



JUN 1 1 2008

ONTARIO ENERGY BOARD

**Facilities** 

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Sent via Facsimile

June 9, 2008

Ms. Kirsten Walli Board Secretary Ontario Energy Board P.O. Box 2319 27th Floor

2300 Yonge Street Toronto, ON M4P 1E4

Dear Ms. Walli:

Re:

Board File No. EB-2008-0091

Application by Pearson International Fuel Facilities Corporation for Authority to Construct under s. 101 of the Energy Board Act

Please accept this correspondence on behalf of the Greater Toronto Airports Authority (the "GTAA") in connection with the above-mentioned Ontario Energy Board ("Board") proceeding. While the GTAA is not a party to this proceeding and will not be seeking intervener status, we have determined that it would be appropriate for the Board to be aware of certain circumstances which may assist them in the determination of a decision on the above proceeding.

Pearson International Fuelling Facility Corporation ("PIFFC") is responsible for the supply and distribution of all aviation fuel at Toronto Pearson International Airport (the "Airport") and for the management and operation of certain facilities and infrastructure which are located at the Airport and are required to perform such supply and distribution. The GTAA

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manages, operates and maintains the Airport pursuant to a ground lease with Her Majesty the Queen in right of Canada.

The availability of aviation fuel is a critical component to the GTAA's operation of the Airport. Aircraft cannot operate from or to the Airport unless aviation fuel is available for the carriers who use our facilities. Accordingly, enabling the provisioning of aviation fuel is a very key part of the GTAA's day-to-day business. Fueling and the security of this aviation fuel supply are therefore absolutely critical on an ongoing basis.

Although there are currently aviation fuel storage and distribution facilities in place at the Airport which are being used by PIFFC to perform its responsibilities, PIFFC has submitted to the GTAA that it is necessary for PIFFC to augment its facilities to: (a) accommodate future growth and (b) provide alternative facilities that will prevent or mitigate an interruption of aviation fuel supply. The GTAA has determined for its own purposes that PIFFC's concerns are well-founded, in that the GTAA does anticipate significant long-term growth in air travel at the Airport (with resultant aviation fuel demand increases), and the GTAA agrees that the limitation or interruption of aviation fuel supplies would have an immediate and serious operational and financial effect on the GTAA, the GTAA's stakeholders and ultimately on the air traveling public, including the following:

- (a) The imposition of limitations on aviation fuel would result in fewer flights being available to the air traveling public;
- (b) With fewer flights available to the public, the cost of the remaining flights would potentially be significantly higher;
- (c) As the GTAA is a not-for-profit corporation that sets its rates and charges based essentially on metrics directly related to the number of flights, the GTAA would need to increase its rates and charges to cover the financial shortfall experienced as a result of the reduction in flights.

The GTAA is of the view that the risk of either insufficient aviation fuel supplies or a potential interruption in the current methods of supply is sufficiently serious that it is in the GTAA's interest to permit the construction of the proposed facilities, subject to PIFFC satisfying the GTAA's own requirements for construction on Airport premises.

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We currently anticipate that authorization (by way of the issuance of a Facility Alteration Permit (FAP) will likely be given to PIFFC within the next week, with construction starting soon afterwards. We are advised that, assuming the other non-GTAA approvals were obtained, PIFFC would expect construction to be completed in 2008.

The GTAA is not aware of the details of the interactions between the City of Mississauga and PIFFC and accordingly is not prepared to comment on or take a position with respect to any of the matters concerning those parties' relationship in respect of the subject project. That being said, and as indicated above, the GTAA is of the view that it would be beneficial to the Board's determination of this matter for the Board to be aware of the current position of the GTAA with respect to the project generally and the status of the GTAA's own interaction with PIFFC in respect of this project.

Yours truly,

GREATER TORONTO AIRPORTS AUTHORITY

Pat Neville, P.Eng. Vice President, Facilities

c: James Fee Toby Lennox Howard Bohan Brian Lackey