



**CORRESPONDENCE ITEMS PRESENTED FOR INFORMATION**  
**August 15, 2023**

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- 1) Correspondence from Town of Petrolia Re: Recommendation for amendment to the current regulations for licensed home-based childcare operators to increase allowable spaces.
- 2) Correspondence from Municipality of Chatham-Kent.
  - a) Support Bill 5 Resolution.
  - b) Time for Change Municipal Freedom of Information and Protection of Privacy Act Resolution.
- 3) Correspondence from Ministry of Natural Resources and Forestry.
  - a) ERO Posting #019-4706: Technical Bulletin – Flooding hazards: data survey and mapping specifications.
  - b) Proposal to Amend Three Regulated Manuals under the Crown Forest Sustainability Act.
- 4) Correspondence from Community Schools Alliance Re: Community Schools Alliance Constitution.
- 5) Correspondence from City of Ottawa Re: Donation of Decommissioned Ambulance to St. John Ambulance Letter and Report.
- 6) Correspondence from City of Toronto Re: Planning and Housing Committee Item 4.8 – City Comments on the Proposed Provincial Planning Statement.
- 7) Correspondence from Fisheries and Oceans Canada Re: Publication of Proposed Management Plan for Mapleleaf and Rainbow on the Species at Risk Public Registry.
- 8) Correspondence from Municipality of South Bruce Re: Notice of Public Meeting Concerning a Community Improvement Plan Pursuant to Section 28 of the Planning Act.
- 9) Correspondence from Town of Hanover Re: Notice of a Public Meeting concerning a proposed Official Plan Amendment and Zoning By-Law Amendment.
- 10) Correspondence from Ontario Energy Board Re: EPCOR Natural Gas Limited Partnership – Brockton Leave to Construct Application – EB-2022-0246 – Notice of Hearing.

June 29, 2023

Hon. Stephen Lecce  
Minister of Education  
[Stephen.Lecceco@pc.ola.org](mailto:Stephen.Lecceco@pc.ola.org)

***Via email***

RE: recommendation for amendment to the current regulations for licensed home-based childcare operators to increase allowable spaces.

Dear Minister Lecce,

During the June 26, 2023 regular meeting of council, council in response to recent publicly raised concern heard a report from staff in relation to the above, with the following resolution passed:

Moved: Liz Welsh

Seconded: Chad Hyatt

WHEREAS in response the Petrolia Childcare Advocacy Group's recent delegation to Council where they identified a shortage of child care spaces in the Town of Petrolia; and

WHEREAS through additional research undertaken by the Town Staff, and in consultation with the County of Lambton Social Services, it has been further identified that there is an extreme shortage of child care spaces not only across the County but the Province as a whole; and

WHEREAS in response to the identified need the County hosted a community information night to educate members of the public who may be able to offer a licensed home-based child care service;

NOW THEREFORE **the Council of the Town of Petrolia recommends to the Hon. Stephen Lecce, Minister of Education, that in time for the 2023 school year amendment to the current regulations be made to allow licensed home-based child care operators the ability to provide two (2) before and after school care spaces to school aged children, in addition the permitted six (6) full time child care spaces; and**

**THAT in an effort to attract and retain qualified early childhood educators, the Minister of Education, review the current wage bracket for early childhood educators with implementation of an increase to wages to align with the services provided; and**

**THAT the province provides more capital based funding sources for the construction of new centre-based facilities; and**

**THAT the province considers increasing the current goal of thirty-three percent (33%) access ratio, to align better with the current provincial situation and anticipated population growth over the next ten (10) years; and**

THAT these items be considered sooner rather than later, to assist in remedying the critical child care shortage experienced in Petrolia, Lambton, and across the province; and

Phone: (519)882-2350 • Fax: (519)882-3373 • Theatre: (800)717-7694

411 Greenfield Street, Petrolia, ON, N0N 1R0

[www.town.petrolia.on.ca](http://www.town.petrolia.on.ca)



THAT this recommendation be forwarded to Hon. Doug Ford, Premier of Ontario | Hon. Michael Parsa, Minister of Children, Community & Social Services | Mr. Bob Bailey, MPP of Sarnia-Lambton | Hon. Monte McNaughton, MPP of Lambton-Kent-Middlesex | Mr. Kevin Marriott, Warden of Lambton County | Municipalities of Ontario;

Carried

Kind regards,

*Original Signed*

Mandi Pearson  
Clerk/Operations Clerk

cc:

Hon. Doug Ford, Premier of Ontario [premier@ontario.ca](mailto:premier@ontario.ca) | Hon. Michael Parsa, Minister of Children, Community & Social Services [Michael.Parsaco@pc.ola.org](mailto:Michael.Parsaco@pc.ola.org) | Mr. Bob Bailey, MPP of Sarnia-Lambton [bob.bailey@pc.ola.org](mailto:bob.bailey@pc.ola.org) | Hon. Monte McNaughton, MPP of Lambton-Kent-Middlesex [Monte.McNaughtonco@pc.ola.org](mailto:Monte.McNaughtonco@pc.ola.org) | Mr. Kevin Marriott, Warden of Lambton County [Monte.McNaughtonco@pc.ola.org](mailto:Monte.McNaughtonco@pc.ola.org) | Municipalities of Ontario

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Municipality of Chatham-Kent  
Corporate Services  
Municipal Governance  
315 King Street West, P.O. Box 640  
Chatham ON N7M 5K8

June 27, 2023

The Honourable Doug Ford  
[Premier@ontario.ca](mailto:Premier@ontario.ca)

**Re: Support Bill 5**

Please be advised the Council of the Municipality of Chatham-Kent, at its regular meeting held on June 26, 2023, passed the following resolution:

Whereas Council has previously approved the development of a Municipal Diversity, Equity, Inclusion and Justice Strategy.

Whereas this Council previously passed a motion in support of Bill 5.

Whereas a safe and respectful workplace is a basic expectation of all Ontarians and a part of our DEIJ Strategy.

Whereas serving our communities in a leadership role is a privilege and a responsibility.

Whereas all council members agree to follow a Code of Conduct when they are sworn into office.

Whereas AMO, other municipal organizations such as ROMA and OBCM and 84 municipalities have lent their support to making changes to improve and has now requested more direct support from Municipal Councils.

Whereas democracy suffers when the public loses confidence in their representatives and institutions.

Whereas improving local public discourse will improve public confidence in local government and increase respect for our municipal institutions and the work we do.

Therefore, the Municipality of Chatham-Kent supports the recommendations made by AMO,  
That the

- Codes of Conduct should be updated to include workplace safety and harassment policies
- Codes of Conduct should have an escalating enforcement mechanism through administrative monetary penalties that recognize local circumstances
- Integrity Commissioners should have better, standardized training to improve consistency of decisions across the province in the most egregious cases, such

as harassment or assault, municipalities should be able to apply to a judge to remove a sitting member if recommended by an Integrity Commissioner

- A member removed under this process should be unable to sit in another election during the term of office removed and the subsequent term

That the Municipality of Chatham-Kent continues to urge the Ontario Government to table and pass legislation to make these changes as soon as possible.

That Administration be directed based on AMO's request to set up meetings with our local MPP's before the AMO Conference in August to request that the Government of Ontario introduce legislation to enact our recommended changes.

If you have any questions or comments, please contact Judy Smith at [ckclerk@chatham-kent.ca](mailto:ckclerk@chatham-kent.ca)

Sincerely,

**Judy  
Smith**

Digitally signed by  
Judy Smith  
Date: 2023.06.27  
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Judy Smith, CMO  
Director Municipal Governance  
Clerk /Freedom of Information Coordinator

C

Minister of Municipal Affairs and Housing  
Local MPPs  
Ontario Municipalities



**Municipality of Chatham-Kent**

*Corporate Services*

Municipal Governance

315 King Street West, P.O. Box 640  
Chatham ON N7M 5K8

July 5, 2023

Via Email: [Kaleed.Rasheed@ontario.ca](mailto:Kaleed.Rasheed@ontario.ca)

Minister of Public and Business Service Delivery (MPBSD)

Honourable Rasheed:

**Re: Time for Change  
Municipal Freedom of Information and Protection of Privacy Act**

Please be advised the Council of the Municipality of Chatham-Kent at its regular meeting held on June 26, 2023 passed the following resolution:

WHEREAS the Municipal Freedom of Information and Protection of Privacy Act R.S.O. 1990 (MFIPPA) dates back 30 years;

AND WHEREAS municipalities, including the Municipality of Chatham-Kent, practice and continue to promote open and transparent government operations, actively disseminate information and routinely disclose public documents upon request outside of the MFIPPA process;

AND WHEREAS government operations, public expectations, technologies, and legislation surrounding accountability and transparency have dramatically changed and MFIPPA has not advanced in line with these changes;

AND WHEREAS the creation, storage and utilization of records has changed significantly, and the Municipal Clerk of the Municipality is responsible for records and information management programs as prescribed by the Municipal Act, 2001;

AND WHEREAS regulation 823 under MFIPPA continues to reference antiquated technology and does not adequately provide for cost recovery, and these financial shortfalls are borne by the municipal taxpayer;

AND WHEREAS the threshold to establish frivolous and/or vexatious requests is unreasonably high and allows for harassment of staff and members of municipal councils, and unreasonably affects the operations of the municipality;

AND WHEREAS the Act fails to recognize how multiple requests from an individual, shortage of staff resources or the expense of producing a record due to its size, number or physical location does not allow for time extensions to deliver requests and unreasonably affects the operations of the municipality;

AND WHEREAS the name of the requestor is not permitted to be disclosed to anyone other than the person processing the access request, and this anonymity is used by requesters to abuse the MFIPPA process and does not align with the spirit of openness and transparency embraced by municipalities;

AND WHEREAS legal professionals use MFIPPA to gain access to information launch litigation against institutions, where other remedies exist;

AND WHEREAS there are limited resources to assist administrators or requestors to navigate the legislative process;

AND WHEREAS reform is needed to address societal and technological changes in addition to global privacy concerns and consistency across provincial legislation;

BE IT RESOLVED THAT the Ministry of Government and Consumer Services be requested to review the MFIPPA, and consider recommendations as follows:

1. That MFIPPA assign the Municipal Clerk, or designate to be the Head under the Act;
2. That MFIPPA be updated to address current and emerging technologies;
3. That MFIPPA regulate the need for consistent routine disclosure practices across institutions;
4. That the threshold for frivolous and/or vexatious actions be reviewed, and take into consideration the community and available resources in which it is applied;
5. That the threshold for frivolous and/or vexatious also consider the anonymity of requesters, their abusive nature and language in requests to ensure protection from harassment as provided for in Occupational Health and Safety Act;
6. That the application and scalability of fees be designed to ensure taxpayers are protected from persons abusing the access to information process;
7. That administrative practices implied or required under the Act, including those of the IPC, be reviewed and modernized;
8. That the integrity of the Act be maintained to protect personal privacy and transparent governments.

If you have any questions or comments, please contact Judy Smith at [ckclerk@chatham-ketn.ca](mailto:ckclerk@chatham-ketn.ca)

Sincerely,

**Judy Smith**

Digitally signed by  
Judy Smith  
Date: 2023.07.05  
10:48:27 -04'00'

Judy Smith, CMO  
Director Municipal Governance  
Clerk /Freedom of Information Coordinator

c.

Lianne Rood, MP  
Dave Epp MP  
Trevor Jones, MPP  
Monte McNaughton, MPP  
Information and Privacy Commissioner of Ontario  
Association of Municipalities of Ontario  
AMCTO Legislative and Policy Advisory Committee  
Ontario municipalities



**Ministry of Natural Resources and Forestry**

Resources Planning and Development  
Policy Branch  
Policy Division  
300 Water Street  
Peterborough, ON K9J 3C7

**Ministère des Richesses naturelles et des Forêts**

Direction des politiques de planification et d'exploitation des ressources  
Division de l'élaboration des politiques  
300, rue Water  
Peterborough (Ontario) K9J 3C7

July 4, 2023

Good Afternoon,

Today, the government released a draft technical bulletin on the Environmental Registry of Ontario to support municipalities and conservation authorities with flood hazard mapping activities. The "[ERO Posting #019-4706: Technical bulletin - Flooding hazards: data survey and mapping specifications](#)", would replace Chapter J of the existing "*River and Stream Systems: Flooding Hazard Limit*" technical guideline.

The technical bulletin is to be applied when delineating the flooding hazard through mapping new, or updating existing, maps. It is intended to assist technical personnel experienced in mapping and geomatics in undertaking flood hazard surveying and mapping in Ontario, and if accepted, will become the definitive source of flood hazard data, survey and mapping guidance for use in Ontario.

A critical step in protecting people and property from flooding starts with identifying where flooding is expected to occur. This is most often achieved through flood mapping Actions in [Protecting People and Property: Ontario's Flooding Strategy](#) commit the province to updating existing technical guidance used to support implementation of the natural hazard policies outlined within the proposed Provincial Planning Statement 2023. The MNRF is taking a multi-staged approach to updating its guidance.

Feedback on the draft technical bulletin will be accepted until September 5, 2023 through the Environmental Registry.

Sincerely,

Jennifer Keyes  
Director, Resources Planning and Development Policy Branch  
Ministry of Natural Resources and Forestry

Ministry of Natural Resources and  
Forestry

Policy Division

Crown Forests and Lands Policy Branch  
70 Foster Drive, 3<sup>rd</sup> Floor  
Sault Ste. Marie ON P6A 6V5

Ministère des Richesses naturelles et des  
Forêts

Division de la politique

Direction des politiques relatives aux forêts et aux  
terres de la Couronne  
70, Rue Foster, 3<sup>ème</sup> étage,  
Sault Ste Marie ON P6A 6V5



June 12, 2023

**SUBJECT: Proposal to Amend Three Regulated Manuals under the Crown Forest Sustainability Act**

Greetings:

Today, the Ministry of Natural Resources and Forestry posted a Proposal Notice on the Environmental Registry (ER #:019-6823) for a 60-day period to seek input on proposed amendments to the Forest Management Planning Manual, Forest Information Manual and Scaling Manual (i.e., Forest Manuals). The proposed revisions will support commitments identified in the Forest Sector Strategy and will continue to modernize the forest management planning and wood measurement processes while continuing to provide for the responsible management of Ontario's forests.

We invite you to review the proposals on the Environmental Registry and provide comments. If you have any questions, please contact the identified project lead.

Sincerely,

***Original signed by***

Peter D. Henry, R.P.F.  
Director  
Crown Forests and Lands Policy Branch

## Item 4

**From:** Doug Reycraft  
**Sent:** Wednesday, July 12, 2023 3:19 PM  
**To:** Doug Reycraft  
**Subject:** Community Schools Alliance Constitution

This email is being sent to all members of the Community Schools Alliance. Our mailing list includes the head of council and a staff member of all municipal members, and we ask that it be shared with all members of the municipal council.

The Executive Committee has reviewed the Constitution of the Community Schools Alliance as approved in August, 2022, which is attached.

At the 2023 Annual Meeting scheduled for August 15, 2023 at 7 pm, a resolution proposing several minor amendments will be presented. These amendments reflect the fact that some provisions listed in the original constitution adopted in 2015 applied only to the initial Executive Committee of the Community Schools Alliance and have long been redundant.

The resolution is as follows:

**That sections 5.d., 5.e., 5.f., and 5.g. be deleted and the remaining subsections in section 5 be re-lettered accordingly,**

**And that "Subsequent" be deleted from section 5.f. so that it reads "Members of the Executive Committee shall be elected for a three-year term at an Annual Meeting."**

Voting at the virtual Annual Meeting on August 15, 2023 at 7 pm will be restricted to persons who will have registered for the meeting by Tuesday, August 8, 2023. Invitations to register for the Annual Meeting will be sent out in a separate email.

Doug Reycraft  
Chair  
Community Schools Alliance

# **Constitution for the Community Schools Alliance**

**(As Amended August 9, 2022)**

## **1. NAME OF THE ORGANIZATION**

The name of the organization is the Community Schools Alliance.

## **2. MISSION STATEMENT**

The Community Schools Alliance is a non-profit organization committed to working with the Ontario Ministry of Education, municipalities and school boards to achieve a collaborative process that results in democratically determined decisions regarding education infrastructure. Such decisions should be based on principles that consider the broad impact, including but not limited to both social and fiscal effects, of any changes to the infrastructure on students and their community

## **3. GOALS**

- a. Students will have the opportunity to be educated in their home community.
- b. All school boards and municipalities must work together to build creative partnerships that allow community resources and services to be delivered in conjunction with education.
- c. When surplus space develops in a school, the school board and the municipality must work together to identify community uses for the space before considering closure of the school.
- d. The input of students, parents, the host municipality and the community to the student accommodation review process used by school boards must be considered.
- e. The provincial government's formula for funding public education must recognize the critical value of schools to the local economy and the social fabric in rural and northern Ontario communities.

#### 4. MEMBERSHIP

- a. Every municipality in Ontario will have the opportunity to become a member of the organization by submitting the required fee with an application.
- b. Other individuals and bodies, including municipal organizations, may become members of the organization with the approval of the Executive Committee and upon payment of the required fee. However the membership fee shall be waived for an individual who is elected to the Executive Committee if the individual resides in a municipality that has paid its required membership fee but the individual has ceased to be an elected official of the municipal council.

#### 5. EXECUTIVE COMMITTEE

- a. The affairs of the organization shall be controlled and managed by the Executive Committee. Subject to the terms of this constitution and to the resolutions of members adopted in the Annual Meeting, the Executive Committee may exercise all the powers of the organization.
- b. All members of the Executive Committee shall be members of the organization or elected officials of member municipalities.
- c. The Executive Committee shall comprise at least seven (7) but not more than thirteen (13) members and will consist of the following:
  - i. Chair;
  - ii. Vice-Chair;
  - iii. Secretary-Treasurer;
  - iv. A minimum of four (4) other persons.
- d. The initial Executive Committee shall be established by the first members of the organization referenced in 4.a. above.
- e. The term of office for the members of the initial Executive Committee shall extend until the next Annual Meeting but the members shall be eligible for re-election.

- f. At the first Annual Meeting of the Community Schools Alliance, eleven members shall be elected to the Executive Committee.
- g. At the first meeting of the Executive Committee following the first Annual Meeting, Executive Committee members shall identify four (4) members who shall serve a one-year term, four (4) members who shall serve a two-year term and three (3) members who shall serve a three-year term.
- h. Subsequent members of the Executive Committee shall be elected for a three-year term at an Annual Meeting.
- i. The Chair, Vice-Chair and Secretary-Treasurer shall be elected by the members of the Executive Committee following the Annual Meeting.
- j. Should a position on the Executive Committee become vacant, the remaining members of the Executive Committee may appoint a person to fill the vacancy and that person shall hold office for the balance of the term but shall be eligible for re-election.
- k. The office of an Executive Committee member shall become vacant if a member:
  - i. resigns;
  - ii. becomes unfit and/or incapable of acting as such;
  - iii. ceases to be a member of the organization;
  - iv. is removed by the Executive Committee by a resolution adopted by at least two-thirds (2/3) of its members.
  - v. misses three consecutive meetings.
- l. Meetings of the Executive Committee shall be convened by the Chair on not less than ten (10) days' notice to members of the Committee.
- m. Quorum for meetings of the Executive Committee shall be a majority of the members of the Committee.
- n. Whenever possible, meetings of the Executive Committee shall be by conference call or by videoconference.

## 6. ANNUAL MEETINGS

- a. Whenever possible, Annual Meetings of the organization shall be held in conjunction with the Annual General Meetings of the Association of Municipalities of Ontario.

- b. Annual Meetings shall be convened by the Chair on not less than twenty-one (21) days' notice to all members of the organization. The notice shall state the date, time and place of the meeting and, in broad terms, the business to be transacted at the meeting.
- c. The business of an Annual Meeting shall include:
  - i. the presentation and adoption of the Annual Report of the Chair;
  - ii. the consideration of the Annual Financial Statement for the preceding calendar year;
  - iii. the election of members to serve on the Executive Committee;
  - iv. other matters as may be considered appropriate.
- d. All members of the organization and all elected officials of member municipalities in good standing shall be eligible to vote at an Annual Meeting.
- e. All voting at an Annual Meeting shall be by show of hands except for the election of members of the Executive Committee which shall be by ballot.

## 7. FINANCIAL MATTERS

- a. An account in the name of the Community Schools Alliance shall be held by the Association of Municipalities of Ontario.
- b. All monies received by the organization shall be deposited in the abovementioned account.
- c. All expenditures shall be made by the Association of Municipalities of Ontario on the recommendation of the Chair and/or the Secretary Treasurer.
- d. The organization's financial year shall be the calendar year.
- e. The Secretary Treasurer shall prepare an annual budget for the Community Schools Alliance and shall see to the general administration of the budget.
- f. The Secretary Treasurer shall prepare an Annual Financial Statement for each financial year. The Annual Financial Statement shall include a statement of income and expenditure.

- g. All expenditures shall require the authorization by the Executive Committee and will be used to promote the objectives of the organization.
- h. No portion of the income of the organization shall be paid to any person or to any member of the organization or the Executive Committee except as:
  - i. reasonable compensation for services actually rendered to the organization;
  - ii. reimbursement of actual costs or expenses reasonably incurred on behalf of the organization.

## 8. MEMBERSHIP FEES

The Executive Committee shall determine the required annual membership fees for individuals, municipalities, municipal organizations and other bodies.

## 9. AMENDMENT OF THE CONSTITUTION

- a. This Constitution may be amended by a resolution of two-thirds (2/3) of the members present at an Annual Meeting.
- b. At least twenty-one (21) days' notice prior to the Annual Meeting stating the nature of the resolution to be proposed must be given to all members of the organization.





File Number: ACS2023-FCS-FLT-0002

July 18, 2023

Colin Best,  
President of the Association of Municipalities (AMO)  
200 University Ave., Suite 801  
Toronto, Ontario, M5H 3C6  
[amopresident@amo.on.ca](mailto:amopresident@amo.on.ca)

***By e-mail***

**Re: Donation of Decommissioned Ambulance to St. John Ambulance**

Mr. Best,

On behalf of Ottawa City Council, I am writing to advise that the City of Ottawa has approved the attached report from the Finance and Corporate Services Committee to donate a decommissioned ambulance to St. John Ambulance.

Additionally, I would like to draw to your attention to a motion Ottawa City Council approved at the City Council meeting of June 14, 2023, to donate a decommissioned ambulance to the Embassy of Ukraine:

**MOTION 2023 16-16**

Moved by: Councillor R. Brockington

Seconded by: Mayor M. Sutcliffe

**WHEREAS the City of Ottawa has previously donated surplus ambulances to specific causes or organizations, such as the Salvation Army Community and Emergency Response team, the Government of Nunavut as well as organizations doing work in Ghana and Ethiopia; and**

**WHEREAS the Embassy of Ukraine has expressed a need for a decommissioned ambulance to support their humanitarian efforts and provide medical aid in this growing emergency situations; and**

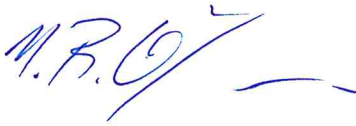
**WHEREAS the provision of an ambulance will pursue the goal of ensuring adequate conditions to provide urgent medical care and to further improve emergency response in the Ukraine; and**

**WHEREAS Section 41(4) of the City's Procurement By-law 2000-50, as amended, states that: "the sale of surplus furniture, vehicles, equipment, stock, supplies and other goods and material shall be made to the highest responsive bidder and the sale shall be made in accordance with the provisions of this by-law where applicable;" and**

**THEREFORE BE IT RESOLVED that Council waive Subsection 41(4) of By-law No. 2000-50, as amended, and approved the donation of one ambulance to the Embassy of Ukraine.**

Should you have any questions regarding this these actions, please do not hesitate to contact me.

