



Ontario Federation of Agriculture

Ontario AgriCentre

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June 13, 2017

Chris Duke, Program Analyst
Ontario Ministry of Agriculture, Food and Rural Affairs
Food Safety and Environment Division
1 Stone Road West, Floor 5 NW
Guelph ON
N1G 4Y2

Dear Mr. Duke,

Re: ER013-0316 Discussion Document & the Proposed Agri-food RNG for Transportation Demonstration Program

As the largest volunteer, general farm organization in Canada, the Ontario Federation of Agriculture (OFA) represents over 36,000 farm families across Ontario. Our dynamic farmer-led organization works to represent and champion the interests of Ontario farmers through government relations, farm policy recommendations, lobby efforts, community representation, media relations and more. OFA is the leading advocate and voice for Ontario farmers.

OFA is pleased to provide feedback to OMAFRA on the discussion document to understand the level of interest in production and use of Renewable Natural Gas (RNG) as transportation fuel. We are very interested in a comprehensive engagement to develop a network of RNG transportation services and facilities strategically sited throughout rural Ontario. Transportation and buildings are large carbon emitters and among Ontario's primary targets to reach climate change carbon goals. Currently, most efforts and attention are focused on urban transit, and urban new and retrofit construction.

However, the Proposed Agri-food RNG for Transportation Demonstration Program can work with existing Rural and Remote Community Natural Gas Infrastructure funding to strategically build up this critical infrastructure in agricultural communities, while also targeting to reduce the large carbon footprint of freight transport throughout Ontario.

Once basic infrastructure investments in broadband, natural gas pipelines, schools and health institutions are secured to help lead rural economic development, investments to green rural transit will be needed. Until then, it is critical that Climate Change Action Plan funding supports the movement of freight throughout the province.

Natural gas pipelines capable of two direction flow, to accept RNG and to deliver natural gas and RNG to rural and remote communities is a critical first step to ensuring rural economic growth while supplying green sustainable and economical energy to residential and business customers.

Beyond establishing a demonstration project, there are many issues to consider in the safe and viable establishment of natural gas transportation facilities throughout Ontario. OFA's perspective of these considerations is as follows:

FACILITIES and INFRASTRUCTURE

These considerations include: new pipelines, capacity requirements, compressor units and stations; construction, operation and inspection of facilities and service infrastructure; and use of temporary and permanent access roads.

ECONOMIC and COMMERCIAL CONSIDERATIONS

Project(s) in a demonstration program must consider: capacity upgrade justification; commercial support and commitments; alternative economical and environmental means to meet project objectives; impacts on, and of, other pipelines and modes of transporting natural gas. Economic feasibility includes: project economic and commercial benefits and impacts; agreements made with commercial parties.

FINANCIAL CONSIDERATIONS

Corporate structure, project ownership, and responsibilities for financing, constructing, and operating projects must be considered to ensure project viability. Over the longer term, the means and abilities of corporations and utilities to finance projects, including: onus of financial risk; financing methods; access to sufficient, dedicated, and readily accessible financial resources to cover the risks and liabilities arising during construction and operations, including a significant accident or malfunction; adequate financial resources to deal with potential releases, accidents, or malfunctions during construction and operation; and financial contingency for abandonment and decommissioning.

TECHNICAL, SAFETY, AND SECURITY CONSIDERATIONS

Proposed project design, construction methods, operation, and maintenance must incorporate safety and security concerns. The ability to appropriately build, operate, and maintain facilities including risks of potential releases and the likelihood of failures, accidents, and malfunctions; potential release volumes; consequences of any release, including geographical extent, and the cumulative effects of accidents and malfunctions, must be considered.

Sufficient risk assessment, mitigation, and prevention measures for the design, construction, and operation of facilities are also needed. This includes plans and measures for emergency preparedness with coordinated liaison activities with potentially affected first responders, and contingency planning for releases, accidents, or malfunctions during project construction and operations.

ABORIGINAL, MUNICIPAL, COMMUNITY, LANDOWNER, LAND USER CONSIDERATIONS

The adequacy of engagement with municipalities, local communities, Aboriginal and other government authorities, including any proposed programs and commitments, for engaging with these groups during project construction and operations is necessary. Previous energy procurements directed by the Ministry of Energy and administered through Ontario regulators have generally not given sufficient weighting to municipal, local and Aboriginal engagement to sufficiently allow these groups to have a meaningful say in where facilities should strategically be sited to balance local needs with program objectives.

The potential impacts on these stakeholders and the potential benefits of project construction and operations including employment, contracting, procurement, training, and direct economic participation benefits should be quantified and considered. The potential impacts on landowners and land users, including appropriate land acquisition processes, adequate engagement with landowners, residents, land and waterway users, should integrate with appropriate route and land requirements for a strategic network of transportation service facilities.

Aboriginal peoples must be presented with opportunities to play an active roll in monitoring construction, operations, and potential effects on Aboriginal culture and institutions. Local traditional knowledge integration into project design, and impacts on: health and socio-economic conditions, physical and cultural heritage, current use of lands and resources for traditional purposes, and any historical or archeological significance must be considered.

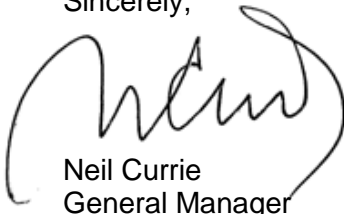
ENVIRONMENTAL AND SOCIO-ECONOMIC CONSIDERATIONS

Projects and any potential program must include adequate environmental assessments, considering potential environment effects on agricultural lands, soils, terrain, geology, vegetation; waterways, hydrology, wetlands; wildlife, fish, species at risk; atmosphere, conservation areas and greenhouse gas emissions.

Program development must also consider adequate socio-economic assessments, including: human occupancy and resource use; heritage sites; resource use; human health, infrastructure and services, employment and economy, including extent of opportunity to participate in the financing, engineering, and construction of facilities and fiscal and taxation impacts at the national, provincial, and municipal levels.

Many of these considerations assume a program comes out of the pilot(s) and are basic factors of any energy infrastructure program. We look forward to actively participating in the proposed Agri-food RNG for Transportation Demonstration Program.

Sincerely,



Neil Currie
General Manager

cc: OFA Board of Directors