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October 3, 2018

DELIVERED VIA RESS & COURIER

Ms. Kirsten Walli Board Secretary Ontario Energy Board 27th Floor, 2300 Yonge Street Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: EPCOR Natural Gas Limited Partnership ("EPCOR") Southern Bruce Leave to Construct Application EB-2018-0263

On September 26, 2018 EPCOR received a letter from Ontario Infrastructure advising EPCOR that we will not be receiving the previously approved funding from the Natural Gas Grant Program for the Southern Bruce project. The letter, a copy of which is attached, indicated that the Province has introduced Bill 32, the proposed *Access to Natural Gas Act*, 2018 that will facilitate the expansion of natural gas in Ontario.

EPCOR is working closely with local communities in the Southern Bruce region, who continue to strongly support our bringing natural gas to the region, to confirm that this project will receive funding through the Natural Gas Expansion Support Program which would be created by Bill 32.

EPCOR understands that this transition in the mechanism through which the Southern Bruce project may access external funding could delay receipt of that funding, however, we are prepared to continue supporting the project on its current schedule if we receive confirmation from the Province that such funding will be available at some time in the future. As indicated above, we are actively working with the municipalities to obtain such a confirmation.

If you have any questions regarding the above do not hesitate to contact me.

Sincerely,

[Original signed by]

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