Sincerely,



M. Rick O'Connor  
City Clerk, City of Ottawa

Encl (1)

cc: Municipalities of Ontario  
amo@amo.on.ca

<p><b>1. Donation of Decommissioned Ambulance to St. John Ambulance</b></p> <p><b>Don d'une ambulance mise hors service à Ambulance Saint-Jean</b></p>
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**Committee Recommendation**

**That Council waive Subsection 41(4) of the City's Procurement By-law 2000-50, as amended, and approve the donation of one decommissioned ambulance to St. John Ambulance, with the lost residual value to be funded from the Fleet Reserves.**

**Recommandation du Comité**

**Que le Conseil suspend l'application du paragraphe 41(4) du Règlement sur les approvisionnements de la Ville (no 2000-50), dans sa version modifiée, et d'approuver le don d'une ambulance mise hors service à Ambulance Saint-Jean, en récupérant la valeur résiduelle perdue dans les fonds du parc automobile.**

**Documentation/Documentation**

1. General Manager and Chief Financial Officer's Report (A), Finance and Corporate Services Department, submitted 22 June 2023 (ACS2023-FCS-FLT-0002)

Rapport du Directeur général et chef des finances (T), Direction générale des finances et des services organisationnels, daté le 22 juin 2023 (ACS2023-FCS-FLT-0002)

**Subject: Donation of Decommissioned Ambulance to St. John Ambulance**

**File Number: ACS2023-FCS-FLT-0002**

**Report to Finance and Corporate Services Committee on 4 July 2023**

**and Council 12 July 2023**

**Submitted on June 22, 2023 by Cyril Rogers, General Manager and Chief Financial Officer (A), Finance and Corporate Services Department**

**Contact Person: Laila Gibbons, Director, Fleet Services, Finance and Corporate Services Department**

**613-580-2424 x23988, Laila.Gibbons@ottawa.ca**

**Ward: Citywide**

**Objet : Don d'une ambulance mise hors service à Ambulance Saint-Jean**

**Dossier : ACS2023-FCS-FLT-0002**

**Rapport au Comité des finances et des services organisationnel**

**le 4 juillet 2023**

**et au Conseil le 12 juillet 2023**

**Soumis le 22 juin par Cyril Rogers, Directeur général et chef des finances (T), Direction générale des finances et des services organisationnels**

**Personne ressource : Laila Gibbons, Directrice, Services du parc automobile, Direction générale des finances et des services organisationnels**

**613-580-2424 poste 23988, Laila.Gibbons@ottawa.ca**

**Quartier : À l'échelle de la ville**

## **REPORT RECOMMENDATION**

**That the Finance and Corporate Services Committee recommend that Council waive Subsection 41(4) of the City's Procurement By-law 2000-50, as amended, and approve the donation of one decommissioned ambulance to St. John Ambulance, with the lost residual value to be funded from the Fleet Reserves.**

## **RECOMMANDATION DU RAPPORT**

**Que le Comité des finances et des services organisationnels recommande au Conseil de suspendre l'application du paragraphe 41(4) du *Règlement sur les approvisionnements* de la Ville (n° 2000-50), dans sa version modifiée, et d'approuver le don d'une ambulance mise hors service à Ambulance Saint-Jean, en récupérant la valeur résiduelle perdue dans les fonds du parc automobile.**

## **BACKGROUND**

City Council, at its meeting on 31 August 2022, approved the following Motion ([2022-81/20](#)):

**WHEREAS St. John Ambulance (Ambulance St-Jean) supports events and festivals in the City of Ottawa by supporting the Ottawa Paramedic Service, including but not limited to opioid harm reduction; and**

**WHEREAS St. John Ambulance is seeking the donation of a surplus ambulance to provide training to employees and volunteers and to replace the one currently used for service the public in sports, arts, cultural festivals and major events.**

**WHEREAS the City of Ottawa has approximately 85 to 90 ambulances in its fleet at any given period and the expected life cycle of an ambulance is estimated at 54 months and between 200,000 to 230,000 kilometers; and**

**WHEREAS the City of Ottawa usually disposes of roughly 10 to 12 ambulances per year and the next replacement cycle for ambulances in Ottawa is scheduled for June, 2023 (31 new ambulances on order); and**

**WHEREAS the residual value of a used ambulance averages between \$20,000 to \$23,000; and**

**WHEREAS Section 41(4) of the City's Procurement By-law 2000-50, as amended, states that: "the sale of surplus furniture, vehicles, equipment, stock, supplies and other goods and material shall be made to the highest responsive bidder and the sale shall be made in accordance with the provisions of this by-law where applicable." And**

**WHEREAS Ottawa City Council has previously waived this provision in order to donate of surplus ambulances to specific causes or organizations (for example, the Salvation Army Community and Emergency Response team, and organizations doing work in Ghana and Ethiopia);**

**THEREFORE BE IT RESOLVED that staff report back to Council when the next ambulance is ready for disposal, and,**

**BE IT FURTHER RESOLVED that at the time of the report, Council consider waiving Subsection 41(4) of By-law No. 2000-50, as amended, and consider the donation of one ambulance to St. John Ambulance, with the lost residual value be funded from the Fleet Reserves.**

The City's Disposal of Fleet Vehicles and Equipment Policy includes the following provision on Donation:

"Through donation to an eligible person group or body where Council considers the donation to be in the interest of the City, as set out in the *Municipal Act*. This option is initiated by a sponsoring Councillor. The report or motion brought forward to Committee, Transit Commission or Council must waive section 41(4) of the procurement by-law to allow the donation."

## **DISCUSSION**

St. John Ambulance has requested the donation of a decommissioned ambulance to provide training to employees and volunteers and to replace the one currently used to service the public in sports, arts, cultural festivals and major events.

The City of Ottawa has, over the years, donated decommissioned vehicles to non-profit charitable organizations that serve the public interest. St. John Ambulance is a charitable organization that provides first aid and emergency medical services to the community. A decommissioned ambulance from the City of Ottawa would be a valuable asset for St. John Ambulance, as it would allow them to continue to support sports, arts, cultural festivals and major events in collaboration with the Ottawa Paramedic Service to provide medical coverage and assistance to event attendees and organizers. A decommissioned ambulance has been used in the past for training and education purposes, as well as opioid harm reduction. By donating a decommissioned ambulance to St. John Ambulance, the City of Ottawa would be supporting a worthy cause that benefits the health and safety of its residents.

The City of Ottawa roughly disposes of 10 to 12 ambulances per year and the next replacement cycle for ambulances in Ottawa is anticipated in Q3 2023 (31 new ambulances on order). The residual value of a used ambulance averages between \$20,000 to \$23,000. The Procurement By-law provides that “the sale of surplus furniture, vehicles, equipment, stock, supplies and other goods and material shall be made to the highest responsive bidder and the sale shall be made in accordance with the provisions of this by-law where applicable,” which also applies to used/decommissioned vehicles. Ottawa City Council has previously waived this provision in order to donate surplus ambulances to specific causes or organizations (for example, the Salvation Army Community and Emergency Response team, and organizations doing work in Ghana and Ethiopia).

### **FINANCIAL IMPLICATIONS**

Should Council approve waiving Subsection 41(4) of By-law No. 2000-50, as amended, the lost residual value of donating one ambulance, estimated between \$20,000 to \$23,000, will be funded from the Fleet Reserve.

### **LEGAL IMPLICATIONS**

There are no legal impediments to approving the recommendation in this report.

### **COMMENTS BY THE WARD COUNCILLOR(S)**

This is a citywide report.

### **CONSULTATION**

Staff from the Finance and Corporate Services Department and Fleet Services Branch were consulted in the preparation of this report and support the donation of the decommissioned ambulance to the St. John Ambulance.

### **ACCESSIBILITY IMPACTS**

No accessibility impacts have been identified.

### **RISK MANAGEMENT IMPLICATIONS**

No risk management implications have been identified.

## **TERM OF COUNCIL PRIORITIES**

This report aligns with the following objective in the 2019-2022 City Strategic Plan and Term of Council Priorities:

- Thriving Communities priority in promoting safety for our residents

## **DISPOSITION**

Fleet Services will arrange for donation of the decommissioned ambulance upon Council approval. Legal Services will complete the Donation Agreement and any documents required to transfer the ownership of the decommissioned ambulance.





John D. Elvidge  
City Clerk

City Clerk's Office

**Secretariat**  
Sylvia Przedziecki  
Council Secretariat Support  
City Hall, 12<sup>th</sup> Floor, West  
100 Queen Street West  
Toronto, Ontario M5H 2N2

Tel: 416-392-7032  
Fax: 416-392-2980  
e-mail: [Sylvia.Przedziecki@toronto.ca](mailto:Sylvia.Przedziecki@toronto.ca)  
web: [www.toronto.ca](http://www.toronto.ca)

**In reply please quote:  
Ref.: 23-PH4.8**

(Sent by Email)

July 25, 2023

**ALL ONTARIO MUNICIPALITIES:**

**Subject: Planning and Housing Committee Item 4.8  
City Comments on the Proposed Provincial Planning Statement (Ward All)**

City Council on June 14 and 15, 2023, considered [Item PH4.8](#), and a copy is attached for your information or appropriate action.

A handwritten signature in cursive script, appearing to read "Przedziecki".

for City Clerk

S. Przedziecki/wg

Attachment

Sent to: Minister of Municipal Affairs and Housing, Province of Ontario  
Minister of Economic Development, Job Creation and Trade, Province of Ontario  
Leader, Official Opposition, Province of Ontario  
Members of Provincial Parliament  
All Ontario Municipalities  
Executive Director, Association of Municipalities of Ontario

c. City Manager

## Planning and Housing Committee

PH4.8		Adopted		Ward: All
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### City Comments on the Proposed Provincial Planning Statement

#### City Council Decision

City Council on June 14 and 15, 2023, adopted the following:

1. City Council express its concern to the Minister of Municipal Affairs on the general direction taken in the proposed Provincial Planning Statement as it represents fundamental changes in how growth planning is carried out in the Province and by the City of Toronto.
2. City Council support in principle the provisions in the proposed Provincial Planning Statement that encourage the supply of housing, notwithstanding, that references to "Affordable Housing" and "Housing that is affordable to low-and moderate-income households" have not been carried over.
3. City Council request the Province of Ontario through ERO 019-6813 and outlined in Attachment 1 to the report (May 17, 2023) from the Chief Planner and Executive Director, City planning to:
  - a. maintain all policy references to “residential intensification” and “redevelopment” in the current Provincial Policy Statement to provide clarity that where sufficient land and servicing exists to accommodate forecast population through infill, the need for greenfield development is diminished;
  - b. require that large and fast-growing municipalities accommodate a minimum of 50 percent of all residential development within their existing settlement area and that new settlement areas or settlement area expansion lands are planned for a minimum density target of 50 residents and jobs per gross hectare;
  - c. maintain the density targets of Urban Growth Centres (Growth Plan 2.2.3.2) and policies that directed how Urban Growth Centres will be planned (Growth Plan 2.2.3.1);
  - d. provide flexibility for municipalities to identify additional higher order transit corridors that deviate from the definition of "higher order transit" in the proposed Provincial Planning Statement;
  - e. maintain the Growth Plan policies (2.2.4.8 – 2.2.4.10) that support the development of complete communities with a compact built form and affordable housing within Major Transit Station Areas, on lands adjacent to Major Transit Station Areas, and along transit corridors;
  - f. include reference to affordable housing in Provincial Planning Statement Policy 2.4.2.6 given provincial direction to include affordable housing in Protected Major Transit Station

Areas through inclusionary zoning;

g. maintain that municipalities may identify a settlement area or allow the expansion of a settlement area boundary only at the time of a 5-year official plan update and only where it has been demonstrated that certain conditions have been met (Provincial Policy Statement 1.1.3.8);

h. lead a provincial-municipal process with large and fast-growing municipalities for the periodic preparation of regional population and employment forecasts. Enable municipalities to continue to be able to adopt higher forecasts;

i. direct municipalities in the Greater Golden Horseshoe to continue using population and employment forecasts of Schedule 3 of the Growth Plan for managing growth to 2051 and ensuring “at least 25 year” supply of land;

j. maintain the current definitions of “affordable” housing and “low and moderate-income households” or provide explicit direction for municipalities to set their own definition;

k. maintain the requirement for municipalities to establish targets for housing affordable to low- and moderate-income households (Provincial Policy Statement 1.4.3(a)) and for affordable ownership and affordable rental housing (Growth Plan 2.2.6.1(a)(ii));

l. maintain Growth Plan policy 2.2.6.3 that provides direction to municipalities to use available tools to require that multi-unit residential developments incorporate a mix of unit types to accommodate a diverse range of households sizes and incomes;

m. revise the definition of “housing options” to include consideration for affordable housing, tenure, and unit types to accommodate a range of household sizes;

n. amend proposed policy 2.2.1.b.2, related to the conversion of existing commercial and institutional buildings for residential uses, to include a requirement to maintain or replace employment space within the redevelopment or within an off-site location;

o. enact a Regulation to permit the use of zoning with conditions, pursuant to Section 113 of the City of Toronto Act, 2006, that would enable a municipality to secure replacement employment space as part of redevelopments proposing to convert existing commercial and institutional space;

p. enact a Regulation to permit the use of conditional zoning, pursuant to Section 113 of the City of Toronto Act 2006, that would enable the City to require and secure employment space to be provided prior to, or concurrent with any non-employment uses, including residential;

q. revise the Employment Area definition to explicitly include film production, cluster of office uses, stand-alone convenience retail and services to serve businesses and workers within Employment Areas, and enable municipalities to define components of Employment Areas to serve local economies;

r. maintain the current timeframe for when a conversion of employment lands can be considered: only when municipalities are undertaking their 5-year Official Plan review, absent the Municipal Comprehensive Review concept;

s. strengthen land use policy protections for all Employment Areas across the Province to ensure that these lands support the economy and are viable over the long-term;

- t. require that municipalities determine that sensitive land uses proposed near manufacturing, warehousing and other major facilities are compatible or can be made compatible prior to permitting a sensitive land use;
- u. retain the existing Growth Plan policy (2.2.5.8) which requires that the development of sensitive land uses, major retail and major office will avoid, or where avoidance is not possible, minimize and mitigate adverse impacts on industrial, manufacturing or other major facilities;
- v. maintain the current Provincial Policy Statement and Growth Plan policies that explicitly support energy efficiency, increased vegetation, and improved air quality;
- w. maintain and expand the geographic scope of the current Provincial Policy Statement and Growth Plan policies related to natural heritage protection, climate action, intensification, and greenhouse-gas reduction;
- x. expand the geographic scope of the Growth Plan's protections for natural heritage systems (4.2.2), water resource systems and watershed planning (4.2.1), and stormwater management (3.2.7) to the entire Province;
- y. maintain the Growth Plan's provincially identified Agricultural System;
- z. maintain Growth Plan policy 4.2.8.1 requiring municipalities to develop and implement official plan policies and other strategies related to conserving mineral aggregate resources;
- aa. change the definition of "waste management system" to consider the waste hierarchy and is inclusive of and prioritizes resource recovery and environmental outcomes consistent with the Province's circular economy ambitions;
- bb. align the Waste Management policies with the language of the Waste Free Ontario Act and Resource Recovery and Circular Economy Act and provide guidance on how municipalities are to interpret the Waste Management policies in the Provincial Planning Statement alongside the Resource Recovery and Circular Economy Act;
- cc. include policy direction that requires municipalities to coordinate and plan for appropriate and adequate shared waste management infrastructure;
- dd. include policy direction that ensures the provision of lands for integrated waste management, including recycling and processing facilities, and residual disposal/management;
- ee. maintain and expand the geographic scope of Growth Plan policy 4.2.1.4 that requires a sub-watershed plan for large-scale development in greenfield areas;
- ff. maintain policy references to "key hydrologic features, key hydrologic areas and their functions", from the current Provincial Policy Statement (2.2.1(e)) and expand the geographic scope of Growth Plan policy 4.2.1.2;
- gg. include direction in the proposed Provincial Planning Statement that planning authorities shall protect, improve, or restore the quality and quantity of water;
- hh. recognize and promote green infrastructure's role in water and stormwater systems;

ii. maintain all transportation related policies in the current Provincial Policy Statement and Growth Plan that support reducing vehicle trips;

jj. include language regarding planning for a transportation system in way that accounts for factors such as equity, cost, air quality, winter maintenance and resiliency;

kk. modify policies concerning the protection of heritage properties to say, “protected heritage property shall be conserved”, recognizing that the definition of “protected heritage property” includes more than lands with built heritage resources or cultural heritage landscapes;

ll. maintain the existing Land Needs Assessment methodology as Provincial guidance to the large and fast-growing municipalities for assessing land needs as a complement to the Provincial Projections Methodology Guideline available to other municipalities;

mm. include as part of the transition regulation that all planning matters (Official Plan Amendments or Zoning By-law Amendments) that predate the in-effect date of the new Provincial Planning Statement be transitioned under the existing planning framework. These include planning matters that are: (1) deemed complete and in process/under review; (2) city-initiated process underway or nearing completion, or (3) Council-adopted but is under appeal or appeal period nearing;

nn. continue to transition Official Plan Amendment 231 as a matter in process that was approved under the Growth Plan, 2006;

oo. acknowledge the importance of and requirement for undertaking integrated planning across the Province;

pp. provide guidance on expectations with respect to municipal engagement with Indigenous communities on land use planning matters that identify best practices;

qq. clarify the scope of a municipality's obligation to identify potential impacts of decisions on the exercise of Aboriginal or treaty rights and how the Province's role in addressing asserted Aboriginal or treaty rights will be integrated in the municipal decision-making process; and

rr. add a new policy that enables municipalities to put in place local policies that address the changing nature of office space and needs to reflect the local context.

4. City Council confirm that film production will continue to be considered a form of manufacturing for the purposes of land use planning and interpretation of official plan policies and zoning standards.

5. City Council forward Attachment 2 to the report (May 17, 2023) from the Chief Planner and Executive Director, City Planning from the Film Commissioner and Director, Entertainment Industries related to the impacts the proposed Provincial Planning Statement has on the City's film production Industry to the Minister of Municipal Affairs and Housing and the Minister of Economic Development, Job Creation and Trade.

6. City Council forward a copy of the report (May 17, 2023) from the Chief Planner and Executive Director, City Planning to the Premier of Ontario, the Minister of Municipal Affairs and Housing, the Minister of Economic Development, Job Creation and Trade, the Leader of

the Official Opposition, all Ontario MPPs, the Association of Municipalities of Ontario, and all Ontario municipalities for their information and consideration.

7. City Council request the Minister of Municipal Affairs and Housing to undertake dedicated consultation with affected industry stakeholders on any changes to policies related to the protection of employment lands in advance of proceeding with the proposed Provincial Planning Statement.

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## **Committee Recommendations**

The Planning and Housing Committee recommends that:

1. City Council express its concern to the Minister of Municipal Affairs on the general direction taken in the proposed Provincial Planning Statement as it represents fundamental changes in how growth planning is carried out in the province and by the City of Toronto.
2. City Council support in principle the provisions in the proposed Provincial Planning Statement that encourage the supply of housing, notwithstanding, that references to "Affordable Housing" and "Housing that is affordable to low- and moderate-income households" have not been carried over.
3. City Council request the Province through ERO 019-6813 and outlined in Attachment 1 to the report (May 17, 2023) from the Chief Planner and Executive Director, to:
  - a. maintain all policy references to "residential intensification" and "redevelopment" in the current Provincial Policy Statement to provide clarity that where sufficient land and servicing exists to accommodate forecast population through infill, the need for greenfield development is diminished.
  - b. require that large and fast-growing municipalities accommodate a minimum of 50 percent of all residential development within their existing settlement area and that new settlement areas or settlement area expansion lands are planned for a minimum density target of 50 residents and jobs per gross hectare.
  - c. maintain the density targets of Urban Growth Centres (Growth Plan 2.2.3.2) and policies that directed how Urban Growth Centres will be planned (Growth Plan 2.2.3.1).
  - d. provide flexibility for municipalities to identify additional higher order transit corridors that deviate from the definition of "higher order transit" in the proposed Provincial Planning Statement.
  - e. maintain the Growth Plan policies (2.2.4.8 – 2.2.4.10) that support the development of complete communities with a compact built form and affordable housing within MTSAs, on lands adjacent to MTSAs, and along transit corridors.
  - f. include reference to affordable housing in Provincial Planning Statement Policy 2.4.2.6 given provincial direction to include affordable housing in Protected Major Transit Station Areas through inclusionary zoning.
  - g. maintain that municipalities may identify a settlement area or allow the expansion of a settlement area boundary only at the time of a 5-year official plan update and only where it has been demonstrated that certain conditions have been met (Provincial Policy Statement 1.1.3.8).

- h. lead a provincial-municipal process with large and fast-growing municipalities for the periodic preparation of regional population and employment forecasts. Enable municipalities to continue to be able to adopt higher forecasts.
- i. direct municipalities in the Greater Golden Horseshoe to continue using population and employment forecasts of Schedule 3 of the Growth Plan for managing growth to 2051 and ensuring “at least 25 year” supply of land.
- j. maintain the current definitions of “affordable” housing and "low and moderate-income households" OR provide explicit direction for municipalities to set their own definition.
- k. maintain the requirement for municipalities to establish targets for housing affordable to low- and moderate-income households (Provincial Policy Statement 1.4.3(a)) and for affordable ownership and affordable rental housing (Growth Plan 2.2.6.1(a)(ii))
- l. maintain Growth Plan policy 2.2.6.3 that provides direction to municipalities to use available tools to require that multi-unit residential developments incorporate a mix of unit types to accommodate a diverse range of households sizes and incomes.
- m. revise the definition of “housing options” to include consideration for affordable housing, tenure, and unit types to accommodate a range of household sizes.
- n. amend proposed policy 2.2.1.b.2, related to the conversion of existing commercial and institutional buildings for residential uses, to include a requirement to maintain or replace employment space within the redevelopment or within an off-site location.
- o. enact a Regulation to permit the use of zoning with conditions, pursuant to Section 113 of the City of Toronto Act 2006, that would enable a municipality to secure replacement employment space as part of redevelopments proposing to convert existing commercial and institutional space.
- p. enact a Regulation to permit the use of conditional zoning, pursuant to Section 113 of the City of Toronto Act 2006, that would enable the City to require and secure employment space to be provided prior to, or concurrent with any non-employment uses, including residential.
- q. revise the Employment Area definition to explicitly include film production, cluster of office uses, stand-alone convenience retail and services to serve businesses and workers within Employment Areas, and enable municipalities to define components of Employment Areas to serve local economies.
- r. maintain the current timeframe for when a conversion of employment lands can be considered: only when municipalities are undertaking their 5-year Official Plan review, absent the Municipal Comprehensive Review concept.
- s. strengthen land use policy protections for all Employment Areas across the Province to ensure that these lands support the economy and are viable over the long-term.
- t. require that municipalities determine that sensitive land uses proposed near manufacturing, warehousing and other major facilities are compatible or can be made compatible prior to permitting a sensitive land use.

u. retain the existing Growth Plan policy (2.2.5.8) which requires that the development of sensitive land uses, major retail and major office will avoid, or where avoidance is not possible, minimize and mitigate adverse impacts on industrial, manufacturing or other major facilities.

v. maintain the current Provincial Policy Statement and Growth Plan policies that explicitly support energy efficiency, increased vegetation, and improved air quality.

w. maintain and expand the geographic scope of the current Provincial Policy Statement and Growth Plan policies related to natural heritage protection, climate action, intensification, and greenhouse-gas reduction.

x. expand the geographic scope of the Growth Plan's protections for natural heritage systems (4.2.2), water resource systems and watershed planning (4.2.1), and stormwater management (3.2.7) to the entire Province.

y. maintain the Growth Plan's provincially identified Agricultural System.

z. Maintain Growth Plan policy 4.2.8.1 requiring municipalities to develop and implement official plan policies and other strategies related to conserving mineral aggregate resources.

aa. change the definition of "waste management system" to consider the waste hierarchy and is inclusive of and prioritizes resource recovery and environmental outcomes consistent with the Province's circular economy ambitions.

bb. align the Waste Management policies with the language of the Waste Free Ontario Act and Resource Recovery and Circular Economy Act (RRCEA) and provide guidance on how municipalities are to interpret the Waste Management policies in the Provincial Planning Statement alongside the RRCEA.

cc. include policy direction that requires municipalities to coordinate and plan for appropriate and adequate shared waste management infrastructure.

dd. include policy direction that ensures the provision of lands for integrated waste management, including recycling and processing facilities, and residual disposal/management.

ee. maintain and expand the geographic scope of Growth Plan policy 4.2.1.4 that requires a sub-watershed plan for large-scale development in greenfield areas.

ff. maintain policy references to "key hydrologic features, key hydrologic areas and their functions", from the current Provincial Policy Statement (2.2.1(e)) and expand the geographic scope of Growth Plan policy 4.2.1.2.

gg. include direction in the proposed Provincial Planning Statement that planning authorities shall protect, improve, or restore the quality and quantity of water.

hh. recognize and promote green infrastructure's role in water and stormwater systems.

ii. maintain all transportation related policies in the current Provincial Policy Statement and Growth Plan that support reducing vehicle trips.



jj. include language regarding planning for a transportation system in way that accounts for factors such as equity, cost, air quality, winter maintenance and resiliency.

kk. modify policies concerning the protection of heritage properties to say, “protected heritage property shall be conserved”, recognizing that the definition of “protected heritage property” includes more than lands with built heritage resources or cultural heritage landscapes.

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oo. acknowledge the importance of and requirement for undertaking integrated planning across the Province.

pp. provide guidance on expectations with respect to municipal engagement with Indigenous communities on land use planning matters that identify best practices.

qq. clarify the scope of a municipality's obligation to identify potential impacts of decisions on the exercise of Aboriginal or treaty rights and how the Province's role in addressing asserted Aboriginal or treaty rights will be integrated in the municipal decision-making process.

rr. add a new policy that enables municipalities to put in place local policies that address the changing nature of office space and needs to reflect the local context.

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5. City Council forward Attachment 2 to the report (May 17, 2023) from the Chief Planner and Executive Director to the Minister of Municipal Affairs and Housing and the Minister of Economic Development, Job Creation and Trade from the Film Commissioner and Director, Entertainment Industries related to the impacts the proposed Provincial Planning Statement has on the City’s film production Industry.

