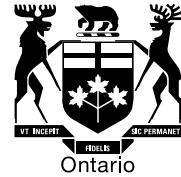


**Ontario Energy Board**  
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**BY E-MAIL**

November 17, 2016

Rose Caterini  
City Clerk  
City of Hamilton  
71 Main Street West, 1st Floor  
Hamilton ON L8P 4Y5  
[clerk@hamilton.ca](mailto:clerk@hamilton.ca)  
[CityManager@hamilton.ca](mailto:CityManager@hamilton.ca)

Dear Ms. Caterini:

**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