is and will be properly protected; and
 - (f) to ensure that provisions are in place to protect the Lands environmentally; and
 - (g) to ensure that adequate insurance is in place, including environmental; and
 - (h) to ensure that fair and proper rules are in place to govern the access and use of the Lands by the Applicants, including but not limited to fencing, gates, access times, road and wellhead locations and dimensions, weed control, noise, proximity to residences and agricultural structures.
- (v) to challenge the Applicants' right to request that the Board hear the Applicants' request that the Board determine just and equitable compensation for Ontario, an independent corporation that holds a valid mineral lease and **the only storage lease** over 76.441% of the Stanley Reef, and in the alternative, to seek fair and proper compensation for Ontario's storage rights which it owns, not as a landowner but as an independent corporation that enjoys the only valid gas storage lease on the Lands.

(c) Request for Written Evidence

The Intervenor requests copies of written evidence.

(d) Cost Award

The Intervenor intends to seek an award of costs. The Intervenor submits that it is eligible for an award of costs because it is "a person with an interest in land that is affected by the process" in accordance with Section 3.03 of the OEB Practice Direction on Cost Awards and because the Intervenor intends its intervention to be of assistance to the Board in making fair and equitable determination that are in the best interests of the public and the parties.

(e) French Language

Not applicable.

(f) Contact Information for Intervenor

- Al Corneil McKinley Hatchery Box 1900 Industrial Road St. Marys, ON N4X 1C2 Email: acorneil@ttc.on.ca
- Jed M. Chinneck Counsel Chinneck Law Professional Corporation 37 Ridout Street South London, ON N6C 3W7 Tel: 519-679-6777 Fax: 519-432-4811 Email: jed@chinneck.ca

(g) Request for Oral Hearing

The Intervenor requests an oral hearing.

All of which is respectfully submitted.

Yours' very truly, Chinneck Law Professional Corporation

Jed M. Ehinneck LLB and B.Sc. (Honours Geology) jed@chinneck.ca www.chinneck.ca cc: See attached list

APPLICANT

Tribute Resources Inc.

APPLICANT COUNSEL

Rep. and Address for Service

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Attention: Mr. Chris Butler Email: <u>cbutler@tributeresources.com</u> Tel: 519-657-2151 Fax: 519-657-4296

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MINISTRY OF NATURAL RESOURCES

Petroleum Resources Centre Ministry of Natural Resources 659 Exeter Road London, Ontario N6E 1L3

Attention: Mr. Dan Elliott, Manager Email: <u>dan.elliott@ontario.ca</u> Tel: 519-873-4635 Fax: 519-873-4645

INTERVENORS

Union Gas Limited

Rep. and Address for Service

Union Gas Limited P.O. Box 2001 50 Keil Drive North Chatham, Ontario N7M 5M1

Attention: Mr. Mark Murray, Manager Regulatory Projects and Lands Acquisition Email: <u>mmuray@uniongas.com</u> Tel: 519-436-4601 Fax: 519-436-4641 Zurich Landowners Association

Zurich Landowners Association Box 304 Zurich, Ontario N0M 2T0

Attention: Ms. Heather Redick, Chair, Executive Committee Email: <u>zurichlandowner@hay.net</u> Tel/Fax: 519-236-4945