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BY E-MAIL

March 13, 2019

Daryl Skworchinski
Chief Administrative Officer and Clerk
The Corporation of the Town of Marathon
4 Hemlo Drive, P.O. Bag TM
Marathon ON P0T 2E0
clerk@marathon.ca

Dear Mr. Skworchinski:

**Re: Gas Distribution to the Town of Marathon, the Township of Manitowadge, the Township of Schreiber, the Township of Terrace Bay and the Municipality of Wawa
Ontario Energy Board File Number EB-2018-0329**

Under cover of a letter dated December 4, 2018, the Town of Marathon (Town), on its own behalf and as representative of the Township of Manitowadge, the Township of Schreiber, the Township of Terrace Bay and the Municipality of Wawa (Municipalities), filed with the Ontario Energy Board (OEB) a notice of intent to file an application by June 28, 2019 to provide natural gas distribution services within the Municipalities.

On December 20, 2018, the OEB issued a letter requesting that any other party that is currently developing a plan to provide natural gas services to the Municipalities file a letter including certain enumerated minimum information by January 16, 2019. Among the required minimum information was confirmation that the party is in a position to file a complete application with the OEB by June 28, 2019.

On January 16, 2019, Enbridge Gas Inc. (Enbridge) filed a letter with the OEB registering its interest in providing natural gas service to the Municipalities. No other expressions of interest were filed in response to the OEB's December 20, 2018 letter. In its letter, Enbridge stated that it is premature to be able to commit to filing a complete application by June 28, 2019 when key elements of such an application are yet to be determined. In particular, according to Enbridge the economic viability of any project, whether by Enbridge or the Town, cannot be determined until regulations under the *Access to Natural Gas Act, 2018* (formerly Bill 32) are issued and implemented.

On January 23, 2019, the Town filed a letter in response, requesting that the OEB disregard Enbridge's letter, stating that Enbridge did not provide the minimum information required by the OEB in its December 20, 2018 letter. Among other things, the Town stated that Enbridge's interest in serving the Municipalities is speculative and that the OEB should not delay its review of the Municipalities' application to accommodate the filing of any competitive application. The Town also stated that "the Municipalities established the economic feasibility of the North Shore Project in 2016, more than two years before Bill 32 was contemplated in 2018".

On February 4, 2019, Enbridge filed a letter stating that it would not compete to serve the Municipalities, as it understood from the Town's January 23, 2019 letter that the Municipalities are receiving funding directly from the government and that feasibility of the project is not dependent on funding under the *Access to Natural Gas Act, 2018*.

As Enbridge has withdrawn its expression of interest, the OEB does not expect to undertake a competitive process with respect to the provision of natural gas service to the Municipalities. The OEB therefore anticipates that it will proceed to review the Municipalities' application once it is filed. Please be aware, however, that the OEB may hold in abeyance any application to expand natural gas service that is contingent on or underpinned by third party funding, the receipt of which is not sufficiently certain.

Please do not hesitate to contact me should you have any questions.

Yours truly,

Original signed by

Christine E. Long
Registrar
Office of the Registrar

c: Karen Hockin, Enbridge Gas Inc.