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# **Report to the Minister of Energy, Northern Development and Mines and to the Associate Minister of Energy**

**EB-2019-0255**

Potential Projects to Expand Access to Natural Gas  
Distribution

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**October 30, 2020**

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## Table of Contents

EXECUTIVE SUMMARY.....	1
1. INTRODUCTION .....	3
1.1 The Section 35 Letter.....	3
1.2 Background on Funding Support for Natural Gas Expansion Projects.....	4
2. THE OEB'S PROCESS .....	5
2.1 Development of Guidelines .....	5
2.2 Confidentiality.....	6
3. SUMMARY OF PROPOSED PROJECTS AND ASSUMPTIONS.....	7
3.1 Number and Geographic Distribution.....	7
3.2 Summary Table.....	10
3.3 Methodology and Assumptions: Profitability Index, Annual Savings and GHG Impact.....	17
3.4 Market Penetration Rates .....	19
3.5 Letters of Support.....	19
4. IMPLEMENTATION CONSIDERATIONS.....	20
4.1 Construction Start Date .....	20
4.2 Technical and Financial Capability of Proponents.....	20
4.3 Rate Stability Period.....	21
4.4 Conclusion .....	22
5. APPENDIX 1.....	23

## EXECUTIVE SUMMARY

On December 12, 2019, the Minister of Energy, Northern Development and Mines, with the support of the Associate Minister of Energy, asked the Ontario Energy Board (OEB) to solicit information from proponents about proposed natural gas distribution expansion projects, to analyze the project information filed and to report back to the Ministry of Energy, Northern Development and Mines.

As the Ministers' letter notes, the Ontario Government intends to further increase access to natural gas by making additional new projects eligible for approximately \$130 million in ratepayer-funded financial support. This financial support is intended to be for projects that can reasonably be expected to commence construction between 2021 and 2023, and that would under existing policies be considered uneconomic.

The OEB was asked to consider several factors in soliciting and analyzing information from project proponents, with a focus on assessing whether proposed projects can be implemented substantially as proposed. The report requested of the OEB is intended as an input to assist the government in making a determination on future expansion projects. The OEB was not asked to rate or rank the proposed projects or provide recommendations regarding which should receive funding support.

This report sets out information on 210 proposed gas expansion projects received from three project proponents: Enbridge Gas Inc., EPCOR Natural Gas Limited Partnership, and Lakeshore Natural Gas Inc. In the aggregate, these proposed projects have the potential to connect approximately 44,000 new customers and would require approximately \$2.6 billion in funding support. Absent that funding support, each of the proposed projects would be uneconomic under existing policies.

Roughly 60% of the proposed projects are situated in southwest and southeast Ontario, with the remainder being spread elsewhere across the province. Seven of the proposed projects include service to on-reserve First Nation communities. The overwhelming majority of the proposed projects have an estimated construction start date in the second quarter of 2023, with the estimated construction start date for the remaining projects being in the first half of 2022.

Based on the information received from project proponents, the OEB has not identified any significant impediments to the implementation of the proposed projects substantially as proposed. Of particular importance in this regard is the fact that all proponents demonstrated a commitment to being held to their project costs and volumes in the form of a ten-year rate stability period for each of their proposed projects.

## 1. INTRODUCTION

### 1.1 The Section 35 Letter

On December 12, 2019, the Ontario Energy Board (OEB) received a letter (Section 35 Letter) from the Minister of Energy, Northern Development and Mines and the Associate Minister of Energy under section 35 of the *Ontario Energy Board Act, 1998* (OEB Act) indicating that the Government intends to make \$130 million available to support new natural gas projects that would otherwise be uneconomic under existing policies, and that can reasonably be expected to commence construction between 2021 and 2023.

The Section 35 Letter requires the OEB to examine and report back to the Ministry of Energy, Northern Development and Mines (Ministry) by August 31, 2020 (a deadline which was later extended to October 31, 2020 due to the COVID-19 pandemic) with information on potential projects that the Government could consider as candidates for financial support to expand access to natural gas distribution to communities that are not currently connected to a natural gas distribution system. To that end, the Section 35 Letter asked the OEB to apply its expertise to develop a process to solicit information on proposed natural gas expansion projects, and to analyze the projects with a focus on assessing whether they can be implemented substantially as proposed. The Section 35 Letter states that this should include a demonstrated commitment by each proponent that it would be willing to be held to the project cost, timelines and volumes forecasts as set out in their project proposal.

The Section 35 Letter identified the following as matters to be considered by the OEB:

- The number of customers (in terms of customer count, volume of gas to be distributed and customer type) that would be connected by each proposed project.
- The total cost of each proposed project, as well as the dollar amount of support needed for each proposed project to meet the OEB's profitability threshold.
- The proposed construction start date and construction period for each proposed project, as the provincial Government's focus is on projects that can reasonably be expected to start construction by 2023, allowance being made for the timelines typically applicable to the process of obtaining regulatory approvals.
- The project proponent's demonstrated experience, technical expertise and financial ability to build and operate a natural gas distribution system.

- Support for the proposed project from Band Council(s) and/or local government, as applicable, demonstrated through a written expression of support and/or a commitment to financial support.
- If a proposed project is in an area where a Certificate of Public Convenience and Necessity (Certificate)<sup>1</sup> exists, the proponent must be the Certificate holder unless the Certificate holder does not propose a project for the area.
- The extent to which the project proponent expects that the proposed project would reduce the household energy cost burden in the project area.

## 1.2 Background on Funding Support for Natural Gas Expansion Projects

On July 1, 2019, section 36.2 of the OEB Act came into force. That section, which was added to the OEB Act by the *Access to Natural Gas Act, 2018*, establishes a framework for the funding of natural gas expansion projects by natural gas ratepayers.

Ontario Regulation 24/19, Expansion of Natural Gas Distribution Systems (Regulation), currently sets out nine projects that are eligible for financial support subject to receiving any necessary OEB approvals, the mechanism by which funding is collected from ratepayers and distributed to the project proponents, and related matters. The Regulation also requires that rate-regulated natural gas distributors charge each of their customers \$1 per month (for each account that the customer has with the natural gas distributor) to provide funding for the eligible expansion projects.

The Section 35 Letter states that the Government intends to use the mechanism articulated in the Regulation – namely, the collection of \$1 per month from existing natural gas customers – to provide approximately \$130 million in financial support for new natural gas projects that can reasonably be expected to commence construction between 2021 and 2023. Changes to the Regulation will be required to enable the provision of ratepayer-funded financial support for any such projects.

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<sup>1</sup> Section 8 of the *Municipal Franchises Act* states that no person shall construct any works to supply natural gas in any municipality without the prior approval of the OEB, and that such approval shall not be given unless public convenience and necessity appear to require that such approval be given. A Certificate is issued by the OEB after the OEB has approved a proponent's application to construct works to supply natural gas within a specified geographical area.

## 2. THE OEB'S PROCESS

### 2.1 Development of Guidelines

The Section 35 Letter noted the expectation that the OEB would, in early 2020, issue a call for information, including details of the information to be filed by interested project proponents.

On December 19, 2020, the OEB issued draft [Guidelines for Potential Projects to Expand Access to Natural Gas Distribution](#) (Draft Guidelines) for stakeholder comment.

Twenty-one stakeholders submitted comments, including natural gas distributors, compressed natural gas (CNG) and liquefied natural gas service providers, ratepayer groups, industry associations, environmental groups and groups representing Indigenous peoples.<sup>2</sup>

On March 5, 2020, the OEB issued its final [Guidelines for Potential Projects to Expand Access to Natural Gas Distribution](#) (Final Guidelines). At that time, the OEB indicated that interested project proponents that wished to file project information for inclusion in the OEB's report to the Ministry were to do so by June 3, 2020.

On April 14, 2020 the OEB issued a frequently asked questions (FAQ) document to assist proponents with questions regarding the Final Guidelines, and on April 17, 2020 the OEB updated those [FAQs](#).

On April 29, 2020, the OEB issued a [letter](#) asking interested proponents to identify any proposed projects that may not be completed by the June 3, 2020 deadline as a result of the COVID-19 emergency.

On May 15, 2020, the OEB received a [letter](#) from the Minister of Energy, Northern Development and Mines and the Associate Minister of Energy, extending the deadline for the OEB to report back to the Ministry from August 31, 2020 to October 31, 2020. The OEB accordingly extended the deadline for project proponents to submit information on their proposed projects from June 3, 2020 to August 4, 2020.

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<sup>2</sup> Comments were received from Anwaatin Inc., Bingwi Neyaashi Anishinaabek First Nation and Red Rock Indian Band, Building Owners and Managers Association, Canadian Propane Association, Certarus, Consumers Council of Canada, the Town of Marathon, Enbridge Gas Inc., Energy Probe, Environmental Defence, EPCOR Natural Gas Limited Partnership, Federation of Rental-housing Providers of Ontario, Green Energy Coalition, Industrial Gas Users Association, Northeast Midstream, Northwatch, NWCOC Coalition, Ontario Federation of Agriculture, Pollution Probe, School Energy Coalition, and Vulnerable Energy Consumers Coalition.



## 2.2 Confidentiality

In its consultation on the Draft Guidelines, the OEB asked interested projects proponents to identify any information that they believe should be treated as confidential. The OEB received relatively few comments on this issue, and neither of the existing rate-regulated natural gas distributors provided comments related to confidentiality. In its letter accompanying the Final Guidelines, the OEB confirmed that it intended to post each proponent's project information on the OEB website following the deadline for filing project information.<sup>3</sup>

On July 17, 2020, the OEB received a letter from Enbridge Gas Inc. (Enbridge Gas) requesting that all information related to projects proposed by it and by any other proponent be kept confidential and not be posted on the OEB's website or made available pursuant to declarations and undertakings as contemplated by the OEB. On July 29, 2020, the OEB issued a letter inviting interested proponents to comment on Enbridge Gas's request. On October 28, 2020, the OEB issued its [determination](#) on confidentiality. The OEB accepted that the disclosure of information related to the financial viability of potential projects could negatively impact Enbridge Gas's (or any other proponents') competitive position in any future gas expansion initiatives, the scope and specifics of which are unknown at this time, and should therefore remain confidential. Subject to any redactions as may be required to remove personal information as defined in the *Freedom of Information and Protection of Privacy Act* or to remove information which may give rise to legitimate safety concerns, the OEB determined that all project information other than data and economic measures related to the financial viability of projects will be placed on the public record for each project. Redacted versions of the 210 project proposals will be posted on the OEB's website in due course once those versions have been received from the project proponents.

