



THE CORPORATION OF THE MUNICIPALITY OF RED LAKE

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RECEIVED

JAN 13 2011

ONTARIO ENERGY BD

FILE: D02-NG
5 January 2011

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Toronto, Ontario
M4P 1E4

Dear Sir / Madame:

Re: "Red Lake Natural Gas Pipeline Project"

On behalf of the Council of the Municipality of Red Lake I am pleased to support the "Red Lake Natural Gas Pipeline Project". A copy of Resolution no. 507-10 is enclosed for your information.

The need for Natural Gas as an alternate heating source was identified by the Municipality many years ago. The distribution of Natural Gas will be a catalyst to the growth and development of new businesses and residential development in the Red Lake area and neighbouring communities. Lower heating costs will enhance the opportunity for business and industry in our community to compete on a provincial, national and international level.

We recommend that the Ontario Energy Board support this initiative being undertaken by Goldcorp.

Sincerely,

Phil T. Vinet
Mayor

Enclosure

CC: Council

The Corporation of the Municipality of Red Lake

COUNCIL RESOLUTION

MOVED BY:

NO.

507-10

SECONDED BY:

DATE:

20 December 2010

WHEREAS the Council of The Corporation of the Municipality of Red Lake recognizes that government funding for the "municipal" share of the Red Lake Gas Pipeline Project may not be committed in time for the proposed 2011 construction schedule; and

WHEREAS in order to advance Phase 1 of the project and secure the pipeline capacity for future municipal gas distribution, Goldcorp may consider providing the interim funding for the Municipality's portion of **common** costs of the pipeline lateral (the common part of the pipeline is defined as the high pressure section from Griffiths Mine to Harry's Corner, the high pressure common line from Harry's Corner to Balmertown and the common line to Cochenour); and

WHEREAS common costs do not include low pressure distribution mains and services to homes and businesses in the Municipality of Red Lake; and

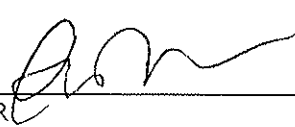

WHEREAS the cost allocation for the common lateral pipeline is based on Union Gas' determination of the prorated percentage share of peak capacity attributed to each of the key funding parties; and

WHEREAS at this time, the cost of the municipal share of the common pipeline is expected to be approximately \$7 million; and

WHEREAS if Goldcorp agrees to provide "interim" funding for The Corporation of the Municipality of Red Lake share;

NOW THEREFORE BE IT RESOLVED that the Council of The Corporation of the Municipality of Red Lake hereby acknowledges that it will be on the understanding that:

1. The advance payment is at Goldcorp's risk. If the Corporation of The Municipality of Red Lake does not connect, there will be no cost recovery for Goldcorp.
2. The Corporation of the Municipality of Red Lake recognizes that Goldcorp's payment on behalf of The Corporation of the Municipality of Red Lake is a Contribution in Aid of Construction that will be refunded to Goldcorp once government funding has been obtained for The Corporation of the Municipality of Red Lake common and distribution costs. This refund to Goldcorp will take place prior to Union Gas undertaking the construction of the Municipal distribution portion (Phase 2).

DIVISION OF RECORDED VOTE				CARRIED <input checked="" type="checkbox"/>	DEFEATED <input type="checkbox"/>
Declaration of Interest (*)	NAME OF COUNCIL MEMBER	YEAS	NAYS	<div>CHAIR </div> <div>CLERK </div>	
	BAKER, Jason				
	BILLARD, Anne				
	FORSYTHE, Ken				
	MIDDLETON, Sandy				
	PARSONS, Paul				
	SHUSHACK, Debra				
	VINET, Phil				
* General Nature Thereof:					

Distribution:

CAO, file