

# **INFORMATION ITEMS**

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**Week Ending August 30, 2013**

## **REPORTS**

1. Affordable Bus Pass Third Quarter Report

## **CORRESPONDENCE**

1. Ministry of Rural Affairs – Launch of the renewed Rural Economic Development Program
2. Union Gas – Application regarding a multi-year Incentive Regulation Mechanism

## **BOARDS & COMMITTEES**

1. Board of Trustees of The Elliott Community – Resignation From Ellen Balder
2. Cultural Advisory Committee – Resignation from Gillian Veitch

## **ITEMS AVAILABLE IN THE CLERK'S OFFICE**

1. None

# INFORMATION REPORT



TO City Council

SERVICE AREA Community and Social Services  
Community Engagement and Social Services

DATE August 29, 2013

**SUBJECT Affordable Bus Pass Third Quarter Report**

REPORT NUMBER CSS-CESS-1338

## EXECUTIVE SUMMARY

### PURPOSE OF REPORT

To provide Council with the third quarter (January 2013 to March 2013) report updating information on the development, operations, and impact of the Affordable Bus Pass Pilot Program including number of passes sold, trend data, and budget variance information.

### KEY FINDINGS

- The number of applicants to date applying for the Affordable Bus Pass Program is over 2,700 with 2,178 approved applicants
- The average number of applicants who purchased passes for the reporting period is 1,095
- The number of approved applicants to date, who have indicated they are a "new" rider to Guelph Transit is 89 for this quarter
- Sales of the Affordable Bus Pass have increased by approximately 5.0% over last quarter
- For the period ending March 31, 2013, the Affordable Bus Pass Pilot Program had an unfavourable variance of \$9,259 due largely to the significant increase in the number of passes sold. Addressing the negative variance will be covered in subsequent reporting coming forward in the fourth quarter

### FINANCIAL IMPLICATIONS

The 2013 Budget for the Affordable Bus Pass Pilot Program is \$457,700 and staff projections based on 2012 trend data indicate that this budget will be on target. Variance reporting will continue to be part of the quarterly reports.

## BACKGROUND

In October 2011, Council approved the launch of the Affordable Bus Pass Pilot Program for a period of two years. In December 2011, Council approved the funding of the Affordable Bus Pass Pilot Program to begin in July 2012 for the 2012

# INFORMATION REPORT



tax supported budget year. Council approved a full pilot year funding for the 2013 tax supported operating budget.

The development of the Affordable Bus Pass Program is considered an investment in the community by:

1. Enabling more residents living with a limited income to purchase a monthly transit pass;
2. Making a positive impact on the budget of low income residents by enabling them to allocate more of their budget to basic needs such as food, clothing and shelter;
3. Improving perceptions of overall quality of life; and
4. Helping people to connect and contribute to their communities in ways such as getting to work/keeping a job; accessing educational, recreational, sporting and cultural opportunities; and maintaining connections to family and friends.

The program was anticipated to receive applications from approximately 1,800 citizens and there would be "no cap" on the number of approved applications. The previous Subsidized Bus Pass Program (for persons with disabilities living on a low income) was merged with this new expanded program. Staff was requested to provide quarterly updates to Council on the progress of the pilot and include number of passes sold and other trend data, available program capacity, and budget variance reporting. This is the third quarterly report representing January, February, March of 2013.

## REPORT

As indicated in Report #CSS-CESS-1140, dated October 12, 2012, staff were directed to provide updates on the progress of the pilot program as follows:

### Application Information

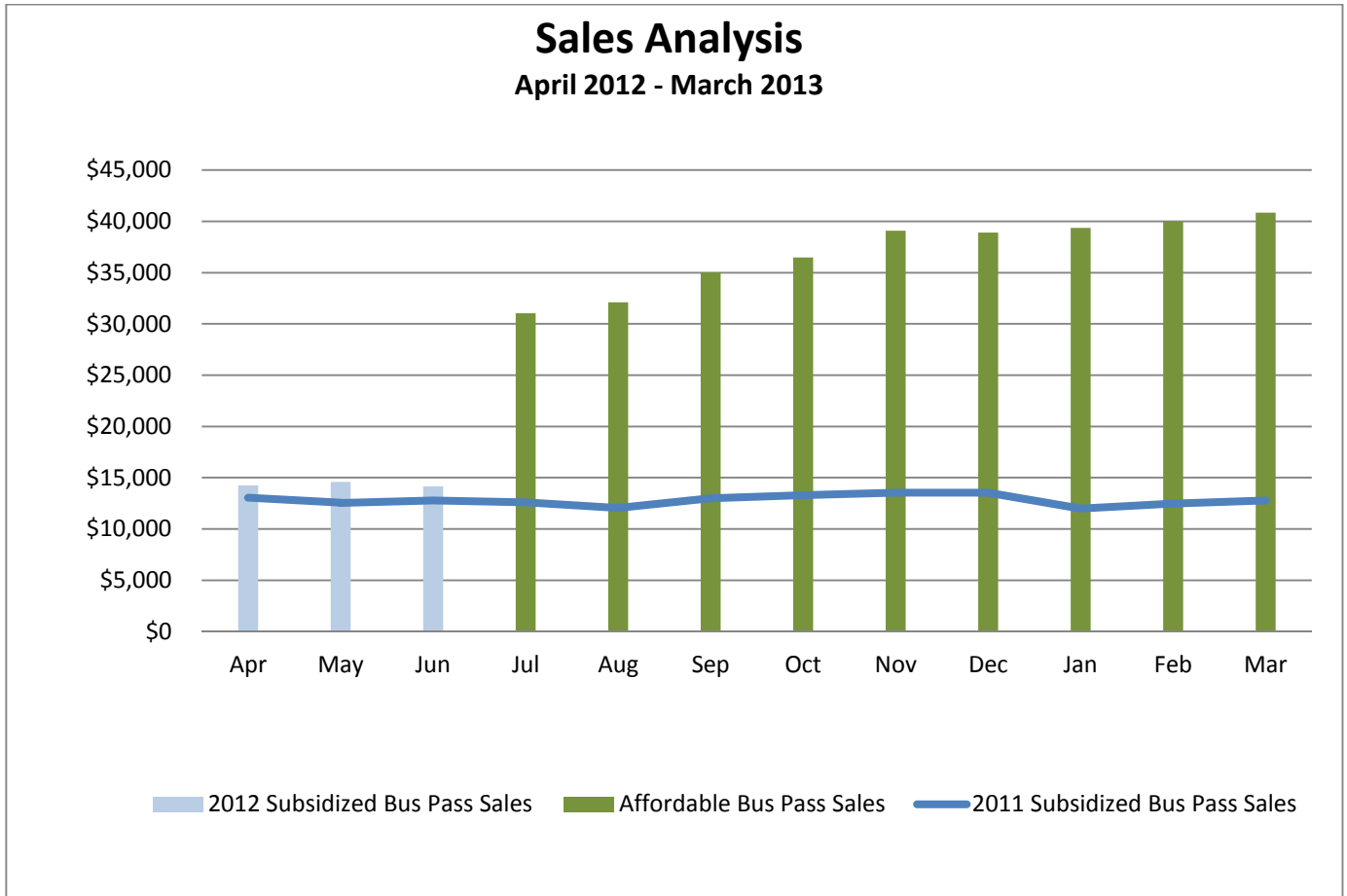
- As of March 31, 2013 applications have been processed for over 2,700 applicants
- 51 were not approved (annual family income exceeded Statistics Canada Low Income Cut-Off "LICO" table)
- 482 applications were incomplete/not applying
- 2,178 applications were approved

### Sales

- The chart titled "Sales Analysis" below illustrates the number and monthly value of Affordable Bus Passes sold during the period of April, 2012 through March, 2013 vs. the value of Subsidized Bus Passes sold over the same period in 2011. (Please note: Affordable Bus Pass sales were launched July 2012)