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<sup>3</sup> By way of exception, and as discussed below, the OEB also indicated that it would not include in its report any proposed project from a non-Certificate holder unless the existing Certificate holder does not bring forward a project for the same area, and that the OEB would not be posting project information for projects that are not included in the OEB's review.

### 3. SUMMARY OF PROPOSED PROJECTS AND ASSUMPTIONS

The Section 35 Letter did not ask the OEB to provide a ranking or rating of proposed projects, or to make recommendations regarding which should receive funding support.

This report therefore provides a summary of the proposed projects (section 3) and a discussion of implementation considerations (section 4), including the OEB's assessment of whether the proposed projects can be implemented substantially as proposed.

#### 3.1 Number and Geographic Distribution

The OEB received project information for a total of 213 proposed projects.

The Section 35 Letter stated that, for any proposed project submitted for an area where a Certificate exists, the project proponent must be the Certificate holder unless the Certificate holder does not propose a project for that area. In its Final Guidelines, the OEB indicated that it would not include in its report any proposed project from a non-Certificate holder unless any existing Certificate holder did not bring forward a project for the same area.

Three of the 213 proposed projects submitted are for areas that overlap with projects submitted by Enbridge Gas and for which Enbridge Gas is the Certificate holder. Consequently, the three overlapping proposed projects have not been included in this report.

A fourth proposed project, submitted by EPCOR Natural Gas Limited Partnership (EPCOR) for the Municipality of Brockton (and nearby areas), also overlaps with one of Enbridge Gas's proposed projects. Enbridge Gas currently holds the Certificate for the Municipality of Brockton and the Municipality of West Grey, which covers all parts of these municipalities except for a portion in which EPCOR is authorized through a Certificate to locate its traversing pipeline to serve the community of Southern Bruce. The OEB has included both EPCOR's and Enbridge Gas's proposed projects in this report because both EPCOR and Enbridge Gas hold Certificates for the area.

This report therefore covers 210 projects filed by the following proponents: Enbridge Gas, EPCOR, and Lakeshore Natural Gas Inc. on its own behalf and as representative of the Town of Marathon, Township of Manitouwadge, Township of Schreiber, Township of Terrace Bay and the Municipality of Wawa (Lakeshore). Table 1 below depicts the number of proposed projects by project proponent that are included in this report.

**Table 1. Number of proposed projects, by proponent**

<b>Project Proponent</b>	<b>Number of Proposed Projects</b>
Enbridge Gas	207
EPCOR	2
Lakeshore	1
<b>TOTAL</b>	<b>210</b>

Although the proposed projects filed with the OEB cover most parts of the province, as demonstrated in Table 2 below, roughly 60% of the proposed projects are located in southwest or southeast Ontario.

**Table 2. Proposed projects by geographic location**

	<b>Central</b>	<b>NE</b>	<b>NW</b>	<b>SE</b>	<b>SW</b>	<b>Total</b>
<b>Forecasted customers (#)</b>	6,408	4,617	4,950	19,369	8,706	44,050
<b>Projects filed (#)</b>	34	31	23	66	56	210
<b>Forecasted customers per region (% of total)</b>	14.5	10.5	11.2	44.0	19.8	
<b>Funding support per region</b>	\$409,491,924	\$395,848,944	\$240,858,654	\$1,009,439,717	\$516,608,786	\$2,572,248,025
<b>Funding support per region (% of total)</b>	16	15	10	39	20	

For ease of geographic reference, the proposed projects have been plotted onto maps. Figure 1 provides a map view of all 210 proposed projects.<sup>4</sup> Detailed region-specific maps are included in Appendix 1.

<sup>4</sup> Location names have been bolded only to provide geographic reference points for project locations.

Figure 1. Map of proposed projects



### 3.2 Summary Table

Table 3 below provides a summary of the following key information about each of the 210 proposed projects included in this report: the name of the proposed project (in alphabetical order); the project proponent; the total funding support required;<sup>5</sup> the funding support required per forecast customer in year ten; the total number of forecast customers in year ten; the estimated annual fuel cost savings in year ten; the estimated annual GHG impacts in year ten; and whether the proposed project received any letter(s) of support. Of the 210 proposed projects, 7 include serving on-reserve First Nation communities.<sup>6</sup> Further information about the methodology and assumptions used by project proponents in relation to some of these project parameters is set out in section 3.3.

By way of overview, in the aggregate, the 210 proposed projects have the potential to connect approximately 44,000 new customers, with an average of 209 customers per proposed project. The total funding support that would be required for all 210 projects amounts to approximately \$2.6 billion. The funding support required for each of the proposed projects ranges from approximately \$320,000 to over \$125 million.

**Table 3. Summary of Proposed Projects**

No.	Proponent	Proposed Project	Total Funding Support Required (\$)	Funding Support per Forecast Customer (year 10) (\$)	Total # of forecast customers (year 10)	Est. Annual Fuel Cost Savings (\$) (year 10)	Estimated GHG impacts (tCO <sub>2</sub> e)	Letter(s) of support
1	Enbridge Gas	Adelaide Metcalfe (North)	10,181,974	128,886	79	47,817	-19	Y
2	Enbridge Gas	Adelaide Metcalfe (South)	14,998,212	111,927	134	81,107	-33	Y
3	Enbridge Gas	Alberton	9,895,573	137,439	72	30,823	-14	Y
4	Enbridge Gas	Alderville, Roseneath and Alderville FN	18,916,120	64,560	293	125,432	-55	N
5	Enbridge Gas	Allenford	5,724,864	48,516	118	44,915	-16	Y
6	Enbridge Gas	Ameliasburgh and Rossmore	38,840,800	49,924	778	333,059	-147	Y
7	Enbridge Gas	Aroland and Nakina	53,029,240	240,495	221	94,609	-42	N
8	Enbridge Gas	Ashfield-Colborne-Wawanosh - Benmiller	5,733,161	92,470	62	34,417	-57	Y
9	Enbridge Gas	Ashfield-Colborne-Wawanosh - Dungannon	27,648,393	151,914	182	110,160	-45	Y

<sup>5</sup> The “total funding support required” is determined for each proposed project based on the amount of funding support that would be required to bring the profitability index for the proposed project to 1.0.

<sup>6</sup> Alderville, Roseneath and Alderville First Nation; Aroland and Nakina; Mohawks of the Bay of Quinte First Nation; Red Rock First Nation (Lake Helen Reserve); Thessalon First Nation; Wabigoon First Nation; and Wauzhushk Onigum First Nation.

No.	Proponent	Proposed Project	Total Funding Support Required (\$)	Funding Support per Forecast Customer (year 10) (\$)	Total # of forecast customers (year 10)	Est. Annual Fuel Cost Savings (\$) (year 10)	Estimated GHG impacts (tCO2e)	Letter(s) of support
10	Enbridge Gas	Ashfield-Colborne-Wawanosh - Dungannon and Port Albert	39,758,502	144,053	276	167,056	-67	Y
11	Enbridge Gas	Astorville	23,574,415	61,875	381	118,717	-105	Y
12	Enbridge Gas	Auburn	6,289,434	58,235	108	51,829	-82	Y
13	Enbridge Gas	Augusta Township	1,481,157	31,514	47	13,508	-41	Y
14	Enbridge Gas	Avonmore, Monkland, Bloomington	32,163,924	91,116	353	151,118	-66	Y
15	Enbridge Gas	Ayton and Neustadt	15,627,755	36,685	426	218,971	-311	Y
16	Enbridge Gas	Bainsville and South Glengarry	7,076,937	32,315	219	131,984	-48	Y
17	Enbridge Gas	Ballinafad and Silver Creek	12,121,282	41,798	290	178,764	-255	Y
18	Enbridge Gas	Belwood	8,798,271	49,152	179	94,425	-168	Y
19	Enbridge Gas	Black River-Matheson	8,722,663	235,748	37	16,973	-7	Y
20	Enbridge Gas	Blandford-Blenheim - Canning	1,950,063	75,002	26	15,737	-6	Y
21	Enbridge Gas	Blandford-Blenheim - Perry's Corners	1,825,997	130,428	14	8,474	-3	Y
22	Enbridge Gas	Blandford-Blenheim - Ratho	4,386,975	204,999	21	12,711	-5	Y
23	Enbridge Gas	Blandford-Blenheim - Richwood	2,968,422	109,942	27	16,342	-7	Y
24	Enbridge Gas	Bobcaygeon	68,029,650	17,104	3,978	3,060,298	486	Y
25	Enbridge Gas	Boblo Island	1,915,672	20,823	92	55,685	-22	Y
26	Enbridge Gas	Bonfield	11,264,835	52,152	216	99,087	-41	Y
27	Enbridge Gas	Bracebridge	4,919,765	52,338	94	40,241	-18	N
28	Enbridge Gas	Bradford West Gwillimbury (Project A)	3,941,187	63,568	62	37,365	-14	Y
29	Enbridge Gas	Bradford West Gwillimbury (Project B)	9,759,624	250,247	39	23,504	-9	Y
30	Enbridge Gas	Bradford West Gwillimbury (Project C)	4,814,733	104,668	46	27,723	-10	Y
31	Enbridge Gas	Brant County – Harley and Glen Morris	11,236,428	50,207	224	135,582	-55	Y
32	EPCOR	Brockton	20,340,000	40,599	501	236,255	-252	Y
33	Enbridge Gas	Burk's Falls	1,237,071	30,172	41	18,808	-8	Y
34	Enbridge Gas	Burritts Rapids	978,302	32,610	30	18,080	-7	Y
35	Enbridge Gas	Caledon (Project A)	12,199,421	58,934	207	124,752	-45	Y
36	Enbridge Gas	Caledon (Project B)	5,048,975	50,490	100	60,267	-22	Y
37	Enbridge Gas	Caledon (Project C)	8,620,777	61,140	141	84,976	-31	Y
38	Enbridge Gas	Camden East, Yarker, Tamworth and Erinsville	49,492,017	48,427	1,022	437,514	-193	N
39	Enbridge Gas	Carlsbad Springs	10,725,127	24,156	444	267,584	-97	Y
40	Enbridge Gas	Casselman	1,127,309	66,312	17	10,245	-4	Y
41	Enbridge Gas	Cavan Monaghan (Project A)	3,720,341	49,605	75	45,200	-16	Y
42	Enbridge Gas	Cavan Monaghan (Project B)	2,098,225	95,374	22	13,259	-5	Y
43	Enbridge Gas	Cavan Monaghan (Project C)	3,632,641	129,737	28	16,875	-6	Y



