

Aug 14, 2019

Ms. Pauline Rochefort – Mayor
Mr. Michel Voyer – Deputy Mayor
Mr. Terry Kelly – Councillor
Ms. Erika Lougheed – Councillor
Mr. Steven Trahan - Councillor
East Ferris

Dear Council,

In my letter of Aug 13, 2019 I related how there was a system expansion surcharge for natural gas expansion and how that charge prompted an outcry in the Kawartha Lakes area in February of this year.

Further research has revealed to me, the province reacted quickly to that outrage and on March 8, 2019, [Regulation 24/19](#) was filed with an effective date of July 1, 2019.

It appears that the rules were changed for 9 projects listed in the Regulation, in that all customers of distributors with qualifying projects would contribute one dollar per month, to refund the distributor over time, the amount lost by giving the new subscribers a rate reduction and thereby mitigating the system expansion fee.

I do not know if future gas expansion projects will be given the same exception or not, but regardless of whether the newly connected customers pay or the entire customer base pays, the capital investment is still significant over a period of time where the market could change drastically.

I do not know the specifics of what East Ferris is requesting in terms of Natural Gas expansion, but the reference to Astorville suggests it will be limited in its availability to all East Ferris residents. Improvements in the supply and cost of propane would be available to all residents.

If high energy bills are driving the push to access Natural Gas maybe the review, mentioned in my first letter, could look at how to finance alternative heating systems, what are the most efficient systems for the cost, and are there ways to lower the cost of propane.

There are numerous propane distributors serving our area, but the practice of renting a tank from one distributor tends to anchor that

customer with the distributor and negate the lower price available in a truly competitive market. Propane tanks can last a long time, with virtually no maintenance, so there should be an option for the homeowner to purchase their own tank, just like they can buy a hot water tank.

If there was a municipal buying group representing homeowners with their own tanks, the effect of higher prices for low volume purchases could be mitigated.

The supply of propane is directly related to its cost, so maybe a local storage facility needs to be considered. I am no expert in energy matters, but I feel that we have been trying to get natural gas into East Ferris for over 4 years without any sign of success and maybe its time to take a second look.

If a review is done, by people in the heating and fuel industry, we may find we can get action on alternative fuels quicker, and benefit all residents of East Ferris even if the cheapest fuel is not available.

Thanks for your consideration.

Phil Koning
Corbeil, ON

Cc Mr. Vic Fedeli, MPP Nipissing