



Ontario Petroleum Institute Inc.

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December 20, 2017

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

Attn: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli,

Re: Application for Intervenor Status EB-2017-0224/0255/0275

The Ontario Petroleum Institute (OPI) is the industry association (www.ontariopetroleuminstitute.com) representing the oil and natural gas exploration, production and hydrocarbon storage industries in Ontario. Ontario has been producing oil since 1858 and natural gas since the 1880's.

The OPI, formed in 1963, has a membership that includes upstream commercial oil and gas production companies, drilling contractors, well and oilfield services, geologists, geophysicists and engineers, environmental consultants, financial/legal services, land services, trades and utilities.

The primary objective of the OPI and its membership is to encourage the responsible exploration, development, production and distribution of oil and natural gas as part of the sector's contribution to the provincial economy. The Ontario oil and natural gas industry generates \$77 million in oil and natural gas product revenues, annual capital investments of \$25 - 30 million, 700 full time jobs with compensation of \$20 million in salary and wages, 1,500 additional indirect jobs as well as distributing \$7 million in annual royalties to Ontario landowners. In addition to the above, significant yearly corporate taxes play a vital role in the prosperity and well-being of Ontario's economy.

The Ontario Energy Board Hearing EB-2017-0224/0255/0275 regarding the application by Enbridge Gas Distribution Inc., Union Gas Limited and EPCOR Natural Gas Limited Partnership for approval to:

- recover the costs associated with their 2018 cap and trade compliance plans and;
- request for approval of a jointly developed procurement and funding model to introduce renewable natural gas into the Ontario market

are issues of significant importance to Ontario upstream companies that explore and produce natural gas.

Currently, Ontario upstream sector companies produce and sell 5.5 billion cubic feet of natural gas to Ontario consumers through their relationship with the various downstream utilities and distributors including Enbridge Gas Distribution Inc. and Union Gas.

It is critical that the upstream sector of the industry be informed on the application and have the opportunity to participate in the process to ensure that any increase in costs do not adversely affect the sector's ability to develop, explore and produce Ontario natural resources. As well, Ontario's upstream natural gas industry can contribute to the province's climate action plan and participate in the cap and trade program through innovation and technology to develop renewable natural gas.

The OPI in its participation in the hearing will include:

- a) a review of the applications filed;
- b) written and/or oral comments on the impact and potential effect of the applications on the Ontario upstream producers;
- c) preparation and testimony of direct evidence concerning OPI's areas of interest;
- d) a review of the OEB decision and;
- e) a comment on the OEB decision.

The OPI respectfully requests "Intervenor Status" in the Ontario Energy Board Hearing EB-2017-0224/0255/0275 and is not seeking an award of costs.

Sincerely,



Hugh Moran
Executive Director