# INFORMATION REPORT

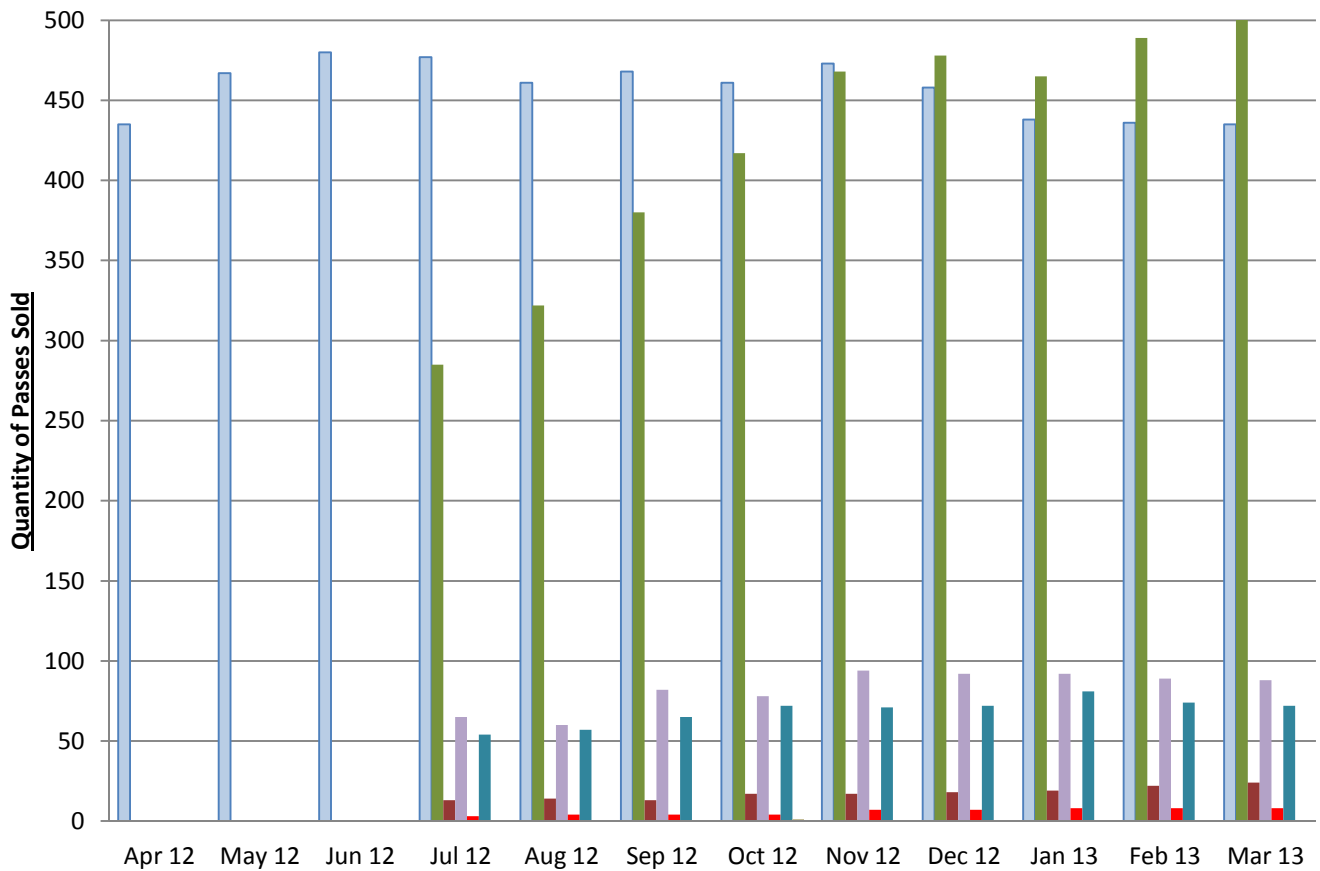
Former subsidized bus passes sold are included to illustrate the significant uptake in Affordable Bus Passes sold from customers other than former subsidized customers.



