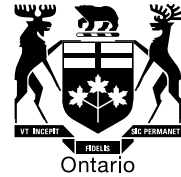


Ontario Energy Board
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

Commission de l'énergie de l'Ontario
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY E-MAIL

November 17, 2016

Gayel Jackson
Chief Administrative Officer / City Clerk
Lagoon City (Orillia)
50 Andrew St. S, Suite 300
Orillia ON L3V 7T5

corporate@orillia.ca

Dear Mr. Jackson:

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