



MC-994-2026-1026

August 10, 2026

Geoff Owen
Chair of the OEB Board of Directors
Ontario Energy Board
2300 Yonge St, 27 Floor
Toronto ON M4P 1E4

Dear Mr. Owen:

I am writing in my capacity as Minister of Energy and Mines to exercise authorities under section 35 of the *Ontario Energy Board Act, 1998* ("OEBA"), directing the Ontario Energy Board ("OEB") to examine and report back to the Ministry on criteria for a potential future intake of the Natural Gas Expansion Program ("NGEP"), should it be made available. This program supports proposals to expand natural gas distribution to new customers or increase capacity for existing customers where projects would not typically be financially feasible. Since its launch, NGEP has helped extend essential energy infrastructure to communities across Ontario, particularly in rural areas, providing households, farms and businesses with greater choice and new opportunities for growth.

In Ontario's first-ever integrated energy plan, *Energy for Generations*, the Government set out a comprehensive roadmap to meet future energy needs, support new housing, and power the most competitive economy in the G7. It included a Natural Gas Policy Statement safeguarding access to natural gas and other fuels chosen by customers for home heating, industry, and agriculture.

The first two phases of NGEP demonstrated the value of targeted action to remove economic barriers that can prevent communities from accessing natural gas infrastructure. These phases committed funding to expansion projects in communities across Ontario, providing 17,000 customers with access to natural gas and new options to heat their homes and businesses. Building on this successful foundation, the Government is considering further action to expand natural gas distribution with a potential future phase that would extend these benefits to more communities, apply lessons learned from earlier project phases, and place a renewed focus on supporting economic development and ensuring timely, cost-effective project delivery.

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Therefore, pursuant to my authority under section 35 of the OEBA, I am requiring the OEB to report back to the Ministry regarding criteria for potential future proposals for natural gas expansion projects, should additional funding be available for a third intake.

I expect the OEB to examine criteria that could be used to inform a future intake of project proposals. In developing the proposed criteria, the OEB should identify the factors it considers relevant to evaluating whether projects can be substantially completed as proposed, including feasibility, implementation readiness, timely and cost-effective delivery, customer and community benefits, economic opportunities and impacts, and the extent to which projects support commercial, industrial and agricultural growth in rural, northern and Indigenous communities. It is the Government's intention to target financial support for potential natural gas expansion projects that would, under existing policies, be considered uneconomic but have potential to provide the benefits previously outlined.

I ask that the OEB report back to the Ministry with its recommended criteria by January 15, 2027. The information provided by the OEB will be taken into account, along with other considerations, to make a determination on the design of an intake of any future natural gas expansion projects.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Lecce'.

Stephen Lecce
Minister of Energy and Mines

A handwritten signature in blue ink, appearing to read 'Sam Oosterhoff'.

Sam Oosterhoff
Associate Minister of Energy-Intensive Industries

c: Carolyn Calwell, Chief Executive Officer, OEB