



OPI NEWSLETTER

THE VOICE OF THE ONTARIO OIL AND NATURAL GAS INDUSTRY

SUMMER 2021

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Lorraine Fillmore, Office Manager

Encouraging responsible exploration and
development of the oil, gas, hydrocarbon
storage and solution-mining industries in
Ontario

ISSN 14802201

EPEX 2021 – OPI Virtual Conference

We held our first ever virtual conference on June 8th. It seemed to be a success.

I would like to thank everyone on the Conference Committee for all their time and effort put into making this happen.

Conference Committee

Niki Clarke – Chair
Jordan Clark
Matt Dupont
Maryrose D'Arienzo
Lorraine Fillmore
Jim McIntosh
Jug Manocha

If you missed out on this event Matt Dupont from OGSR Library has been working on getting all the talks posted to YouTube.

Here is the link for the playlist:

<https://www.youtube.com/playlist?list=PLLGBWihEIY2GVnjHQ-4lh2UuQR0CroazA>

The Golf Tournament and Exhibit Display is scheduled for September 15th at the Oakwood Resort in Grand Bend. Exhibit space and Sponsorship Opportunities are still available. Hope to see everyone in person at this event.

OPI Board of Directors

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Membership Updates

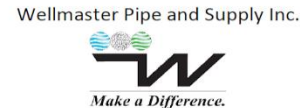
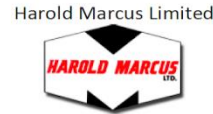
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Thank You Sponsors



Chairman's Message

I hope you have managed during the extended Covid19 restrictions and are looking forward to the gradual reopening of the Ontario economy in the next few months. It has been a trying year and a bit.

OPI has been busy throughout the restrictions. We're getting used to Zoom meetings for Board meetings, etc. We may need to consider Zoom-type meetings in the future since it is so much easier for participants to join the meetings when you don't need to travel for in-person meetings. It is tough to replace the face-to-face contact and discussions that are the benefits of in-person meetings.

OPI had discussed a renewed Abandon Works Program with the MNRF and the federal government about this time last year. To date, unfortunately, we have not seen any meaningful measures toward reinstating this program, which was of immense benefit to our service sector. With the recent provincial cabinet shuffle, John Yakabuski has been replaced as the Minister, and the MNRF has been combined with Northern Development, Mines, and Indigenous Affairs to create a new super-ministry. OPI will continue to educate the new Minister, Greg Bickford, about how important our industry is to rural southwestern Ontario. I ask all OPI members to continue to press your local MPPs to inform the government the importance of the industry and of local production, especially local natural gas production.

OPI has participated in two Zoom meetings with Enbridge Gas Inc (EGI) concerning the Gas Purchase Agreement (GPA), the agreement under which most onshore Ontario gas is sold to EGI. The meetings are being mediated by the Ontario Energy Board (OEB), so there is an independent third party at the table to listen and understand both sides. We expect these meetings will result in changes to the GPA contract and the pricing and cost mechanism that determines what net price EGI pays for our gas. We'll keep all members informed.

Lagasco was successful in their appeal to the OEB of the Municipal Property Assessment Corporation (MPAC) ruling that their pipelines were "pipelines" under the Assessment Act. As a result of this ruling and the previous

MPAC assessment of Tribute Resources pipelines, MPAC is appealing the OEB decision. This appeal process will take some time, but will hopefully result in Ontario producer pipelines being assessed at more reasonable valuations. We'll keep you informed.

Finally, Lagasco has had very constructive discussions with the MPAC Linear Properties group concerning their other assessable assets: battery and compressor sites, wells, and tanks. Lagasco was able, in some cases, to lower the assessed value of some of their facilities by 90%, saving the company considerable property taxes. I encourage all operators to talk with Jennifer Lewis at Lagasco at (519) 871-2566 or jlewis@lagasco.ca or talk with John McEwen, the Valuation Specialist at MPAC who dealt with Lagasco to find out more details. You can reach John McEwen at john.mcewen@mpac.ca.

I hope all OPI members have a great, safe summer. Things are looking up, so hopefully we'll see drill bits in the ground and renewed activity in the Ontario patch very soon.

