

CORPORATION OF THE TOWNSHIP OF CHAPPLE

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EB-2016-0004

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ONTARIO ENERGY BOARD

March 9, 2016

Ontario Energy Board
2300 Yonge St.
TORONTO, Ontario
M4P 1E4

Re: Natural Gas Expansion

Dear NOMA Board Members;

Please be advised that the following resolution was duly approved and passed at the regular meeting of Council for the Corporation of the Township of Chapple on March 8, 2016;

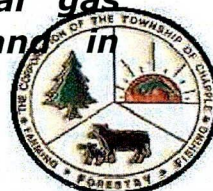
Whereas there are 14 rural and remote municipalities in Northwestern Ontario and a number of First Nation communities who do not have direct access to piped natural gas, and

Whereas the residents and businesses in those communities without natural gas service must pay significantly more to heat their buildings and homes than communities with natural gas service, and

Whereas we believe there is a public interest and benefit in extending natural gas services to rural and remote communities; and

Whereas we often hear from the residents and businesses expressing their interest in having access to natural gas and the limitations and barriers they face in not having access to natural gas causes; and

Whereas current economic tests and ratemaking mechanisms associated with new connections to the existing natural gas distribution system do not encourage utilities to expand in Northwestern Ontario, and



Whereas currently natural gas expansion in Northwest Ontario requires the new customers to pay. In contrast the vast majority of the existing system was paid for by the rate payers as a whole, and

Whereas the Ontario Energy Board has initiated a hearing on its own motion to consider what mechanisms may be used to recover the costs of expanding natural gas service to Ontario communities that do not currently have access to natural gas, and

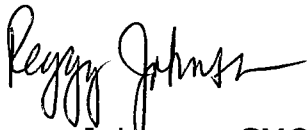
Whereas NOMA, NOACC and CVNW (the Coalition) have requested intervenor status on behalf of their member ratepayers (current and future) in Northwestern Ontario, and

Whereas the position of the Coalition is that the cost of expanding natural gas service to communities without it should be shared by all gas rate payers in the Province of Ontario and the OEB implement new ratemaking mechanisms including changes to current economic tests to expand natural gas distribution on such basis.

Therefore, be it resolved that the Township of Chapple advises the Ontario Energy Board that it supports the position adopted by NOMA, NOACC and CVNW that the expansion of the natural gas distribution system should be paid for by all current and future gas rate payers and the OEB implement new ratemaking mechanisms including changes to current economic tests to expand natural gas distribution on such basis.

Council, for the Township of Chapple, thanks the NOMA Board for their continued endeavours on behalf of our community.

Sincerely,

A handwritten signature in black ink, appearing to read "Peggy Johnson", with a stylized flourish at the end.

Peggy Johnson, CMO
CAO/Clerk Treasurer

cc. Northwestern Ontario Municipal Association