

Ontario Supporting Study for Liquefied Natural Gas Conversion along the North Shore of Lake Superior

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Province Helping Communities Prepare for Future Economic Development March 15, 2016 1:00 P.M.

Ontario is helping the communities of Marathon, Manitouwadge, Schreiber, Terrace Bay and Wawa explore the benefits of converting to natural gas by investing in a feasibility study.

With an investment of \$100,000 through the province's <u>Northern Ontario Heritage Fund</u> <u>Corporation</u> (NOHFC), the Town of Marathon will conduct a two-part study to determine the cost estimates, interest, technical requirements and economic and environmental advantages of liquefied natural gas (LNG) conversion. LNG is a natural gas that has been converted to liquid form so it can easily be stored and transported. LNG systems can provide a cost-effective alternative to other fuels.

Since 2003, the province has committed nearly \$1.1 billion through the NOHFC to 7,207 projects, leveraging more than \$3.8 billion in direct economic activity and creating or sustaining over 27,600 jobs in Northern Ontario.

Investing in community capacity building in the North is part of the government's economic plan to build Ontario up and deliver on its number-one priority to grow the economy and create jobs. The four-part plan includes investing in talent and skills, including helping more people get and create the jobs of the future by expanding access to high-quality college and university education. The plan is making the largest investment in public infrastructure in Ontario's history and investing in a low-carbon economy driven by innovative, high-growth, export-oriented businesses. The plan is also helping working Ontarians achieve a more secure retirement.

QUOTES

" This study will help ensure that the partner municipalities have the necessary information and recommendations to properly evaluate the economic development potential of LNG conversion. I'm pleased that our government's investments in capacity building provide northern communities with the opportunities to explore new options and modernize."

- Michael Gravelle

Minister of Northern Development and Mines and Chair of the NOHFC

" The province is pleased to continue its support of Northern Ontario. This funding comes as a direct result of the Province listening to the needs of communities along Lake Superior's North Shore and responding accordingly. Further study into LNG has the potential to significantly reduce energy costs in Ontario's Northern communities."

- Brad Duguid

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Minister of Economic Development, Employment and Infrastructure

" Funding from the Ontario government is supporting our goal of promoting economic development and diversification to strengthen our community and neighbouring towns, and make them a great place to live, work and play."

- Rick Dumas

Mayor of Marathon

" We are incredibly encouraged by today's announcement as it shows tremendous faith on the part of the government in this study. We have committed financial and technical resources to leverage the province's and the municipalities' funding to conduct the remaining feasibility analysis."

- Joshua Samuel

President and CEO of Northeast Midstream LP

QUICK FACTS

- Liquefied natural gas (LNG) is odorless, colorless, non-toxic and non-corrosive, and takes up about 1/600th the volume of natural gas in the gaseous state.
- LNG can be used to generate electricity, heat buildings, power drilling rigs, fuel marine vehicles and provide natural gas solutions to rural and remote communities.
- In the Thunder Bay-Superior North area, the NOHFC has invested over \$107 million in 953 projects that have helped generate or retain more than 3,500 jobs since 2003.
- The NOHFC's investments in northern community capacity building projects are part of the Ontario government's <u>Growth Plan for Northern Ontario</u>.

LEARN MORE

- Town of Marathon
- NOHFC

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