



TOWNSHIP OF WARWICK

"A Community in Action"

6332 Nauvoo Road, R.R. #8, Watford, ON N0M 2S0

Township Office: (519) 849-3926 / 1-877-849-3926

Watford Arena: (519) 876-2808

Website: www.warwicktownship.ca

Works Department: (519) 849-3923

Fax: (519) 849-6136

E-mail: info@warwicktownship.ca

February 23, 2016

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Attn: Ms. Kirsten Walli, Board Secretary

Dear Ontario Energy Board:

Re: Letter of Comment to Hearing on Union Gas's Application EB-2015-0179

Warwick Township Council formally supports Union Gas's application EB-2015-0179 submitted by seeking approval for new approaches to expanding access to natural gas. We have reviewed the regulatory application and are supportive of the principals set out in it by Union Gas.

It is our belief that the proposal put forward by Union Gas provides the necessary flexibility for Union Gas to work with its municipal partners to expand their system to new communities. The proposal outlines a reasonable approach that ensures all parties have the ability to contribute towards making such projects a reality, while protecting the interests of their 1.4 million existing customers.

The community of Warwick Township is supportive of Union Gas' proposal to have the flexibility to utilize the following tools to expand natural gas to additional communities across the Province:

- A Temporary Expansion Surcharge to collect customer contributions;
- An Incremental Tax Equivalent mechanism to collect municipal contributions;
- An exemption from E.B.O. 188 to allow lower individual project minimum PI thresholds;

- An exemption of Community Expansion Projects from E.B.O. 188 Investment and Rolling Project Portfolio requirements;
- A Capital Pass Through Mechanism; and,
- A Community Expansion Capital Pass-through Deferral Account and a Community Expansion Contribution Deferral Account.

As a municipality who currently has unserved portions of our community, we often hear from local residents and businesses expressing their interest in having access to natural gas. Our leadership believes that the public benefits of extending natural gas infrastructure to additional communities in Ontario should be a key consideration in addressing Union's proposals. These benefits include the annual energy savings our constituents would experience, reduced costs for our existing businesses, and remove a local economic barrier for our community.

The proposal from Union Gas seems a fitting opportunity for the allocated of funding earmarked since the election of the Provincial Liberals in Ontario to be used for natural gas expansion. These monies held in trust by Minister Duguid in the Ministry of Economic Development, Employment and Infrastructure are awaiting a mechanism to be used to support natural gas expansion throughout the Province. The \$200 million pledged during the Liberal campaign period and the additional \$30 million pledged to a supportive grant program will go a long way in assisting small rural municipalities to ensure all residents have access to natural gas.

Again, for these reasons we fully support the application put forward by Union Gas and encourage the Board to grant approval of the application.

Kindest Regards,



Amanda Gubbels
Clerk/Deputy Administrator
Township of Warwick

Cc: Allan Fletcher, Administrator/Treasurer