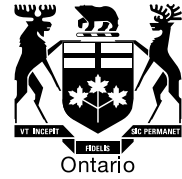


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BY E-MAIL

November 17, 2016

Malcolm White
Clerk
Sault Ste Marie
99 Foster Dr.
Sault Ste. Marie, ON P6A 5X6
m.white@cityssm.on.ca

Dear Mr. White:

Re: Generic Proceeding on Community Expansion (Natural Gas)

Thank you for your interest in the Ontario Energy Board's (OEB) hearing to consider cost recovery mechanisms for expanding natural gas service to Ontario communities that are not currently served.

The OEB has now issued its decision. The decision provides principles to guide the recovery of costs associated with expanding natural gas services. New customers will pay the cost of expansion through a rate structure that reflects that cost. Costs will not be subsidized by existing natural gas customers. Gas utilities interested in expanding their services will need to apply to the OEB and each application will be considered by the OEB, as is the current practice. Gas companies approved by the OEB to expand to new communities must provide a long-term commitment (for example, 10 years) to maintain rate stability to ensure that rates are reflective of long-term costs.

More details and the full decision can be found [here \(EB-2016-0004\)](#).

Thank you again for your interest.

Sincerely,

Original signed by

Kirsten Walli
Board Secretary