Jim McIntosh
Chairman
(519) 878-1006



Oil Museum of Canada Renovations

In 2021 the Oil Museum of Canada, National Historic Site started a major renovation which includes facility upgrades to the 60-year-old building envelope and improves physical accessibility. With this renovation, we are taking the opportunity to renew our main exhibition using the direction of public feedback acquired through formal and informal processes, including the 2014-18 Strategic Plan, the 2017 Parks Canada submission for World Heritage Status and the 2019 Community Needs Analysis. In each case, the importance of the story of Lambton's contribution to the international oil industry has been highlighted, as well as a need to update and refine the message presented in our displays.

The new exhibit will be looking back to the original themes as building blocks and new interactive components will be added including an exciting Virtual Reality experience where visitors can don VR Goggles and dive down into the Williams well to explore the underground geology of the area. The popular international drillers tent will be re-located and updated, and the story of the international reach of Lambton's oil pioneers will be featured alongside it.

We anticipate reopening in late summer 2021.

Follow us on Facebook to keep up to date with our renovation @OilMuseumofCanada or subscribe to our website www.oilmuseum.ca

Flared Gas in Canada: From Waste to Opportunity

By Mohamed Refaei and Jose Duran-Armas

Editorial Committee: Ganesh Doluweera, Dinara Millington, Allan Fogwill

The COVID-19 pandemic has had a severe impact on the global economy, putting businesses across all sectors at risk. The oil and gas industry (O&G) took one of the biggest hits due to the resulting recession, drop in energy demand, and the oil price crash. Canada's O&G sector understands the importance of ensuring its ability to recover from the economic downturn and maintain a secure energy supply.

This article identifies options and opportunities to diversify the exploration and production (E&P) business and create jobs for energy services and consulting companies. This article investigates relatively small-scale solutions to take advantage of the associated or stranded gas that usually gets flared¹. The solutions are suitable for short-term investments and have lower financial risk as they would require relatively lower capital expenditures (CAPEX), shorter timelines for final investment decision (FID) and regulatory assessments, and a higher potential to receive incentives or funding. Moreover, it allows E&P companies to explore new products in alignment with the energy transition theme to ensure their sustainability in the long term.

To read the full article follow the link below

https://ceri.ca/assets/files/Natural%20Gas%20Commodity%20Update_June%202020_FINAL.pdf

Training

H2S Alive

Due to all the COVID 19 restrictions we have had to postpone this training a couple times. It is now scheduled for Thursday, September 23, 2021 at the Ramada Inn, London. If you require this training the registration form is posted on our website or in previous emails sent to membership.

LimeGREEN

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LimeGREEN Is Growing In 2021!

This year, as we celebrate seven wonderful years, we welcomed our newest staff member Ashley to the LimeGREEN team. Ashley is working behind the scenes in our office and is deeply passionate about environmental issues and keeping our planet green.

Our fleet is also growing as we add more Tanks, Trucks and Pumps all available to service our clients better. LimeGREEN has a variety of equipment available 24/7 to meet your project needs. New customers are always welcomed.

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OGSR Library welcomes new summer staff!

There are some new faces at the Library to help fill your data and sample orders.





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Upcoming Events

OOGSR Corporation Meeting

July 7, 2021

Via Zoom Video Conferencing

Board of Director's Meeting

July 9, 2021

Via ZOOM Video Conferencing

Golf Tournament & Exhibitor Display

September 15, 2021

Oakwood Resort, Grand Bend

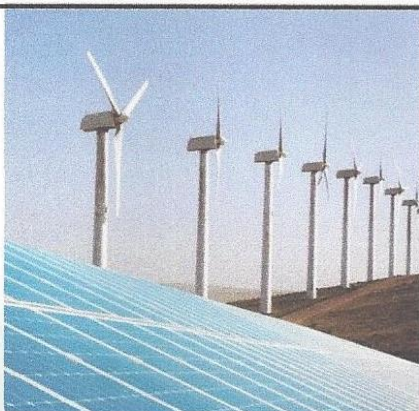
H2S Alive Training

September 23, 2021

Ramada Inn, London



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