

ONTARIO ENERGY BOARD NOTICE TO CUSTOMERS OF UNION GAS LIMITED

Union Gas Limited has applied for approval to expand natural gas service to certain rural and remote communities in Ontario and for certain exemptions to meet revenue recovery requirements that apply to pipeline projects.

Learn more. Have your say.

Union Gas Limited has identified 30 pipeline projects that would connect 34 rural and remote communities in Ontario to natural gas. The total cost of these projects is approximately \$150 million.

Gas distributors are normally required by the Ontario Energy Board to meet certain financial viability tests (E.B.O. 188) before one or a group of pipeline projects is built. In general, these tests relate to balancing the costs of a project with the revenues that the project is expected to generate over time.

Union Gas Limited has asked for exemptions from some of these tests because the proposed projects in its current application would not otherwise meet the financial viability tests.

Union Gas Limited has also proposed a number of mechanisms to recover the costs of its proposed projects. One mechanism is to have existing Union Gas Limited customers pay a portion of the costs to connect new customers. If approved, the impact on a current residential customer's bill for the 30 pipeline projects proposed in Union Gas Limited's application would range from \$0.20 to \$5.65 per year. Other customers, including businesses, may also be affected.

If the Ontario Energy Board allows Union Gas Limited to charge existing customers for a portion of the costs to connect new customers, Union Gas Limited says it will also charge existing customers for future natural gas community expansion projects in rural and remote communities which do not meet the financial viability tests without further Ontario Energy Board approval. Union Gas Limited says that it will limit the rate impact on a current residential customer's bill to a maximum of \$24 per year for all current and future community expansion projects that it will complete.

In this application, Union Gas Limited has also identified five specific communities to which it proposes to provide natural gas service:

- 1) Milverton
- 2) Prince Township
- 3) Chippewas of Kettle and Stony Point First Nation and Lambton Shores
- 4) Walpole Island First Nation
- 5) Delaware Nation of Moraviantown

Of these, Ontario Energy Board approval is required to construct the pipelines in Milverton, Prince Township and Chippewas of Kettle and Stony Point First Nation and Lambton Shores. For more information on these leave to construct applications, please visit ontarioenergyboard.ca/LTC.

THE ONTARIO ENERGY BOARD IS HOLDING A PUBLIC HEARING

The Ontario Energy Board (OEB) will hold a public hearing to consider the application filed by Union Gas. We will question Union Gas on the case. We will also hear arguments from individuals and from groups that represent the customers of Union Gas and those that would be receiving new service under the proposals in the application.

At the end of this hearing, the OEB will decide:

1. Whether to approve the changes to the OEB financial viability tests that Union Gas has requested in the application.
2. Whether to allow one or more of the cost recovery mechanisms for the projects that Union Gas has proposed in the application.
3. Whether to grant leave to construct approval for the projects in Milverton, Prince Township and Chippewas of Kettle and Stony Point First Nation and Lambton Shores.

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.

BE INFORMED AND HAVE YOUR SAY

You have the right to information regarding this application and to be involved in the process.

- You can review the application filed by Union Gas on the OEB's website now.
- You can file a letter with your comments, which will be considered during the hearing.
- You can become an active participant (called an intervenor). Apply by **September 28, 2015** or the hearing will go ahead without you and you will not receive any further notice of the proceeding.
- At the end of the process, you can review the OEB's decision and its reasons on our website.

LEARN MORE

Our file number for this case is **EB-2015-0179**. To learn more about this hearing, find instructions on how to file letters or become an intervenor, or to access any document related to this case, please select the file number **EB-2015-0179** from the list on the OEB website: ontarioenergyboard.ca/notice. You can also phone our Consumer Relations Centre at 1-877-632-2727 with any questions.

ORAL VS. WRITTEN HEARINGS

There are two types of OEB hearings – oral and written. The OEB will determine at a later date whether to proceed by way of a written or oral hearing. If you think an oral hearing is needed, you can write to the OEB to explain why by **September 28, 2015**.

PRIVACY

If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. However, your personal telephone number, home address and e-mail address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.

This hearing will be held under sections 36 and 90 of the Ontario Energy Board Act, 1998, S.O. 1998 c.15 (Schedule B).



Ontario

Ontario Energy Board / Commission de l'énergie de l'Ontario