Ontario Energy Board

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BY WEB POSTING

December 20, 2018

- To: All Natural Gas Distribution Service Providers
- Re: Gas distribution to the Town of Marathon, the Township of Manitouwadge, the Township of Schreiber, the Township of Terrace Bay and the Municipality of Wawa Board File Number EB-2018-0329

In a letter dated December 4, 2018, the Town of Marathon, on its own behalf and as representative of the Township of Manitouwadge, Township of Schreiber, Township of Terrace Bay and the Municipality of Wawa (the Municipalities), notified the Ontario Energy Board (OEB) that the Municipalities intend to file an application by mid-2019 to provide natural gas distribution services within the Municipalities and potentially within additional communities, where feasible.

The Municipalities are proposing to create a local gas distribution company (the Utility) and have indicated that they intend to apply for an order or orders:

- Approving a municipal franchise agreement for each Municipality, using the OEB's Model Franchise Agreement as a template
- Granting a certificate of public convenience and necessity to the Utility to supply natural gas within each Municipality
- Leave to construct natural gas distribution works within each Municipality
- Approving the mechanism used to set the rates charged to customers for natural gas delivery and provide long-term rate stability
- Pre-approval of the cost consequences of one or more long-term natural gas supply and/or upstream capacity contracts
- Any further or other related relief that the Municipalities may request and that the OEB may consider to be appropriate

The Municipalities' letter indicating its intention to file an application with the OEB (OEB file number EB-2018-0329) and describing the project is available on the OEB's website <u>www.oeb.ca</u>.

By way of this letter, the OEB is requesting that any other party that is currently developing a plan to provide natural gas services to the Municipalities file a letter and the minimum information enumerated below with the OEB by **January 16, 2019**. Any responding party must demonstrate that it has already explored the opportunity to provide service in the Municipalities and that it is in a position to file a complete application with the OEB by June 28, 2019. In particular, a responding party must provide the following minimum information:

- The name of the company
- A brief description of the work already undertaken to support its application(s) to the OEB
- The date by which the company will be ready to file its complete application(s) to provide gas distribution services to the Municipalities
- A description of the level of municipal engagement already undertaken with all five of the Municipalities
- A high-level description of the proposed system to serve the five Municipalities
- A preliminary gas supply plan
- Confirmation that it is in a position to file a complete application with the OEB by June 28, 2019

In the absence of any letters from other parties interested in serving the Municipalities, the OEB will proceed to review the Municipalities' application when it is filed.

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides customers with reliable energy services at a reasonable cost.

Any questions relating to this letter should be directed to Azalyn Manzano at Azalyn.Manzano@oeb.ca or at 416-544-5180. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Original Signed By

Rudra Mukherji Associate Registrar Office of the Registrar

c: Daryl Skworchinski, Town of Marathon, Chief Administrative Officer and Clerk