No.	Proponent	Proposed Project	Total Funding Support Required (\$)	Funding Support per Forecast Customer (year 10) (\$)	Total # of forecast customers (year 10)	Est. Annual Fuel Cost Savings (\$) (year 10)	Estimated GHG impacts (tCO <sub>2</sub> e)	Letter(s) of support
44	Enbridge Gas	Cedar Springs	2,517,260	24,439	103	80,051	-81	Y
45	Enbridge Gas	Cedar Valley	2,132,768	39,496	54	32,544	-12	Y
46	Enbridge Gas	Charlton and Dack	8,626,988	83,757	103	44,094	-19	Y
47	Enbridge Gas	Chute-à-Blondeau	4,446,983	13,984	318	191,648	-70	Y
48	Enbridge Gas	Conmee	19,732,817	156,610	126	57,801	-24	Y
49	Enbridge Gas	Cornwall Regional Airport	1,221,395	64,284	19	11,451	-4	Y
50	Enbridge Gas	Cotnam Island	5,961,794	64,105	93	77,911	-18	Y
51	Enbridge Gas	Cumnock	8,332,123	94,683	88	53,264	-22	Y
52	Enbridge Gas	Curran	2,082,170	19,643	106	63,883	-23	Y
53	Enbridge Gas	Dorion	4,310,381	113,431	38	16,268	-7	Y
54	Enbridge Gas	Douglas (Admaston/Bromley)	12,756,909	83,378	153	92,208	-34	N
55	Enbridge Gas	Dunrobin Shores	22,952,530	50,115	458	342,112	-98	Y
56	Enbridge Gas	Dutton Dunwich	6,177,075	150,660	41	24,816	-10	Y
57	Enbridge Gas	Ear Falls	1,797,382	199,709	9	4,129	-2	Y
58	Enbridge Gas	East Gwillimbury (North and East)	8,373,365	19,842	422	254,325	-92	Y
59	Enbridge Gas	Edwardsburgh Cardinal and Spencerville	19,118,445	36,278	527	124,550	-370	Y
60	Enbridge Gas	Eganville	26,169,413	38,827	674	406,197	-148	Y
61	Enbridge Gas	Elmwood, Chepstow and Cargill (Brockton)	26,125,754	64,828	403	254,532	-343	Y
62	Enbridge Gas	Emsdale (Township of Perry)	8,949,644	48,376	185	79,198	-35	N
63	Enbridge Gas	Featherstone	4,794,215	19,568	245	89,964	18	Y
64	Enbridge Gas	Field	10,085,042	70,525	143	61,218	-27	N
65	Enbridge Gas	Forest Harbour (Tay Twp)	16,551,839	84,448	196	118,122	-43	Y
66	Enbridge Gas	Georgian Bluffs	2,974,796	32,335	92	55,685	-22	Y
67	Enbridge Gas	Gillies and O'Connor	11,956,264	107,714	111	47,519	-21	N
68	Enbridge Gas	Glen Tay (Tay Valley)	2,309,186	28,161	82	49,419	-18	N
69	Enbridge Gas	Glendale	2,352,112	30,547	77	36,470	101	Y
70	Enbridge Gas	Gores Landing	13,049,627	43,499	300	128,429	-57	N
71	Enbridge Gas	Grimsby-Lincoln (Economic Development) <sup>7</sup>	4,295,182	477,242	9	0	0	Y
72	Enbridge Gas	Haldimand - Dunnville (Economic Development)	45,509,449	6,501,350	7	0	0	Y
73	Enbridge Gas	Haldimand - Nanticoke (Economic Development)	109,011,394	12,112,377	9	0	0	Y
74	Enbridge Gas	Haldimand Shores	2,827,923	25,944	109	39,466	-80	Y

<sup>7</sup> Enbridge Gas submitted four proposed projects described as “Economic Development” projects. These projects are intended primarily to serve the agricultural or industrial sectors and do not include a customer attachment forecast for residential customers.

No.	Proponent	Proposed Project	Total Funding Support Required (\$)	Funding Support per Forecast Customer (year 10) (\$)	Total # of forecast customers (year 10)	Est. Annual Fuel Cost Savings (\$) (year 10)	Estimated GHG impacts (tCO2e)	Letter(s) of support
75	Enbridge Gas	Hamilton - Alberton	1,531,806	90,106	17	10,290	-4	Y
76	Enbridge Gas	Hamilton - Rockton	5,716,530	47,244	121	73,239	-30	Y
77	Enbridge Gas	Hamilton - Sheffield	3,688,318	56,743	65	48,931	-80	Y
78	Enbridge Gas	Hamilton - Westover	3,732,828	46,660	80	48,422	-20	Y
79	Enbridge Gas	Hamilton Airport Regional Expansion (Economic Development)	10,331,404	860,950	12	0	0	Y
80	Enbridge Gas	Harley	11,213,541	133,495	84	38,534	-16	Y
81	Enbridge Gas	Hidden Valley (Huntsville)	1,899,859	18,445	103	44,094	-19	Y
82	Enbridge Gas	Hornepayne	49,847,482	144,068	346	158,723	-65	Y
83	EPCOR	Huron-Kinloss & Municipality of Kincardine	7,509,000	65,293	115	77,611	19	Y
84	Enbridge Gas	Jogues	7,518,889	129,636	58	24,830	-11	N
85	Enbridge Gas	Kaministiquia	19,046,539	126,136	151	64,642	-28	N
86	Enbridge Gas	Kawartha Lakes - Kirkfield, Coboconk and Norland	127,221,409	134,484	946	570,122	-207	Y
87	Enbridge Gas	Kawartha Lakes - Scugog	28,138,012	33,065	851	512,868	-186	Y
88	Enbridge Gas	Kawartha Lakes - Woodville	8,629,036	33,576	257	154,885	-56	Y
89	Enbridge Gas	Kenora District	956,804	31,893	30	13,762	-6	Y
90	Enbridge Gas	King Township (Kettleby)	3,802,863	45,818	83	50,021	-18	Y
91	Enbridge Gas	King Township (North Nobleton)	8,171,526	50,395	162	97,632	-35	Y
92	Enbridge Gas	Kinkora	3,072,782	105,958	29	17,553	-7	Y
93	Enbridge Gas	Lanark and Balderson	12,673,429	37,944	334	201,290	-73	Y
94	Enbridge Gas	Latchford	6,970,298	57,134	122	55,966	-23	Y
95	Enbridge Gas	Laurentian Valley	7,941,215	39,509	201	121,136	-44	Y
96	Enbridge Gas	Lavigne	5,962,418	97,745	61	26,114	-11	N
97	Enbridge Gas	Lefavre	20,112,562	81,758	246	148,256	-54	Y
98	Enbridge Gas	Limehouse	4,047,429	64,245	63	38,132	-15	Y
99	Enbridge Gas	Lisle and Tioga	9,657,355	26,314	367	221,178	-80	Y
100	Enbridge Gas	Little Longlac	318,754	53,126	6	2,569	-1	N
101	Enbridge Gas	Long Point (Norfolk County)	19,267,317	33,981	567	343,192	-139	N
102	Enbridge Gas	Mallorytown	21,231,039	56,616	375	226,000	-82	Y
103	Enbridge Gas	Mansfield	9,047,094	37,231	243	156,697	76	Y
104	Enbridge Gas	Marks Township	11,741,677	131,929	89	38,101	-17	N
105	Enbridge Gas	Markstay-Warren	2,163,390	44,151	49	20,977	-9	N
106	Enbridge Gas	Marsville	6,953,079	81,801	85	62,112	-33	Y
107	Enbridge Gas	Massey, Webbwood, McKerrow	39,464,372	59,434	664	284,256	-125	N
108	Enbridge Gas	Mattawa	1,034,567	47,026	22	10,092	-4	Y
109	Enbridge Gas	Maxville	12,526,564	38,543	325	195,866	-71	Y
110	Enbridge Gas	McDougall (Project A)	32,771,572	108,876	301	128,857	-57	N



