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OEB Approves Project Granted Funding Under the Access to Natural Gas Act

By Fred D. Cass

The OEB has approved a project that, with funding granted under the *Access to Natural Gas Act*, will extend natural gas distribution into a previously unserved area in the northeast of North Bay, Ontario. The *Access to Natural Gas Act* took effect by way of an amendment to the *Ontario Energy Board Act, 1998*, with the aim of facilitating the expansion of natural gas availability across the province. It received Royal Assent on December 6, 2018 and the Expansion of Natural Gas Distribution Systems Regulation under the statute (O.Reg. 24/19) came into force on July 1, 2019.

The Expansion of Natural Gas Distribution Systems Regulation indicates that a project is a “qualifying investment” if it is listed in Schedule 1 of the Regulation and if all necessary approvals from the OEB in respect of the project have been obtained. On the basis of the amount of funding awarded for each project, the North Bay project proposed by Enbridge Gas Inc. is one of the largest projects set out in Schedule 1 of the Regulation.

The application to the OEB in respect of the North Bay project was originally combined with two other expansion proposals that also received funding under the *Access to Natural Gas Act*, namely, proposals to extend natural gas distribution to Chippewas of the Thames First Nation and Saugeen First Nation. The combined application was withdrawn in favour of separate applications for each project and the Chippewas of the Thames First Nation and Saugeen First Nation expansion proposals were approved by the OEB in decisions issued on August 1, 2019 and February 6, 2020, respectively.

The OEB’s decision regarding the North Bay project was issued on May 7, 2020. In its findings with regard to the need for the project, the OEB noted that providing northern Ontario communities with access to less expensive and reliable sources of energy is consistent with the Government of Ontario’s energy and economic development policies. The OEB also noted the ability of a utility to apply for approval of a System Expansion Surcharge arising from the OEB’s decision in the Generic Proceeding on Community Expansion and, in addition to granting Enbridge leave to construct the project, it approved an SES for all customers in the project area.

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