6. City Council forward a copy of the report (May 17, 2023) from the Chief Planner and Executive Director to the Premier of Ontario, the Minister of Municipal Affairs and Housing, the Minister of Economic Development, Job Creation and Trade, the Leader of the Official Opposition, all Ontario MPPs, the Association of Municipalities of Ontario, and all Ontario municipalities for their information and consideration.

7. City Council request that the Minister of Municipal Affairs and Housing undertake dedicated consultation with affected industry stakeholders on any changes to policies related to the protection of employment lands in advance of proceeding with the proposed Provincial Planning Statement.

## **Origin**

(May 17, 2023) Report from the Chief Planner and Executive Director, City Planning

## **Summary**

The policy led planning system under which municipalities within the Greater Golden Horseshoe (GGH) Area have operated since 2006 has experienced numerous changes over the last 5 years requiring the City to continuously review, examine and adapt our planning policies and practices. On April 6, 2023 as part of Bill 97, the Ministry of Municipal Affairs and Housing introduced a draft Provincial Planning Statement that is intended to replace the current Provincial Policy Statement and the Growth Plan for the Greater Golden Horseshoe. Some policies of the Growth Plan are intended to be incorporated into the new Provincial Planning Statement and the Growth Plan is proposed to be repealed.

The proposed repeal of the Growth Plan now treats the region generally the same as any other part of the Province despite it being home to 70% of Ontarians. While some Growth Plan policies are found in the proposed Provincial Planning Statement, virtually all the foundational ones have been eliminated and the overall policy intent of establishing a regional plan to lay out and coordinate planning, resource and infrastructure management efforts has been abandoned. Absent a comprehensive and coordinated regional growth management framework, potential unintended consequences may include, loss of agricultural land and associated worsening food insecurity, degradation of the natural heritage system and its ability to mitigate the impacts of climate change, impacts on water quality, uncoordinated infrastructure planning that increases costs for local and regional governments, uncoordinated and unsustainable development patterns that encourage car dependency, and the loss and removal of employment lands needed to support a diverse economic base.

The direction for regional planning implied in the draft Provincial Planning Statement represents a seminal change in the land use planning system in the GGH that together with recent and potential future governance changes pose risks to the widely recognized benefits of coordinated and integrated land use, resource and infrastructure planning and calls into question progress toward widely understood and desirable outcomes around climate adaptation, inclusion, economic and financial stability over the next decades. Growing imperatives around housing supply and paying for infrastructure should spark an evolution in regional planning through a focussed collaborative process around making the Growth Plan work better, without jettisoning its fundamental goals around limiting sprawl and long-term land use predictability.

The Province has provided stakeholders 60 days to review the proposed document and comments are due no later than June 5, 2023. Staff will submit the recommendations from Planning and Housing Committee to the provincial ERO posting and will submit additional comments received at City Council's meeting on June 14-16, 2023 as supplementary information to the recommendations contained in this report.

This report outlines staff comments on the proposed Provincial Planning Statement as itemized in Attachment 1. The recommendations contained in this report address concerns raised by City staff intended to inform the Ministry of the City's comments and suggested revisions to the proposed Provincial Planning Statement. Staff from City Planning, Engineering & Construction Services, Economic Development & Culture, the Housing Secretariat, Toronto Water, Parks,

Forestry & Recreation, Corporate Finance and Legal Services reviewed and provided comments organized in the following six themes:

1. Regional Planning;
2. Housing;
3. Employment Lands Planning;
4. Environment;
5. Infrastructure; and
6. Implementation

### **Background Information (Committee)**

(May 17, 2023) Report and Attachments 1 and 3 from the Chief Planner and Executive Director, City Planning on City Comments on the Proposed Provincial Planning Statement (<https://www.toronto.ca/legdocs/mmis/2023/ph/bgrd/backgroundfile-236614.pdf>)  
Attachment 2 - Provincial Planning Statement 2023: Impact on Film Production Industry (<https://www.toronto.ca/legdocs/mmis/2023/ph/bgrd/backgroundfile-236776.pdf>)

### **Communications (Committee)**

(May 29, 2023) Letter from Geoff Kettel and Cathie Macdonald, Co-Chairs, Federation of North Toronto Residents' Associations (PH.New)  
(<https://www.toronto.ca/legdocs/mmis/2023/ph/comm/communicationfile-169993.pdf>)  
(May 31, 2023) Letter from Craig McLuckie, President, Toronto Industry Network (PH.New)  
(<https://www.toronto.ca/legdocs/mmis/2023/ph/comm/communicationfile-170052.pdf>)  
(May 31, 2023) Letter from Victoria Harding, Executive Director, DGC Ontario (PH.New)  
(<https://www.toronto.ca/legdocs/mmis/2023/ph/comm/communicationfile-170104.pdf>)  
(May 31, 2023) Letter from Issac Tang, Borden Ladner Gervais LLP, on behalf of PT Studios Inc. (PH.New)  
(<https://www.toronto.ca/legdocs/mmis/2023/ph/comm/communicationfile-170105.pdf>)  
(May 31, 2023) Letter from Peggy Kyriakidou, President, and Jayson Mosek, Business Agent, NABET 700-M UNIFOR (PH.New)  
(<https://www.toronto.ca/legdocs/mmis/2023/ph/comm/communicationfile-170106.pdf>)

### **Communications (City Council)**

(June 14, 2023) Letter from Les Veszlenyi and Angela Barnes, Co-Chairs of the Mimico Lakeshore Community Network (CC.Supp)  
(<https://www.toronto.ca/legdocs/mmis/2023/cc/comm/communicationfile-170401.pdf>)  
(May 31, 2023) Letter from Ian Carmichael and John Caliendo, Co-Chairs, ABC Residents Association (CC.New)  
(<https://www.toronto.ca/legdocs/mmis/2023/cc/comm/communicationfile-170438.pdf>)

### **Speakers**

Victoria Harding, Directors Guild of Canada - Ontario  
Cynthia Lynch, FilmOntario  
Peggy Kyriakidou, NABET 700M UNIFOR  
Angela Mastronardi, IATSE Local 873

## Item 7

**From:** Andrews, David <[David.Andrews@dfo-mpo.gc.ca](mailto:David.Andrews@dfo-mpo.gc.ca)>

**Sent:** Wednesday, July 12, 2023 3:53 PM

**To:** Andrews, David <[David.Andrews@dfo-mpo.gc.ca](mailto:David.Andrews@dfo-mpo.gc.ca)>

**Subject:** Publication of Proposed Management Plan for Mapleleaf and Rainbow on the Species at Risk Public Registry

Greetings,

I'm pleased to inform you that Fisheries and Oceans Canada has now posted the proposed version of the management plan for Mapleleaf and Rainbow on the Species at Risk Public Registry.

This document will be open for public consultation on the Public Registry for a 60-day comment period. Fisheries and Oceans will then have 30 days to review comments and integrate them as appropriate, after which the final versions will be posted on the Public Registry.

DFO values your input on the proposed recovery document. We encourage you to share the Registry links with others who you think may be interested. Should you wish to discuss the foregoing, please do not hesitate to contact me at your convenience.

The document can be found here:

English: [Management Plan for the Mapleleaf \(\*Quadrula quadrula\*\) Great Lakes – Upper St. Lawrence Population, and Rainbow \(\*Villosa iris\*\) in Canada - Document search - Species at risk registry](#)

French: [Plan de gestion de la mulette feuille d'érable \(\*Quadrula quadrula\*\), population des Grands Lacs et du haut Saint-Laurent, et de la villeuse irisée \(\*Villosa iris\*\) au Canada - Recherche de documents - Registre public des espèces en péril](#)

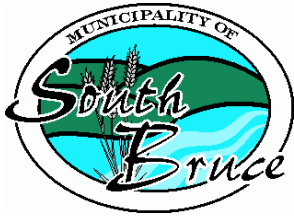
Thank-you for your time,

**Dave Andrews** (he/him)

Species at Risk Biologist, Species at Risk Program

Fisheries and Oceans Canada/Government of Canada

E-mail: [David.Andrews@dfo-mpo.gc.ca](mailto:David.Andrews@dfo-mpo.gc.ca)



# *Municipality of South Bruce*

**MUNICIPAL OFFICE**

P.O. Box 540, 21 GORDON ST E. TEESWATER, ONTARIO N0G 2S0  
Phone (519) 392-6623 Fax (519) 392-6266

## **NOTICE OF PUBLIC MEETING CONCERNING A COMMUNITY IMPROVEMENT PLAN PURSUANT TO SECTION 28 OF THE PLANNING ACT**

**TAKE NOTICE** that the Council of the Municipality of South Bruce will hold a statutory hybrid Public Meeting on Tuesday, August 22, 2023 at 6:00 p.m., in-person at the Municipal Council Chambers - 21 Gordon St. E, Teeswater, ON, and virtually by Zoom, to consider an updated Community Improvement Plan (CIP) under Section 28(4) of the Planning Act.

**The Community Improvement Plan (CIP)** will apply to all lands within the Municipality of South Bruce.

**The Purpose** of the updated CIP is to adopt a program that will allow for additional opportunities that encourage the redevelopment, revitalization and improvement of private lands throughout the entire municipality by offering a variety of financial incentives. The updated CIP will replace the previously developed CIP, will apply to both settlement and rural areas of the municipality, and will allow for increased access by businesses and property owners in South Bruce to municipal funding opportunities and Bruce County's Spruce the Bruce Program. A draft of the updated Community Improvement Plan is available for review on the Municipal website at: [www.southbruce.ca](http://www.southbruce.ca).

**If you wish to be notified** of the adoption of the Community Improvement Plan, you must make a written request to the CAO/Clerk of the Municipality of South Bruce at the address noted below.

**If a person** or public body does not make oral submissions at a public meeting or make written submissions to The Municipality of South Bruce before the Bylaw adopting the Community Improvement Plan is passed, the person or public body is not entitled to appeal the decision of the Council of the Municipality of South Bruce to the Ontario Land Tribunal.

**If a person** or public body does not make oral submissions at a public meeting or make written submissions to The Municipality of South Bruce before the Bylaw is passed, the person or public body may not be added as a party to the hearing of an appeal before the Ontario Land Tribunal unless, in the opinion of the Tribunal, there are reasonable grounds to do so.

**Comments and opinions** submitted on these matters, including the originator's name and address, become part of the public record, may be viewed by the general public and may be published in a staff report and Council Agenda.

**Additional information** regarding the Community Improvement Plan is available for inspection from Monday to Friday between 8:30 a.m. and 4:30 p.m. at the South Bruce Municipal Office at 21 Gordon St E, Teeswater, ON N0G 2S0, on the municipal website at [www.southbruce.ca](http://www.southbruce.ca) or by emailing the Economic Development Officer, Candace Hamm at [chamm@southbruce.ca](mailto:chamm@southbruce.ca).

**Dated this 17th day of July, 2023**

Leanne Martin, CAO/Clerk  
Municipality of South Bruce  
21 Gordon Street East, P.O. Box 540  
Teeswater, ON N0G 2S0  
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# Community Improvement Plan Policy

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# 1. Introduction

## 1.1. Background

The Municipality of South Bruce is known as the gateway to Bruce County. It is home to 5,880 residents ([StatCan, 2021](#)) spread among the villages of Teeswater, Mildmay, and Formosa and with the vast rural areas. The five key sectors that drive the economy are agriculture, food and beverage manufacturing, tourism and hospitality, aggregate, and wood product manufacturing.

South Bruce's Official Plan states that the goal of the Community Improvement Plan (CIP) is "to improve facilities and infrastructure in the municipality's urban areas that contributes to community health, environmental, social and economic priorities and needs of the community."

In 2013, the Municipality of South Bruce approved its first Community Improvement Plan (By-law 2013-60) that included areas in the villages of Teeswater and Mildmay. In 2020, the municipality amended the policy with the addition of new incentives and adjustments of the area boundaries to include areas in Formosa. This document will replace that previously developed CIP. This Community Improvement Plan enables additional opportunities that encourage the revitalization of existing buildings and redevelopment of properties within the municipality through a variety of financial incentives.

In 2022 Bruce County Council expanded incentive offerings available through Spruce the Bruce, the county's community development incentive program. To gain full access to these grants the municipality took the opportunity to redevelop this policy to be more in line with existing municipal goals and county priorities.

## 1.2. Purpose

The purpose of the Community Improvement Plan (CIP) is to adopt a program of financial incentives that encourage the redevelopment and improvement of private lands throughout the Municipality of South Bruce. These redevelopments and improvements aim to enhance the character of the municipality.

The purpose of financial incentives is to assist businesses and property owners in the redevelopment and improvement of their properties. In turn, projects supported under the CIP will contribute towards municipal goals defined in this policy and others.

The CIP applies to both settlement and rural areas of the municipality. Specific financial incentives are developed to target the different needs of each of these areas. This CIP will allow for increased businesses and property owners in South Bruce to participate in Bruce County's Spruce the Bruce Program.

The municipality can provide financial incentives within the defined Community Improvement Project



Areas (CIPAs). It enables both the municipality and Bruce County to participate in or implement financial incentives that can support future development and investments.

The financial incentives offered within the CIPAs are at the discretion of the Municipality of South Bruce and Bruce County and are dependent upon budget considerations.

## 1.3. Methodology

Defining the goals of the community created the strong foundation for this Community Improvement Plan (CIP) policy. The policy was created following a review of existing guidelines, planning documents, current incentive programs, and consultation process. This consultation process involved staff of the Municipality of South Bruce, and identified and defined key areas to ensure the policy supports future growth across the entire municipality.

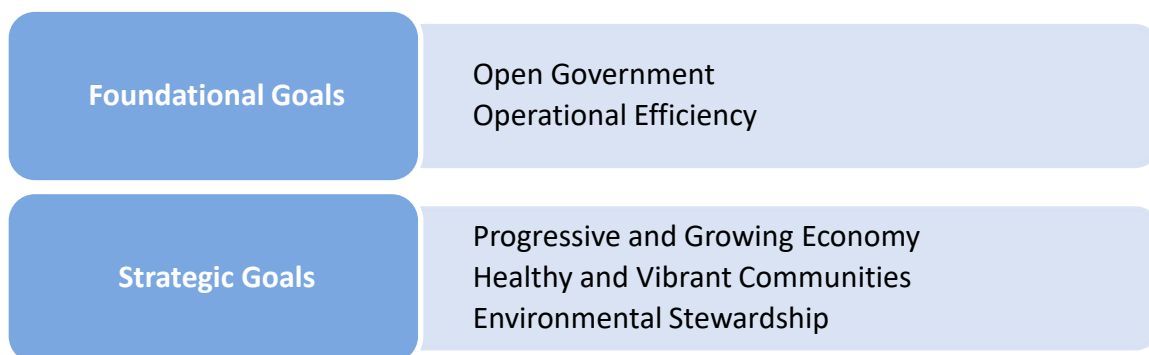
### 1.3.1. Guiding Documents

Local plans, reports, and studies were reviewed when building the foundation of this modernized Community Improvement Plan. Key guiding documents are summarized below.

#### 1.3.1.1. The Municipality of South Bruce Corporate Strategic Plan 2021-2025

The Municipality South Bruce’s mission is “to provide appropriate and efficient services and programs to residents and businesses of the municipality that will enhance quality of life and provide a safe, inclusive, and desirable environment to work and raise families.”

The strategic plan establishes five goals for the municipality. These include two foundational goals and three strategic goals.



#### 1.3.1.2. The Municipality of South Bruce Economic Development Strategic Update (2021)

The Economic Development Strategic Update builds on the corporate strategy and provide direction to creating an environment that supports investments and economic growth. The update highlights three strategic objectives, nine priorities, and 23 actions. The more specific objectives and actions that

directly relate to the modernization of the Community Improvement Plan (CIP) include:

- Priority 1B: Increase flexibility of policies and tactics.
  - Action 7: Adapt CIP incentives to assist farmers and businesses to add value, diversify the economy, create jobs, grow entrepreneurship, and encourage infilling in villages.
- Priority 3B: Double-down on support for village revitalization.
  - Action 18: Enhance business incentives and policies to attract the cleantech supply chain, homebuilders, small businesses, entrepreneurs, and investors to South Bruce villages.

#### 1.3.1.3. Bruce County's Spruce the Bruce Program (2022)

Bruce County's Spruce the Bruce program offers financial incentives to eligible applications within a community's CIP. These grants are enabled through municipal policies and offer improvements to designated downtown areas. The grants make designated downtown areas more attractive, distinctive, and pedestrian friendly. In 2022, the program was enhanced to target additional industries and regional needs. Grant offerings extend past the downtown cores but are still within a designated community improvement project area (CIPAs). The additional grants support the revitalization of agriculture and tourism sectors and support redevelopment relating to business accessibility and nurturing mixed-use development.

## 2. Legislation

### 2.1. Ontario Municipal Act (2001)

Municipal activities are governed by The Municipal Act (2001), which is the principal statute that governs the administration of municipalities and sets out municipal powers. While the act provides opportunity to provide tax reductions related to heritage, municipal, or education purposed properties, it generally prohibits municipalities from providing incentives or bonuses to commercial enterprises. However, exceptions are provided where a municipality participates in a Community Improvement Plan (CIP), as part of Section 28 of the Planning Act, R.S.O. 1990.

### 2.2. Ontario Planning Act (1990)

Section 28 of Ontario's Planning Act allows municipalities to prepare Community Improvement Plan (CIPs) to establish a framework for supporting and implementing programs to encourage development and redevelopment, in accordance with official plan policies. Whether the reasons are physical, social, economic, or environmental, a community improvement approach is a flexible, comprehensive, co-ordinated, and strategic framework for dealing with lands and buildings. For the purposes of carrying out a CIP, a municipality may engage in the following activities within the community improvement

project area (CIPA):

- a. Acquire, hold, clear, grade or otherwise prepare land for community improvement (Section 28(3)).
- b. Construct, repair, rehabilitate or improve buildings on land acquired or held by it in the CIP project area in conformity with the CIP (Section 28(6)).
- c. Sell, lease, or otherwise dispose of any land and buildings acquired or held by it in the CIPA in conformity with the CIP (Section 28(6)).
- d. Make grants or loans to registered owners, assessed owners and tenants of lands and buildings within the CIPA, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole, or any part of the cost of rehabilitating such lands and buildings in conformity with the CIP (Section 28(7)).
- e. Eligible costs can be related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes, or for the provisions of energy efficient uses, buildings structures, works, improvements, or facilities (Section 28(7.1)).
- f. The council of an upper-tier municipality may make grants or loans to the council of a lower-tier municipality and the council of a lower-tier municipality may make grants or loans to the council of the upper-tier municipality, for the purpose of carrying out a Community Improvement Plan that has come into effect, on such terms as to security and otherwise as the council considers appropriate, but only if the official plan of the municipality making the grant or loan contains provisions relating to the making of such grants or loans (Section 28(7.2)).

## 2.3. Provincial Policy Statement (2020)

CIPs help to achieve the Provincial Policy Statement (PPS) objectives of healthy communities, a clean and safe environment, and a strong economy. Community improvement is supported through PPS policies for:

- a. Building strong healthy communities.
- b. Promoting efficient development and a mix of land uses.
- c. Ensuring that necessary infrastructure and public service facilities are available.
- d. Improving accessibility.
- e. Conserving heritage resources.
- f. Supporting green design.
- g. Encouraging residential intensification.

## 2.4. The Official Plan for the Formosa, Mildmay, and Teeswater Settlement Areas (2004)

The Municipality's Official Plan policies under Section 5.7 qualify the municipality to prepare and implement Community Improvement Plan (CIP), and other mechanisms that are governed by Section 28. The official plan allows for any area with the municipality to be subject to a Community Improvement Area and uses the criteria for selecting the proposed areas. The CIP will establish several programs to implement the goals and objectives of official plan community improvement policies.

## 2.5. County of Bruce Official Plan (2010)

The Bruce County Official Plan provides guidance on local Community Improvement Plan (CIP) areas and programs. It encourages local municipalities to adopt CIPs in accordance with the county and local official plans. Furthermore, Bruce County's Official Plan has identified all areas of the community as having the potential to be identified as a community improvement project area by respective municipalities or by the county.

# 3. Goals and Objectives

Section 5.7 of The Official Plan for the Formosa, Mildmay, and Teeswater Settlement Areas outlines the goal of the community improvement areas is to improve facilities and infrastructure in the urban areas that contributes to community health, environmental, social, and economic priorities and needs of the community.

More specifically, the CIP has the following objectives:

- a. To improve the physical appearance and economic health of the downtown commercial areas while elevating the status of these areas as destinations and promoting their unique community identity.
- b. To encourage development and redevelopment on private and/or public lands to improve the appearance and functionality of the downtown commercial areas, and recreational areas/facilities of the municipality.
- c. To improve and enhance the recreational facilities/opportunities within the municipality by creating communities that are attractive, pedestrian-friendly, and distinctive.
- d. To ensure a built environment that supports and encourages active transportation while reducing automobile dependency and implement measures that ensure it is accessible to all.
- e. To promote the improvement of energy efficiency and other environmental standards for residential, commercial, industrial, public, recreational, institutional, and other uses within the designated community improvement project areas

Financial incentives outlined in this plan may be offered to tenants or property owners to assist in meeting these goals. Grants available may change from year to year.

## 4. Project Areas

Section 28(1) of the Planning Act (1990) allows a municipality to define a community improvement project area (CIPA). The Planning Act defines a CIPA as “a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason.”

The Official Plan provides a list of criteria for selecting CIPAs. The original project areas covered the downcore cores of Mildmay and Teeswater with Formosa being added in 2020. This CIP now includes an expansion of these previous downtown CIPAs to encompasses the entire municipal boundaries of South Bruce. Formosa, Mildmay, and Teeswater are defined priority project areas and continue to have specific incentives focussed on downtown development, as outlined in this policy.

The municipality shall designate the expanded CIP project area by by-law. The programs authorized in this CIP may be carried out within the community improvement project area (CIPA) as identified in Schedule A.

## 5. Incentive Programs

### 5.1. General Eligibility Criteria

To assist private landowners in enhancing their properties or buildings, the following financial incentives are offered to eligible applicants as indicated below, unless identified under [Section 5.3.3.](#), which outlines incentives and eligibility of Bruce County’s Spruce the Bruce Program.

#### 5.1.1. Eligible Applicants

- a. The property in the application must be in a community improvement project area ([Section 4](#)) or identified for specific incentives ([Section 5.3](#)).
- b. Applicants must be the registered owner of the property, assessed owner, or an authorized agent. If a tenant wishes to apply, a letter from the building owner approving the work to be done is required.
- c. General maintenance is not eligible for project incentives. The goal of the program is to encourage new projects that aim to revitalize existing buildings and redevelop properties.
- d. Applicants must comply with all provincial and local laws and regulations pertaining to

licensing, permits, building code, and zoning requirements. The applicant is responsible for obtaining all building and other required permits and must be in conformance with all applicable health and safety standards.

#### 5.1.2. Applications

- a. Complete applications for the specific incentive must be submitted directly to the municipality, except for incentives offered through Spruce the Bruce, which must be submitted directly to Bruce County.
- b. Applications need to be submitted prior to any work commencing and cannot begin until an application is approved, and the agreement is signed.
- c. The municipality has the right to request additional submissions of drawings and/or plans to be included with the application and schedule a pre-application meeting to review the intended improvements and modifications.

#### 5.1.3. Agreements

- a. Any application must be consistent with the official plan, Community Improvement Plan (CIP), and any other guidelines that may be implemented for the Community Improvement Project Areas (CIPAs). Priority will be given to those applications which most closely meet the program guidelines that will be developed with the framework as outlined in this plan.
- b. The applicant shall enter into an agreement with the municipality stipulating at a minimum:
  - Terms of the financial agreement.
  - Total amount of approved funding.
  - Timetable for provision of agreement and completion of the project.
  - An undertaking by the owner to satisfy all municipal and other relevant laws and requirements for the project.

#### 5.1.4. Previous Projects

- a. Financial incentives cannot be retroactive. Any work commenced prior to the project receiving approval from the municipality will be ineligible.
- b. Properties are not eligible for the same incentive program within five years, unless there is a new owner or tenant, or if the project scope is different.

#### 5.1.5. Funding Payouts

- a. Municipal contributions will be issued after the following:

- Project is complete and paperwork has been submitted.
  - Inspected by municipal staff (or the appropriate approval authority).
  - Necessary permits and licences have been issued.
  - Original paid receipts for materials or third parties for the work submitted.
- b. Funding will be payable within the timeframe established for the applicable program or the date of agreement, whichever comes first.
  - c. The applicant cannot be awarded more than 100% of the final invoice, or whatever percentage is indicated for the specific incentive.
  - d. Eligible project costs must be actual cash outlay to third parties acting at arm's length and which can be documented through original invoices or proofs of payment. Applicants will provide a minimum cash contribution to the project as outlined, under [Section 5.3.](#) depending on the type of incentive that is implemented.