No.	Proponent	Proposed Project	Total Funding Support Required (\$)	Funding Support per Forecast Customer (year 10) (\$)	Total # of forecast customers (year 10)	Est. Annual Fuel Cost Savings (\$) (year 10)	Estimated GHG impacts (tCO2e)	Letter(s) of support
111	Enbridge Gas	McDougall (Project B)	21,387,300	125,808	171	72,776	-32	N
112	Enbridge Gas	Meaford - Leith	4,944,867	37,461	132	79,897	-32	Y
113	Enbridge Gas	Meaford - Sunnyside Beach	5,346,148	39,897	134	52,407	-10	Y
114	Enbridge Gas	Merrickville-Wolford	2,465,037	36,792	67	40,379	-15	Y
115	Enbridge Gas	Mississippi Mills	56,026,869	115,282	486	292,895	-106	Y
116	Enbridge Gas	Mohawks of the Bay of Quinte FN	8,080,907	64,134	126	45,332	-24	Y
117	Enbridge Gas	Molesworth	5,243,655	97,105	54	32,685	-13	Y
118	Enbridge Gas	Monkton	13,496,041	64,885	208	125,898	-51	Y
119	Enbridge Gas	Mono (Hockley Village)	6,815,189	34,771	196	118,122	-43	Y
120	Enbridge Gas	Moose Creek	28,925,721	73,045	396	169,526	-75	Y
121	Enbridge Gas	Morris-Turnberry (Walton)	6,985,293	145,527	48	29,053	-12	Y
122	Enbridge Gas	Neebing	13,505,699	155,238	87	39,910	-16	Y
123	Enbridge Gas	Neustadt	5,128,997	23,420	219	160,247	-265	Y
124	Enbridge Gas	North Bay / East Ferris	9,211,148	68,231	135	57,793	-25	Y
125	Enbridge Gas	North Clarington	9,318,027	23,412	398	215,930	-455	Y
126	Enbridge Gas	North Dumfries (Clyde)	4,455,779	34,275	130	78,686	-32	Y
127	Enbridge Gas	North Dumfries (Wrigley and Plumtree)	2,008,504	47,822	42	25,422	-10	Y
128	Enbridge Gas	North Dundas (Project A)	3,437,285	190,960	18	7,706	-3	Y
129	Enbridge Gas	North Dundas (Project B)	9,701,073	36,063	269	115,158	-51	Y
130	Enbridge Gas	North Dundas (Project C)	8,129,130	44,421	183	78,342	-34	Y
131	Enbridge Gas	North Grenville	1,814,425	26,296	69	41,584	-15	Y
132	Enbridge Gas	North Middlesex	10,189,582	203,792	50	30,264	-12	Y
133	Lakeshore	North Shore Gas Distribution Project	38,000,000	12,022	3,161	3,833,248	2,194	Y
134	Enbridge Gas	Norwich Township	6,627,622	114,269	58	35,106	-14	Y
135	Enbridge Gas	O'Connor	7,598,027	110,116	69	29,539	-13	N
136	Enbridge Gas	Oliver Paipoonge	6,250,484	83,340	75	32,107	-14	Y
137	Enbridge Gas	Oro-Medonte	7,357,911	75,855	97	58,459	-21	Y
138	Enbridge Gas	Ottawa - Kinburn-Fitzroy Harbour	23,943,252	53,805	445	268,186	-97	Y
139	Enbridge Gas	Ottawa - Stittsville	11,299,050	82,475	137	82,565	-30	Y
140	Enbridge Gas	Oxford Mills (North Grenville)	8,209,084	57,008	144	86,784	-32	Y
141	Enbridge Gas	Papineau-Cameron	8,244,328	80,042	103	47,250	-19	Y
142	Enbridge Gas	Paradise Point	3,884,439	63,679	61	36,764	-13	Y
143	Enbridge Gas	Perth East (Brunner)	814,850	18,519	44	26,632	-11	Y
144	Enbridge Gas	Perth East (Newton and Millbank)	6,561,393	28,778	228	138,003	56	Y
145	Enbridge Gas	Prince Edward County (Cherry Valley)	5,206,389	34,253	152	65,071	-29	Y
146	Enbridge Gas	Prince Edward County (Consecon and Carrying Place)	9,591,699	30,644	313	133,994	-59	Y

No.	Proponent	Proposed Project	Total Funding Support Required (\$)	Funding Support per Forecast Customer (year 10) (\$)	Total # of forecast customers (year 10)	Est. Annual Fuel Cost Savings (\$) (year 10)	Estimated GHG impacts (tCO <sub>2</sub> e)	Letter(s) of support
147	Enbridge Gas	Puslinch	2,422,693	121,135	20	12,106	-5	Y
148	Enbridge Gas	Puslinch Lake North	1,730,889	96,161	18	10,895	-4	Y
149	Enbridge Gas	Ramara	42,119,007	24,631	1,710	558,844	335	Y
150	Enbridge Gas	Red Lake (Madsen)	5,383,250	96,129	56	25,689	-11	N
151	Enbridge Gas	Red Lake (McKenzie Island)	1,774,230	44,356	40	18,350	-8	N
152	Enbridge Gas	Red Rock	3,340,784	77,693	43	18,408	-8	Y
153	Enbridge Gas	Red Rock First Nation (Lake Helen Reserve)	3,295,103	42,794	77	30,062	-15	Y
154	Enbridge Gas	Remi Lake (Moonbeam)	14,796,684	150,987	98	41,953	-18	N
155	Enbridge Gas	River Valley (West Nipissing)	2,444,632	49,890	49	20,977	-9	N
156	Enbridge Gas	Roblin & Marlbank	15,018,839	100,126	150	64,214	-28	Y
157	Enbridge Gas	Rosseau (Township of Seguin)	41,609,700	170,532	244	111,932	-46	N
158	Enbridge Gas	Sandford	4,392,566	31,375	140	84,373	-31	Y
159	Enbridge Gas	Sarsfield	7,369,447	31,226	236	142,229	-52	Y
160	Enbridge Gas	Saugeen Shores	12,777,920	159,724	80	48,422	-20	Y
161	Enbridge Gas	Saugeen Shores - Southampton	2,541,601	77,018	33	19,974	-8	Y
162	Enbridge Gas	Scotland	3,215,050	110,864	29	17,553	-7	Y
163	Enbridge Gas	Seguin	25,103,604	164,076	153	70,187	-29	N
164	Enbridge Gas	Selwyn	1,674,964	21,753	77	46,405	-17	Y
165	Enbridge Gas	Severn (Project A)	1,666,738	79,368	21	14,654	-16	N
166	Enbridge Gas	Severn (Project B)	5,539,285	45,404	122	73,525	-27	N
167	Enbridge Gas	Severn (Project C)	19,204,171	26,562	723	313,689	-408	Y
168	Enbridge Gas	Shuniah	6,463,144	37,796	171	78,444	-32	Y
169	Enbridge Gas	South Bruce (Deemerton)	2,004,700	91,123	22	13,316	-5	Y
170	Enbridge Gas	South Dundas	6,101,876	48,815	125	53,512	-24	Y
171	Enbridge Gas	South Stormont (Project A)	15,927,671	109,846	145	62,074	-27	N
172	Enbridge Gas	South Stormont (Project B)	7,785,571	72,762	107	45,806	-20	N
173	Enbridge Gas	South Stormont (Project C)	883,628	32,727	27	11,559	-5	N
174	Enbridge Gas	Southwest Middlesex	6,619,002	169,718	39	23,606	-10	Y
175	Enbridge Gas	Springvale (Haldimand County)	4,317,279	51,396	84	50,843	-21	Y
176	Enbridge Gas	St. Charles	6,385,185	39,415	162	74,316	-31	Y
177	Enbridge Gas	St. Isidore	27,535,894	71,337	386	232,629	-85	Y
178	Enbridge Gas	Project 178 <sup>8</sup>	376,205	34,200	11	6,629	-2	Y
179	Enbridge Gas	Sudbury (Project A)	2,568,396	80,262	32	13,699	-6	N
180	Enbridge Gas	Sudbury (Project B)	2,619,026	40,922	64	27,398	-12	N
181	Enbridge Gas	Swiss Meadows	3,583,727	48,429	74	37,485	70	Y

<sup>8</sup> The name of this project has been altered in order not to disclose the name of a potential customer.

No.	Proponent	Proposed Project	Total Funding Support Required (\$)	Funding Support per Forecast Customer (year 10) (\$)	Total # of forecast customers (year 10)	Est. Annual Fuel Cost Savings (\$) (year 10)	Estimated GHG impacts (tCO <sub>2</sub> e)	Letter(s) of support
182	Enbridge Gas	Temagami	3,150,992	286,454	11	4,709	-2	N
183	Enbridge Gas	Thessalon First Nation	5,079,693	80,630	63	24,596	-12	N
184	Enbridge Gas	Thomasburg (Tweed)	9,081,835	93,627	97	41,525	-18	Y
185	Enbridge Gas	Thunder Lake and Meadows (Dryden)	9,766,160	65,988	148	63,358	-28	Y
186	Enbridge Gas	Timiskaming District (King Kirkland, Larder Lake, Virginiatown, Kearns) (CNG)	23,627,357	43,917	538	189,600	-101	Y
187	Enbridge Gas	Timmins (Project A)	2,525,133	54,894	46	19,692	-9	N
188	Enbridge Gas	Timmins (Project B)	936,593	234,148	4	1,712	-1	N
189	Enbridge Gas	Turkey Point	15,912,080	33,289	478	163,410	153	Y
190	Enbridge Gas	Turkey Point and Normandale	19,543,541	36,394	537	325,034	-131	Y
191	Enbridge Gas	Tweed	3,800,656	61,301	62	26,542	-12	Y
192	Enbridge Gas	Tyendinaga	21,630,613	52,887	409	175,091	-77	Y
193	Enbridge Gas	Val-Côté	4,996,314	146,950	34	15,597	-6	Y
194	Enbridge Gas	Wabigoon	3,649,442	51,401	71	32,570	-13	N
195	Enbridge Gas	Wabigoon First Nation	6,065,771	83,093	73	28,500	-14	N
196	Enbridge Gas	Warsaw	14,583,426	86,292	169	101,850	-37	Y
197	Enbridge Gas	Warwick	8,157,371	70,934	115	64,612	-65	Y
198	Enbridge Gas	Wauzhushk Onigum First Nation	2,981,129	47,320	63	24,596	-12	N
199	Enbridge Gas	Whitewater Region (Project A)	619,252	103,209	6	3,616	-1	Y
200	Enbridge Gas	Whitewater Region (Project B)	1,568,922	78,446	20	12,053	-4	Y
201	Enbridge Gas	Whitewater Region (Project C)	10,931,902	57,536	190	114,506	-42	Y
202	Enbridge Gas	Whitewater Region (Project D)	5,032,109	58,513	86	51,829	-19	Y
203	Enbridge Gas	Whitewater Region (Project E)	4,565,221	32,609	140	84,373	-31	Y
204	Enbridge Gas	Wilkinson	3,526,328	39,622	89	53,637	-19	Y
205	Enbridge Gas	Williamsford and McCullough Lake	5,945,819	33,783	176	75,332	-78	Y
206	Enbridge Gas	Wollaston	77,873,134	299,512	260	111,305	-49	Y
207	Enbridge Gas	Woodham and Kirkton	9,777,609	74,073	132	79,897	-32	Y
208	Enbridge Gas	Wroxeter, Gorrie and Fordwich	38,450,594	68,662	560	286,082	-143	Y
209	Enbridge Gas	Zephyr, Udora, Leaskdale	17,387,484	38,298	454	315,168	-60	Y
210	Enbridge Gas	Zorra Township (Kintore)	20,052,662	153,074	131	79,291	-32	Y
<b>TOTAL</b>			<b>2,572,248,025</b>	<b>35,529,989</b>	<b>44,087</b>	<b>25,866,032</b>	<b>-6,030</b>	
<b>AVERAGE</b>			<b>12,248,800</b>	<b>169,190</b>	<b>210</b>	<b>123,172</b>	<b>-29</b>	

### 3.3 Methodology and Assumptions: Profitability Index, Annual Savings and GHG Impact

#### Profitability Index

A profitability index (PI) was used to assess the financial feasibility of each proposed natural gas expansion project. The average PI (without funding support) of the 210 proposed projects is 0.31.

