

**Ministry of Natural Resources and  
Forestry**

Resources Planning and Development  
Policy Branch  
Policy Division  
300 Water Street  
Peterborough, ON K9J 3C7

**Ministère des Richesses naturelles et  
des Forêts**

Direction des politiques de planification et  
d'exploitation des ressources  
Division de l'élaboration des politiques  
300, rue Water  
Peterborough (Ontario) K9J 3C7

**Subject: Proposed regulation for compressed air energy storage in reservoirs**

Good Afternoon,

We are writing today to let you know about proposed changes to the regulation and standards under *the Oil, Gas and Salt Resources Act*.

As you may already know, under the *Oil, Gas and Salt Resources Act*, the province regulates the drilling and operation of wells, and associated pipelines and equipment, used for activities such as the exploration and production of oil and natural gas, salt solution-mining, the underground storage of hydrocarbons, and compressed air energy storage in salt caverns. Compressed air energy storage in geological storage areas [other than salt caverns] is currently not regulated under the act.

Changes are being proposed that would ensure compressed air energy storage projects using porous rock reservoirs are regulated. In addition, other technical and administrative changes are being proposed to reference more current technical standards for the broader regulated sector and to update provisions in the regulation that set out parties who can act as financial security trustees.

Ontario is seeking feedback on this proposal through the environmental and regulatory registries for a period of 45 days ending on March 5, 2021 (<https://ero.ontario.ca/search> registry number: 019-2935). Details of the proposed changes are available in the environmental registry posting and supporting documents.

The ministry would welcome your feedback on the proposed changes, as well as the opportunity to discuss any comments or concerns that you may have. Should you have any questions about the proposal, please contact Pauline Desroches at [pauline.desroches@ontario.ca](mailto:pauline.desroches@ontario.ca) or 705-741-8556.

Sincerely,

***Original signed by***

Jennifer Keyes  
Director, Resources Planning and Development Policy Branch  
Ministry of Natural Resources and Forestry

c: Susan Mancini, Petroleum Operations Section; Pauline Desroches, Resources Development Section