#### 5.1.6. Funding Thresholds

- a. The total of any of the financial incentives shall not exceed 100% of the cost of improvements made to properties or lands. This includes a combination of both county and local municipal incentives.
- b. Where the project is expected to result in a substantial increase in the property's value, Tax Increment Equivalent Grant (TIEG) can be considered in addition to other incentives.
- c. The total combination of funds available to one property must not surpass \$20,000 or 50% of available funding in one budget year. This does not include any monies received from the county.
- d. The minimum value of a grant issued under any program shall be \$500 and the minimum value of a loan shall be \$20,000.

#### 5.1.7. Expiration of Funding

- a. Unless otherwise stated in the agreement, a maximum of one year is allowed for completion of a project after approval. Requests for extensions can be made to the municipality.
- b. No changes to work specified in the agreement are to be made for five years without municipal approval.

#### 5.1.8. Tax Arrears and Other Charges

- a. Applicants must not be in default of any property taxes, local improvement charges, or any other municipal accounts receivable on the subject property at the time of approval or upon

receiving final funding.

- b. Any outstanding orders (building, fire, zoning, etc.) must be satisfied prior to funding approval and upon receiving final funding. Exceptions apply where approval of the entity responsible for the outstanding order.

### 5.1.9. Transfers of Projects

- a. If there is change in ownership of a property, projects can be transferred, if the new owner is completing the same project on the same property. The existing agreement holder shall advise the municipality of the change to update the agreement. This agreement will need to be signed, with the same conditions, with the new agreement holder.
- b. Approved incentives allocated to a specific property are not transferable to any other property.

## 5.2. Forms of Incentives

Each year, council or its designated authority will determine which incentive programs are in effect [Section 5.3.](#), in what form the incentive will be provided, and the funding allocation based on the municipal budget. Financial incentives can be provided to properties in the Community Improvement Project Areas (CIPA) as indicated below or a combination of grants and loans.

### 5.2.1. Grants

Grants are typically used as a matching program for related costs or fees, excluding taxes, to an eligible project. Awarded grants cover a portion of the capital cost of the improvement to an overall maximum amount. Costs may include necessary professional design fees, material, and labour but will exclude any taxes. Each grant category ([Section 5.3.](#)) will provide details of available funding.

### 5.2.2. Loans

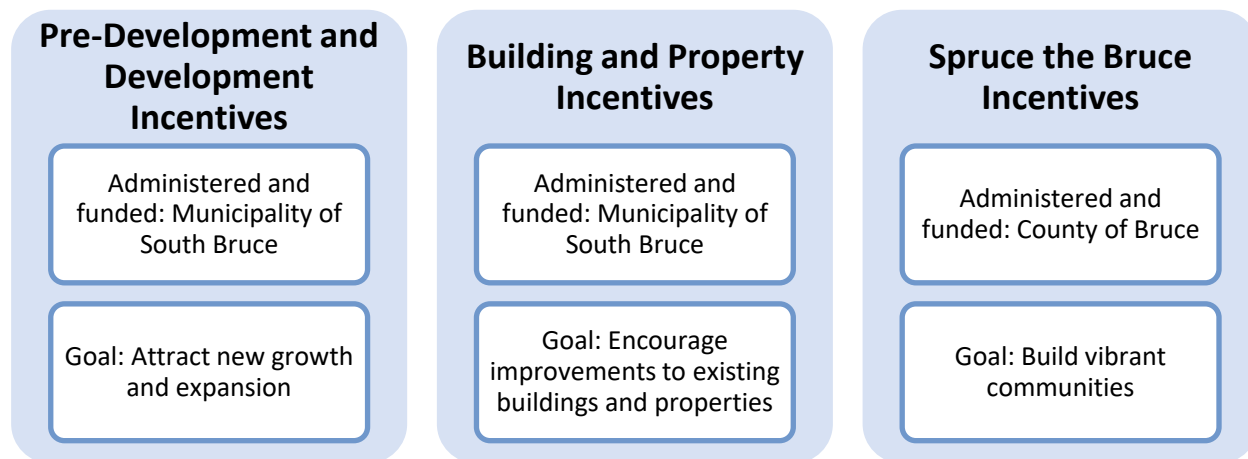
Where a proposed project satisfies the relevant municipal guidelines, a loan can cover a portion of the eligible improvement costs to a maximum amount. Loans are structured by the municipality based on market conditions and amortized over a set number of years. The municipality has the right to set the interest rates as low as 0% and the agreement will stipulate the repayment schedule. Loans are only available to property owners and are registered as a loan on the property.

## 5.3. Incentives

Financial incentives offered to property and business owners are grouped into three categories based on their overall objective. Within each category, pre-development and development incentives, building and property incentives, and Spruce the Bruce incentives, multiple programs each with their specific goals and eligibility, are available for use.



Each year, council can endorse which financial incentives, based on categories or individual programs, to implement and the availability of municipal funding. Spruce the Bruce is the expectation, as this is funded and implemented through the County of Bruce.



### 5.3.1. Development and Predevelopment Incentives

Development and predevelopment incentives are led and funded by the municipality and have an overall goal of attracting new growth and expansion to the municipality-wide Community Improvement Project Area (CIPA). Program applications, approvals, agreements, and distribution of funding are all administered by the municipality. View [Schedule B](#) for a summary chart of all incentives. Where applicable, the following financial incentives can be provided in the following ways:

#### 5.3.1.1. Tax Increment Equivalent Grant Program

##### **Purpose:**

The Tax Increment Equivalent Grant (TIEG) Program is intended to encourage the development and redevelopment of eligible properties by providing tax assistance equal to all or a portion of the property tax increase resulting from new property improvements.

##### **Eligibility Criteria:**

- All general eligibility criteria apply.
- The property must be within the municipal-wide CIPA (Schedule A-1).
- Proposed projects that have resulted in an increase of at least 25% in the assessed property value or be valued at more than \$1,000,000.
- Applications must be filed prior to the start of any activity that would constitute development triggering a re-valuation by MPAC (Municipal Property Assessment Corporation).

**Financial Incentive:**

- An incentive equal of up to 100% of the municipal and/or county tax portion for up to ten years.
- This incentive may be offered on a declining scale, for example: Year one of the program, the grant to the property owner is equal to 100% of the tax increment. Thereafter, the grant decreases by 10% per year (e.g., year two = 90%, year three = 80%, and so on up to year ten).
- Bruce County may participate in this program, related to the county portion of a tax bill, subject to County Council approval.

**Examples of Eligible Projects:**

- Adaptive reuse of a property to suit new uses.
- Major additions to a property, involving a significant increase of existing gross floor area.
- Infrastructure work including the improvement or reconstruction of existing on-site public infrastructure as may be required to service a proposed development.
- Façade, signage, and streetscaping improvements required as part of a proposed development.
- Professional services by an engineer, architect, or professional planner.
- Any combination of the above.

### 5.3.1.2. Municipal Fee Incentive Program

**Purpose:**

The municipal fee incentive program provides a rebate for fees associated with redevelopment, infill, and new development. Any fee included in South Bruce's Fees and Charges By-Law (2022-121 or as amended) is an eligible expense for this program. Bruce County may participate in this program as subject to Bruce County Council approval.

**Eligibility Criteria:**

- All general eligibility criteria apply.
- The property or building must be within the municipal-wide CIPA (Schedule A-1).
- This will be a one-time contribution to the applicant to the cost indicated in the current fee structure/by-law.

**Financial Incentive:**

- An incentive equal up to 50% of applicable municipal fees.
- Can be paid in two installments, 25% upon completion of any permit or application and the

remaining 25% after final inspection or completion of the project.

**Examples of Eligible Projects:**

- Building or demolition permits.
- Site plan control applications.
- Official plan amendments (including zoning by-law amendments, minor variances, or severances of land).
- Other municipal fees in the current fee structure/ by-law.

### 5.3.1.3. Predevelopment Study and Design Program

**Purpose:**

The predevelopment study and design program are to offset the costs associated with preparing the necessary plans, drawings, or designs that outline the extent of the improvements being applied for.

**Eligibility Criteria:**

- All general eligibility criteria apply.
- The property or building must be within the municipal-wide CIPA (Schedule A-1).
- Projects must be in line with streetscape, façade, or other design guidelines set by the municipality.

**Financial Incentive:**

- Municipal matching incentive up to 50% of eligible net costs.
- Can be paid in two installments, 25% upon completion of the study or design and the remaining 25% after final inspection or completion of the project.

**Examples of Eligible Projects:**

- Preparation of architectural or engineering plans and site plans for building improvements.
- Environmental site assessments.
- Business development related studies and plans such as, but not limited to, feasibility, traffic impact, or market analysis studies.
- Any other studies or designs that meet the goals of the program, as approved by the municipality.

#### 5.3.1.4. Surplus Land Program

**Purpose:**

The surplus land program is in place to redevelop lands or buildings that are determined surplus to the needs of the local municipality or the county at a reduced or minimal cost for sales, lease, rent, or redevelopment through a request for proposal (RFP) process. The local municipality and county will work together to identify lands that are surplus and to determine the best use for the surplus lands. Bruce County may participate in this program as subject to Bruce County Council approval.

**Eligibility Criteria:**

- All general eligibility criteria apply.
- The property or building must be within the municipal-wide CIPA (Schedule A-1).
- Must follow relevant bylaws related to sale and disposition of municipal land.
- Additional eligibility criteria will distinguish the best use based on needs and will be identified in the RFP released by either the municipality or the county.

**Financial Incentive:**

- Land to be awarded at a reduced cost or possibly at no cost.

**Examples of Eligible Projects:**

- The criteria, examples of projects, and other needs from the local municipality or the county will be included in the RFP.

#### 5.3.2. Building and Property Improvement Incentives

Building and property improvement incentives encourage improvements to existing privately owned buildings and properties within the designated Community Improvement Project Areas (CIPAs). Program applications, approvals, agreements, and distribution of funding are all administered by the municipality. View [Schedule C](#) for a summary chart of all incentives.

##### 5.3.2.1. Façade Improvement Program

**Purpose:**

The façade improvement program encourages the rehabilitation, repair, and/or exterior improvements to buildings and street-facing facades by offsetting the project costs for existing privately owned buildings.

**Eligibility Criteria:**

- All general eligibility criteria apply.

- The property or building must be in a priority CIPA (Schedules A-2, A-3, A-4).
- Property must be privately owned and must have a component of non-residential use.

**Financial Incentive:**

- Incentives of up to 50% of eligible net costs upon completion of approved project.

**Examples of Eligible Projects:**

- Restoration or redesign to the any street-facing or visible façades of the commercial building.
- Cleaning, exterior painting, masonry, sandblasting, and/or cladding of buildings.
- Restoration, replacement or installation of architectural details or exterior building accessories (e.g., awnings, shutters, trim, doors, windows, lighting, etc.)
- Replacement of windows and doors with energy-efficient and/or accessible alternatives.
- Redesign of storefront or entrance modifications, including accessibility improvements.
- Professional services, fees, and related costs.
- Other improvements that meet the goals of the program, as approved by the municipality.

#### 5.3.2.2. Business Signage Program

**Purpose:**

This business signage program covers a portion of the project costs for new or existing public facing sign improvements or additions on buildings in the municipality.

**Eligibility Criteria:**

- All general eligibility criteria apply.
- The property or building must be within the municipal-wide CIPA (Schedule A-1).
- Property must be privately owned and must have a component of non-residential use.
- Back lit illumination signs are not eligible for funding.
- Signs for entities not located at the subject property are not eligible.
- Must comply with requirements set by the municipal or county by-laws.

**Financial Incentive:**

- Incentives of up to 50% of eligible net costs upon completion of approved project.

**Examples of Eligible Projects:**

- Restoration or redesign of signage that is visible from the public realm/right-of-way.

- Perpendicular signage installation/upgrades/replacement.
- Façade signage installation/upgrades/replacement.
- Free standing signage installation/upgrades/replacement
- Cleaning, painting, sandblasting and/or refinishing façade signage.
- Facade illumination for signage.
- Brick and masonry repair to accept signage bracket/fastenings.
- Professional services, fees, and related costs.
- Other improvements that meet the goals of the program, as approved by the municipality.

#### 5.3.2.3. Building Improvement/ Structural Program

##### **Purpose:**

The program covers a portion of the costs associated with renovating, restoring, improving, or updating buildings in compliance with the Ontario Building Code standards, Ontario Fire Code, Accessibility for Ontarians with Disabilities Act, or Leadership in Energy and Environmental Design certifications.

##### **Eligibility Criteria:**

- All general eligibility criteria apply.
- The property or building must be in a priority CIPA (Schedules A-2, A-3, A-4).
- Property must be privately owned and must have a component of non-residential use.
- Any improvements must meet or exceed the requirements of the Accessibility for Ontarians with Disabilities Act (AODA), Ontario's Building Code, and other government regulations where applicable.

##### **Financial Incentive**

- Incentives of up to 50% of eligible net costs upon completion of approved project.

##### **Examples of Eligible Projects:**

- Upgrade existing buildings with Ontario Building Code standards.
- Address structural and life safety issues to create usable and efficient floor space.
- Improve property standards or preserve architectural significance.
- Rehabilitate existing apartments or build new apartments that enhance housing options.
- Improvements to barrier-free accessibility such as ramps, power-door operators, elevator

access, lifts, lever door handles, tactile walking strip indicators, and other related devices.

- Construction of new buildings and/or infrastructure that meet Leadership in Energy and Environmental Design (LEED) certification standards.
- Retrofit of existing buildings for energy efficiency such as replacement of doors, windows, insulation, appliances, heating, lighting fixtures, etc.
- Install alternative energy generating sources, such as solar or wind devices or install a green roof.
- Preserve or enhance employment opportunities.
- Remediate a brownfield site.
- Professional services, fees, and related costs.
- Other improvements that meet the goals of the program, as approved by the municipality.

#### 5.3.2.4. Property Transformation Program

##### **Purpose:**

The goal of this grant is to encourage upgrades to underutilized and/or vacant buildings or properties by repurposing the space to better suit the needs of the community with new usable residential or commercial activities.

##### **Eligibility Criteria:**

- All general eligibility criteria apply.
- The property or building must be in a priority CIPA (Schedules A-2, A-3, A-4).
- Property must be privately owned and must have or be in the process of establishing a component of non-residential use.

##### **Financial Incentive:**

- Incentives of up to 50% of eligible net costs upon completion of approved project.

##### **Examples of Eligible Projects:**

- Conversion of a vacant or unused buildings to provide multiple housing units, or mixed uses such as housing and office or studio space.
- Property zoning conversion to transfer underutilized residential buildings or properties to mixed-use or commercial spaces.
- Remodeling of upper story space in a commercial property to residential units.
- Renovations of rear ground floor space to better suit new commercial and/or residential use.

- Professional services, fees, and related costs to study the feasibility and design.
- Other improvements that meet the goals of the program, as approved by the municipality.

#### 5.3.2.5. Start-up Business Program

##### **Purpose:**

To assist new businesses and companies established in the priority areas by providing funding to property owners and tenants. The financing of non-temporary leasehold or accessibility improvements for commercial spaces or live/workspaces aim to increase the marketability of property and rental units and foster long-term growth and success in the downtowns.

##### **Eligibility Criteria:**

- All general eligibility criteria apply.
- The property or building must be in a priority CIPA (Schedules A-2, A-3, A-4).
- Property must be privately owned and must have a component of non-residential use.
- **Financial Incentive:**
- Incentives of up to 50% of eligible net costs upon completion of approved project.

##### **Examples of Eligible Projects:**

- A minimum one-year commercial space lease.
- Capital storefront and commercial space improvements.
- Change, repair, re-install of flooring, ceiling, walls, lighting, fixed cabinets, and other structurally permanent elements.
- Painting, repainting, or re-facing of interior platforms, walls, and any surfaces.
- Installation, replacement, repair, or restoration of masonry, brickwork or wood, windows, or other architectural features.
- Installation, repair or reinstallation of plumbing, heating, ventilation and air conditioning (HVAC), electrical, fixtures, cable, telephone, fibre, and other service-specific installations.
- Entranceway modifications that improve the appearance and/or access to the commercial unit(s).
- Demolition or removal of fixtures, structural, and non-conforming or hazardous materials.
- Other improvements that meet the goals of the program, as approved by the municipality.



### 5.3.2.6. Streetscape Beautification, Signage, and Landscaping Improvements

**Purpose:**

For improvements related to the streetscape including but not limited to the replacing/adding of light standards, street furniture, sidewalk and lane treatments, parking, and signage.

**Eligibility Criteria:**

- All general eligibility criteria apply.
- The project must be located in a priority CIPA (Schedules A-2, A-3, A-4).
- Projects must be in line with streetscape, façade, or other design guidelines set by the municipality.

**Financial Incentive:**

- Incentives of up to 50% of eligible net costs upon completion of approved project.

**Examples of Eligible Projects:**

- Replacing/adding light standards.
- Street furniture including but not limited to benches, banners, planters, garbage/recycling receptacles.
- Installation or improvement of sidewalks or walkways, lane, or parking treatments.
- Improved community signage.
- Professional services, fees, and related costs.
- Other improvements that meet the goals of the program, as approved by the municipality.

### 5.3.2.7. Agricultural Diversification Program

**Purpose:**

To encourage on-farm diversified and agriculture-related uses through value-added experiences and exterior improvements on farms by reducing the costs.

**Eligibility Criteria:**

- All general eligibility criteria apply.
- The property or building must be within the municipal-wide CIPA (Schedule A-1) where agricultural uses are permitted.

**Financial Incentive:**

- Incentives of up to 50% of eligible net costs upon completion of approved project.

**Examples of Eligible Projects:**

- Exterior signages, façade, or infrastructure improvements, specific to on-farm diversified uses.
- Sales of produce such as produce stands.
- Agri-tourism experiences or value-added activities such as barn tours, petting zoos, pick-your-own, on-farm dining, workshops, etc.
- Professional services, fees, and related costs.
- Other improvements that meet the goals of the program, as approved by the municipality.

### 5.3.3. Bruce County-led Incentives

In addition to municipal programs, Bruce County's Spruce the Bruce (STB) program offers a variety of grants to South Bruce's eligible property owners and tenants, municipalities, and specific community groups. These grants are administered and funded directly by Bruce County and based on a separate budget set by County Council each year. The general eligibility noted in the above sections does not apply to the STB grants, as each grant has its own eligibility requirements. View [Schedule D](#) for a summary chart of all incentives.

**General Eligibility Criteria for Spruce the Bruce Grants:**

- a. The applicant must be the tenant or the property owner. A letter of support from the property owner is required if the applicant is the tenant.
- b. The project should attempt to include elements from the applicable community toolkit, façade guidelines, or community brand guidelines, dependent on the grant category.
- c. The project must comply with municipal and county by-laws and have received appropriate permits and permissions.
- d. Project work must not have started (including purchasing any materials) until the application has been approved.
- e. Properties previously awarded grants are not eligible for additional funding under the same grant category unless:
  - The grant was provided more than five years ago; or
  - Either the tenant and/or property owner changed since the last grant was provided; or
  - The application is clearly for different physical elements of the building/property as determined by county staff.

### 5.3.3.1. Façade Building Improvement Grant

#### **Purpose:**

Updated, aesthetically pleasing, and well-maintained building facades create vibrancy in our downtown cores and encourage the public to stop, shop, and dine.

The Façade Building Improvement Grant provides funding for business and property owners to update and improve the exterior façade of their downtown commercial building.

#### **Eligibility Criteria:**

- All Spruce the Bruce specific eligibility criteria in section 5.3.3 apply.
- The building must be commercial or mixed-use (commercial-residential) and be located within the priority CIPA (Schedules A-2, A-3, A-4).
- A minimum of three major exterior projects from the eligible project list must occur. These can be a combination of grants funded under this grant category and up to one of the following categories: fascia signage, perpendicular signage, awning, and patio installation.

#### **Financial Incentive:**

- A grant payment of up to 50% of eligible project costs (excluding taxes) to support the completion of a façade building improvement project.

#### **Examples of Eligible Projects:**

- Architectural feature improvements, or additions (e.g., beams, decorative molding)
- Brick or stone (or other masonry) installation, repointing, or restoration
- Exterior lighting / gooseneck lighting
- Painting storefront
- Permanent outdoor planters (e.g., windowsill)
- Siding installation
- Take-out window installation
- Windows and doors upgrades
- Other projects approved by Bruce County that create physical improvements or upgrades to the commercial property's façade

#### **Examples of Ineligible Projects:**

- New building construction
- Roof repairs

- Greenery (e.g., plants, flowers, shrubs, etc.)
- Projects done to the rear / backside of building
- General maintenance repairs

#### 5.3.3.2. Fascia Signage Grant

##### **Purpose:**

An updated and aesthetically pleasing fascia sign helps to showcase the business' brand and encourages customers to enter the shop.

The Fascia Signage Grant provides funding for business and property owners to install a new and updated façade (flat/fascia sign) on the exterior of the downtown commercial building.

##### **Eligibility Criteria:**

- All Spruce the Bruce specific eligibility criteria in section 5.3.3 apply.
- The building must be commercial or mixed-use (commercial-residential) and be located within the priority CIPA (Schedules A-2, A-3, A-4).
- Fascia signs must be attached to the front of a commercial building.

##### **Financial Incentive:**

- A grant payment of up to 50% of eligible project costs (excluding taxes) to support the completion of a fascia signage project.

##### **Examples of Eligible Projects:**

- Fascia / façade / flat storefront sign
- Other projects approved by Bruce County that create physical improvements or upgrades to the commercial property's fascia signage

##### **Examples of Ineligible Projects:**

- Backlit, neon, coroplast, vinyl banners, or freestanding signage

#### 5.3.3.3. Perpendicular Signage Grant

##### **Purpose:**

Perpendicular signs increase awareness and visibility of a business and its offerings. The sign is attached to the front of the building and mounted so the face of the sign is perpendicular to the normal flow of the street and foot traffic, which creates pedestrian-friendly downtowns.

The Perpendicular Signage Grant provides funding for business and property owners to install a new perpendicular (blade / projecting) sign on the exterior of the downtown commercial building.

**Eligibility Criteria:**

- All Spruce the Bruce specific eligibility criteria in section 5.3.3 apply.
- The building must be commercial or mixed-use (commercial-residential) and be located within the priority CIPA (Schedules A-2, A-3, A-4).
- The perpendicular sign must be attached to the front of the building and mounted so the face of the sign is perpendicular to the normal flow of street and foot traffic.

**Program Funding:**

- A grant payment of up to 50% of eligible project costs (excluding taxes) to support the completion of a perpendicular signage project.

**Examples of Eligible Projects:**

- Perpendicular / blade / projecting sign
- Other projects approved by Bruce County that create physical improvements or upgrades to the commercial property's perpendicular signage

**Examples of Ineligible Projects:**

- Backlit, neon, coroplast, vinyl banners, or freestanding signage

#### 5.3.3.4. Awning Grant

**Purpose:**

Awnings not only provide shelter from environmental elements but can also add an extra visual appeal to the building and improve aesthetics.

The Awning Grant provides funding for business and property owners to install an awning on the exterior of the downtown commercial building.

**Eligibility Criteria:**

- All Spruce the Bruce specific eligibility criteria in section 5.3.3 apply.
- The building must be commercial or mixed-use (commercial-residential) and be located within a priority CIPA (Schedules A-2, A-3, A-4).

**Financial Incentive:**

- A grant payment of up to 50% of eligible project costs (excluding taxes) to support the completion of an awning project.

**Examples of Eligible Projects:**

- Awning above windows, doors, and/or takeout windows

- Other projects approved by Bruce County that create physical improvements or upgrades to the commercial property's awning

#### 5.3.3.5. Patio Installation Grant

##### **Purpose:**

An outdoor patio allows restaurants, bars, and cafes the opportunity to increase capacity and sales, but also add to the vibrancy of the downtown, encouraging more visitors and spending.

The Patio Installation Grant provides funding for business and property owners to install or expand an outdoor patio for their guests and visitors to enjoy food and beverage on. The patio may be a sidewalk patio, rooftop patio, or back patio.

##### **Eligibility Criteria:**

- All Spruce the Bruce specific eligibility criteria in section 5.3.3 apply.
- The building must be commercial or mixed-use and be located within the priority CIPA (Schedules A-2, A-3, A-4).
- If the patio extends onto municipal property, the applicant must submit an application and be approved for a patio permit with the municipality.

##### **Financial Incentive:**

- A grant payment of up to 50% of eligible project costs (excluding taxes) to support the completion of a patio installation project.

##### **Examples of Eligible Projects:**

- Decking
- Fencing or railings
- Flooring / patio stones / brick
- Pergola for sun shelter
- Permanent planter boxes (e.g., attached to fencing)
- Other projects approved by Bruce County that create physical improvements or upgrades to the commercial property's patio

##### **Examples of Ineligible Projects:**

- Patio furniture (e.g., tables, chairs, benches, etc.)
- Portable accessories (e.g., heaters, fire pits, speakers, etc.)
- Greenery (e.g., plants, flowers, shrubs, etc.)