The PI of a proposed project is calculated using a discounted cash flow analysis.<sup>9</sup> The methodology that rate-regulated utilities must follow in calculating a PI for the purposes of obtaining OEB approval for a project was established in the OEB's Report on Distribution System Expansion, which was part of proceeding E.B.O. 188. A PI of 1.0 indicates that the revenues (including funding) of a project are sufficient to cover the costs of the project.

EPCOR and Enbridge Gas calculated their PI based on the methodology established in E.B.O 188. Lakeshore took a different approach, as it is a new utility that currently does not have OEB-approved rates. To ensure that its project would be financially viable, Lakeshore set the PI at 1.0 and calculated the rates necessary to make the project financially viable.

#### Annual Savings

Section 3.4 of the Final Guidelines indicates that proponents were to provide the estimated annual costs of existing fuels relative to natural gas, as well as the major assumptions (e.g. conversion factors) used in the calculations of annual household savings.

The “estimated annual savings” in Table 3 represents the amount of estimated annual savings in fuel costs for the forecast customer attachments at year ten. Annual fuel savings were determined by subtracting the annual cost of using natural gas from the annual cost of using the current fuel (e.g., fuel oil, propane, electricity). The annual cost of any given fuel was determined by multiplying the annual consumption (e.g., litres or m<sup>3</sup> per year) by the applicable unit rate (e.g., \$/litre or \$/m<sup>3</sup>). The estimated annual savings were derived by multiplying the annual savings per fuel type by the forecast customer attachments at year ten for each fuel type. The estimated annual savings did not include

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<sup>9</sup> A discounted cash flow analysis takes into account the net present value of the revenues and costs of a project over a specified time period.

the estimated costs of converting heating and water heating equipment to natural gas as these costs are one-time costs rather than annual costs.

The assumptions used by EPCOR and Enbridge were consistent with one another. Lakeshore used different assumptions for the cost of electricity (forced air and baseboard) and propane. Differences in the assumptions used for the cost of propane are attributable to regional pricing. Differences in the cost of electricity are primarily explained by whether a project proponent assumed that the existing Ontario Electricity Rebate would remain in effect in year ten. These assumptions in relation to the cost of propane and electricity result in higher estimated household energy savings for Lakeshore when compared to the assumptions used by EPCOR and Enbridge.

### **GHG Impact**

Section 3.4 of the Final Guidelines states that the assessment of household energy cost impacts should include GHG emission estimates (whether positive or negative) related to converting existing heating and water heating systems to natural gas, as well as the major assumptions (e.g. emission factors) used in the calculations of GHG emissions.

GHG emissions (for existing systems and natural gas systems) were calculated by multiplying the quantity of fuel (or a fuel conversion factor) and the emission factors for that fuel. The total estimated GHG impacts (tCO<sub>2</sub>e) associated with converting from an existing fuel to natural gas was then derived by comparing GHG emissions associated with existing systems and GHG emissions associated with natural gas systems.<sup>10</sup>

All three proponents used the same or similar emissions factors for natural gas, heating oil, and propane. However, there were differences in the emissions factor used for electricity resulting from differences in the data sources for electricity GHG emission factors. The use of differing emissions factors for electric heating would lead to differences in the calculation of total estimated GHG impacts, indicating that a direct “apples to apples” comparison between the GHG impacts identified by different project proponents may not be possible. However, this difference does not appear to be material and has no impact on whether the proposed projects can be implemented substantially as proposed.

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<sup>10</sup> Estimated Annual GHG Change (tCO<sub>2</sub>e) = Natural Gas Emissions – Propane Emissions – Electricity (Forced Air) Emissions – Electricity (Baseboard) Emissions – Heating Oil Emissions – “Other” Emissions

### 3.4 Market Penetration Rates

The market penetration rate indicates the percentage of the customer population that is expected to convert to natural gas in any given area. The 210 proposed projects assumed forecast market penetration rates between 43% and 87%, with an average market penetration rate of approximately 65%.<sup>11</sup> These market penetration rates are similar to those of community expansion projects funded by the Natural Gas Grant Program or under section 36.2 of the OEB Act and approved by the OEB,<sup>12</sup> which have market penetration rates between 34% and 83% and an average of approximately 66%.

### 3.5 Letters of Support

Amongst other things, the Section 35 Letter identifies support for the proposed project from Band Council(s) and/or local government as a matter to be considered by the OEB in this initiative. As such, the Final Guidelines require project proponents to provide letter(s) from the Band Council(s) and/or local government, as applicable, stating support for the proposed project, including details of any commitment to financial support.

Of the 210 proposed projects, letters of support from municipalities were provided for 166 of them. A number of these letters of support from municipalities also indicated an intention to provide the proponent with municipal tax relief for the proposed natural gas expansion project for a period of ten years or more.

Of the seven proposed projects that include serving on-reserve First Nation communities, only two letters of support were received from the First Nation: a Band Council Resolution from the Red Rock First Nation, and a letter of support from Mohawks of the Bay of Quinte First Nation.

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<sup>11</sup> These penetration rates represent all customer classes (residential, commercial, and industrial).

<sup>12</sup> Kettle and Stony Point First Nation and Lambton Shores; Milverton, Rostock and Wartburg; Delaware Nation of Moraviantown; Prince Township; Fenelon Falls; Scugog Island; South Bruce; Chippewas of the Thames First Nation; Saugeen First Nation and North Bay.

## 4. IMPLEMENTATION CONSIDERATIONS

The Section 35 Letter asked the OEB to analyze proposed projects to assess whether the projects could be implemented substantially as proposed. To assist its analysis in that regard, the OEB required information from proponents regarding the number of proposed projects, the proposed construction start date for each project, information regarding the technical and financial capabilities of the proponent, and confirmation of a 10-year rate stability period. Based on the information received, the OEB has not identified any significant impediments to the ability of the project proponents to implement their proposed projects substantially as proposed.

### 4.1 Construction Start Date

Section 3.5 of the Final Guidelines requires project proponents to provide proposed schedules for construction, including the intended in-service date for each proposed project. Enbridge Gas filed 183 proposed projects with an estimated construction start date in the second quarter of 2023. While there may be some concern about the feasibility of a single proponent beginning construction of a large number of projects simultaneously – as that would not only require the proponent to obtain all approvals required (both OEB approvals and any other approvals that may be necessary) within the same time frame, but also prepare and manage multiple construction sites across the province simultaneously – only a small number of these proposed projects is likely to secure funding support. The amount of funding support required for the 210 proposed projects (approximately \$2.6 billion) far exceeds the \$130 million in funding support that the Government has indicated it intends to make available at this time. As such, the number of proposed projects that may receive funding support is expected to be far fewer than the 183 proposed by Enbridge Gas as commencing in the second quarter of 2023.

The remaining 27 proposed projects indicated an estimated construction start date in the first or second quarter of 2022. Although this is a tighter timeframe in which to apply for and obtain all of the approvals required, there are also fewer projects. It is also noted that the funding support required by these 27 proposed projects would, in aggregate, also exceed the amount of funding support that is intended to be made available at this time.

### 4.2 Technical and Financial Capability of Proponents

The Final Guidelines include a requirement for project proponents other than rate-regulated natural gas distributors to provide a description of their technical expertise and financial capability to develop, construct, operate and maintain a natural gas distribution system.

Only one proposed project was submitted by a proponent (Lakeshore) that is not currently rate-regulated by the OEB. In regards to providing evidence of its technical expertise, Lakeshore provided information regarding project milestones that have already been achieved, including the creation of an expert Technical Advisory Committee<sup>13</sup> to advise the proponent in relation to the proposed project and the development of an experienced team of external technical consultants and advisors. In addition, Lakeshore has partnered with an experienced natural gas supplier. In regards to its financial capability, as Lakeshore is not yet operational it describes its financial capability by reference to the financial capabilities of the five municipalities involved in the proposed project, including providing consolidated financial statements for each of those municipalities and a financing plan, as well as noting the funding received through a Northern Ontario Heritage Fund grant. Based on the information provided by Lakeshore, there is no indication that Lakeshore would not have the financial and technical expertise needed to undertake its proposed project.<sup>14</sup>

### 4.3 Rate Stability Period

The Final Guidelines include a requirement for project proponents to confirm that each of their proposed projects includes a ten-year rate stability period. This would provide the demonstrated commitment to be held to the project cost and volumes that was called for in the Section 35 Letter, and the basis on which the OEB would analyze proposed projects with a focus on assessing whether they can be implemented substantially as proposed.

All 210 proposed projects received from proponents confirmed a ten-year rate stability period. The Final Guidelines also require proponents to provide a confirmation that there would be no material cross-subsidization between rate classes.<sup>15</sup> This confirmation was also provided for all 210 proposed projects. The OEB also notes that, in keeping with its approach to avoiding cross-subsidization between existing and new customers, the PI for a proposed project was to be equal to one (1.0), and be calculated on an individual project basis (rather than as part of a portfolio).

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<sup>13</sup> The Technical Advisory Committee includes several former gas utility executives, a capital projects expert, a financial management expert, an expert in project construction and management and an expert in stakeholder and Indigenous engagement.

<sup>14</sup> Lakeshore currently does not have Certificates for the municipalities its project proposes to serve, or any other municipalities. The OEB will further assess Lakeshore's financial and technical capabilities when it applies for the necessary Certificates under the *Municipal Franchises Act*.

<sup>15</sup> Final Guidelines, Section 6.1.



## 4.4 Conclusion

Based on the information received, the OEB has not identified any significant impediments to the ability of the proponents to implement their proposed projects substantially as proposed. Of particular importance in this regard is the fact that all proponents demonstrated a commitment to being held to their project costs and volumes in the form of a ten-year rate stability period for each of their proposed projects. This will help ensure that the risks related to any variances from the forecast costs and revenues of each project will lie with the proponent. Two of the proponents are currently rate-regulated natural gas utilities in Ontario and have significant financial means and experience in building and operating natural gas distribution networks. Although Lakeshore is not yet an operating utility, there is no indication that Lakeshore would not have the financial and technical expertise needed to undertake its proposed project.

Enbridge Gas filed over 200 potential projects. While this could in theory raise resourcing concerns, as a practical matter the OEB does not see this as a significant issue given that the level of funding support that is currently contemplated by the Government would only cover a small number of these proposed projects.

## 5. APPENDIX 1

The five maps below group the 210 proposed projects into five major regions (central, southeast, southwest, northeast, and northwest).

