

May 29, 2008

Ms. Kirsten Walli Board Secretary Ontario Energy Board 27th Floor, 2300 Yonge Street P.O. Box 2319 Toronto, Ontario M4P 1E4

Dear Ms. Walli:

RE: PEARSON INTERNATIONAL FUEL FACILITIES CORPORATION

BOARD FILE NO.: EB-2008-0091

OUR CLIENT: THE REGIONAL MUNICIPALITY OF PEEL

FILE NO. 0857L06

We are the solicitors for The Regional Municipality of Peel, which hereby seeks intervenor status in the above-captioned matter.

The grounds for the intervention are as follows:

- 1. The Regional Municipality of Peel ("Peel") is the owner of a public highway ("Derry Road") across which the Applicant proposes to construct the pipeline. Located within this area of Derry Road are water lines, storm and sanitary sewers, gas lines, hydro lines and poles and other general service utilities.
- 2. In addition, Peel is the owner of significant infrastructure consisting of water lines, storm and sanitary sewers and other utilities located within three roads owned by the City of Mississauga under which the Applicant proposes to construct the pipeline.
- 3. The Applicant received approval from the Board in August of 2007 for leave to construct the jet fuel pipeline, subject to the condition that the Applicant "obtain all other approvals, permits, licences, and certificates required to construct, operate and maintain the proposed project." Decision and Order, Board File No. EB-2007-0009, Condition 4.1, August 17, 2007.
- 4. Pursuant to this condition, *inter alia*, licenses and approval of Peel and the City of Mississauga are required. To date, the Applicant has failed to file proof of satisfactory fulfillment of Condition 4.1.



- 5. Pursuant to the Letter of Direction of the Board dated January 26, 2007, regarding the service of the Application in Board File No. EB-2007-0009, the Applicant was required to serve the Clerks of all townships and municipalities that would be affected by the project. Contrary to such Letter of Direction, as set out in the Affidavit of Anna Namiotkiewicz, filed as Tab 2 (B) with this application, the Clerk of Peel was never served. Instead, the Applicant chose to serve one, Ken Chartrand, on behalf of Peel, at 11 Indell Lane, 1st Floor, Brampton, ON, L6T 3Y3, such address not being the address of the Clerk of the municipality. It should also be noted that service of this application on Peel was also by mail addressed to the said Mr. Chartrand.
- 6. As a result of the failure to properly serve Peel with the Notice of Application to construct, the application was not given the appropriate consideration by the senior management of the municipality. Relying on its ability to require the Applicant to enter into a license agreement and obtain its approval for the construction of the pipeline, Peel decided not to intervene in the original Application.
- 7. Peel states that subsequent to the granting of the leave to construct in August of 2007, it has been involved in active negotiations with the Applicant with the intent of concluding a mutually agreeable agreement for the crossing of Derry Road and the protection of the infrastructure of Peel and others affected by the Applicant's project. On November 20, 2007, a meeting involving representatives of both the Applicant and Peel was held to determine the information required in order to finalize the arrangements between the parties.
- 8. Some of the information requested by Peel at the meeting of November 20, 2007, has been provided by the Applicant but there is still a substantial amount of information lacking which would allow Peel to properly assess the risks involved with having a pipeline containing jet fuel located within an area where substantial infrastructure is located and public interests are concerned.
- 9. Nevertheless, on May 20, 2008, Peel provided the solicitors for the Applicant with a draft form of License Agreement which Peel would consider in order for the project to proceed. As of this date, no response to the draft has been received from the Applicant or its representatives.
- 10. Peel submits that the present application, unsupported by evidence of compliance, or failed attempts at compliance, with Condition 4.1 is premature and an abuse of process and ought to be dismissed.



Peel submits that the resolution of the matters involved in this Application requires an oral hearing with the submission of pre-filed written evidence and interrogatories. Peel intends to pre-file written evidence.

On the basis that the present application is premature and an abuse of process, Peel will be seeking costs of this proceeding. It is submitted that Peel is eligible for costs pursuant to section 3.03 of the Board's Practice Direction on Costs Awards, as the owner of land affected by the Application and as a representative of the public interest and ratepayers within the geographic area of the Regional Municipality.

We look forward to your confirmation that Peel has been granted intervenor status.

Yours very truly,

BURGAR ROWE

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Per: Eric R. Finn

(Civil Litigation)

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