### 5.3.3.6. Community Marketing Grant

#### **Purpose:**

By collaborating on marketing projects, businesses, municipalities, not-for-profits, and charities with a focus or mandate to service visitors can ensure a cohesive approach and expand their reach to new audiences and visitors. Helping to drive sales to local businesses and encourage involvement and attendance at community events helps to drive a vibrancy in the community.

The Community Marketing Grant provides funding for businesses or municipalities, not-for-profits or charities with a focus or mandate to service visitors to collaboratively develop a package itinerary or marketing campaign that stimulates the local downtown economy.

#### **Eligibility Criteria:**

- Specific Spruce the Bruce eligibility criteria from section 5.3.3 points b. to e. apply.
- The applicants may be a combination of businesses, or a combination of municipalities, not-for-profits or charities with a focus or mandate to service visitors.
- For businesses: a minimum of three businesses, with at least one being located within the priority CIPA (Schedules A-2, A-3, A-4) collaborate and develop a package itinerary or campaign.
- For municipal and community partners: municipalities and community partners (not-for-profits or charities) collaborate and develop a marketing campaign to promote the business community and sectors.

#### **Financial Incentive:**

- A grant payment of up to 50% of eligible project costs (excluding taxes) to support the completion of a community marketing project.

#### **Examples of Eligible Projects:**

- Completed package itinerary or marketing campaign
- Design and production of marketing collateral
- Paid promotion through marketing channels (e.g., detail, print, radio, etc.)
- Other projects approved by Bruce County that create visitor attraction to the downtown cores of eligible communities

#### **Examples of Ineligible Projects:**

- Projects that include collaborative partners located outside of Bruce County
- Projects that duplicate a role already fulfilled within the community or Bruce County

- Projects that generate advertising / promotional revenue for the applicants

#### 5.3.3.7. Agri-Food Innovation Grant

##### **Purpose:**

Agriculture is one of Bruce County's key sectors. By supporting the implementation of innovative and value-added processes, agriculture operators can improve efficiencies, expand their markets, and increase profits.

The Agri-Food Innovation Grant provides funding for agricultural operators to improve or implement new value-added and innovative technologies, software, and hardware.

##### **Eligibility Criteria:**

- Specific Spruce the Bruce eligibility criteria from section 5.3.3 points a. and c. to e. apply.
- The agriculture property must be located within the municipal-wide CIPA (Schedule A-1).
- The project must comply with all necessary municipal, provincial, federal, and local food, and safety regulations, and have received appropriate permits and permissions.
- This grant cannot be combined with any other Spruce the Bruce grants.

##### **Financial Incentive:**

- A grant payment of up to 50% of eligible project costs (excluding taxes) to support the completion of an agri-food innovation project.

##### **Examples of Eligible Projects:**

- Infrastructure related to the following:
- Agri-tourism experiences (e.g., adding a corn maze)
- Bioproduct farming (as defined by Ontario Ministry of Agriculture, Food & Rural Affairs (OMAFRA))
- Direct consumer sales (e.g., pick-your-own, roadside stands)
- Organic farming (e.g., free-range chickens)
- Small-scale food and beverage processing (e.g., making jam on-site from grown raspberries)
- Specialty crops farming (as defined by OMAFRA)
- Other projects approved by Bruce County that include value-added or innovative purchases or implementation to the agriculture operation



**Ineligible Projects:**

- Temporary, 'removeable', or consumable project materials or elements
- New building construction
- General maintenance repairs

**5.3.3.8. Business Accessibility Adaptability Grant****Purpose:**

Communities become more inclusive, safe, and welcoming when the accessibility of commercial buildings is improved, and barriers are removed. The goal is to create inclusive and AODA-friendly environments for all.

The Business Accessibility Adaptability Grant provides funding for business and property owners to upgrade or renovate the exterior or interior of their commercial building to remove or reduce barriers for people with disabilities.

**Eligibility Criteria:**

- Specific Spruce the Bruce eligibility criteria from section 5.3.3 points a. and c. to e. apply.
- The building must be commercial or mixed-use and be located within the municipal-wide CIPA (Schedule A-1).
- The renovations and upgrades must be compliant with the requirements of the Accessibility for Ontarians with Disabilities Act (AODA).

**Financial Incentive:**

- A grant payment of up to 50% of eligible project costs (excluding taxes) to support the completion of a business accessibility and adaptability project.

**Examples of Eligible Projects:**

- Automatic doors (exterior or interior)
- Accessible dressing rooms
- Accessible washrooms
- Wheelchair ramps
- Flat entrance (in place of stairs)
- Other projects approved by Bruce County that create permanent renovations or upgrades to improve the accessibility of the exterior or interior of the commercial building

**Examples of Ineligible Projects:**

- Temporary or 'removeable' project materials or elements

**5.3.3.9. Product and Experience Development / Enhancement Grant****Purpose:**

Tourism is what drives visitors to explore Bruce County. By upgrading or creating new experiences and products for visitors, their length of stay and monies spent can increase, assisting the overall economy.

The Product and Experience Development / Enhancement Grant provides funding for tourism business and property owners of tourism establishments to improve the visitor experience by making upgrades and enhancements to their products, services, and physical location.

**Eligibility Criteria:**

- Specific Spruce the Bruce eligibility criteria from section 5.3.3 points c. to e. apply.
- The applicant must be the tenant or the property owner of a business whose products or services are demand generators directly related to tourism (accommodations, recreation and entertainment, food and beverage, travel services, and transportation). A letter of support from the property owner is required if the applicant is the tenant.
- The building or property must be located within the municipal-wide CIPA (Schedule A-1).
- This grant cannot be combined with any other Spruce the Bruce grants.

**Financial Incentive:**

- A grant payment of up to 50% of eligible project costs (excluding taxes), to support the completion of a product and experience development / enhancement project.

**Examples of Eligible Projects:**

- Infrastructure related to physical improvements or additions to a building or structure (e.g., exterior façade, patios, cabins, docks, playgrounds, etc.)
- Infrastructure related to the development of new tourism products or services
- Other projects approved by Bruce County that develop or enhance existing or new products or experiences of the tourism property or business

**Ineligible Projects:**

- Temporary, 'removeable', or consumable project materials or elements
- New building construction

- General maintenance repairs

#### 5.3.3.10. Residential Improvement Grant

##### **Purpose:**

Adding to the number of residential units available for rent will help increase the supply of housing options accessible for local residents. Focusing on downtowns and mixed-use zones will help rental tenants gain access to employment opportunities and using personal and professional services in the downtown without requiring access to a vehicle.

The Residential Improvement Grant provides funding for property owners to upgrade or renovate their mixed-use (commercial-residential) building to add new residential units or increase occupancy in existing units for long-term rental use.

##### **Eligibility Criteria:**

- Specific Spruce the Bruce eligibility criteria from section 5.3.3 points c. to e. apply.
- The applicant must be the property owner.
- The building must be mixed-use (commercial-residential) and located within a downtown core or mixed-use zone of a priority CIPA (Schedules A-2, A-3, A-4).

##### **Financial Incentive:**

- A grant payment of up to 50% of eligible project costs (excluding taxes) to support the completion of a residential improvement project.

##### **Examples of Eligible Projects:**

- Supplies and labour related to the development of a new unit or expansion of existing units
- Supplies and labour related to necessary building code or fire code requirements
- Other projects approved by Bruce County that create permanent renovations or upgrades that add a new residential unit or increase the capacity of an existing residential unit of the mixed-use property

##### **Ineligible Projects:**

- Removable or temporary items (e.g., furniture, decorative items)
- Projects that do not result in a new residential unit or increase the occupancy of an existing residential unit
- New building construction

### 5.3.3.11. Streetscape Beautification Grant

#### **Purpose:**

Streetscape Beautification projects help make a community's downtown more attractive, distinctive to their unique brand, and pedestrian-friendly, helping to drive community vibrancy and development. Uniquely branded physical elements help to highlight the character of a downtown.

The Streetscape Beautification Grant provides funding for municipalities or their entities, business improvement areas, or registered chambers of commerce to install or improve streetscape improvements in the downtown core that improve the vibrancy of the downtown.

#### **Eligibility Criteria:**

- Specific Spruce the Bruce eligibility criteria from section 5.3.3 points b. to e. apply.
- The applicant must be a municipality or their entities, a business improvement area, or a registered chamber of commerce.
- The project elements must be installed in and around the downtown core of a priority CIPA (Schedules A-2, A-3, A-4).
- The applicant must submit a letter of support from the local municipality or local council.

#### **Financial Incentive:**

- A grant payment of up to 50% of eligible project costs (excluding taxes) to support the completion of a streetscape beautification project.

#### **Examples of Eligible Projects:**

- Banners
- Benches
- Bike racks
- Flower containers
- Garbage and recycling cans
- Green space or public plaza enhancements
- Public art
- Seasonal decorations
- Other projects approved by Bruce County that create upgrades, additions, or improvements, or enhanced experiences to the streetscape within the community's downtown core

#### 5.3.3.12. Community Signage Grant

**Purpose:**

Community Signage helps to improve visitors' experiences, while showcasing the community's unique brand.

The Community Signage Grant provides funding for municipalities, not-for-profits, or charities with a focus or mandate to service visitors, to install signage that improves the visitor experience.

**Eligibility Criteria:**

- Specific Spruce the Bruce eligibility criteria from section 5.3.3 points b. to e. apply.
- The applicant must be a municipality, not-for-profit, or charity with a focus or mandate to service visitors.
- Signage must be within Bruce County boundaries.
- The applicant must submit a letter of support from the local municipality or local council.

**Financial Incentive:**

- A grant payment of up to 50% of eligible project costs (excluding taxes) to support the completion of a community signage project.

**Examples of Eligible Projects:**

- Gateway signs
- Interpretive or historical plaques
- Kiosk signs
- Route / trail markers (e.g., cycling, hiking, paddling areas, marinas)
- Other projects approved by Bruce County that create upgrades, additions, or improvements, or enhanced experiences through signage within the community

**Examples of Ineligible Projects:**

- Signage not specifically benefitting the visitor's experience

#### 5.3.3.13. Destination Infrastructure and Active Transportation Grant

**Purpose:**

By upgrading and investing in local destination infrastructure around core local attractions, visitor experience is enhanced and increases the likelihood of return trips. Investing in active transportation projects also helps engage residents and visitors and encourages active means of transportation.

The Destination Infrastructure and Active Transportation Grant provides funding for municipalities, not-for-profits, or charities with a focus or mandate to service visitors, to install or enhance infrastructure or make capital improvements that improve the quality of core visitor attractions or active transportation areas.

**Eligibility Criteria:**

- Specific Spruce the Bruce eligibility criteria from section 5.3.3 points b. to e. apply.
- The applicant must be a municipality, not-for-profit, or charity with a focus or mandate to service visitors.
- The project work must be within Bruce County boundaries, and at a core visitor attraction or an area determined by an active transportation plan.
- The applicant must submit a letter of support from the local municipality or local council.

**Financial Incentive:**

- A grant payment of up to 50% of eligible project costs (excluding taxes) to support the completion of a destination infrastructure and active transportation project.

**Examples of Eligible Projects:**

- Capital improvements such as upgrades and additions to public restrooms, parking areas, and lookouts.
- Other projects approved by Bruce County that create upgrades, additions, or improvements, or enhanced experiences through Destination Infrastructure and Active Transportation within the community

## 6. Program Implementation

### 6.1. Administration

The Community Improvement Plan policy is administered by the Municipality of South Bruce, with exception to the Spruce the Bruce program which are administered by Bruce County. These programs are led by the municipality's CAO and economic development staff with support from other departments for administration, review of applications, and funding disbursements.

### 6.2. General Budget

Council determines the amount of available municipal funding to be made for these financial incentives under this Community Improvement Plan (CIP) on an annual basis. The total of all grants and loans provided in this CIP shall not exceed the eligible costs to remediate, rehabilitate, revitalize, and redevelop the lands and/or buildings. Any improvements made prior to the adoption of the CIP

are not eligible for financial incentives under the CIP.

Based on any number of factors, council or its designated authority may choose to operationalize the following if it still fit within the criteria of the program:

- Cease, reduce, or increase funding to one or more of the financial incentive programs.
- Create a maximum/cap of the percentage allocated for an individual incentive.
- Designate a maximum dollar amount allocated to a specific incentive.
- Assign a maximum amount to be used as a pool.
- Limit funds to specific incentive programs to support municipal goals.

Any adjustments to program funding or the amount of the annual budget will not require an amendment to this Plan.

### 6.3. Application Review and Approvals

Prior to application of the municipal-led incentive programs, potential applicants are encouraged to pre-consult with municipal staff to determine if their property and projects are eligible, discuss the application requirements, and to determine if other financial incentives are available.

Applications will be available to building and property owners or their tenants and will request elements such as project details, quotes, and designs of the of the proposed finished products.

Review and approval of applications is delegated to the CAO, economic development staff, or designate committee. The CAO, economic development staff, or designate committee are required to bring a recommendation to council for approval in the following situations:

- The total incentives provided to one property are more than \$20,000 in one budget year.
- A Tax Increment Equivalent Grant is requested.
- A loan is requested.

Applications for loans need to be submitted by October 31 of the year prior. Timelines associated with applications will be developed using a subsequent process and be subject to change based on budget and availability.

Upon approval of a grant or loan, and prior to beginning the project, the applicant will be required to enter into an agreement with the municipality. A final report with copies of paid invoices and photos of the completed project will need to be returned before October 31 of the approval year before funds are released.

A summary of approved financial incentives will be provided to council based on the approved budget for that year.

## 6.4. Phasing

Based on the municipal goals, planned projects, or other recently completed work for the community the municipality may choose to phase areas of the Community Improvement Plan as in Section 5.7.6 of the official plan. If there are planned studies or projects upcoming based on public infrastructure, that may impact the result of a proposed eligible project that the application may choose to defer their incentive to omit duplication of work.

## 7. Amending Policies

### 7.1. Timeframe

The Community Improvement Plan (CIP) shall remain in effect until council amends or repeals the by-law.

### 7.2. Amendments

Amendments to the Community Improvement Plan (CIP) would not normally be required if a municipality is discontinuing or cancelling a program; or if funding to a program is decreased. Decisions respecting funding allocations to CIP programs are typically part of the annual council budget process. However, amendments to the CIP may be required for a change or expansion in the geographic area to which financial or land programs outlined in a CIP apply; or a change in the eligibility criteria (i.e. the addition of new municipal assistance programs involving grants, loans, tax assistance or land; or, an increase to a financial incentive to be offered within a municipal CIP program).

### 7.3. Participation

To carry out the community improvement goals and actions of this plan, the municipality may participate and coordinate in grants or loans with other levels of government pursuant to Section 28(7.2) of the Planning Act (1990) for the purpose of carrying out a Community Improvement Plan.

## 8. Monitoring

Program monitoring shall occur on an annual basis to determine the following:

- a. Established targets from program uptake are being met.
- b. Desired outcomes for the downtown are being achieved.
- c. Program participants are completing their commitments.
- d. Overall benefits of the program.



## Schedule A: Community Improvement Project Area (CIPA) Maps

Schedule A-1: South Bruce Municipal-wide CIPA

Schedule A-2: Formosa CIPA

Schedule A-3: Mildmay CIPA

Schedule A-4: Teeswater CIPA

**Schedule A-1**  
Municipality of South Bruce  
Community Improvement Plan  
Project Area (CIPA)

Municipality for Brockton

Walkerton

Carlsruhe

Refer to  
Schedule A-2

Formosa

Refer to  
Schedule A-3

Mildmay

Refer to  
Schedule A-4



Teeswater

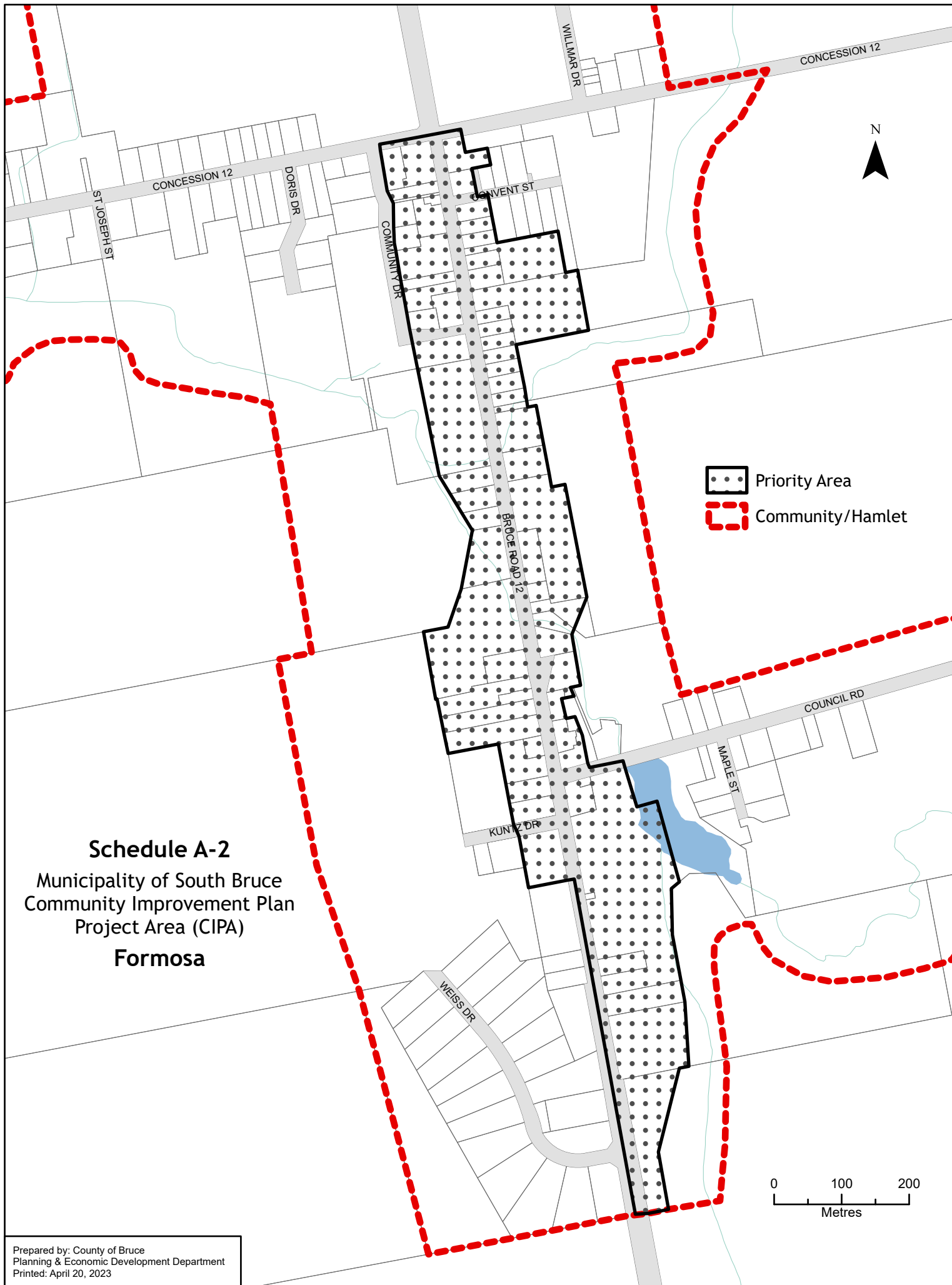
Belmore

GREY COUNTY

Township of Huron-Kinloss

HURON COUNTY

-  Priority Area
-  Community/  
Hamlet



**Schedule A-2**  
**Municipality of South Bruce**  
**Community Improvement Plan**  
**Project Area (CIPA)**  
**Formosa**

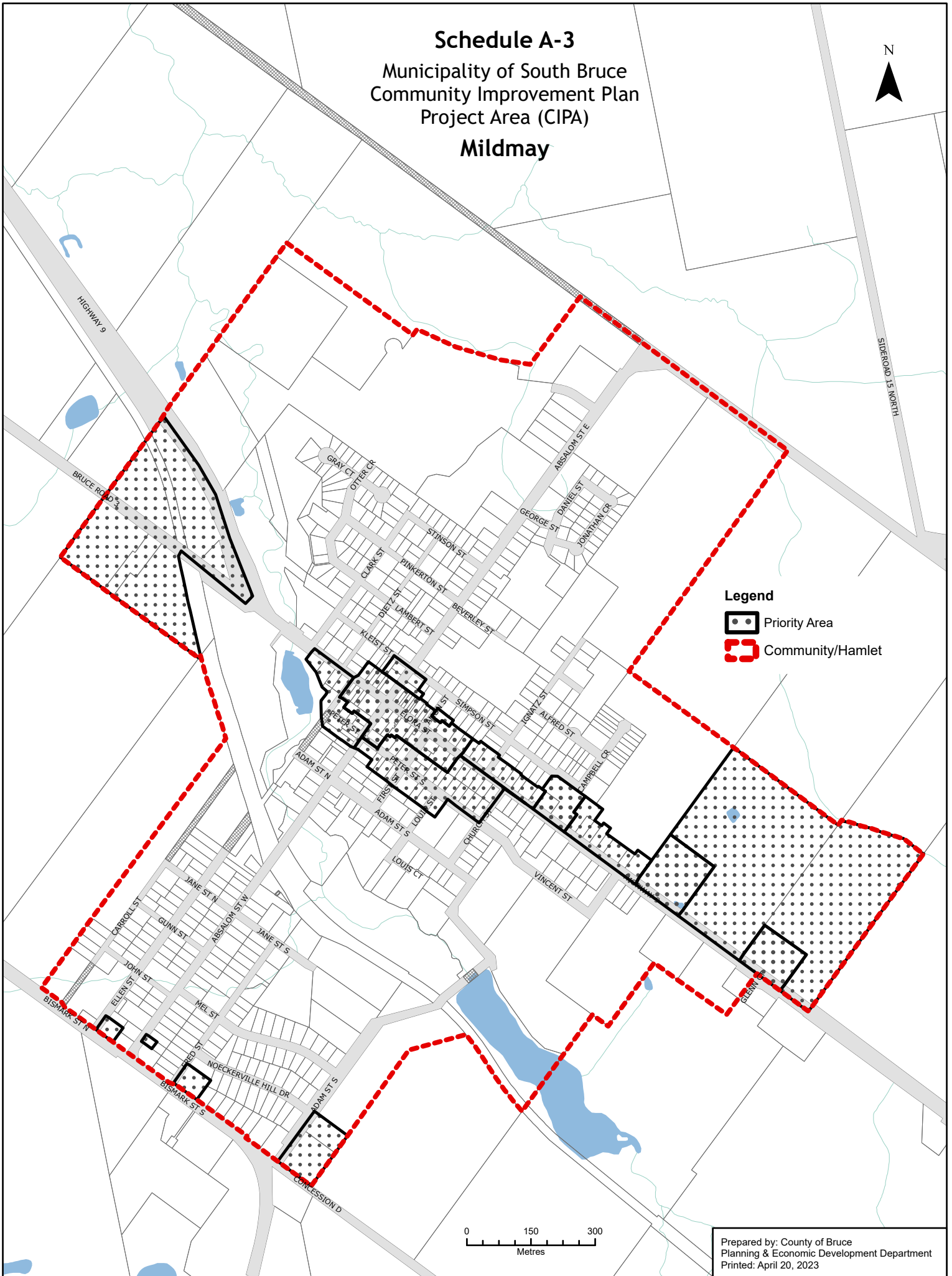
# Schedule A-3



## Municipality of South Bruce

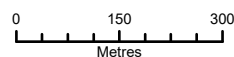
### Community Improvement Plan

#### Project Area (CIPA)

#### Mildmay



- Legend**
-  Priority Area
  -  Community/Hamlet



# Schedule A-4

## Municipality of South Bruce

### Community Improvement Plan

#### Project Area (CIPA)

#### Teeswater



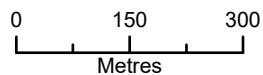
#### Legend



Priority Area



Community/Hamlet



## Schedule B: Summary of the Development and Predevelopment Incentives

Incentive Program	Purpose	Additional Eligibility	Incentives
<b>Tax Increment Equivalent Grant (TIEG) Program</b>	Encourage the development and redevelopment of eligible properties by providing tax assistance for the property tax increase resulting from new property improvements.	Privately owned properties in the municipal-wide CIPA (Schedule A1).  Projects that have resulted in at least 25% an increase in the assessed property value or be valued at more than \$1,000,000.	Up to 100% of the Municipal and/or County tax portion for up to ten years provided on a declining basis.  County of Bruce may participate.
<b>Municipal Fee Incentive Program</b>	Reduction of municipal fees associated with redevelopment, infill, and new commercial development.	Privately owned properties or buildings in the municipal-wide CIPA (Schedule A-1).	One-time Municipal fee reductions up to 50%.  County of Bruce may participate.
<b>Predevelopment Study and Design Program</b>	Offset the costs associated with preparing plans and drawings that outline the extent of the improvements being applied for.	Privately owned properties or buildings in the municipal-wide CIPA (Schedule A-1).	Municipality matches up to 50% of eligible project net costs.  County of Bruce may participate.
<b>Surplus Land Program</b>	Redevelop lands or buildings that are determined surplus to the needs of the local municipality or the county.	As determined through a request for proposal (RFP) process.	Land to be awarded at a reduced cost or at no cost.  County of Bruce may participate.