# INFORMATION REPORT



## Passes Sold by Category per Month



**April 2012 - March 2013**

- 1-Adult Existing Subsidized Holder
- 2-Adult Existing User but now Affordable
- 3-Adult New Affordable Holder
- 4-Youth Existing User but now Affordable
- 5-Youth New Affordable Holder
- 6-Senior Existing User but now Affordable
- 7-Senior New Affordable Holder

Purchase Pattern Categories	Apr 12	May 12	Jun 12	Jul 12	Aug 12	Sep 12	Oct 12	Nov 12	Dec 12	Jan 13	Feb 13	Mar 13
1-Adult Existing Subsidized Holder	435	467	480	477	461	468	461	473	458	438	436	435
2-Adult Existing User but now Affordable				285	322	380	417	468	478	465	489	507
3-Adult New Affordable Holder				13	14	13	17	17	18	19	22	24
4-Youth Existing User but now Affordable				65	60	82	78	94	92	92	89	88
5-Youth New Affordable Holder				3	4	4	4	7	7	8	8	8
6-Senior Existing User but now Affordable				54	57	65	72	71	72	81	74	72
7-Senior New Affordable Holder				0	0	0	1	0	0	0	0	0
<b>TOTAL</b>	<b>435</b>	<b>467</b>	<b>480</b>	<b>897</b>	<b>918</b>	<b>1012</b>	<b>1050</b>	<b>1130</b>	<b>1125</b>	<b>1103</b>	<b>1118</b>	<b>1134</b>

# INFORMATION REPORT



## Ridership

Summarized below is the incremental increase in ridership for the first nine months of the pilot program. Incremental ridership represents the additional rides that Affordable Bus Pass Program customers have taken.

The ridership has been broken down into seven categories of users that have been developed to group applicants by their previous purchase patterns. Please note it has been assumed that there was no increase in monthly ridership for existing subsidized pass users who were merged with the Affordable Bus Pass Program.

## Incremental Ridership

	<u>Q1</u>			<u>Q2</u>			<u>Q3</u>		
	<b>Jul 12</b>	<b>Aug 12</b>	<b>Sep 12</b>	<b>Oct 12</b>	<b>Nov 12</b>	<b>Dec 12</b>	<b>Jan 13</b>	<b>Feb 13</b>	<b>Mar 13</b>
<b>Adult</b>									
- Existing Subsidized Pass User	-	-	-	-	-	-	-	-	-
- Existing Transit User	2,241	3,214	3,314	4,100	4,122	2,542	4,590	3,124	5,220
- New Transit User	577	720	615	713	774	758	826	871	1054
<b>Youth</b>									
- Existing Transit User	586	343	645	54	634	234	122	174	754
- New Transit User	91	191	138	172	369	366	308	399	393
<b>Senior</b>									
- Existing Transit User	379	374	782	899	714	620	165	406	792
- New Transit User	-	-	-	58	-	-	-	-	-
<b>Total Incremental Rides</b>	<b>3,874</b>	<b>4,842</b>	<b>5,494</b>	<b>5,996</b>	<b>6,613</b>	<b>4,520</b>	<b>6,011</b>	<b>4,974</b>	<b>8,213</b>

## Challenges

The team has experienced challenges related to the validation of eligibility, and staff resourcing. We will provide recommendations in the future with the support of data collected:

- Recently unemployed are often not eligible due to the fact that their previous year annualized income is not within the confines of the LICO table; and
- The resourcing of the project continues to be challenging. The sheer volume of applicants and related customer service required is not sustainable without a future review of needed resources should the program be implemented on a permanent basis.

