

October 10, 2023

Andrew Ogilvie
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Peterborough, ON
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Submitted via email to: Andrew.Ogilvie@ontario.ca and resources.development@ontario.ca and submitted online through the Environmental Registry of Ontario

Dear Andrew Ogilvie,

Re: ER-019-7507 Proposed Regulatory Provisions Under The *Oil, Gas and Salt Resources Act*

On behalf of the Ontario Federation of Agriculture (OFA), I am pleased to provide an agricultural perspective on the proposal which impacts rural landowners and farm operations. Our topline feedback is summarized below:

- OFA supports:
 - the ministry proposed requirement for Special Projects pursuing authorization to establish full-cost, project-based financial security, prior to any site preparation; and
 - the proposal to eliminate any cap or combined cap to the maximum amount of security that operators must set aside going forward and eliminate any exemptions to security caps for all other well types in addition to Special Projects.
- OFA recommends that:
 - the government direct efforts towards addressing the larger safety and environmental risks of onshore and offshore commercial orphan wells;
 - the ministry consider methods to help assist private well operators to access financial security to responsibly manage the end of life for all private wells; and
 - any conversion, change or transfer of a well licence provide the opportunity for landowners to update easement or lease contract arrangements.

OFA proudly represents more than 38,000 farm businesses across the province, supporting our members and the agriculture industry on issues, legislation and regulations governed by all levels of government. We are the leading agricultural advocate for Ontario farmers, their businesses, and their communities.

The ministry proposes to authorize Special Projects to apply for licences to test or demonstrate new or innovative activities using certain types of wells, and to remove financial security caps and exemptions for all well types, under the *Oil, Gas and Salt Resources Act (OGSRA)*.

Repurposing, altering or deepening wells may be necessary to enable new Special Projects such as compressed air storage and carbon sequestration. These projects are important in attaining Ontario's zero carbon targets for key industries. We support a process that ensures landowner protection from financial, environmental, and safety risks associated with all commercial licenced wells, including Special Projects, on their property that have reached the end of their useful life.

OFA supports the ministry proposed requirement for Special Projects pursuing authorization to establish full-cost, project-based financial security, prior to any site preparation. We also support the proposal to eliminate any cap or combined cap to the maximum amount of security that operators must set aside going forward, and eliminate any exemptions to security caps for all other well types in addition to Special Projects.

According to the Ontario GeoHub, Ontario has 26,705 private and commercial wells. While 55% of Ontario's 1,062 private wells are active, only 13% (3,334) of the remaining 25,643 wells are active. There are 20,500 commercial wells that are abandoned or of unknown status, including 7,500 orphan wells, where operators, who are normally held responsible for their capping and safety, have gone bankrupt or no longer exist.

While OFA supports the ministry proposal to eliminate all well type exemptions to security caps, we recommend the government direct efforts towards addressing the larger safety and environmental risks of onshore and offshore commercial orphan wells.

The proposal will eliminate private well financial security exemptions when wells are newly drilled, deepened, converted to other uses, or when a well licence is transferred to the operator. We recommend that the ministry consider methods to help assist private well operators to access financial security to responsibly manage the end of life for all private wells.

Many rural and farm landowners have experienced great challenges dealing with legacy oil and gas wells for years. OFA would like to recognize the ministry's Abandoned Works Program to assist landowners that discover abandoned wells on their property, and recent efforts to review and improve the program, and engage with rural landowners and farm operations. This program helps to reduce the number of future orphaned oil and gas wells. We recommend that any conversion, change or transfer of a well licence provide the opportunity for landowners to update easement or lease contract arrangements.

We look forward to continuing to work and engage with the ministry to improve the safety and sustainability of our water and land resources.

Sincerely,



Peggy Brekveld
President

cc: The Honourable Lisa Thompson, Ontario Minister of Agriculture, Food, and Rural Affairs
Public Input Co-ordinator, Ministry of Natural Resources and Forestry – RPDPB
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OFA Board of Directors