

PO Box 1749 Halifax, Nova Scotia B3J 3A5, Canada

Item No. 11.1.6 Halifax Regional Council April 13, 2010

TO:

Mayor Kelly and Members of Halifax Regional Council

the cia

**SUBMITTED BY:** 

Dan English, Chief Administrative Officer

Warps Centry

for Mike Labrecque, Deputy Chief Administrative Officer - Corporate Services and Strategy

**DATE:** April 6, 2010

SUBJECT:Heritage Gas Expansion UARB Application

### **ORIGIN**

Notice of Hearing issued by the UARB re Heritage Gas Expansion.

### **RECOMMENDATION**

It is recommended that Halifax Regional Council direct staff to intervene in the Heritage Gas UARB Expansion hearing.

# **BACKGROUND / DISCUSSION**

Heritage Gas has applied to the UARB for approval of a major (54 km) expansion of the Heritage Gas system from Peninsular Halifax to Fairview, Clayton Park, Bedford West and Bedford South. Interventions have to be filed by April 16, 2010 with the submissions concluding by May 11, 2010. Heritage Gas has asked that the Municipality intervene in support of the expansion project. There are number of reasons in support of staff's recommendation that HRM intervene in support of the application.

Firstly, HRM has designed both the Canada Games Centre and the 4-pad on the basis of natural gas supply. Heritage has committed to providing gas to the Canada Games Centre by August 1, 2010 and the 4-pad for September 1, 2010. It is critical that UARB approval be secured as soon as possible to meet these deadlines. Secondly, HRM is anxious that gas be available to as many new homes as possible to avoid subsequent retrofitting necessitating street cuts which reduce the lifespan of the new streets in Bedford West and Bedford South. Thirdly, HRM in an effort to meet its carbon targets is committed to providing as many green energy alternatives as it can to consumers, which is in part achieved by providing a natural gas option to residents. Fourthly, HRM derives tax revenue from the expansion of the natural gas system. Therefore expansion of the natural gas system is in HRM's financial interest.

As the hearing is simply a "paper" hearing, any support will not require an appearance before the UARB, simply a written submission in support and this is being recommended by staff.

### **BUDGET IMPLICATIONS**

There are no budget implications associated with this report. There are however, positive future budget implications associated with the planned Heritage Gas Expansion. The exact impacts will depend upon the exact nature and timing of the expansion.

### FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

## **ALTERNATIVES**

Council has the option of not intervening in support of Heritage Gas.

### **ATTACHMENTS**

None.

If the report is released to the public, a copy can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: M.E. Donovan, QC, Director, Legal Services & Risk Management, 490-4226