Proposed projects have been divided into four categories based on the number of forecasted customers to be connected in year ten (as shown in the index for each of the five maps). The yellow indicators represent the proposed projects with the least number of forecasted customer attachments in year ten and the black indicators represent the projects with the highest number of forecasted customer attachments in year ten.

For legibility purposes, location markers are labelled by the project number as it appears in Table 3. The corresponding project name, proponent, and number of forecasted customers can be found in the table following each regional map below.

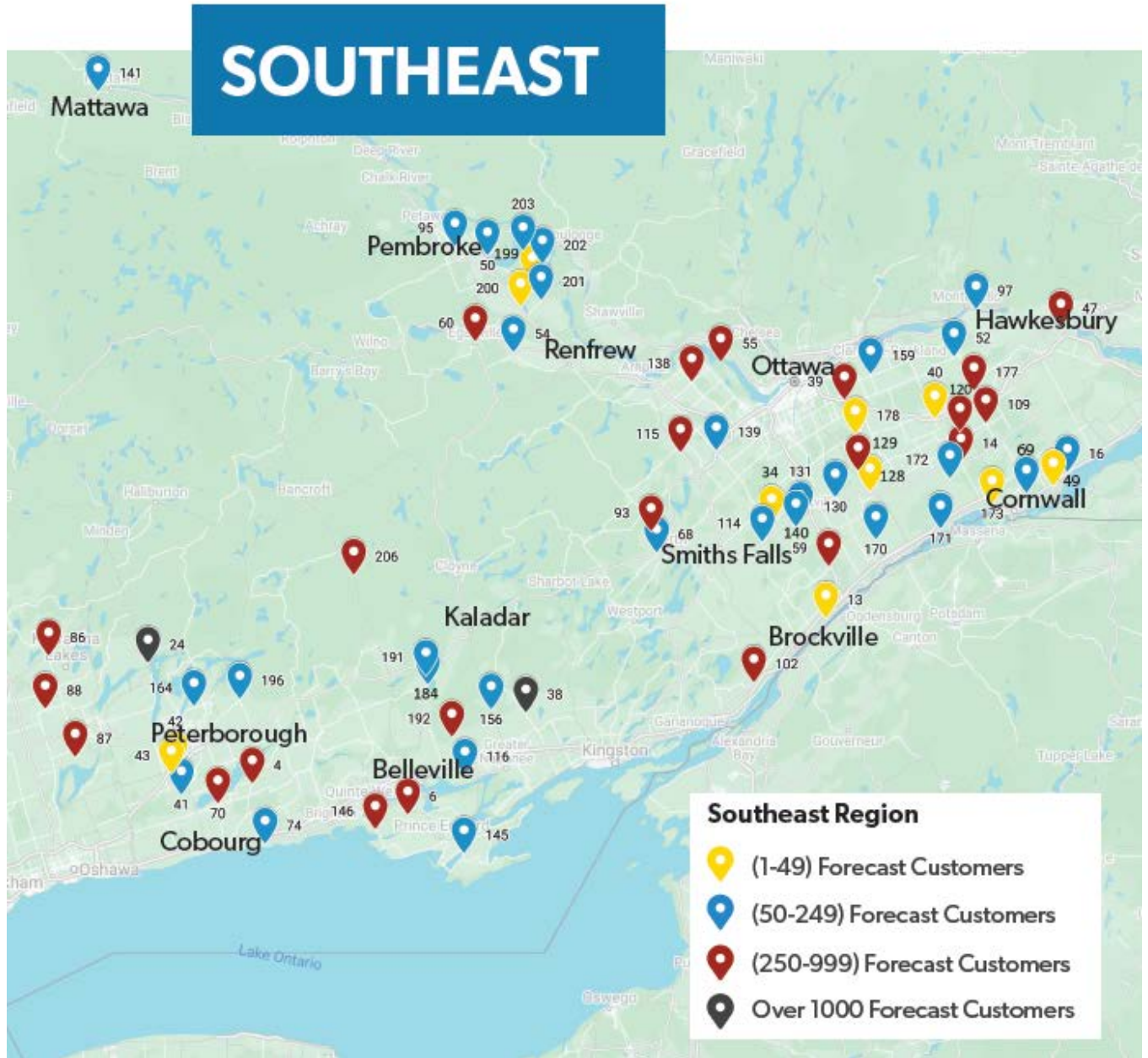
Location names have been marked in bold in the five maps in order to provide geographic reference points for the project locations. Some proposed projects cover several different communities. In these cases, markers have been placed as centrally as possible to provide the general location of the area covered by each project.

### Central



No.	Proposed Project	Proponent	Forecast customers (year 10)
27	Bracebridge	Enbridge Gas Inc.	94
28	Bradford West Gwillimbury (Project A)	Enbridge Gas Inc.	62
29	Bradford West Gwillimbury (Project B)	Enbridge Gas Inc.	39
30	Bradford West Gwillimbury (Project C)	Enbridge Gas Inc.	46
35	Caledon (Project A)	Enbridge Gas Inc.	207
36	Caledon (Project B)	Enbridge Gas Inc.	100
37	Caledon (Project C)	Enbridge Gas Inc.	141
44	Cedar Springs	Enbridge Gas Inc.	103
58	East Gwillimbury (North and East)	Enbridge Gas Inc.	422
65	Forest Harbour (Tay Twp)	Enbridge Gas Inc.	196
71	Grimsby-Lincoln (Economic Development)	Enbridge Gas Inc.	9
72	Haldimand - Dunnville (Economic Development)	Enbridge Gas Inc.	7
73	Haldimand - Nanticoke (Economic Development)	Enbridge Gas Inc.	9
75	Hamilton - Albertain	Enbridge Gas Inc.	17
76	Hamilton - Rockton	Enbridge Gas Inc.	121
77	Hamilton - Sheffield	Enbridge Gas Inc.	65
78	Hamilton - Westover	Enbridge Gas Inc.	80
79	Hamilton Airport Regional Expansion (Economic Development)	Enbridge Gas Inc.	12
81	Hidden Valley (Huntsville)	Enbridge Gas Inc.	103
90	King Township (Kettleby)	Enbridge Gas Inc.	83
91	King Township (North Nobleton)	Enbridge Gas Inc.	162
98	Limehouse	Enbridge Gas Inc.	63
99	Lisle and Tioga	Enbridge Gas Inc.	367
106	Marsville	Enbridge Gas Inc.	85
125	North Clarington	Enbridge Gas Inc.	398
137	Oro-Medonte	Enbridge Gas Inc.	97
142	Paradise Point	Enbridge Gas Inc.	61
149	Ramara	Enbridge Gas Inc.	1,710
158	Sandford	Enbridge Gas Inc.	140
165	Severn (Project A)	Enbridge Gas Inc.	21
166	Severn (Project B)	Enbridge Gas Inc.	122
167	Severn (Project C)	Enbridge Gas Inc.	723
204	Wilkinson	Enbridge Gas Inc.	89
209	Zephyr, Udora, Leaskdale	Enbridge Gas Inc.	454