## Areas of Focus for the Third Quarter (January 2013-March 2013)

- The re-application process for Year Two of the pilot is being implemented to verify income information to ensure fairness and equity

# INFORMATION REPORT



- An evaluation process is being implemented to enable staff to develop recommendations regarding the future of the program. The evaluation will assist staff to: assess how the program has supported the desired objectives and outcomes; identify areas for program change and improvement; identify a potential set of service standards and key performance indicators to support continuous improvement; and, to identify resources required to deliver the program in the long term
- 2014 budget input requirements are being implemented as per the Corporate financial process

## **CORPORATE STRATEGIC PLAN**

### Organizational Excellence

- 1.1 Develop collaborative work team and apply whole systems thinking to deliver creative solutions
- 1.2 Build robust systems, structures and frameworks aligned to strategy

### Innovation in Local Government

- 2.1 Build an adaptive environment, for government innovation to ensure fiscal and service sustainability
- 2.2 Deliver Public Service better
- 2.3 Ensure accountability, transparency and engagement

### City Building

- 3.1 Ensure a well-designed, safe, inclusive, appealing and sustainable City

## **DEPARTMENTAL CONSULTATION**

Operations, Transit and Emergency Services  
Community and Social Services  
Finance and Enterprise Services

## **COMMUNICATIONS**

N/A

## **ATTACHMENTS**

N/A

# INFORMATION REPORT

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**Recommended By:**

Barbara Powell  
General Manager, Community Engagement  
Community & Social Services

519-822-1260 ext. 2675  
Barbara.powell@guelph.ca



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**Recommended By:**

Phil Meagher  
Manager, Transit Operations  
Operations, Transit and Emergency  
Services

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[phil.meagher@guelph.ca](mailto:phil.meagher@guelph.ca)



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**Recommended By**

Colleen Clack  
Interim Executive Director  
Community and Social Services  
519-822-1260 ext. 2588  
colleen.clack@guelph.ca



**Ministry of  
Rural Affairs**

Office of the Minister  
77 Grenville Street, 11<sup>th</sup> Floor  
Toronto, Ontario M7A 1B3  
Tel: (416) 326-3074  
Fax: (416) 326-3083

**Ministère des  
Affaires rurales**

Bureau du ministre  
77, rue Grenville, 11<sup>e</sup> étage  
Toronto (Ontario) M7A 1B3  
Tél. : (416) 326-3074  
Télééc. : (416) 326-3083



August 16, 2013

Head of Council  
c/o Blair Labelle  
City Clerk  
City of Guelph  
blair.labelle@Guelph.ca

Dear Head of Council:

On behalf of the Ontario government, I am pleased to announce the launch of the renewed Rural Economic Development (RED) program. Applications are now being accepted to the program.

The renewed RED program is designed to help rural communities become better positioned to attract investment, create jobs, and sustain a highly skilled workforce. While partnerships are not required, we are encouraging collaborative approaches to create more competitive and diverse rural and regional economies across the province.

Recognizing we live in a time of fiscal constraint, we are looking for projects that are creative, innovative and that will have significant economic impacts in your region relative to the project contribution requested. Projects will also be assessed on how they benefit rural Ontario and promote collaboration across communities, organizations and businesses.

The renewed RED program is part of a suite of rural initiatives that address infrastructure, health care, education and other issues of importance to rural Ontario residents. RED builds upon our government's previous investments, including the Eastern Ontario Development Fund, the Southwestern Ontario Development Fund, the Northern Ontario Fund Corporation, and the Municipal Infrastructure Investment Initiative.

Applications are welcomed from municipalities; not-for-profit organizations; industry; economic development and regional-focused associations; businesses and corporations; First Nations, Metis and Inuit; as well as broader public sector organizations. For more information visit [www.omafra.gov.on.ca/english/rural/red/index.html](http://www.omafra.gov.on.ca/english/rural/red/index.html) or contact Mr. Joseph Dubonnet at [red@ontario.ca](mailto:red@ontario.ca) or 519-826-3717.

I look forward to working with you to help rural Ontario's economy – and its communities – grow stronger.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Leal".

