



September 30, 2015

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

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ONTARIO ENERGY BOARD

Dear Ms. Walli:

On behalf of Augusta Township we are writing to formally support application EB-2015-0179 submitted by Union Gas seeking approval for new approaches to expanding access natural gas. We have reviewed the regulatory application and are supportive of the principals set out in it by Union Gas.

It is our belief that the proposal put forward by Union Gas provides the necessary flexibility for Union Gas to work with its municipal partners to expand their system to new communities. The proposal outlines a reasonable approach that ensures all parties have the ability to contribute towards making such projects a reality, while protecting the interests of their 1.4 million existing customers.

The Township of Augusta fully supports the following concepts put forward by Union Gas:

- A Temporary Expansion Surcharge to collect customer contributions;
- An Incremental Tax Equivalent mechanism to collect municipal contributions;
- An exemption from E.B.O. 188 to allow lower individual project minimum PI thresholds;
- An exemption of Community Expansion Projects from E.B.O. 188 Investment and Rolling Project Portfolio requirements;
- A Capital Pass Through Mechanism; and,
- A Community Expansion Capital Pass-through Deferral Account and a Community Expansion Contribution Deferral Account.

As a municipality who currently has unserved portions of our community, we often hear from local residents and businesses expressing their interest in having access to natural gas. Our leadership believes that the public benefits of extending natural gas

infrastructure to additional communities in Ontario should be a key consideration in addressing Union's proposals. These benefits include the annual energy savings our constituents would experience, reduced costs for our existing businesses, and remove a local economic barrier for our community.

Again, for these reasons we fully support the application put forward by Union Gas and encourage the Board to grant approval of the application.

Respectfully,



Doug Malanka
Mayor