



## **Resolution: Eastern Ontario Wardens' Caucus support for Modernizing the Energy Infrastructure Construction Approval Process**

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**Moved by: Vice-Chair Bonnie Clark**

**Seconded by: Warden Pierre Leroux, United Counties of Prescott & Russell**

“**WHEREAS** the Enbridge Gas has shared with [municipality name] key messages regarding the Ontario Energy Board’s Leave to Construct (LTC) process;

**AND WHEREAS** the Eastern Ontario Wardens’ Caucus supports and wishes to endorse the recommendations put forward by Enbridge Gas in order to expedite the installation of natural gas to rural, remote or underserved communities throughout Eastern Ontario;

**THEREFORE, BE IT RESOLVED:**

1. **THAT** the Eastern Ontario Wardens’ Caucus petition the Ontario Government to expedite the implementation of the following recommendations:

i) **THAT** the Government of Ontario move to modernize the Ontario Energy Board’s (OEB) Leave to Construct (LTC) process for smaller pipeline projects in order to bring reliable, affordable energy options to communities, homes and businesses in a more cost-effective and timely manner;

ii) **AND THAT** the LTC cost threshold be updated from \$2M to \$10M for hydrocarbon lines (by amending Ontario Regulation O.Reg.328/03) while maintaining current requirements and expectations for

Indigenous consultation and environmental review for projects greater than \$2M and less than \$10M;

iii) **AND THAT** these outdated regulations are causing the LTC to apply far more broadly than intended when it was established over 20 years ago due to increased regulatory and cost pressures, as well as inflation, virtually all gas pipeline projects are now greater than \$2M rendering the threshold meaningless;

iv) **AND THAT** roughly 0.5 KM pipe in urban settings now often exceeds the \$2M threshold;

v) **AND THAT** modernizing these outdated regulations would reduce delays and costs for economic development initiatives including transit projects, community expansion projects, housing developments, connections for low carbon fuel blending (e.g., renewable natural gas, hydrogen) as well as residential and business customer connections;

vi) **AND THAT** based on OEB's performance standards, this proposal would save approx. 5-7 months of regulatory process which is in addition to the time needed to undertake Indigenous consultation and environmental review and prepare an application to the OEB;

vii) **AND THAT** the cost of preparing and having a LTC application heard ranges from approx. ~\$50,000 to ~\$200,000, which is passed on to customers;

viii) **AND THAT** while no cost-based threshold exists for electricity lines, there are a range of exemptions ensuring that LTC is only required for significant electricity projects and the proposed changes would help ensure that, consistent with electricity projects, LTC for hydrocarbon lines would only be required for significant projects;

ix) **AND THAT** increasing the cost threshold to \$15M would closer align Ontario with other Canadian jurisdictions (e.g., in B.C., these thresholds are \$15M for electricity and \$20M for natural gas);

2. **AND THAT** this resolution be circulated to the President of AMO, Colin Best, Premier Doug Ford, the Minister of Energy, Todd Smith, The

Minister of Finance, Peter Bethlenfalvy and all regional municipalities requesting support of the proposed changes regarding reducing red tape for more cost-effective, timely energy connections in Ontario.”

**CARRIED**

A handwritten signature in black ink, appearing to read 'PEM', with a stylized flourish extending to the right.

Signed by: Peter Emon, Chair

January 12, 2024