Southeast

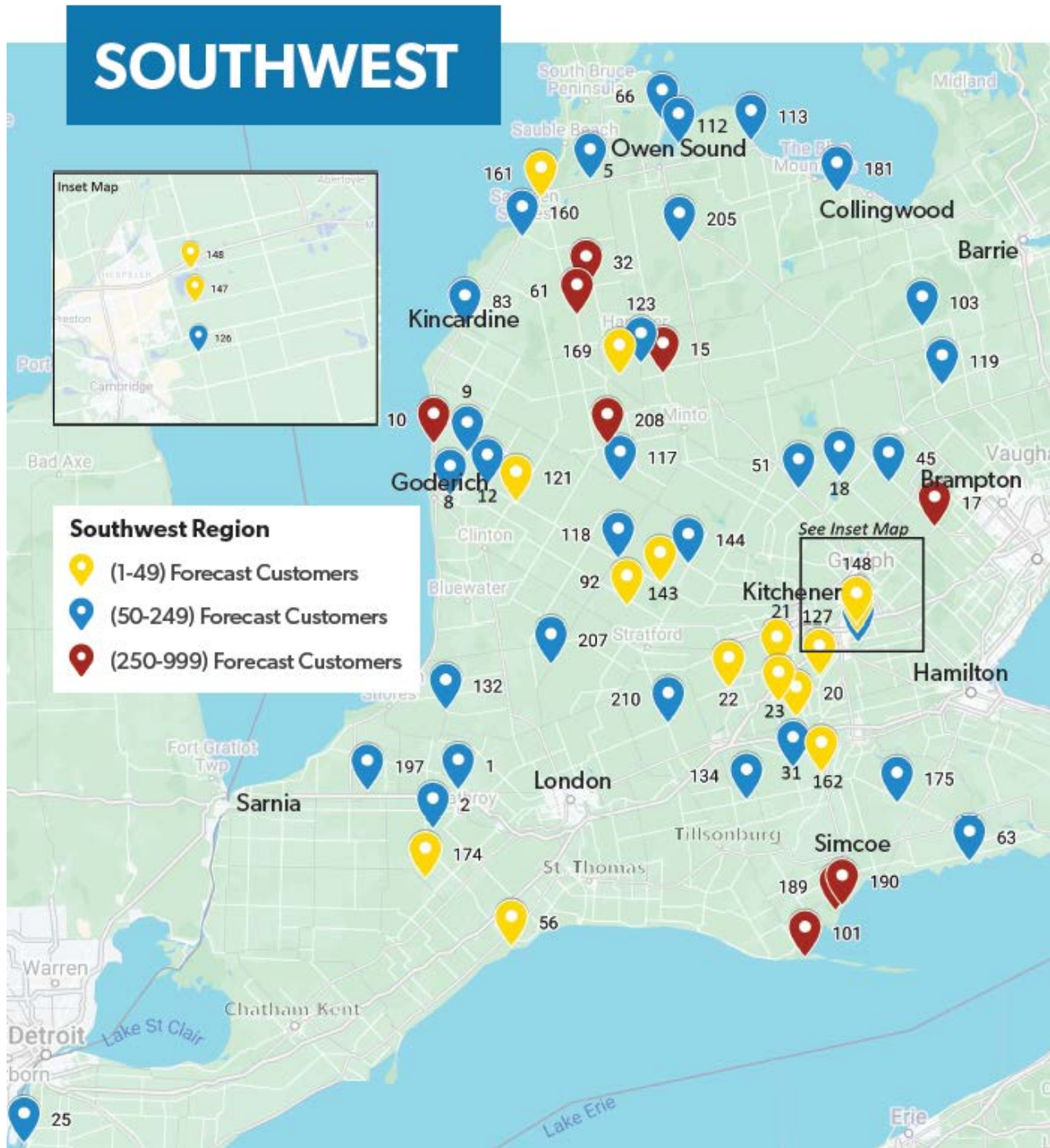


No.	Proposed Project	Proponent	Forecast customers (year 10)
4	Alderville, Roseneath and Alderville FN	Enbridge Gas Inc.	293
6	Ameliasburgh and Rossmore	Enbridge Gas Inc.	778
13	Augusta Township	Enbridge Gas Inc.	47
14	Avonmore, Monkland, Bloomington	Enbridge Gas Inc.	353
16	Bainsville and South Glengarry	Enbridge Gas Inc.	219
24	Bobcaygeon	Enbridge Gas Inc.	3,979
34	Burritts Rapids	Enbridge Gas Inc.	30
38	Camden East, Yarker, Tamworth and Erinsville	Enbridge Gas Inc.	1,022
39	Carlsbad Springs	Enbridge Gas Inc.	444
40	Casselman	Enbridge Gas Inc.	17
41	Cavan Monaghan (Project A)	Enbridge Gas Inc.	75
42	Cavan Monaghan (Project B)	Enbridge Gas Inc.	22
43	Cavan Monaghan (Project C)	Enbridge Gas Inc.	28
47	Chute-à-Blondeau	Enbridge Gas Inc.	318
49	Cornwall Regional Airport	Enbridge Gas Inc.	19
50	Cotnam Island	Enbridge Gas Inc.	93
52	Curran	Enbridge Gas Inc.	106
54	Douglas (Admaston/Bromley)	Enbridge Gas Inc.	153
55	Dunrobin Shores	Enbridge Gas Inc.	458
59	Edwardsburgh Cardinal and Spencerville	Enbridge Gas Inc.	527
60	Eganville	Enbridge Gas Inc.	674
68	Glen Tay (Tay Valley)	Enbridge Gas Inc.	82
69	Glendale	Enbridge Gas Inc.	77
70	Gores Landing	Enbridge Gas Inc.	300
74	Haldimand Shores	Enbridge Gas Inc.	109
86	Kawartha Lakes - Kirkfield, Coboconk and Norland	Enbridge Gas Inc.	946
87	Kawartha Lakes - Scugog	Enbridge Gas Inc.	851
88	Kawartha Lakes - Woodville	Enbridge Gas Inc.	257
93	Lanark and Balderson	Enbridge Gas Inc.	334
95	Laurentian Valley	Enbridge Gas Inc.	201
97	Lefaivre	Enbridge Gas Inc.	246
102	Mallorytown	Enbridge Gas Inc.	375
109	Maxville	Enbridge Gas Inc.	325
114	Merrickville-Wolford	Enbridge Gas Inc.	67
115	Mississippi Mills	Enbridge Gas Inc.	486

No.	Proposed Project	Proponent	Forecast customers (year 10)
116	Mohawks of the Bay of Quinte FN	Enbridge Gas Inc.	126
120	Moose Creek	Enbridge Gas Inc.	396
128	North Dundas (Project A)	Enbridge Gas Inc.	18
129	North Dundas (Project B)	Enbridge Gas Inc.	269
130	North Dundas (Project C)	Enbridge Gas Inc.	183
131	North Grenville	Enbridge Gas Inc.	69
138	Ottawa - Kinburn-Fitzroy Harbour	Enbridge Gas Inc.	445
139	Ottawa - Stittsville	Enbridge Gas Inc.	137
140	Oxford Mills (North Grenville)	Enbridge Gas Inc.	144
141	Papineau-Cameron	Enbridge Gas Inc.	103
145	Prince Edward County (Cherry Valley)	Enbridge Gas Inc.	152
146	Prince Edward County (Consecon and Carrying Place)	Enbridge Gas Inc.	313
156	Roblin & Marlbank	Enbridge Gas Inc.	150
159	Sarsfield	Enbridge Gas Inc.	236
164	Selwyn	Enbridge Gas Inc.	77
170	South Dundas	Enbridge Gas Inc.	125
171	South Stormont (Project A)	Enbridge Gas Inc.	145
172	South Stormont (Project B)	Enbridge Gas Inc.	107
173	South Stormont (Project C)	Enbridge Gas Inc.	27
177	St. Isidore	Enbridge Gas Inc.	386
178	Project 178	Enbridge Gas Inc.	11
184	Thomasburg (Tweed)	Enbridge Gas Inc.	97
191	Tweed	Enbridge Gas Inc.	62
192	Tyendinaga	Enbridge Gas Inc.	409
196	Warsaw	Enbridge Gas Inc.	169
199	Whitewater Region (Project A)	Enbridge Gas Inc.	6
200	Whitewater Region (Project B)	Enbridge Gas Inc.	20
201	Whitewater Region (Project C)	Enbridge Gas Inc.	190
202	Whitewater Region (Project D)	Enbridge Gas Inc.	86
203	Whitewater Region (Project E)	Enbridge Gas Inc.	140
206	Wollaston	Enbridge Gas Inc.	260



### Southwest

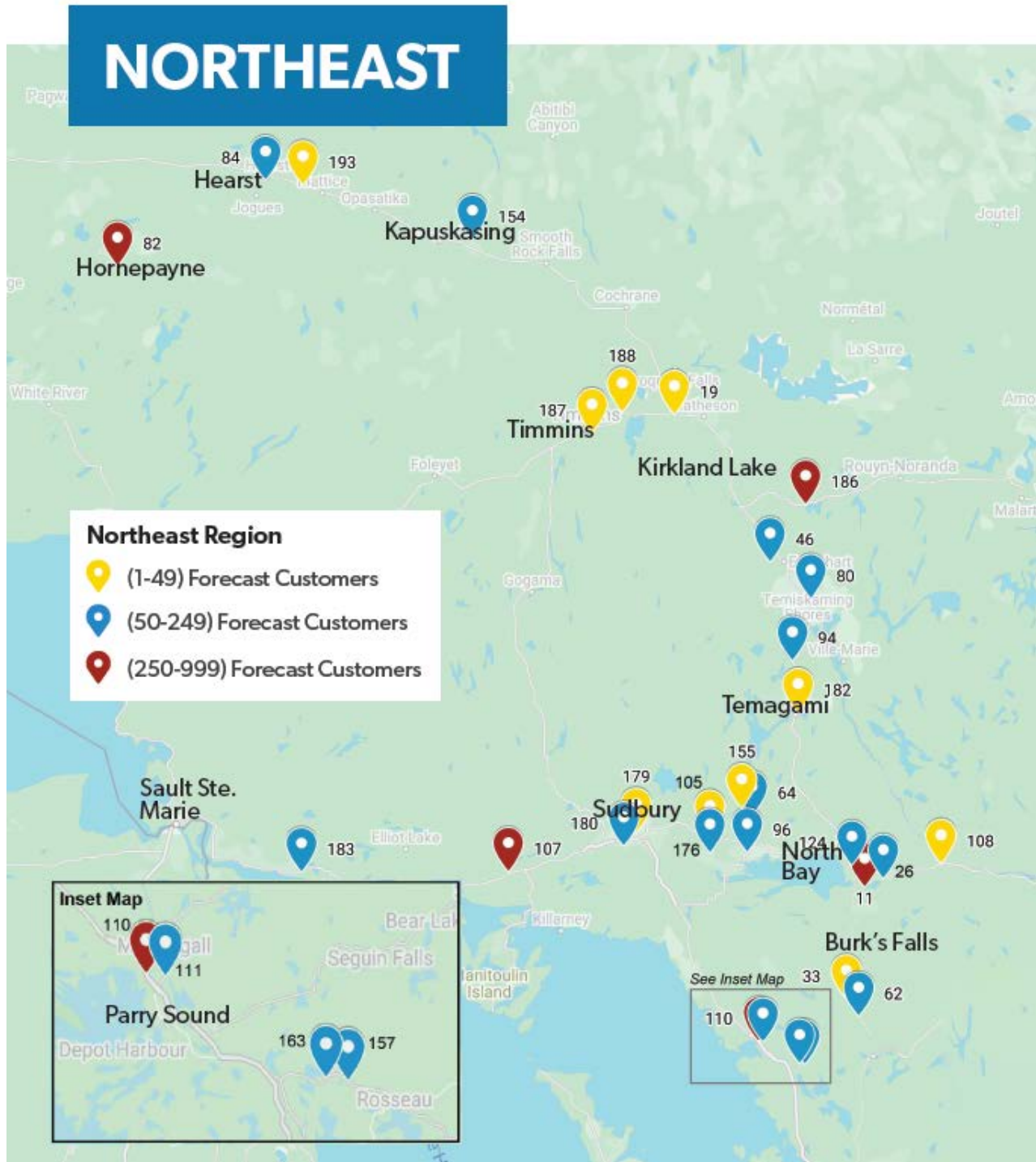




No.	Proposed Project	Proponent	Forecast customers (year 10)
1	Adelaide Metcalfe (North)	Enbridge Gas Inc.	79
2	Adelaide Metcalfe (South)	Enbridge Gas Inc.	134
5	Allenford	Enbridge Gas Inc.	118
8	Ashfield-Colborne-Wawanosh - Benmiller	Enbridge Gas Inc.	62
9	Ashfield-Colborne-Wawanosh - Dungannon	Enbridge Gas Inc.	182
10	Ashfield-Colborne-Wawanosh - Dungannon and Port Albert	Enbridge Gas Inc.	276
12	Auburn	Enbridge Gas Inc.	108
15	Ayton and Neustadt	Enbridge Gas Inc.	426
17	Ballinafad and Silver Creek	Enbridge Gas Inc.	290
18	Belwood	Enbridge Gas Inc.	179
20	Blandford-Blenheim - Canning	Enbridge Gas Inc.	26
21	Blandford-Blenheim - Perry's Corners	Enbridge Gas Inc.	14
22	Blandford-Blenheim - Ratho	Enbridge Gas Inc.	21
23	Blandford-Blenheim - Richwood	Enbridge Gas Inc.	27
25	Boblo Island	Enbridge Gas Inc.	92
31	Brant County – Harley and Glen Morris	Enbridge Gas Inc.	224
32	Brockton	EPCOR	501
45	Cedar Valley	Enbridge Gas Inc.	54
51	Cumnock	Enbridge Gas Inc.	88
56	Dutton Dunwich	Enbridge Gas Inc.	41
61	Elmwood, Chepstow and Cargill (Brockton)	Enbridge Gas Inc.	403
63	Featherstone	Enbridge Gas Inc.	245
66	Georgian Bluffs	Enbridge Gas Inc.	92
83	Huron-Kinloss & Municipality of Kincardine	EPCOR	115
92	Kinkora	Enbridge Gas Inc.	29
101	Long Point (Norfolk County)	Enbridge Gas Inc.	567
103	Mansfield	Enbridge Gas Inc.	243
112	Meaford - Leith	Enbridge Gas Inc.	132
113	Meaford - Sunnyside Beach	Enbridge Gas Inc.	134
117	Molesworth	Enbridge Gas Inc.	54
118	Monkton	Enbridge Gas Inc.	208
119	Mono (Hockley Village)	Enbridge Gas Inc.	196
121	Morris-Turnberry (Walton)	Enbridge Gas Inc.	48
123	Neustadt	Enbridge Gas Inc.	219
126	North Dumfries (Clyde)	Enbridge Gas Inc.	130
127	North Dumfries (Wrigley and Plumtree)	Enbridge Gas Inc.	41
132	North Middlesex	Enbridge Gas Inc.	50

