



L. E. Smith, Q.C.
Partner
Direct Line: 403.298.3315
e-mail: smithl@bennettjones.com

September 26, 2019

Via E-mail and Courier

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

**Attention: Ms. Kirsten Walli
Board Secretary**

Dear Ms. Walli:

**Re: Corporation of the Town of Marathon ("Town of Marathon") North Shore LNG
Project Application
Ontario Energy Board File Number: EB-2018-0329 ("Proceeding")**

1. We are counsel to Certarus Ltd. ("**Certarus**"). In accordance with the Notice of Hearing issued September 12, 2019 and Rule 22 of the Ontario Energy Board ("**Board**") Rules of Practice and Procedure, we write to request that Certarus be granted intervenor status in the above-noted Proceeding regarding the Corporation of the Town of Marathon (Town of Marathon) North Shore LNG Project Application ("**Application**").
2. Certarus is a leader in providing proven, fully-integrated compressed natural gas ("**CNG**") solutions for the North American market. Certarus' primary business is the creation of a "Virtual Natural Gas Pipeline" through the compression, transportation and integration of CNG for remote communities, micro-grids, power generation, energy services, mining, forestry and industrial sectors. Certarus actively provides CNG in Northern Ontario and has demonstrated experience working with multiple distribution utilities. Certarus' newest Ontario terminal is located in Thunder Bay, and is complemented by Certarus' existing terminal in Timmins.
3. Certarus seeks to intervene in the Proceeding in order to adduce evidence related to its competitive gas supply service. Specifically, Certarus wishes to file evidence outlining how its CNG gas supply service is positioned to fulfill the Municipalities¹ natural gas requirements in the immediate future at operating costs \$20 million lower than the operating costs of landed liquefied natural gas ("**LNG**") over the 10-year term proposed by the Town of Marathon in its

¹ As defined at page 1 of the Application, the "Municipalities" include the Corporation of the Town of Marathon, on its own behalf and as representative of the Township of Manitouwadge, the Township of Schreiber, the Township of Terrace Bay, and the Municipality of Wawa.

Application. Additional savings in terms of eliminating LNG receiving facilities in each of the Municipalities may also be possible.

4. By intervening, Certarus does not oppose or seek to impair the Municipalities' Application as it relates to municipal franchise agreements, certificates of public convenience and necessity to supply natural gas, or leave to construct gas distribution works. As a gas supply service and not a gas distributor, Certarus' interests were not within the description set out in the Board's Notice dated December 20, 2018² and, accordingly, Certarus did not submit a response.
5. Instead, Certarus is in a position to provide CNG service to the Municipalities over the long term with minimal lead time, no investment or construction risk, limited operational risk given Certarus' breadth of experience, and in a competitively cost-effective manner. CNG service may continue to be provided in parallel to the proposed landed LNG service proposed in the Application.
6. Over the last two years, Certarus has attempted to discuss its gas supply service offerings with the Town of Marathon but has been unable to obtain a response. Certarus' recent contact with the other Municipalities identified interest in Certarus' CNG offerings and suggested that Marathon, as representative, had not communicated the existence of Certarus' gas supply service offerings. Certarus is concerned that the Board's consideration of the Application without adequate evaluation of Certarus' CNG service by either the Board or some Municipalities would not serve the public interest or ratepayers given the considerable difference in costs.
7. As an existing service provider in Northern Ontario and potential provider of CNG to the Municipalities, Certarus' commercial interests are affected by the outcome of this Proceeding. In addition, Certarus believes that its experience across Ontario and Canada and its technical expertise can assist the Board in its determination of the economic prudence and cost effectiveness of the Application. Certarus wishes to participate in all aspects of the above-noted proceeding, including evidence, interrogatories, cross-examination and argument.
8. Certarus will not be seeking a cost award and does not take a position on whether the Proceeding proceeds in writing or orally.

² EB-2018-0329.



September 26, 2019

Page 3

9. Please direct all written evidence, communication, pre-filed materials and other materials filed in respect of the noted proceeding to:

Mr. L.E. Smith, Q.C.
4500 Bankers Hall East
855 – 2nd Street SW
Calgary, AB T2P 4K7
Tel: (403) 298-3315
Fax: (403) 265-7219
E-mail: smithl@bennettjones.com

and

Clint Warkentin
Chief Financial Officer
Suite 1250, 555 4th Avenue SW
Calgary, AB T2P 3E7
Tel: (403) 969-4145
E-mail: cwarkentin@certarus.com

10. If you have any questions regarding this application, please contact the undersigned.

Yours truly,



for L. E. Smith

LES:SR