## Schedule C: Summary of the Building and Property Improvement Incentives

Incentive Program	Purpose	Additional Eligibility	Incentives
<b>Façade Improvement Program</b>	Offset costs of rehabilitation, repair, and/ or exterior improvements to buildings and street-facing facades.	Buildings that are privately owned with component of non-residential use within a priority CIPA (Schedules A-2, A-3, A-4).	Municipality matches up to 50% of eligible project net costs.
<b>Business Signage Program</b>	Covers costs for new or existing public facing sign improvements or additions on buildings in the municipality.	Buildings or properties that are privately owned with a component of non-residential use within the municipal-wide CIPA (Schedule A-1).	Municipality matches up to 50% of eligible project net costs.
<b>Building Improvement and Structural Program</b>	Supports the improvements needed to renovate, restore, or update buildings and bring them into compliance with AODA, Ontario's Building Code, or LEED certification standards.	Buildings that are privately owned with component of non-residential use within a priority CIPA (Schedules A-2, A-3, A-4).	Municipality matches up to 50% of eligible project net costs.
<b>Property Transformation Program</b>	Encourage upgrades to underutilized buildings or properties by repurposing the space to better suit the needs of the community with new usable residential or commercial activities.	Buildings that are privately owned with component of non-residential use or in the process of rezoning within a priority CIPA (Schedules A-2, A-3, A-4).	Municipality matches up to 50% of eligible project net costs.

<b>Start-up Business Program</b>	Funding for non-temporary interior leasehold, accessibility, or other capital storefront improvements for commercial spaces.	Buildings that are privately owned with component of non-residential use within a priority CIPA (Schedules A-2, A-3, A-4).	Municipality matches up to 50% of eligible project net costs.
<b>Streetscape Beautification, Signage, and Landscaping Improvements</b>	For improvements that boost the visual streetscape and landscaping improvements in the core downtown areas.	The project must be located in a priority CIPA (Schedules A-2, A-3, A-4).	Municipality matches up to 50% of eligible project net costs.
<b>Agricultural Diversification Program</b>	Encourage on-farm diversified and agriculture-related uses through value-added experiences and exterior improvements on farms.	Property with where agricultural use is permitted within the municipal-wide CIPA (Schedule A-1).	Municipality matches up to 50% of eligible project net costs.



## Schedule D: Summary of Bruce County's Spruce the Bruce Incentives

Incentive Program	Purpose	Additional Eligibility	Incentives
<b>Façade Building Improvement Grant</b>	Funding for business and property owners to update and improve the exterior façade of their downtown commercial building.	Zoned commercial or mixed-use within a priority CIPA (Schedules A-2, A-3, A-4).	County matches up to 50% eligible project costs (excluding taxes).
<b>Fascia Signage Grant</b>	Funding for business and property owners to install a new and updated façade (flat/fascia sign) on the exterior of the downtown commercial building.	Zoned commercial or mixed-use within a priority CIPA (Schedules A-2, A-3, A-4).	County matches up to 50% eligible project costs (excluding taxes).
<b>Perpendicular Signage Grant</b>	Funding for business and property owners to install a new perpendicular (blade / projecting) sign on the exterior of the downtown commercial building.	Zoned commercial or mixed-use within a priority CIPA (Schedules A-2, A-3, A-4).	County matches up to 50% eligible project costs (excluding taxes).
<b>Awning Grant</b>	Funding for business and property owners to install an awning on the exterior of the downtown commercial building.	Zoned commercial or mixed-use within a priority CIPA (Schedules A-2, A-3, A-4).	County matches up to 50% eligible project costs (excluding taxes).
<b>Patio Installation Grant</b>	Funding for business and property owners to install or expand an outdoor patio for their guests and visitors to enjoy food and beverage on.	Zoned commercial or mixed-use within a priority CIPA (Schedules A-2, A-3, A-4).	County matches up to 50% eligible project costs (excluding taxes).

<b>Community Marketing Grant</b>	Funding for businesses or municipalities, not-for-profits or charities with a focus or mandate to service visitors to collaboratively develop a package itinerary or marketing campaign that stimulates the local downtown economy.	If businesses apply: a minimum of three businesses must collaborate, with at least one located in a priority CIPA (Schedules A-2, A-3, A-4).	County matches up to 50% eligible project costs (excluding taxes).
<b>Agri-Food Innovation Grant</b>	Funding for agricultural operators to improve or implement new value-added and innovative technologies, software, and hardware.	Zoned agriculture within the municipal-wide CIPA (Schedule A-1).	County matches up to 50% eligible project costs (excluding taxes).
<b>Business Accessibility Adaptability Grant</b>	Funding for business and property owners to upgrade or renovate the exterior or interior of their commercial building to remove or reduce barriers for people with disabilities.	Zoned commercial or mixed-use within the municipal-wide CIPA (Schedule A-1).	County matches up to 50% eligible project costs (excluding taxes).
<b>Product and Experience Development Grant</b>	Funding for tourism business and property owners of tourism establishments to improve the visitor experience by making upgrades and enhancements to their products, services, and physical location.	For properties located within the municipal-wide CIPA (Schedule A-1) that are operating a business directly related to tourism.	County matches up to 50% eligible project costs (excluding taxes).
<b>Residential Improvement Grant</b>	Funding for property owners to upgrade or renovate their mixed-use (commercial-residential) building to add new residential units or increase occupancy in existing units for long-term rental use.	Zoned mixed-use within a priority CIPA (Schedules A-2, A-3, A-4).	County matches up to 50% eligible project costs (excluding taxes).

<b>Streetscape Beautification Grant</b>	Funding for municipalities or their entities, business improvement areas, or registered chambers of commerce to install or improve streetscape improvements in the downtown core that improve the vibrancy of the downtown.	Applicant must be a municipality or their entities with a letter of support from the municipality.  Project installed in a priority CIPA (Schedules A-2, A-3, A-4)	County matches up to 50% eligible project costs (excluding taxes).
<b>Community Signage Grant</b>	Funding for municipalities, not-for-profits, or charities with a focus or mandate to service visitors, to install signage that improves the visitor experience.	Applicant must be a municipality or not-for-profit, or charity with a letter of support from the municipality who a focus or mandate to service visitors.  Signage must be within Bruce County boundaries.	County matches up to 50% eligible project costs (excluding taxes).
<b>Destination Infrastructure and Active Transportation Grant</b>	Funding for municipalities, not-for-profits, or charities with a focus or mandate to service visitors, to install or enhance infrastructure or make capital improvements that improve the quality of core visitor attractions or active transportation areas.	Applicant must be a municipality or not-for-profit, or charity with a letter of support from the municipality who a focus or mandate to service visitors.  Project must be within Bruce County boundaries.	County matches up to 50% eligible project costs (excluding taxes).

# NOTICE OF A PUBLIC MEETING

## CONCERNING A PROPOSED OFFICIAL PLAN AMENDMENT AND ZONING BY-LAW AMENDMENT

RECEIVED  
JUL 26 2023  
REGISTERED

TAKE NOTICE that the Council of the Corporation of the Town of Hanover will hold a Public Meeting on:

**MONDAY, AUGUST 14, 2023 at 3:00 P.M.**

in the Municipal Council Chambers located at 341 10th Street to consider a proposed Official Plan Amendment and Zoning By-law Amendment under Sections 17 and 34 of the Planning Act, R.S.O. 1990, as amended.

The proposed Official Plan Amendment (LOPA#5) and Zoning By-Law Amendment No. Z3-23 affects lands described as Part of Lot 7, Concession 2, South of the Durham Road, and more specifically described as Part 1, Reference Plan 16R-10599 and located at 100 18th Avenue in the Town of Hanover in the County of Grey. Below is a key map showing the location of the proposed amendment.

The purpose of the Official Plan Amendment is to permit the proposed commercial use in addition to the industrial type uses in Restricted Industrial Zone M1 situated on the lands of 100 18th Avenue.

The Zoning By-law Amendment (Z3-23) proposes to rezone the land to incorporate a special exemption (M1-xx) to permit the proposed commercial use in addition to light industrial uses.

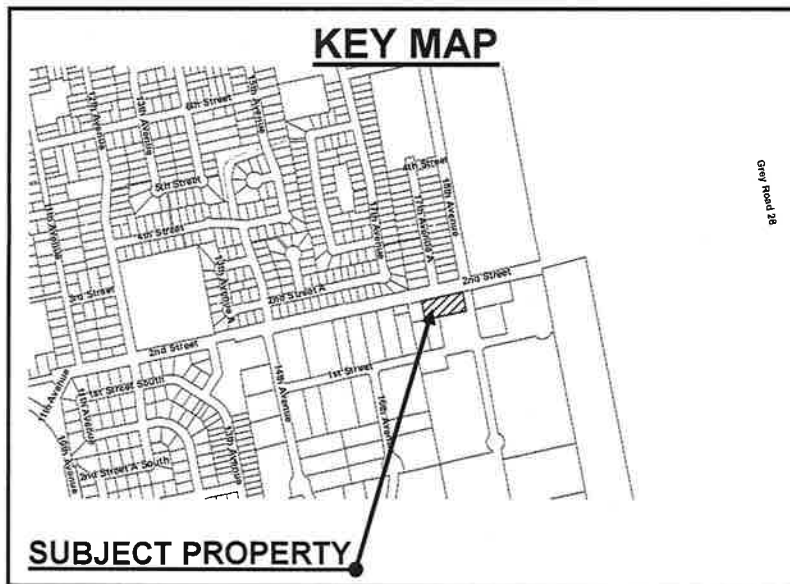
IF you wish to be notified of the adoption of the proposed Official Plan Amendment and Zoning Bylaw Amendment, you must make a written request to the Town of Hanover, 341 10th Street, Hanover, Ontario, N4N 1P5.

ANY PERSON may attend the public meeting and/or make written or verbal representation either in support of or in opposition to the proposed zoning by-law amendment.

IF a person or public body that files a notice of appeal of a decision of the Town of Hanover in respect of the proposed Official Plan and Zoning By-Law Amendment does not make oral submissions at a public meeting or make written submissions to the Town of Hanover before the proposed Official Plan and Zoning By-Law Amendment is adopted, the Local Planning Appeal Tribunal may dismiss all or part of the appeal.

ADDITIONAL information relating to the proposed Official Plan and Zoning By-Law Amendments and background materials may be obtained by contacting the undersigned or viewed at the Civic Office, 341 10th Street, Hanover.

Dated at the Town of Hanover  
this 24th day of July, 2023.



Vicki McDonald, Town of Hanover  
341 10th St. Hanover ON N4N 1P5  
t 519.364.2780 | f 519.364.6456 | [hanover.ca](http://hanover.ca)

## Item 10

### EPCOR Natural Gas Limited Partnership has applied for leave to construct natural gas pipelines in the Municipality of Kincardine, the Township of Arran-Elderslie, the Municipality of Brockton and the Municipality of West Grey.

**Learn more. Have your say.**

EPCOR Natural Gas Limited Partnership has applied to the Ontario Energy Board for an order granting leave to construct natural gas pipelines and ancillary facilities in the Municipality of Kincardine, the Township of Arran-Elderslie, the Municipality of Brockton and the Municipality of West Grey. The pipelines consist of approximately 34.1 km of Nominal Pipe Size (NPS) 4-inch polyethylene (PE) natural gas distribution pipeline and approximately 46.5 km of NPS 2-inch PE natural gas distribution pipeline.

EPCOR Natural Gas Limited Partnership states that the pipelines are needed to supply natural gas to approximately 423 customers in the community who currently do not have access to natural gas service.

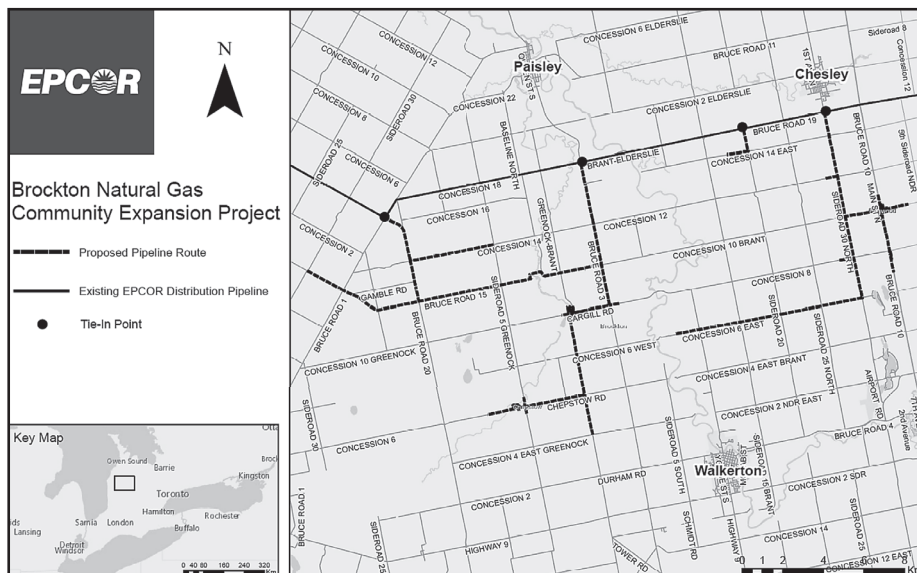
EPCOR Natural Gas Limited Partnership states that on June 9, 2021, the proposed project (also referred to as the Brockton Expansion Project), was approved to receive funding assistance under Phase 2 of the Government of Ontario's Natural Gas Expansion Program.

EPCOR Natural Gas Limited Partnership is also asking the Ontario Energy Board to approve the form of agreement it offers to landowners to use their land for routing or construction of the proposed line.

EPCOR Natural Gas Limited Partnership is also asking the Ontario Energy Board for approval of Franchise Agreements with the Municipality of Brockton, the Municipality of West Grey, and the Township of Chatsworth.

EPCOR Natural Gas Limited Partnership intends to charge customers to be served by the proposed project the same rates that it charges its customers in Southern Bruce. EPCOR Natural Gas Limited Partnership is also asking the Ontario Energy Board for approval to establish the Brockton Customer Volume Variance Account to capture revenue variances resulting from variances in forecasted and actual average use per customer.

A map of the proposed pipeline project is provided below.



#### THE ONTARIO ENERGY BOARD WILL HOLD A PUBLIC HEARING

The Ontario Energy Board (OEB) will hold a public hearing to consider EPCOR's application. During the hearing we will question EPCOR on the case. We will also hear questions and arguments from individual consumers, municipalities and others whose interests would be affected. At the end of this hearing, the OEB will decide whether to approve the application.

As part of its review of this application, the OEB will assess EPCOR's compliance with the OEB's *Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario*.

**The OEB will also assess whether the duty to consult with Indigenous Communities potentially affected by the proposed pipeline has been discharged with respect to the application.**

More information on the types of issues that the OEB may consider are provided on the OEB's website in the form of a standard issues list: <https://www.oeb.ca/sites/default/files/issues-list-LTC-natural-gas.pdf>

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.

#### BE INFORMED AND HAVE YOUR SAY

You have the right to information regarding this application and to be involved in the process.

- You can review the application filed by EPCOR on the OEB's website now
- You can find information on the OEB's website at [www.oeb.ca/participate](http://www.oeb.ca/participate)
- You can find information on the duty to consult with Indigenous communities on the OEB's website at [www.oeb.ca/industry/applications-oeb/consultation-indigenous-peoples](http://www.oeb.ca/industry/applications-oeb/consultation-indigenous-peoples)
- You can file a letter with your comments, which will be considered during the hearing
- You can become an intervenor. As an intervenor you can ask questions about EPCOR's application and make arguments on whether the OEB should approve EPCOR's request. Apply by **August 14, 2023** or the hearing will go ahead without you and you will not receive any further notice of the proceeding
- At the end of the process, you can review the OEB's decision and its reasons on our website

#### LEARN MORE

Our file number for this case is **EB-2022-0246**. To learn more about this hearing, find instructions on how to file a letter with your comments or become an intervenor, or to access any document related to this case, please select the file number **EB-2022-0246** from the [www.oeb.ca/noticeltc](http://www.oeb.ca/noticeltc) on the OEB website. You can also phone our Public Information Centre at 1-877-632-2727 with any questions.

#### TYPE OF HEARING

There are three types of OEB hearings – oral, electronic, and written. EPCOR has applied for a written hearing. The OEB is considering this request. If you have a preference with respect to the format of the hearing, you can write to the OEB to explain why by **August 14, 2023**.

#### PRIVACY

If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.

*This hearing will be held under Sections 36, 90(1) and 97 of the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B and sections 8(1), 9(3) and 9(4) of the Municipal Franchises Act, R.S.O. 1990, c.M.55.*

Ontario Energy Board  
P.O. Box 2319, 27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto ON M4P 1E4  
Attention: Registrar  
Filings: <https://p-pes.ontarioenergyboard.ca/PivotalUX/>.  
E-mail: [registrar@oeb.ca](mailto:registrar@oeb.ca)



Ontario  
Energy  
Board

Commission  
de l'énergie  
de l'Ontario

## ONTARIO ENERGY BOARD

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B, as amended (the “**OEB Act**”), and in particular sections 90(1) and 97 thereof;

**AND IN THE MATTER OF** an application by EPCOR Natural Gas Limited Partnership for an order granting leave to construct natural gas distribution pipelines and ancillary facilities that make up a Community Expansion Project to expand service within the Municipality of Kincardine and the Township of Arran-Elderslie, and to bring natural gas service to areas within the Municipality of Brockton and the Municipality of West Grey.

### APPLICATION

1. EPCOR Natural Gas Limited Partnership (“**EPCOR**”), hereby applies to the Ontario Energy Board (“**OEB**” or the “**Board**”) for:
  - (i) an order pursuant to section 90(1) of the OEB Act granting leave to construct natural gas pipelines and facilities, as described herein (the “Project”); and
  - (ii) an Order or Orders allowing EPCOR to establish a new variance account called the Brockton Customer Volume Variance Account (“**BCVVA**”), effective as of the date of this Application, to enable the utility to track the variance in revenue resulting from the difference between forecasted customer volume and the actual customer volume for Rate 1 customers in its Brockton community expansion. With respect to recording carrying charges on the balance in the BCVVA, simple interest will be calculated monthly on the opening balance in accordance with the methodology approved by the Board in EB-2016-0117.
2. EPCOR is a gas distributor and is incorporated under the laws of the Province of Ontario, with offices in the Town of Aylmer and the Municipality of Kincardine. EPCOR is a wholly-owned indirect subsidiary of EPCOR Utilities Inc. (“**EUI**”). The general partner of EPCOR is EPCOR Ontario Utilities Inc., and the sole limited partner is EPCOR Commercial Services Inc., which are both subsidiaries of EUI.
3. The specific pipeline facilities for which EPCOR is seeking OEB approval through this Application consist of the following supply laterals:

- (i) approximately 34.1 km of Normal Pipe Size ("**NPS**") 4-inch polyethylene ("**PE**") natural gas distribution pipeline; and
  - (ii) approximately 46.5 km of NPS 2-inch PE natural gas distribution pipeline.
- 4. For ease of reference and to assist the OEB with the preparation of the notice of application for the Project, a map of the proposed facilities is included in Attachment 1.
- 5. In August 2020, EPCOR submitted a proposal for the Project as part of Phase 2 of the Government of Ontario's Natural Gas Expansion Program ("**NGEP**") which provides financial support to help utilities expand natural gas distribution in communities that are not currently connected to the natural gas system.
- 6. The Project aims to expand natural gas service within the Municipality of Kincardine and the Township of Arran-Elderslie, and to bring natural gas service to a number of unserved areas within the Municipality of Brockton, the Municipality of West Grey (the "**Project Communities**").
- 7. On June 9, 2021, the Project was approved to receive funding assistance under the NGEP.<sup>1</sup>
- 8. In early 2023 EPCOR updated the economics of the Project and determined that as a result of industry wide construction and maintenance cost increases in addition to a reduced customer consumption forecast, the project would no longer achieve a Profitability Index ("**PI**") of 1.0. As an alternative to cancelling the project, EPCOR has modified its scope such that it achieves the economics necessary to achieve a PI of 1.0. A map of the original and updated project scope is included in Attachment 2. If the Province authorizes a Phase 3 of the NGEP, EPCOR intends to submit a proposal to construct the remaining elements of the original project.
- 9. The Project will provide approximately 423 customers located within the Project Communities with access to safe, reliable and affordable natural gas distribution services.
- 10. EPCOR has municipal franchise agreements (the "**Franchise Agreements**") with the Municipality of Kincardine and the Township of Arran-Elderslie and EPCOR holds certificates of public convenience and necessity (the "**Certificates**") which allow it to construct, operate and add to the natural gas distribution system within all parts of the Municipality of Kincardine and the Township of Arran-Elderslie.<sup>2</sup>

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<sup>1</sup> On. Reg. 451/21: Expansion of Natural Gas Distribution Systems, made under the OEB Act.

<sup>2</sup> OEB Decision and Order dated April 12, 2018 in proceeding EB-2016-0137/0138/0139 and OEB Decision and Order dated July 11, 2019 in proceeding EB-2018-0263.



11. Through its Decision and Order dated February 17, 2022, the OEB conditionally approved EPCOR's application for amendments to EPCOR's limited Certificates for each of the Municipality of Brockton, the Municipality of West Grey and the Township of Chatsworth, which would permit EPCOR to serve the Project Communities. These Certificates were limited as they authorized EPCOR to construct pipeline facilities that would traverse the Municipality of Brockton, the Municipality of West Grey and the Township of Chatsworth in order to supply gas to other areas. The OEB approved EPCOR's application for new Certificates conditional upon EPCOR receiving a decision and order granting leave to construct the Project.<sup>3</sup>
12. Through its Decision and Order dated February 17, 2022, the OEB conditionally approved Franchise Agreements with the Municipality of Brockton, the Municipality of West Grey, and the Township of Chatsworth, and directed and declared that the assent of the municipal electors of these municipalities is not necessary.
13. Approval of these Franchise Agreements was conditional on EPCOR amending and re-filing a copy of each Franchise Agreement in accordance with OEB direction.<sup>4</sup> EPCOR is in the process of having these amended and will re-file Franchise Agreements with the Municipality of Brockton, the Municipality of West Grey and the Township of Chatsworth and thereby satisfy the OEB's condition of approval.
14. With leave of the OEB, construction of the Project is planned to commence in April 2024 in order to begin providing gas distribution service to the Project Communities by the 2024 heating season. The proposed Project schedule is set out in Table 3 of Exhibit B.
15. To meet construction timelines, EPCOR respectfully requests the approval of this Application as soon as possible and ideally not later than February 2024.
16. Although EPCOR has planned for all distribution lines to be constructed on public road right of ways on county and municipal road allowances, EPCOR is seeking approval of the form of temporary land use agreement and easement agreement that it may require with landowners.
17. If the OEB determines that it will conduct a hearing for the Application, then EPCOR requests that it proceed by way of written hearing in English.
18. Therefore, EPCOR respectfully requests that the OEB make the following orders:
  - (i) Pursuant to section 90(1) of the OEB Act, an Order granting leave to construct the Project;

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<sup>3</sup> OEB Decision and Order dated February 17, 2022 in proceeding EB-2021-0269.

<sup>4</sup> Ibid.



- (ii) Pursuant to Section 36 of the OEB Act, an Order or Orders allowing EPCOR to establish the BCVVA, effective as of the date of this Application;
  - (iii) Pursuant to section 97 of the OEB Act, an Order approving the form of temporary land use agreement and easement agreement found at Exhibit G, Attachment 1 and 2.
  - (iv) Confirmation that EPCOR has met the conditions for approval in OEB Decision and Order dated February 17, 2022, regarding the utility's Certificates and Franchise Agreements to serve the Municipality of Brockton, the Municipality of West Grey, and the Township of Chatsworth for the Project.
19. EPCOR's Certification of Evidence has been included as Attachment 3 to this Exhibit.
20. EPCOR requests that copies of all documents filed with the OEB in connection with this proceeding be served on it and on its counsel, as follows:
- (a) The Applicant:
    - Tim Hesselink  
Senior Manager, Regulatory Affairs  
EPCOR Utilities Inc.
    - Address for personal service  
and mailing address: 43 Stewart Road  
Collingwood, Ontario  
L9Y 4M7
    - Telephone: (705) 445-1800 ext. 2274  
E-Mail: [thesselink@epcor.com](mailto:thesselink@epcor.com)

(b) The Applicant's counsel:

Daniela O'Callaghan  
Senior Legal Counsel  
EPCOR Utilities Inc.