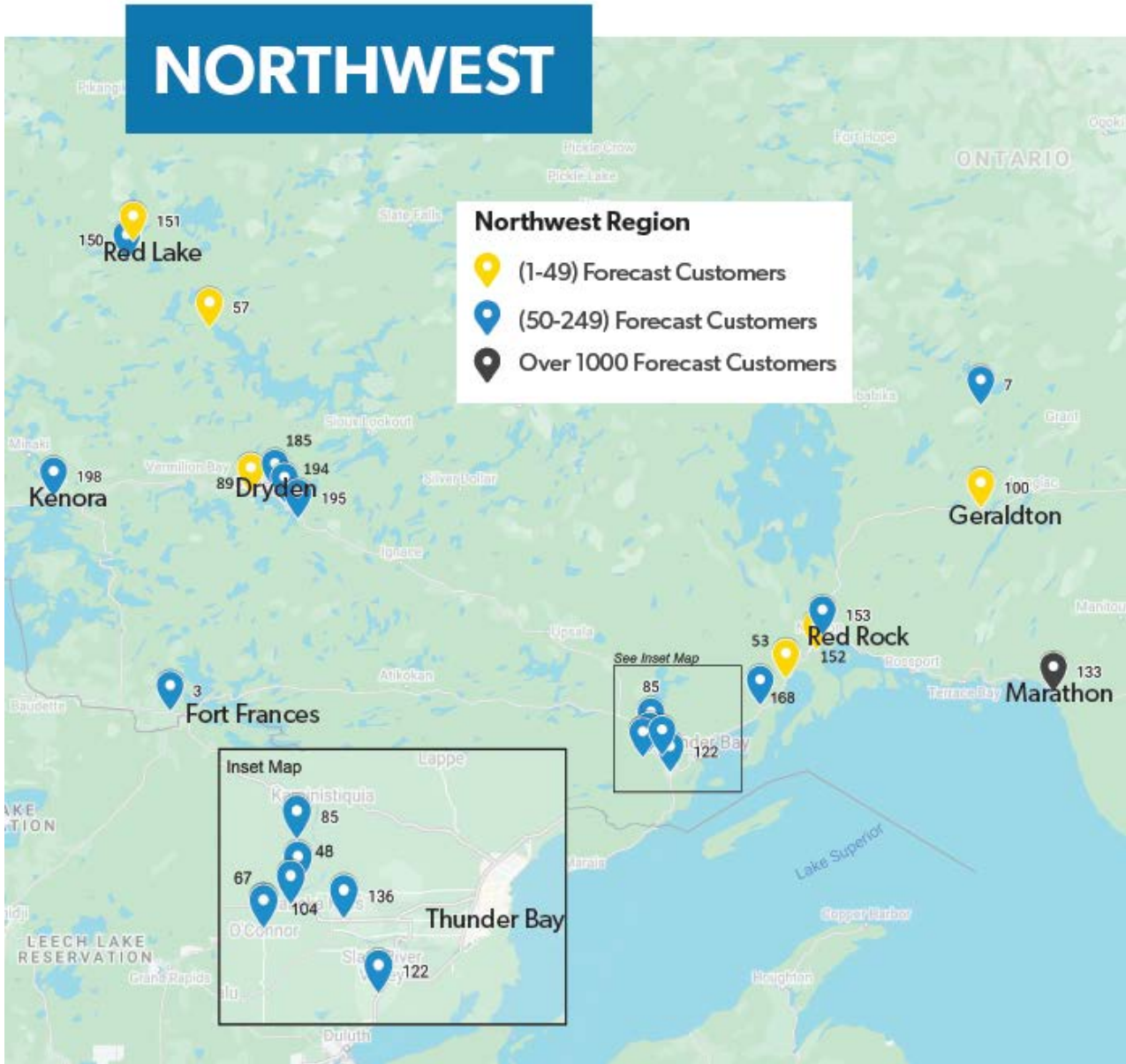
No.	Proposed Project	Proponent	Forecast customers (year 10)
134	Norwich Township	Enbridge Gas Inc.	58
143	Perth East (Brunner)	Enbridge Gas Inc.	44
144	Perth East (Newton and Millbank)	Enbridge Gas Inc.	228
147	Puslinch	Enbridge Gas Inc.	20
148	Puslinch Lake North	Enbridge Gas Inc.	18
160	Saugeen Shores	Enbridge Gas Inc.	80
161	Saugeen Shores - Southampton	Enbridge Gas Inc.	33
162	Scotland	Enbridge Gas Inc.	29
169	South Bruce (Deemerton)	Enbridge Gas Inc.	22
174	Southwest Middlesex	Enbridge Gas Inc.	39
175	Springvale (Haldimand County)	Enbridge Gas Inc.	84
181	Swiss Meadows	Enbridge Gas Inc.	74
189	Turkey Point	Enbridge Gas Inc.	478
190	Turkey Point and Normandale	Enbridge Gas Inc.	537
197	Warwick	Enbridge Gas Inc.	115
205	Williamsford and McCullough Lake	Enbridge Gas Inc.	176
207	Woodham and Kirkton	Enbridge Gas Inc.	132
208	Wroxeter, Gorrie and Fordwich	Enbridge Gas Inc.	560
210	Zorra Township (Kintore)	Enbridge Gas Inc.	131

### Northeast



No.	Proposed Project	Proponent	Forecast customers (year 10)
11	Astorville	Enbridge Gas Inc.	381
19	Black River-Matheson	Enbridge Gas Inc.	37
26	Bonfield	Enbridge Gas Inc.	216
33	Burk's Falls	Enbridge Gas Inc.	41
46	Charlton and Dack	Enbridge Gas Inc.	103
62	Emsdale (Township of Perry)	Enbridge Gas Inc.	185
64	Field	Enbridge Gas Inc.	143
80	Harley	Enbridge Gas Inc.	84
82	Hornepayne	Enbridge Gas Inc.	346
84	Jogues	Enbridge Gas Inc.	58
94	Latchford	Enbridge Gas Inc.	122
96	Lavigne	Enbridge Gas Inc.	61
105	Markstay-Warren	Enbridge Gas Inc.	49
107	Massey, Webbwood, McKerrow	Enbridge Gas Inc.	664
108	Mattawa	Enbridge Gas Inc.	22
110	McDougall (Project A)	Enbridge Gas Inc.	301
111	McDougall (Project B)	Enbridge Gas Inc.	171
124	North Bay / East Ferris	Enbridge Gas Inc.	135
154	Remi Lake (Moonbeam)	Enbridge Gas Inc.	98
155	River Valley (West Nipissing)	Enbridge Gas Inc.	49
157	Rosseau (Township of Seguin)	Enbridge Gas Inc.	244
163	Seguin	Enbridge Gas Inc.	153
176	St. Charles	Enbridge Gas Inc.	162
179	Sudbury (Project A)	Enbridge Gas Inc.	32
180	Sudbury (Project B)	Enbridge Gas Inc.	64
182	Temagami	Enbridge Gas Inc.	11
183	Thessalon First Nation	Enbridge Gas Inc.	63
186	Timiskaming (King Kirkland, Larder Lake, Virginiatown, Kearns) (CNG)	Enbridge Gas Inc.	538
187	Timmins (Project A)	Enbridge Gas Inc.	46
188	Timmins (Project B)	Enbridge Gas Inc.	4
193	Val-Côté	Enbridge Gas Inc.	34

# Northwest



No.	Proposed Project	Proponent	Forecast customers (year 10)
3	Alberton	Enbridge Gas Inc.	72
7	Aroland and Nakina	Enbridge Gas Inc.	220
48	Conmee	Enbridge Gas Inc.	126
53	Dorion	Enbridge Gas Inc.	38
57	Ear Falls	Enbridge Gas Inc.	9
67	Gillies and O'Connor	Enbridge Gas Inc.	111
85	Kaministiquia	Enbridge Gas Inc.	151
89	Kenora District	Enbridge Gas Inc.	30
100	Little Longlac	Enbridge Gas Inc.	6
104	Marks Township	Enbridge Gas Inc.	89
122	Neebing	Enbridge Gas Inc.	87
133	North Shore Gas Distribution Project	Lakeshore	3,125
135	O'Connor	Enbridge Gas Inc.	69
136	Oliver Paipoonge	Enbridge Gas Inc.	75
150	Red Lake (Madsen)	Enbridge Gas Inc.	56
151	Red Lake (McKenzie Island)	Enbridge Gas Inc.	40
152	Red Rock	Enbridge Gas Inc.	43
153	Red Rock First Nation (Lake Helen Reserve)	Enbridge Gas Inc.	77
168	Shuniah	Enbridge Gas Inc.	171
185	Thunder Lake and Meadows (Dryden)	Enbridge Gas Inc.	148
194	Wabigoon	Enbridge Gas Inc.	71
195	Wabigoon First Nation	Enbridge Gas Inc.	73
198	Wauzhushk Onigum First Nation	Enbridge Gas Inc.	63