



Enbridge Gas Inc.
603 Kumpf Drive
Waterloo, Ontario
N2J 4A4

May 6, 2020

Mayor Fred Eisenberger
The City of Hamilton
Hamilton City Hall
71 Main Street West
Hamilton, Ontario
L8P 4Y5

Dear Mayor Eisenberger and Members of Council,

Re: Natural Gas Expansion Program for Hamilton Airport Employment Growth District and Red Hill Business Park

I am writing to request a letter of support to help bring affordable gas service to the Hamilton Airport Employment Growth District and Red Hill Business areas. Enbridge Gas has been working with the City of Hamilton's Growth Management Division and Economic Development group to understand the long-term natural gas needs of this area and we are currently conducting an Expression of Interest process to that end. With all the incremental developments anticipated in and around the AEGD and the Red Hill Business Park, Enbridge Gas will likely require significant and costly upstream reinforcements. There is an opportunity to request funding from Ontario's Natural Gas Expansion Program (NGEP) to help defray some of those costs and make natural gas service more affordable for new and expanding customers in the area.

Ontario's Natural Gas Expansion Program offers an opportunity to drive economic development and enhance the quality of life and prosperity of families and businesses across Ontario. As your Regional Director for Enbridge Gas Inc., I'm writing to provide an update on next steps, and how we can work together to help bring affordable natural gas service to the area around the Hamilton Airport and the Red Hill Business Park.

Enbridge Gas is planning to submit a project proposal to the Ontario Energy Board (OEB) based on the NGEP Guidelines for a project to serve the Hamilton Airport Employment Growth District and the Red Hill Business Park area. One of the requirements of those Guidelines is a letter of support from the host Municipality. The deadline for the submission of applications to the OEB is June 3, 2020. In order to meet that deadline, we require the letter of support prior to the end of May 2020. The OEB will review project submissions and provide a report to the Ministry of Energy, Northern Development and Mines later this year recommending potential natural gas expansion projects that the Ontario government could consider as candidates for financial support. The Ministry of Energy, Northern Development and Mines will review the recommendations of the OEB along with other considerations and issue a decision on future natural gas expansion projects eligible to receive financial support. A sample letter of support is also included for your consideration.

Although the NGEP does not mandate any requirement for municipal financial contributions to qualify for grant funding under the Natural Gas Expansion Program, Enbridge Gas believes that a municipality's contribution toward project costs (e.g., equivalent to the municipal portion of property taxes recovered on the new infrastructure being built for a period of 10 years) would demonstrate the community's support for the proposed project. How this contribution is made is up to the discretion of the municipality in consultation with Enbridge Gas Inc.

For more than 170 years, Enbridge Gas has been delivering the energy that Ontarians need and want. With our long history, anchored in our commitment to operational excellence and strong safety performance, Enbridge Gas is in the best position to bring natural gas to currently underserved areas. We have numerous expansion projects underway, and we are committed to building on this success. If you have any questions, please do not hesitate to contact me or your Municipal Advisor, Brian

Lennie, at brian.lennie@enbridge.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Murray Costello". The signature is written in a cursive style with a large, stylized initial "M".

Murray Costello, P.Eng.
Director, Southeast Operations
Enbridge Gas Inc.
Murray.costello@enbridge.com