



**Letter of Comment:** Concerning Notice of Application by Alton Natural Gas Storage (LP) - Extension of Approval to Construct an Underground Storage Facility (UHS-PC-18)

December 10, 2018.

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Via Email To: [Board@novascotia.ca](mailto:Board@novascotia.ca)

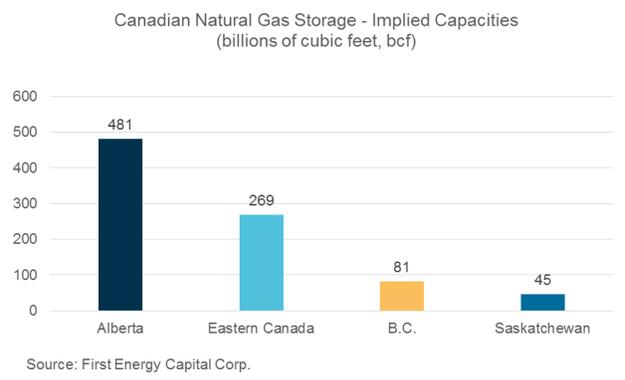
Nova Scotia Utility and Review Board  
P. O. Box 1692, Stn. "M"  
Halifax, NS, B3J 3S3

To whom it may concern,

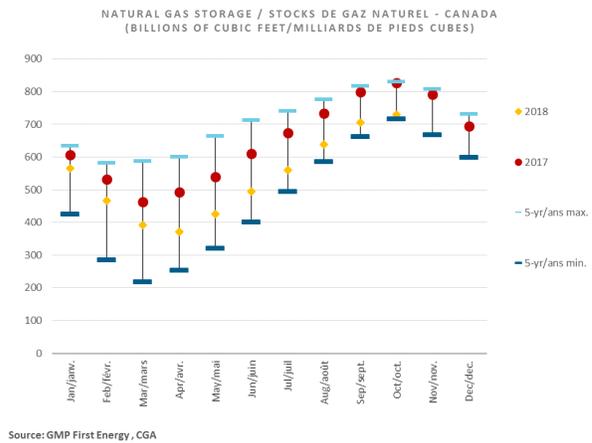
The purpose of this letter is to provide a letter of support and comment from The Maritimes Energy Association for Alton Natural Gas Storage (LP) - Concerning the recent application for extension to renew an Approval to Construct an Underground Hydrocarbons Storage Facility near Alton, Colchester County, Nova Scotia, which was originally issued on September 1, 2013. The application seeks to extend the approval to September 1, 2023. **Our letter of comment offers support to Alton Natural Gas Storage (LP) for this extension.**

Alton has proven itself to be a responsible project developer and continues to work constructively with governments, regulators, and Mi'kmaq of Nova Scotia. In 2018, the project focused on regulatory and construction planning, environmental study, and community engagement. The company has shown its commitment to the responsible development of the province's natural gas infrastructure and its dedication to the protection of the environment and community engagement. An underground natural gas storage facility will help stabilize natural gas costs year-round for thousands of businesses and homes in Nova Scotia and across the Maritimes and beyond, including many of the province's largest employers as well as major public institutions (hospitals, schools, universities & government buildings).

The Canadian natural gas system has the capacity to store about 850 billion cubic feet (BCF) of natural gas. Natural gas storage capability in Canada is concentrated in our largest producing region in Alberta and in our primary consuming region in Ontario, but storage facilities exist in Saskatchewan, British Columbia and Quebec as well. The development of natural gas storage capability and capacity would be of particular benefit to Maritimes Canada given its relatively fewer direct pipeline connections to major natural gas supply sources.



Storage facilities are typically “filled” over the lower priced summer months. In a typical year storage facilities reach their maximum level in October and are drawn down to their lowest level by March. Over the course of the winter heating season, stored natural gas is used to meet peaks in demand helping ensure reliable energy services to all customers at a lower cost. The proposed Alton facility of up to 10 BCF of natural gas storage capacity, or about 3 billion kilowatt hours of energy. This amount of storage is roughly equal to the total natural gas winter heating season sales in Nova Scotia last year – it represents an enormous “battery” for homeowners and businesses in the province and Region.



Natural gas storage facilities can be geological, often old depleted wells, salt caverns (as is the case for the Alton facility) or old aquifers. Natural gas can also be stored above ground as liquefied natural gas (LNG) in large cryogenic facilities. A natural gas system with ready access to storage capacity provides significant economic and environmental benefits for customers by providing year-round access to clean, affordable natural gas.

Canada’s current natural gas storage capacity is equivalent to the annual energy needs of 11 million residential homes in Canada. This is equal to just over 249 billion kilowatt hours of energy, or the annual energy used by 622 million large refrigerators. Canada has a long history of safe, reliable natural gas storage operations.

The ability to easily store natural gas for use whenever it is needed is one of its key benefits compared to other energy forms such as wind power, solar power, nuclear power, coal, and most forms of grid electricity. With the Sable Offshore Energy and Depp Panuke natural gas supply projects nearing an end, natural gas storage at the end of a natural gas transmission line could provide an even more critical role in infrastructure- security of supply.

In summary, storability is one of the great advantages of natural gas based energy and a natural gas energy system. Storage capacity and capabilities deliver security, resiliency, flexibility and affordability.

The Maritimes Energy Association representing over 225 member companies, as an independent, not-for-profit organization of businesses that provide goods and services to the energy industry in eastern Canada – offshore & onshore, renewable/cleantech & non-renewable, domestic and export markets. Our membership primarily consists of local

businesses that are part of the supply chain and employ thousands of people, injecting millions of dollars into our regional economy.

**The Maritimes Energy Association stands in support of Alton Natural Gas Storage (LP) to extend the Approval to Construct an Underground Storage Facility to September 1, 2023 and looks forward to its future development.**

Sincerely,

A handwritten signature in black ink, appearing to read "Ritcey", written in a cursive style.

Ray Ritcey  
CEO, *The Maritimes Energy Association*