

Ontario Petroleum Institute Inc.

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February 22, 2016

CAUTO - MERGY BOARD

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 - File Number: EB-2016-0004

The Ontario Petroleum Institute (OPI) is the industry association (www.ontariopetroleuminstitute.com) that represents the oil and natural gas production, hydrocarbon storage, and solution mining industries in Ontario.

Ontario has been producing oil since 1858 followed by natural gas in the 1880's. The OPI, formed in 1963, has a membership that includes 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.

In addition, the OPI manages the Ontario Oil, Gas and Salt Resources Library, an important resource centre offering the most current geological information for the exploration and development of crude oil and natural gas.

The OPI's primary objective is to encourage the responsible exploration and development of oil and natural gas as part of the sector's contribution to the provincial economy and to Achieving Balance – Ontario's Long-Term Energy Plan. In 2015, 47 companies with 700 employees produced 401,793 barrels of oil and 4.9 billion cubic feet of natural gas.

The Ontario Energy Board Hearing regarding the recovery cost to extending natural gas to underserviced Ontario communities is of significant importance to Ontario energy companies involved in the exploration and production of natural gas.

In the Premier's Mandate Letter to the Ontario Minister of Economic Development, Employment and Infrastructure on September 25, 2014 the Premier requested that the Ministry fulfill the Government of Ontario's commitment to extending access to natural gas to underserviced communities by creating a Natural Gas Access Loan.

The OPI promotes Ontario as a profitable exploration and development opportunity, encouraging companies to consider The Ontario Advantage. The extending of access to natural gas offers the OPI member companies and the industry an opportunity to provide their considerable experience and expertise to develop the program to supply energy to these predominately rural communities.

Most importantly it would enable the industry to address a critical problem, the serious decline in production of natural gas in recent years. In certain areas of Ontario 50% of its original oil and natural gas resources remain to be developed. The production of these resources reduces the province's reliance on imported energy which also reduces greenhouse gas emissions caused through transmission. The producers' ability to explore and produce natural gas to remain viable sustains a long-standing, historical industry and supports the Ontario economy.

The OPI will, in its participation in the hearing, outline the scope of work that shows how commercial producers have been safely and responsibly supplying energy through the Ontario Advantage that includes conventional long-life reserves, drilling expertise, a transportation network, natural gas storage, and an experienced workforce.

The OPI requests intervenor status in the Ontario Energy Board Hearing on file number EB-2016-0004 and is not seeking an award of costs.

Singerely,

Hugh Moran

Executive Director