

Sent via email: rosemarie.leclair@ontarioenergyboard.ca

March 5, 2018

Ms. Rosemarie Leclair
Chair & Chief Executive Officer
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, ON M4P 1E4


RECEIVED

MAR 14 2018

Dear Ms. Leclair:

ONTARIO ENERGY BOARD

Re: EB-2017-0319

On behalf of the Association of Municipalities of Ontario (AMO), I am writing in response to the Enbridge proposal for Development of Renewable Natural Gas (RNG), for which they are seeking the Ontario Energy Board (OEB) approval.

AMO certainly sees the benefit of developing renewable natural gas. This is a valuable resource which needs to be maximized and municipal governments need to consider how to manage green waste as a resource.

However, as we have indicated in previous correspondence, the way this is financed is of interest to municipal governments. AMO asks that the OEB ensure that financing models not be built on the assumption that municipal taxes will be forfeited. Each municipality should have the option of choosing if or how it will financially support an energy project. The assumption that the host municipality will choose to forgo property tax is not an appropriate business model. In short, municipal governments should be setting the property taxes, not a third party. The model that a utility will reach profitability on the basis of local taxpayers subsidization should raise questions.

Further, in the spirit of accountability, local financing models must be transparent. Municipal governments need to report publicly to their residents the details of their budgets and expenses. It is important that the fiscal relationship between municipal governments and utilities be understandable in the current environment where all aspects of energy are of great public interest.

It is important that the OEB recognize that municipal governments are the owners of much of the organic waste that is needed to generate feasible RNG production. In many regions of Ontario, municipal governments are frontline managers of residential organic waste material. Recent provincial policy direction in the Strategy for a Waste Free Ontario is seeking to develop a Food and Waste Organic Waste Action Plan that would reduce the volume of these wastes from entering landfills. Municipal governments may consider RNG as a potential diversion opportunity and ensuing

revenues from RNG production could be reinvested into waste management and other local services. The collection and use of organic waste resources will be a matter for local agreements.

We look to the OEB to consider this very important element as you proceed with your decision making. Again, municipal governments see the great value in developing RNG opportunities. We are on the cusp of technology disruption in the field of energy and need to make sure that we move forward in sustainable and defensible ways.

Sincerely,

A handwritten signature in dark ink, appearing to read 'L. Dollin', with a large, stylized initial 'D'.

Lynn Dollin
AMO President