Address for personal service  
and mailing address:

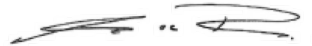
2000 – 10423 101 Street NW  
Edmonton, Alberta  
T5H 0E8

Telephone:  
E-Mail:

(780) 412-4081  
[docalaghan@epcor.com](mailto:docalaghan@epcor.com)

DATED at Edmonton, Alberta this 29 day of June, 2023.

**EPCOR NATURAL GAS LIMITED  
PARTNERSHIP by its General Partner  
EPCOR ONTARIO UTILITIES INC.**



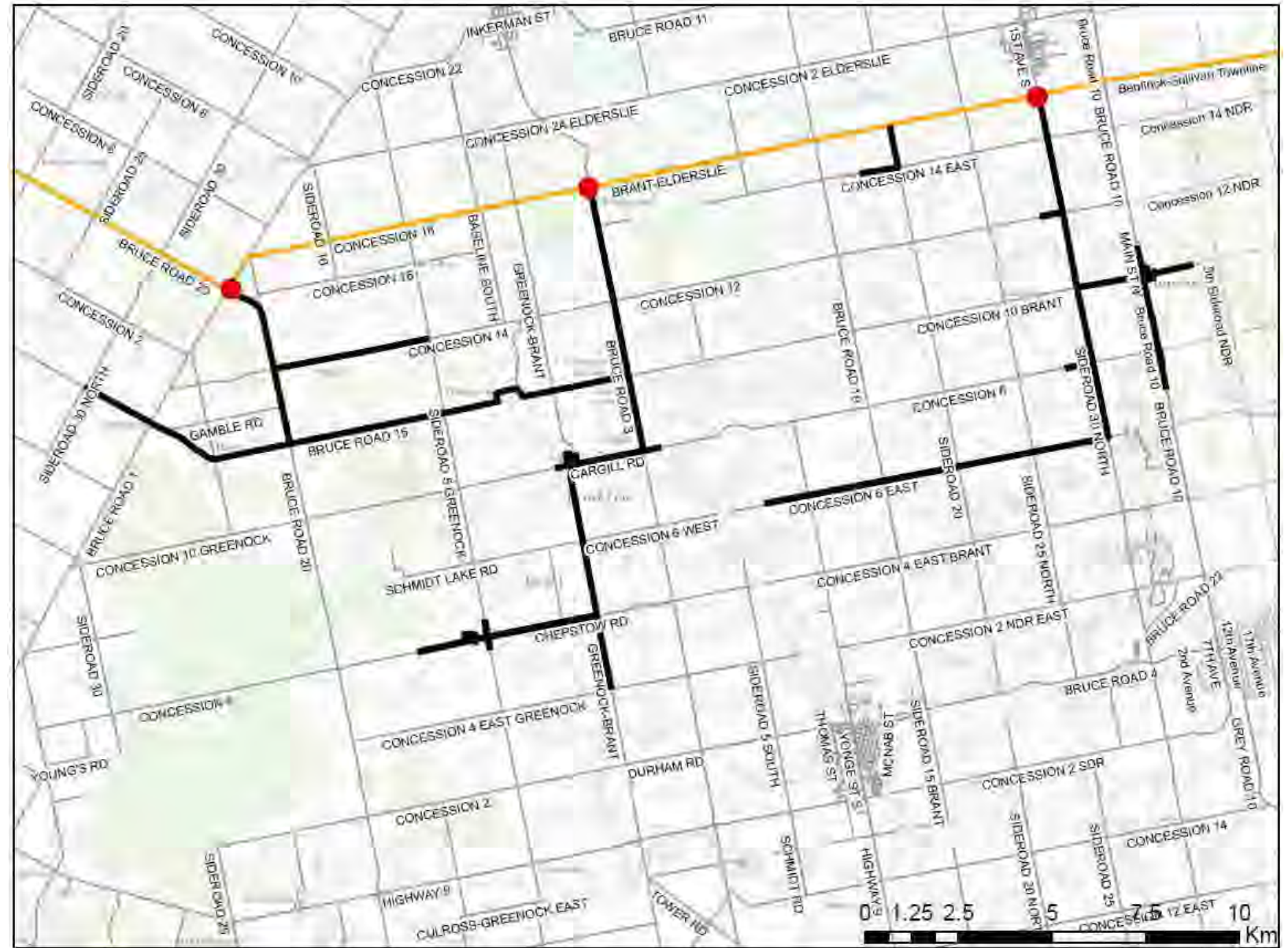
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Susannah Robinson  
Vice President, Ontario Region



# Brockton Natural Gas Expansion

- Stage 1 - Proposed Route
- Existing Southern Bruce Distribution Line
- System Interconnect



Service Layer Credits:

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China





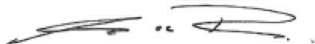
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China

## CERTIFICATION OF EVIDENCE

The undersigned, being EPCOR Ontario Utilities Inc.'s Vice President, Ontario Region, Susannah Robinson hereby certifies for and on behalf of EPCOR Natural Gas Limited Partnership (EPCOR), as general partner of ENGLP that:

1. I am a senior officer of EPCOR Ontario Utilities Inc., which is the general partner of EPCOR;
2. This certificate is given pursuant to the Ontario Energy Board's (the "**Board**") Natural Gas Facilities Handbook dated March 31, 2022; and
3. The evidence submitted in support of EPCOR's Brockton Leave to Construct, filed with the Board on June 29, 2023 is accurate, consistent and complete to the best of my knowledge.
4. The evidence filed in support of this application does not include any personal information (as that phrase is defined in the Freedom of Information and Protection of Privacy Act), that is not otherwise redacted in accordance with rule 9A of the OEB's Rules of Practice and Procedure.

DATED this 29th day of June, 2023



Susannah Robinson

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Vice President, Ontario Region  
EPCOR Ontario Utilities Inc.

## Project Need

### Introduction

1. The Project will bring natural gas service to approximately 637 potential customers in the Municipality of Brockton, Municipality of West Grey, Municipality of Kincardine, and Township of Arran-Elderslie. Of these potential customers, there are approximately 572 residential, 35 commercial properties, along with 30 agricultural properties. Although certain sections of the Municipality of Brockton currently have natural gas service, the service area has been limited to the southern part of the Municipality. EPCOR's expansion will provide natural gas service to the northern area of the Municipality.
2. The Project has been approved to receive funding support from Phase 2 of the Government of Ontario's Natural Gas Expansion Program ("**NGEP**") as announced on June 9, 2021.<sup>1</sup>
3. EPCOR's proposed expansion of its distribution system into the Municipality of Brockton and neighbouring communities, will directly support the Government of Ontario's NGEP by providing safe, affordable and clean natural gas distribution service to the Project Communities.
4. EPCOR is proposing construction of the natural gas distribution system in 2024.

### Energy Cost Comparison

5. Table 1 below compares the cost of natural gas to heating oil and electricity for residential space and water heating purposes. Natural gas continues to be the lowest cost energy source for homes in Ontario. EPCOR estimates that Rate 1 natural gas customers would save 38% on their home heating costs compared to electricity, 44% compared to heating oil, and 41% compared to propane.

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<sup>1</sup> On. Reg. 451/21: Expansion of Natural Gas Distribution Systems, made under the OEB Act

**Table 1: Cost Comparison of Alternative Energy Sources**

Energy Source	Usage	Annual Bill	Annual Savings from Switching to NG	Annual Savings from Switching to NG
Natural Gas	1,464 (m3)	\$1,314	N/A	N/A
Propane	2,242 (L)	\$2,213	\$899	41%
Fuel Oil	1,635 (L)	\$2,351	\$1,037	44%
Electricity	15,931 (kWh)	\$2,109	\$795	38%

**Market Research**

6. In January 2020, The Municipality of Brockton retained Innovative Research Group, an independent third party market research group to conduct the “Brockton Natural Gas Line Load Forecasting Survey” (the “**Survey**”), a market survey to gauge the interest of residents and business in natural gas distribution service and conversions. The Survey was completed with the support of EPCOR, and was used in the development of the Project application for Phase 2 NGEP. The results of the Survey are summarized in Attachment 1 of this Exhibit.
7. In addition, EPCOR conducted its own in-person interviews of larger agricultural customers including those that operate grain dryers and heat production barns. All of these customers currently use propane for their heating needs. All respondents indicated that if natural gas became available they would be interested in converting their heating systems to natural gas.
8. The Survey informed residents and commercial/industrial consumers about the proposed Project and sought information pertaining to the characteristics of dwellings/buildings, including:
  - a) their nature (i.e., residential dwelling, commercial space, industrial space, etc...);
  - b) the current fuel type relied upon; and
  - c) interest in converting to natural gas-fueled equipment and/or appliances.

9. Results from the Survey indicate that in the survey area the split between fuel sources for residents is currently 41% propane forced air, 18% wood stove/fireplace, and 12% oil forced air. 89% of respondents indicated that they would be likely (definitely or somewhat likely) to convert to natural gas if it were made available. Cost savings were the primary reasons cited by respondents who reported that they would likely convert to natural gas if it were made available.
10. EPCOR also conducted its own in-person interviews with large agricultural customers, including those that currently have grain drying facilities or requirements to heat production barns. Of the total of four such customers contacted before EPCOR submitted its NGEP application, all indicated an interest in converting to natural gas once it became available. These customers generally use propane as their major heat source at this time. Letters of support from these customers are included in Attachment 2 of this Exhibit.
11. The Municipality of Brockton has also indicated its support of the Project through a letter to EPCOR a copy of which is included in Attachment 3 of this Exhibit.

### Growth Forecast

12. Using the Survey, as well as the in-person interviews as a basis, EPCOR has developed a 10-year growth profile for customer additions as set out in Table 2 below.

**Table 2: Projected Customer Additions**

Rate Class	Potential Customers	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total Forecasted
Rate 1 Incremental	619	70	220	31	23	22	19	10	7	3	1	406
Rate 1 Cumulative		70	289	321	343	365	385	395	402	405	406	
Rate 6 Incremental	14	2	8	3	-	-	-	-	-	-	-	13
Rate 6 Cumulative		2	10	13	13	13	13	13	13	13	13	
Rate 11 Incremental	4	3	1	-	-	-	-	-	-	-	-	4
Rate 11 Cumulative		3	4	4	4	4	4	4	4	4	4	
Total Incremental		75	229	34	23	22	19	10	7	3	1	423
Total Cumulative	637	75	304	338	361	383	402	412	419	422	423	



## Expansion Project Schedule

13. A schedule of the Project's key milestones is included in Table 3:

**Table 3: Brockton Natural Gas Expansion Project Schedule**

<b>Item</b>	<b>Estimated Date(s)</b>	<b>Notes</b>
Application to the OEB ("LTC")	June 28, 2023	Submission of LTC by EPCOR
Approval of LTC	February 14, 2024	Up to 210 calendar days after LTC is submitted by EPCOR.
Indigenous Engagement	Continuous	Consultation and engagement will occur throughout the project life cycle.
Environmental Assessment	June 2022 to Dec 2023	Included in this Application. Work is ongoing regarding Indigenous engagement, potential for stage 2 archaeological work, and the ecological land classification.
Environmental Permits	Sept 2023 to April 2024	Environmental permits identified, applications to be submitted and approvals received from applicable regulatory bodies.
Municipal Consent	Sept 2023 to April 2024	Review, discussion and approval from Municipality on distribution pipeline route.
Design / Pre-construction	April 2023 to March 2024	Engineering, validation of distribution pipeline alignment, construction planning, procurement of long lead items, construction yard arranged, material staging and other related pre-construction activities.
Construction	April 2024 to December 2024	Major construction of Facilities
Commissioning	July 2024 to December 2024	Includes pipe cleaning and purging
In-service	December 2024	Mainline ready for major customer light-ups

14. Construction activity will not occur until LTC approval is received, along with other necessary environmental, municipal and regulatory approvals. Throughout the LTC adjudication period in 2023 and potentially 2024, EPCOR intends to continue planning and preparations to ensure construction can occur in 2024.
15. Throughout 2023 and 2024, EPCOR will work to confirm the following are in place prior to a 2024 construction start: archeological assessment, municipal permits (municipal consent) and environmental conservation authority permits.
16. Based on EPCOR's prior experience working in the region, one of the primary items to consider is the "in-water construction period" which is stipulated and permitted by the local conservation authorities. This in-water construction period restricts in-water work (which includes directional drills underneath a water crossing), to occur only within certain windows in the summer. Permits and construction packages are expected to be in place prior to the 2024 construction season, which will include the specific restrictions and requirements around these particular windows.

#### Related EPCOR Natural Gas Projects

17. This Project is not dependent on any previously filed leave to construct applications by EPCOR, and has been proposed to expand service within the proximity of the existing Southern Bruce natural gas system into regions currently not serviced by a natural gas utility provider.

#### Conclusion

18. The Project has been selected by the Government of Ontario to support the NGEF and is designed to expand access of safe, reliable, and affordable natural gas to unserved areas of Ontario. The need for the Project is supported by EPCOR's market research which demonstrates the affordability of natural gas relative to alternative energy sources for customers in Municipality of Brockton, Municipality of West Grey, Municipality of Kincardine, and Township of Arran-Elderslie.

## **Alternatives**

1. The Brockton Natural Gas Expansion Project was designed as a community expansion project in response to the Government of Ontario's Access to Natural Gas Act, 2018 and NGEF (Phase 2) which called for communities and natural gas distributors to work together to expand access to natural gas in unserved areas of Ontario. Accordingly, a description of the proposed Project (including preliminary facility design and estimated Project costs) was submitted to the OEB and the Government of Ontario. On the basis of this proposal on June 30, 2021, the Government of Ontario announced that the Project, along with 27 others, had been selected for funding under Phase 2 of the NGEF. As a project that is driven by government legislation or policy, with related funding explicitly aimed at delivering natural gas into communities, work to evaluate facility alternatives such as non-pipeline and hybrid alternatives were not considered as part of this natural gas expansion project. EPCOR did however assess routing alternatives as described in Section 2.4 of the Environmental Report.

## Proposed Project

1. EPCOR is proposing to expand its natural gas distribution system within two South Bruce Municipalities (the Township of Arran-Elderslie and the Municipality of Kincardine) and bring natural gas service to a number of unserved areas in the Municipality of Brockton and the Municipality of West Grey.
2. In early 2023, EPCOR updated the economics of the Project and determined that costs had increased as a result of industry wide construction and maintenance inflationary increases. In addition, EPCOR now has sufficient data from its adjacent South Bruce system to forecast an annual residential consumption level, which is estimated at 1,450m<sup>3</sup>. This is a reduction from the default value of 2,200m<sup>3</sup> used in the guidelines for potential projects for Phase 2 Natural Gas Expansion program<sup>1</sup>. As a result of these updates, the project would no longer achieve a Profitability Index (“PI”) of 1.0. As an alternative to cancelling the project, EPCOR has modified its scope such that it achieves the economics necessary to achieve a PI of 1.0. A map of the updated project scope is included in Exhibit A - Attachment 1 and the original scope included in Exhibit A - Attachment 2. If the Province authorizes a Phase 3 of the NGEP, EPCOR intends to submit a proposal to construct the remaining elements of the original project.
3. The Project proposes to connect customers in these municipalities by installing approximately 80.6 km of natural gas pipeline consisting of approximately 34.1 km of 4-inch diameter pipe and 46.5 km of 2-inch diameter pipe. Connections to feed this new distribution system will be made from the existing South Bruce distribution system. Connections will be made at the existing Chelsey pressure reducing station, Paisley pressure reducing station as well as Valve Site #2 located near the intersection of Bruce Road 1 and Bruce Road 20.

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<sup>1</sup> EB-2019-0255, OEB Final Guidelines Section 35 Gas Expansion Phase II, March 5, Appendix A, Part 3.3, page 3.

4. The distribution system pressure will be regulated at these locations and will operate below 552 kPa (80 psi). Several farm taps will be installed off the existing 8-inch steel pipeline to feed customers along this route. Pressure will be regulated at each of the farm tap locations and will operate at less 552 kPa (80 psi). It is anticipated the project will be located within existing road allowances, where possible.
5. EPCOR will design and install a Supervisory Control and Data Acquisition (“**SCADA**”) system to continuously monitor the main parameters of the distribution system expansion, in addition to what EPCOR already has installed on the existing network, to ensure reliability.
6. Table 1 summarizes the design specifications of the pipe and fittings that are intended to be used to construct the proposed facilities.

**Table 1: Proposed Project Facilities**

	<b>Facility</b>	<b>Approximate Length (km)</b>	<b>Description</b>	<b>Pressure (PSI)</b>
<b>Pipeline</b>	Paisley Station to Chepstow Rd.	15	MDPE NPS 4	<80
	Chesley Station to Concession 6 East	14	MDPE NPS 4	<80
	Valve Site #2	5	MDPE NPS 4	<80
	Community Distribution Piping	46.5	MDPE NPS 2	<80
<b>Stations</b>	<b>Facility</b>	<b>Description</b>		
	Chesley station	Existing Pressure Regulating Station		
	Paisley station	Existing Pressure Regulating Station		
	Valve Site #2	Existing Pressure Regulating Station		

7. Tables 2 and 3 provide a summary of the design specifications of the pipe and fittings intended to be used for the proposed facilities.

**Table 2: NPS 4 MDPE Pipeline Specifications**

<b>Pipe</b>	<b>Pipe - NPS 4</b>	<b>Units</b>
Material	Medium Density Polyethylene	
Diameter	114.3	mm
Wall Thickness	10.4	mm
Grade	SDR 11	MPa
Specification	CSA B137.4	
Material Toughness	N/A	
Pipe coating specification	N/A	
Cathodic protection	N/A	
Class Location	3	
Design Pressure	690	kPa
Hoop Stress at Design Pressure	N/A	
Maximum Operating Pressure (MOP)	690	kPa
Hoop Stress at MOP	N/A	
Minimum Cover	0.75	m
Fittings	CSA B137.4	
Flanges	N/A	
Valves	CSA B137.4	
Testing Medium	Nitrogen or Air	
Strength Test Hydrostatic Pressure	966	kPa
Hoop Stress at Strength Test Pressure	N/A	
Leak Test Hydrostatic Pressure	N/A	

**Table 3: NPS 2 MDPE Pipeline Specifications**

<b>Pipe</b>	<b>Pipe - NPS 2</b>	<b>Units</b>
Material	Medium Density Polyethylene	
Diameter	60.3	mm
Wall Thickness	5.5	mm
Grade	SDR 11	MPa
Specification	CSA B137.4	
Material Toughness	N/A	
Pipe coating specification	N/A	
Cathodic protection	N/A	
Class Location	3	
Design Pressure	690	kPa
Hoop Stress at Design Pressure	N/A	
Maximum Operating Pressure (MOP)	690	kPa
Hoop Stress at MOP	N/A	
Minimum Cover	0.75	m
Fittings	CSA B137.4	
Flanges	N/A	
Valves	CSA B137.4	
Testing Medium	Nitrogen or Air	
Strength Test Hydrostatic Pressure	966	kPa
Hoop Stress at Strength Test Pressure	N/A	
Leak Test Hydrostatic Pressure	N/A	

8. All components of the distribution system will be pressure tested in accordance with CSA Z662:19 - Oil and Gas Pipeline Systems. The NPS 2 and NPS 4 MDPE pipeline will be pneumatically tested (i.e., tested with nitrogen or air). Testing shall be at a pressure not less than 1.4 times the maximum operating pressure, which shall not exceed 966 kPa (140 psi). The test duration is a minimum of twenty-four hours.
9. Design specifications are in accordance with the Technical Standards and Safety Act, 2000,<sup>2</sup> and its regulations, including Ontario Regulation 210/01, Oil and Gas

<sup>2</sup> Technical Standards and Safety Act, 2000, S.O. 2000, c. 16

Pipeline Systems (“Oil and Gas Pipeline Systems Regulation”) and applicable Canadian Standards Association (“**CSA**”) standards.

10. EPCOR will utilize and install medium density polyethylene (“**MDPE**”) components and fittings for the system and will comply with all necessary CSA standards. The distribution systems will consist of piping ranging in size from NPS 4 to NPS 2. All distribution piping will be MDPE as per the requirements of CSA Z662:19.
11. There are no deviations from CSA Z662:19 or any other applicable standards anticipated for the proposed project.

#### Depths of Cover

12. All buried pipe will be covered following Table 4.9 Cover and Clearance as found in CSA Z662:19. Each specific section of pipe is detailed in the design specifications tables in Table 2 and Table 3.

#### Construction Procedures

13. EPCOR is working with a reputable construction company to complete the design, and if the Project is approved, the construction and installation of the system. The construction will follow EPCOR’s Construction and Maintenance procedures and well as the reputable contractor’s standards and procedures. The construction standards and practices that form the basis of EPCOR’s procedures are based on standard practices for gas systems construction in the Province of Ontario and both CSA and Technical Standards and Safety Authority (“**TSSA**”) standards, requirements and practices. These construction specifications will be updated to reflect the site-specific conditions found on this Project.
14. It is expected that the entire distribution system will be installed within the existing road allowance.



15. EPCOR will develop an Environmental Protection Plan (“**EPP**”) that will incorporate the mitigating measures recommended in the Environmental Report and will also incorporate comments provided during the Ontario Pipeline Coordinating Committee (“**OPCC**”) review process. This plan will help minimize the impact of construction activities on the surrounding environment and communities. This is described further in Exhibit F - Environmental Impacts
16. EPCOR will provide its own inspection team to ensure the contractor meets all contractual obligations including but not limited to: complying with EPCOR health and safety standards, upholding environmental mitigating measures as specified in the EPP, meeting all code requirements, quality control/quality assurance procedures, and safeguarding public safety, during construction. The team will inspect the installation of the distribution system as well as service connections in accordance with EPCOR’s quality assurance and training program. Items such as acceptance of MDPE fusion, material quality and depth of cover will be inspected and verified.
17. The contractor will utilize several crews with specific tasks which will create a finished pipeline when combined.
18. The major tasks are: clearing, grading, surveying, trenching, stringing, boring (as needed for Horizontal Directional Drilling), fusing (MDPE pipe), tie-in, backfilling, testing and clean-up.
19. While EPCOR anticipates the need for limited tree removal, the contractor will work to remove trees, when possible, during the early spring before major construction starts to avoid the avian nesting season. If it is not possible to access the land or easements in time, then mitigation measures specified in section 4.3.3 of the Environmental Report will be followed.
20. The clearing crews will start by accessing the rights-of-way by clearing small bushes and objects.

21. After major construction is complete along the Preferred Route, the clean-up crew will ensure that the site conditions are returned to pre-construction conditions as required.
22. EPCOR will provide the TSSA a copy of the detail design of the proposed facilities once finalized.
23. EPCOR confirms that it will file a risk assessment to the TSSA in accordance with CSA Z662 Annex B once the facilities detail designs are finalized.

## Project Cost and Economics

### Estimated Project Costs

1. EPCOR estimated the total Project cost to be \$24,475,889. Table 1 shows the itemized project costs.

**Table 1: Proposed Project Cost**

Item	Description	Project Estimate (\$)
Material Cost	MDPE pipe (NPS 2, NPS 4), fittings, stations, meters, services and service line components, etc.	\$2,405,484
Labour and Construction Cost	Labour and construction costs to install NPS 2, NPS 4, pressure reducing stations, meters, services and service line components.	\$15,380,787
External Costs	Geotechnical, engineering, consultation, land, surveying / locates, modeling, etc.	\$2,724,065
Direct Capital Cost	Sum of Material Costs, Labour and Construction Cost, and External Costs	\$20,510,337
Contingency		\$3,769,975
Subtotal before IDC		\$24,280,313
Interest During Construction		\$195,575
Total Project Costs		\$24,475,889

2. American Association of Cost Engineering (“**AACE**”) estimation standard as well as internal EPCOR capital cost estimation policy were used as a guide, along with EPCOR's experience in installing distribution network in close proximity to the Project over the past three years for the South Bruce expansion.

3. The cost estimate in Table 2 above includes a contingency of 18% on all direct costs. This contingency has been calculated based on EPCOR's experience installing MDPE and connecting customers in close proximity to the Proposed Project over the past three years.
4. Project customers will be subject to regulated rates in accordance with the Southern Bruce tariff as approved in EB-2018-0264. The most recent custom IR decision for this tariff can be referenced in hearing EB-2022-0184. The primary rationale behind this approach is to support both operational and regulatory efficiencies. While still subject to the LTC threshold, the Brockton expansion is simply an expansion of the existing Southern Bruce gas distribution system and would not benefit from a unique rate zone classification or separate rate structure.
5. EPCOR intends to utilize the same contractor, similar project team and resources to execute the Proposed Project as it has engaged with the Southern Bruce, and other projects. EPCOR will utilize best practices of project monitoring and project controls.
6. EPCOR has based the above costs on a fixed unit price contract that it is in the process of completing with its contractor for the Proposed Project.

#### Project Economics

7. An economic analysis has been completed in accordance with the OEB's recommendations in its E.B.O. 188 Report of the Board on Natural Gas System Expansion ("**E.B.O. 188**"). A Discounted Cash Flow ("**DCF**") analysis for the Project is included in Attachment I to this Exhibit.
8. The DCF analysis for the Project has been completed based on EPCOR's latest feasibility parameters (e.g. long-term debt rates, OEB discount rates, tax rates etc.). The analysis includes the funding awarded for this expansion through Phase 2 of the NGEP. It also includes the revenue that would be generated if

residential usage averages 1,450m<sup>3</sup> as per the application for a BCVVA as detailed in Exhibit J of this application. Attachment II to this Exhibit details the key inputs, parameters and assumptions used in completing the DCF analysis.

9. The Project revenue horizon is 40-years. An additional 423 customers are forecast to connect to the Brockton system expansion over the 10-year customer attachment period.
10. On July 1, 2019, section 36.2 of the OEB Act came into effect pursuant to the Access to Natural Gas Act, 2018, which 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 (the “Expansion Regulation”) sets out projects that are eligible for financial support subject to receiving any necessary OEB approvals, and the mechanism by which funding is collected from ratepayers and distributed to the project proponents. The Expansion 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. Schedule 2 of the Expansion Regulation establishes the Project as one to receive funding up to \$20,340,000.
11. The DCF analysis includes the \$20.34 million of program funding which is treated similarly to a contribution in aid of construction. The total capital cost, net of program funding, over the 10-year attachment period is \$24.48 million.
12. Consistent with the direction in the OEB’s decision in EB-2019-0255<sup>1</sup>, EPCOR will apply a 10-year rate stability period during which EPCOR will bear the risk of customer attachment and capital cost forecast for the Project. If the next rebasing for the Southern Bruce tariff does not align with the 10-year rate stability period for this expansion, EPCOR intends to include the forecasted customer

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<sup>1</sup> March 5, 2020, Final Guidelines for Potential Projects to Expand Access to Natural Gas, Appendix A.  
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attachments and capital cost as included in this application. It is expected that at the rebasing subsequent to the end of the 10-year rate stability period that EPCOR will include actual customer attachment and actual capital costs.

13. Based on the forecast of the Project's costs and revenues, before program funding the Profitability Index ("PI") is 0.28. With program funding the PI is 1.0 with a NPV of \$0.
14. The estimate of the NPV and PI is subject to change as the Project is progressed through final design and construction. As noted above, subject to certain conditions, the Project has been awarded \$20.34 million in funding, the full value of which is necessary to achieve the estimated NPV and PI. A number of controls will be utilized in order to manage cost and schedule during the construction period. Key controls have been detailed above.
15. Based on the results of the E.B.O. 188 analysis including the program funding awarded by the Government of Ontario and final approval of the BCVVA, EPCOR submits that the Project is economically justified.

EBO 188																				
Year	After-tax WACC	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
PV Factor (mid-year discounting)	5.66%	0.97	0.92	0.87	0.82	0.78	0.74	0.70	0.66	0.63	0.59	0.56	0.53	0.50	0.48	0.45	0.43	0.40	0.38	0.36
First Year of Customer Attachment	2024																			
1. PV of Operating Cash Flow																				
1a) PV of Net Operating Cash																				
Revenue	\$ '000s	233	548	610	634	658	654	663	672	675	676	676	676	676	676	676	676	676	676	676
O&M and Overheads	\$ '000s	(145)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)
Net Working Capital	\$ '000s	(26)	(23)	(1)	(0)	(0)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Operating Cash	\$ '000s	62	234	318	343	367	363	372	381	384	385	385	385	385	385	385	385	385	385	385
PV of Net Operating Cash	\$ '000s	5,630	60	215	277	283	286	260	252	240	228	216	204	194	183	173	164	155	147	139
1b) PV of Taxes																				
Municipal Taxes	\$ '000s	0	(32)	(64)	(64)	(64)	(64)	(64)	(64)	(64)	(64)	(64)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)
Income Taxes (before CCA and Interest Tax Shields)	\$ '000s	(23)	(59)	(68)	(74)	(80)	(79)	(82)	(84)	(85)	(85)	(85)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)
Total Taxes	\$ '000s	(23)	(92)	(132)	(138)	(145)	(144)	(146)	(148)	(149)	(149)	(149)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)
PV of Taxes	\$ '000s	(2,422)	(23)	(84)	(115)	(114)	(113)	(106)	(102)	(98)	(93)	(89)	(84)	(94)	(89)	(84)	(80)	(76)	(71)	(68)
2. PV of Capital																				
Capital Expenditures	\$ '000s	(23,680)	(271)	(83)	(80)	(80)	(40)	(29)	(14)	(4)	0	0	0	0	0	0	0	0	0	0
Customer Contributions	\$ '000s	20,340	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Capital Expenditure	\$ '000s	(3,340)	(271)	(83)	(80)	(80)	(40)	(29)	(14)	(4)	0	0	0	0	0	0	0	0	0	0
PV of Capital	\$ '000s	(3,761)	(3,249)	(249)	(73)	(66)	(62)	(29)	(20)	(10)	(2)	0	0	0	0	0	0	0	0	0
3. PV of CCA Tax Shield																				
CCA	\$ '000s	229	201	195	189	184	175	167	159	151	142	134	127	119	113	106	100	95	89	84
Tax Rate	%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
Tax Rate x CCA	\$ '000s	61	53	52	50	49	46	44	42	40	38	36	34	32	30	28	27	25	24	22
PV of CCA Tax Shield	\$ '000s	553	59	49	45	41	38	34	31	28	25	22	20	18	16	14	13	11	10	9
4. NPV and PI Calculations																				
40-Year NPV Sum																				
PV of Net Operating Cash	\$ '000s	5,630	60	215	277	283	286	260	252	240	228	216	204	194	183	173	164	155	147	139
PV of Taxes	\$ '000s	(2,422)	(23)	(84)	(115)	(114)	(113)	(106)	(102)	(98)	(93)	(89)	(84)	(94)	(89)	(84)	(80)	(76)	(71)	(68)
PV of CCA Tax Shield	\$ '000s	553	59	49	45	41	38	34	31	28	25	22	20	18	16	14	13	11	10	9
PV of Capital	\$ '000s	(3,761)	(3,249)	(249)	(73)	(66)	(62)	(29)	(20)	(10)	(2)	0	0	0	0	0	0	0	0	0
Sum	\$ '000s	0	(3,152)	(70)	134	144	149	167	169	172	170	162	152	128	120	113	106	100	94	88
NPV	\$ '000s		(3,152)	(3,222)	(3,088)	(2,944)	(2,794)	(2,627)	(2,458)	(2,286)	(2,116)	(1,954)	(1,802)	(1,674)	(1,553)	(1,440)	(1,334)	(1,234)	(1,140)	(969)
Cumulative PV of Net Operating Cash, Taxes and CCA	\$ '000s	97	276	483	693	905	1,101	1,290	1,472	1,644	1,807	1,959	2,087	2,207	2,320	2,426	2,526	2,620	2,708	2,791
Cumulative PV of Capital	\$ '000s		(3,249)	(3,499)	(3,571)	(3,637)	(3,699)	(3,728)	(3,749)	(3,758)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)
PI		1.00	0.03	0.08	0.14	0.19	0.24	0.30	0.34	0.39	0.44	0.48	0.52	0.55	0.59	0.62	0.65	0.67	0.70	0.74

Year	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063
PV Factor (mid-year discounting)	0.34	0.32	0.31	0.29	0.27	0.26	0.25	0.23	0.22	0.21	0.20	0.19	0.18	0.17	0.16	0.15	0.14	0.13	0.13	0.12	0.11
First Year of Customer Attachment																					
1. PV of Operating Cash Flow																					
1a) PV of Net Operating Cash																					
Revenue	\$ '000s	676	676	676	676	676	676	676	676	676	676	676	676	676	676	676	676	676	676	676	676
O&M and Overheads	\$ '000s	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)	(291)
Net Working Capital	\$ '000s	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Operating Cash	\$ '000s	385	385	385	385	385	385	385	385	385	385	385	385	385	385	385	385	385	385	385	385
PV of Net Operating Cash	\$ '000s	132	125	118	112	106	100	95	89	85	80	76	72	68	64	61	58	55	52	49	46
1b) PV of Taxes																					
Municipal Taxes	\$ '000s	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)	(102)
Income Taxes (before CCA and Interest Tax Shields)	\$ '000s	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)
Total Taxes	\$ '000s	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)	(177)
PV of Taxes	\$ '000s	(61)	(57)	(54)	(51)	(49)	(46)	(44)	(41)	(39)	(37)	(35)	(33)	(31)	(30)	(28)	(27)	(25)	(24)	(22)	(21)
2. PV of Capital																					
Capital Expenditures	\$ '000s	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Customer Contributions	\$ '000s	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Capital Expenditure	\$ '000s	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PV of Capital	\$ '000s	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3. PV of CCA Tax Shield																					
CCA	\$ '000s	79	75	71	67	63	59	56	53	50	47	44	42	39	37	35	33	31	29	28	26
Tax Rate	%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
Tax Rate x CCA	\$ '000s	21	20	19	18	17	16	15	14	13	12	12	11	10	10	9	9	8	8	7	7
PV of CCA Tax Shield	\$ '000s	7	6	6	5	5	4	4	3	3	3	2	2	2	2	1	1	1	1	1	1
4. NPV and PI Calculations																					
PV of Net Operating Cash	\$ '000s	132	125	118	112	106	100	95	89	85	80	76	72	68	64	61	58	55	52	49	46
PV of Taxes	\$ '000s	(61)	(57)	(54)	(51)	(49)	(46)	(44)	(41)	(39)	(37)	(35)	(33)	(31)	(30)	(28)	(27)	(25)	(24)	(22)	(21)
PV of CCA Tax Shield	\$ '000s	7	6	6	5	5	4	4	3	3	3	2	2	2	2	1	1	1	1	1	1
PV of Capital	\$ '000s	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sum	\$ '000s	78	74	69	65	62	58	55	52	49	46	43	41	39	36	34	32	31	29	27	26
NPV	\$ '000s	(891)	(817)	(748)	(683)	(621)	(563)	(508)	(457)	(408)	(362)	(319)	(278)	(240)	(204)	(169)	(137)	(106)	(77)	(50)	(24)
Cumulative PV of Net Operating Cash, Taxes and CCA	\$ '000s	2,870	2,943	3,013	3,078	3,139	3,197	3,252	3,304	3,352	3,398	3,441	3,482	3,521	3,557	3,591	3,624	3,654	3,683	3,710	3,736
Cumulative PV of Capital	\$ '000s	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)	(3,761)
PI		0.76	0.78	0.80	0.82	0.83	0.85	0.86	0.88	0.89	0.90	0.92	0.93	0.94	0.95	0.95	0.96	0.97	0.98	0.99	1.00



## Assumptions and Results

In Service Year	2024	
Discount Rate (After-tax WACC)	5.66%	
<u>Operating Cash Flow</u>		
Incremental Distribution Revenues	Southern Bruce Rates*	
Expenses:		
Operating and Maintenance Expenses	Estimated Incremental costs	
Operating and Maintenance Expenses	Estimated Incremental costs	
Income Tax Rate	26.50%	
<u>Capital Expenditures</u>		
Gross Capital Costs	24,280	
Funding	(20,340)	
Net Capital Costs	3,940	
<u>CCAP Tax Shield</u>		
	<b>CCA Class</b>	<b>CCA Rate</b>
Distribution Mains	Class 51	6.00%
Customer Service Lines and Meters	Class 51	6.00%
Distribution Land Rights	CCA Class 14.1	5.00%
Declining balance basis with accerlerated CCA (Bill C-97)		
<u>Feasibility Results</u>		
	<b>NPV</b>	<b>PI</b>
Economic Feasibility without Funding	(16,907)	0.28
Economic Feasibility with Funding	0	1.00

\*Southern Bruce rates effective January 1, 2023 adjusted for estimated escalation rate of 2.03%.

2.03% is derived by the prescribed formula  $(1-0.314)*0.0127+0.314*3.70\%$

3.70% is the OEB approved inflation rate for 2023

## Environmental Impacts and Public Engagement

1. EPCOR retained Stantec Consulting Ltd. (“**Stantec**”) to undertake an Environmental Study of the Project which fulfills the requirements of the OEB’s “Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario, 7th Edition (2016)”. The potential effects and impacts of the Project on physical, biophysical, and socioeconomic features have been assessed for the Project. As part of the development of the study, EPCOR and Stantec implemented a consultation program to receive input on the Project from interested and potentially affected parties including Indigenous communities.
2. The results of the study are found in the Environmental Report (“**ER**”) Brockton Natural Gas Expansion Project included as Exhibit F, Attachment 1.
3. EPCOR supports Stantec’s findings contained within the ER.
4. The objectives of the ER are to:
  - Identify a Preferred Route (“**PR**”) that reduces potential environmental impacts;
  - Complete a detailed review of environmental features along the Preferred Route and assess the potential environmental impacts of the Project on these features;
  - Establish mitigation and protective measures that may be used to reduce or eliminate potential environmental impacts of the Project;
  - Develop a consultation program to receive input from interested and potentially affected parties; and
  - Identify any necessary supplemental studies, monitoring, and contingency plans.

5. Details of the process can be found in Section 1.0 of the ER. Details of the route evaluation and selection can be found in Section 2.0 of the ER. Details of the consultation and engagement program can be found in Section 3.0 of the ER.
6. A Notice of Study Commencement, In-Person and Virtual Open House details (the “**Notice**”) for the Project was published in two local newspapers (Hanover Post on June 16 and June 26, 2022 and Walkerton Herald Times on June 16 and June 23, 2022). Copies of these Notices are included in Appendix B3 of the ER. Letters describing the Project and the environmental study process, providing a map showing the PR, as well as details regarding the in-person and virtual open house, were emailed to Indigenous and Metis communities, federal and provincial agencies, the OPCC and municipalities and special interest groups on June 14, 2022. A copy of the letter is included in Appendix B4 with the contact list included in Appendix B2 of the ER. The letter provided Project contact details and solicited information (as applicable) regarding:
  - (i) planning principles or guidelines that may affect the Project;
  - (ii) background environmental and socio-economic information;
  - (iii) other developments proposed in the area; and
  - (iv) the impacts that the Project may have on constitutionally protected aboriginal or treaty rights and measures for mitigating those impacts.
7. Letters that contained the newspaper notice were sent via Canada Post to landowners within 1 km of the Study Area on June 15, 2022.
8. An In-Person Open House was held on Monday, June 27, 2022. A Virtual Open House was available for viewing from Tuesday, June 21, 2022 through Tuesday, July 7, 2022. The consultation log for each of these events is included in Appendix B6 of the Environmental Report which is located in Exhibit F, Attachment 1.
9. Project information is provided on the EPCOR website: [epcor.com/brocktonng](https://epcor.com/brocktonng)

10. The website includes an overview of the Project, Project notices, updates, open house display boards, and environmental study.
11. EPCOR sent an email with a link to access the Environmental Report to Indigenous communities and the OPCC on August 26, 2022, with a request for comments by October 7, 2022. The OPCC consultation log covering this period is included in Appendix B6 of the Environmental Report which is located in Exhibit F, Attachment 1.
12. During the consultation process for development of the ER, comments were received from identified Indigenous communities, the public, interest groups, and provincial agencies. No comments were received from federal agencies or interest groups as of the writing of the ER. How responses were incorporated into the Project is noted in Section 3.5 and comment-response summary tables can be found in Appendix B6 of the ER.
13. Feedback from OPCC to date indicates no concerns.
14. EPCOR will update the Board regarding the OPCC review process of the Environmental Report if further comments or requests for information are submitted.
15. As listed in Table 4.4 of the ER, Stantec identified nineteen Species at Risk (“**SAR**”) as having the potential to occur within the Project Study Area. Although potential habitat for SAR is present in the Study Area, the Preferred Route is located within an existing road allowance that is periodically disturbed for maintenance work. In addition, construction techniques will avoid some sensitive habitats (i.e., through the use of trenchless technologies such as Horizontal Directional Drilling) for areas associated with watercourses and wetlands. Potential impacts and mitigation measures for areas where construction of the pipeline may interact with wildlife and wildlife habitat, including SAR, are noted in Table 5-1 (Section 5.0) of the ER.

### Environmental Impact Mitigation Measures

16. Construction of the Project will be conducted in accordance with EPCOR's Construction and Maintenance Procedures and the recommendations in the ER. An Environmental Protection Plan ("EPP") will be developed for the Project prior to construction.
17. The EPP will incorporate recommended mitigation measures for the environmental issues associated with the proposed works and will be communicated to the construction contractor prior to the start of construction. The EPP will also include the conditions from environmental permits secured for the project.
18. A qualified Environmental Inspector will be available to assist the Project Manager in ensuring that mitigations identified in the Environmental Report, permitting requirements and environmental requirements contained in any conditions of approval are followed and that commitments made to the public, Indigenous groups, landowners, and agencies are honoured. The Environmental Inspector and Project Manager will also ensure that any unforeseen environmental circumstances that arise before, during or after construction are appropriately addressed and mitigated.
19. Mitigation measures will be implemented to address environmental and socioeconomic features found along the Preferred Route to minimize Project impacts. Such features include but are not limited to:
  - Species at risk and sensitive wildlife habitat;
  - Watercourses and wetlands;
  - Forests and vegetated areas;
  - Archaeological and heritage resources;
  - Groundwater and water well resources;
  - Potentially contaminated lands; and
  - First Nation and Métis Nation Interests.

20. The Environmental Report concludes that the proposed Facilities will not result in significant effects or cumulative effects on environmental and socio-economic features with the implementation of the recommended mitigation measures. A Summary of the Potential Effects and Recommended Mitigation and Protective Measures can be found in Section 5.0, Table 5.1 of the Environmental Report.

Environmental Report

21. The Environmental Report for the Project is available as Attachment 1 to this Exhibit or can be accessed online at the following link.

<https://www.epcor.com/products-services/natural-gas/Pages/brockton-service.aspx>

## **Conditions of Approval**

1. The OEB has developed standard conditions that are typically imposed in leave to construct approvals<sup>1</sup>. EPCOR has reviewed these standard conditions and has not identified any additional or revised conditions that it requests be applied to this project.

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<sup>1</sup> Natural Gas Facilities Handbook, EB-2022-0081, March 31, 2022, Appendix D Standard Leave to Construct Conditions of Approval

## Customer Volume Variance Account

1. On July 18, 2022 EPCOR filed an IRM application<sup>1</sup> for changes to its natural gas distribution rates to be effective January 1, 2023. Included in the application was a request for approvals to establish a Customer Volume Variance Account for EPCOR's South Bruce service area, including the proposed expansion into the Brockton area (the "**Project Communities**"). In its decision<sup>2</sup> the Board found that the South Bruce Customer Volume Variance Account as approved is applicable only to the South Bruce distribution system but that EPCOR can seek the necessary rate approval at the time it seeks leave to construct approval for the Brockton community expansion.
2. EPCOR is proposing to establish a Brockton Customer Variance Account ("**BCVVA**") for the Brockton extension of the South Bruce system. The intent is to track the variance in revenue resulting from the difference between customer forecast consumption based on the current best information and actual consumption for Rate 1 customers.
3. In confirming the average residential usage to be used for the BCVVA, EPCOR has determined that the estimated annual consumption for residential customers in the adjacent South Bruce service area is approximately 1,450m<sup>3</sup><sup>3</sup>. Given the close proximity of the South Bruce system to the Brockton expansion EPCOR is proposing to use that value as the forecast consumption for residential customers.
4. The guidelines for potential projects for Phase 2 Natural Gas Expansion program indicated that the default value for average consumption for residential

<sup>1</sup> EB-2022-0184, Application for Rates to be Effective January 1, 2023.

<sup>2</sup> EB-2022-0184, Decision and Order (Phase 2), April 6, 2023, Section 3.3 Applicability of the CVVA, page 13

<sup>3</sup> Due to the greenfield nature of the adjacent Sothern Bruce utility, EPCOR does not have long term consumption data for its customers, however, for the approximately 2,261 residential customers with gas flowing for at least 12 months as of April 2022, EPCOR is estimating an annual consumption of approximately 1,450 m<sup>3</sup>



customers was 2,200m<sup>3</sup> per year<sup>4</sup>. If proponents had more accurate information regarding annual consumption in a given community that value could be used. At the time it submitted the application for the Brockton community expansion in August 2020, EPCOR did not have better estimates for residential usage so used the default value of 2,200m<sup>3</sup>/year. Subsequent to submission of the application EPCOR had better data which supports the 1,450m<sup>3</sup>/year consumption value. This represents a shortfall of 750m<sup>3</sup>/year or approximately 34% from the default value. In order to address the impact of this updated value on the project economics EPCOR has reduced the forecast consumption for residential customers in calculating the Project's PI, as detailed in Exhibit E, Project Cost and Economics.

5. Residential consumption in Brockton may vary going forward as it is impacted by a number of factors including size and age of housing stock, number of residents per household and number of appliances using natural gas. The latter factor is expected to increase over time as customers connect additional appliances and in particular water heaters. In Southern Bruce only approximately 13% of customers have gas fired water heaters. This connection rate is expected to increase over time as existing stock ages out and is replaced by natural gas units. If a similar scenario plays out in Brockton, then the average residential consumption may increase over time which would result in refunds to that customer group through the BCCVA.
6. EPCOR requests that the BCVVA be established as of the date of this filing.
7. EPCOR intends to bring the balance recorded in the BCVVA together with any carrying charges, forward for approval for disposition in its annual Incentive Rate Adjustment Applications once the balance has been audited, or at such other time as EPCOR may request and the Board may order. With respect to recording

<sup>4</sup> March 5, 2020, Final Guidelines for Potential Projects to Expand Access to Natural Gas, Appendix A.  
page 4

carrying charges on the balance in the BCVVA, simple interest will be calculated monthly on the opening balance.

8. Toward the end of the rate stability period, EPCOR intends to revise the forecasted annual consumption (currently 1,450m<sup>3</sup>) for residential customers to reflect the then current value. This revised value will be brought forward to the Board for approval and replace 1,450m<sup>3</sup> in the accounting order at the end of the rate stability period.
9. The risk of gains or losses as the result of differences between forecast and actual volume of natural gas consumed is generally not a variance that utilities are exposed to. Approval of the BCVVA would align EPCOR with Enbridge and its Normalized Average Consumption ("**NAC**") Account<sup>5</sup> with respect to the ability to address the variance between the forecast and actual volume included in the revenue forecast for general service customers. This was demonstrated in the settlement agreement which included the establishment of Enbridge's NAC: "The parties agree that it is appropriate during the IRM term to adjust rates to reflect the impact of changes in normalized average consumption ("NAC") for the general service rate classes... Further, the parties agree that the way to accomplish this is to update the NAC in rates based on the last known actual NAC, ..." <sup>6</sup>. Through the NAC, Enbridge is able to apply to recover or distribute revenue, as applicable, associated with such variances. Allowing the BCVVA to be established will ensure that there is fairness and consistency with past practice on the approach for increases or decreases in actual average consumption.
10. A Draft Accounting Order, which includes a description of the mechanics of the BCVVA and examples of general ledger entries is provided in Appendix 1

<sup>5</sup> Deferral Account No. 179-133, Normalized Average Consumption (NAC) Account and Deferral Account No. 179-106, South Purchase Gas Variance Account

<sup>6</sup> EB-2013-0202, Settlement Agreement, July 31, 2013, Exhibit A Tab 2 Settlement Agreement, Section 1.2.3 – 5 page 13

Eligibility Criteria for Establishment of the Deferral Account

11. EPCOR's request meets the Board's criteria for establishment of a new variance account, as set out in the Board's Filing Requirements for Natural Gas Rate Applications. These criteria are causation, materiality, and prudence.
  - a) Causation
12. The eligibility criteria for a deferral account requires that the forecasted expense must be clearly outside the base upon which rates were derived. The forecasted consumption of mass market customers (Rate 1) was determined using EPCOR's current best estimate based on consumption of the adjacent Southern Bruce system. This value has been used in determining the PI factor for the Project. If alternative values, whether greater or lesser, had been used in calculating the Project's PI then an offsetting difference in rates would be required in order to construct Stage 1 on the Project.
  - b) Materiality
13. The eligibility criteria for a deferral account further requires that forecasted amounts must exceed the OEB-defined materiality threshold and have a significant influence on the operation of the distributor, otherwise they must be expensed in the normal course and addressed through organizational productivity improvements. EPCOR's materiality threshold is \$50,000 as its revenue requirement is less than \$10 million. EPCOR is not forecasting any balance for this account as estimated consumption is based on the most current forecast. Whether any balance in the account is material is a decision that can be made if EPCOR makes an application to clear the account.
  - c) Prudence
14. The eligibility criteria for a deferral account also requires that the nature of the costs and forecasted quantum must be reasonably incurred although the final determination of prudence will be made at the time of disposition. In terms of the

quantum, this means that the applicant must provide evidence demonstrating as to why the option selected represents a cost-effective option (not necessarily least initial cost) for ratepayers. The consumption forecast for residential customers is based on the best and most recent consumption data that EPCOR has. As a result they are considered prudent and reasonable at this time.