Jeff Leal  
Minister of Rural Affairs



**uniongas**

A Spectra Energy Company

RECEIVED  
AUG 27 2013  
CITY CLERK'S OFFICE

August 23, 2013

**VIA COURIER**

**TO:** *ALL Clerks of Municipalities*

Union Gas filed an application with the Ontario Energy Board (“the Board”) on July 31, 2013 seeking approval for a multi-year Incentive Regulation Mechanism that will be used to set Union’s regulated distribution, transportation and storage rates over the 2014 to 2018 period.

Enclosed is a copy of the application, as well as a copy of the Notice of Application in English and in French issued by the Board on August 14, 2013 under Docket No. EB-2013-0202.

Yours truly,

A handwritten signature in black ink, appearing to read 'Chris Ripley'.

Chris Ripley  
Manager, Regulatory Applications

Encl.

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule. B);

**AND IN THE MATTER OF** an Application by Union Gas Limited for an order or orders approving an incentive rate mechanism to determine rates for the distribution and transmission and storage of gas effective January 1, 2014;

**APPLICATION**

1. Union Gas Limited ("Union") is a business corporation, incorporated under the laws of Ontario, with its head office in the Municipality of Chatham-Kent.
2. Union conducts an integrated natural gas utility business that combines the operations of selling, distributing, transmitting and storing gas within the meaning of the *Ontario Energy Board Act, 1998* (the "Act").
3. Union hereby applies to the Ontario Energy Board ("OEB"), pursuant to section 36 of the Ontario Energy Board Act, 1998 (the "Act") for an order approving a multi-year incentive rate mechanism ("IRM") to determine rates for the regulated distribution, transmission and storage of gas effective January 1, 2014. Union seeks an IRM pursuant to a comprehensive Settlement Agreement between stakeholders and Union:
  - (a) which applies to the base rates approved by the OEB commencing January 1, 2013 in EB-2011-0210, as adjusted to reflect the upfront productivity commitment of \$4.5 million and the annual \$3.152 million increase related to deferred taxes over the IRM term;

- (b) in which the annual rate escalation is limited by a price cap index (“PCI”), where PCI growth is driven by an inflation factor (“GDP IPI FDD”), less a productivity factor of 60% of GDP IPI FDD;
  - (c) which exists for a 5 year term ending December 31, 2018;
  - (d) which has a provision for earnings sharing;
  - (e) which continues to pass-through routine gas commodity and other costs;
  - (f) which allows for non-routine cost adjustments for matters outside of the utility’s control, including criteria for non-discretionary capital projects; and
  - (g) which maintains the existing level of service to customers.
4. Union also applies for an order to establish the following deferral accounts effective January 1, 2014:
- Normalized Average Consumption Deferral Account (179-XXX)
  - Tax Variance Deferral Account (179-XXX)
  - Unaccounted for Gas (“UFG”) Volume Variance Deferral Account (179-XXX)
5. Union also applies to the OEB for such interim orders approving interim rates and accounting orders as may from time to time appear appropriate or necessary.
6. Union further applies to the OEB for all necessary orders and directions to provide for pre-hearing and hearing procedures for the determination of this application.
7. This application is supported by a comprehensive settlement agreement and supporting reports.

8. The persons affected by this application are the customers resident or located in the municipalities, police villages and First nations reserves served by Union, together with those to whom Union sells gas, or on whose behalf Union distributes, transmits or stores gas. It is impractical to set out in this application the names and addresses of such persons because they are too numerous.
9. The address of service for Union is:

Union Gas Limited  
P.O. Box 2001  
50 Keil Drive North  
Chatham, Ontario  
N7M 5M1  
Attention: Chris Ripley  
Manager, Regulatory Applications

Telephone: (519) 436-5476

Fax: (519) 436-4641

- and -

McCarthy Tetrault LLP  
Suite 5300, TD Bank Tower  
P.O. Box 48  
66 Wellington Street West  
Toronto, Ontario  
M5K 1E6  
Attention: George Vegh

Telephone: (416) 601-7709

Fax: (416) 868-0673

DATED: July 31, 2013

UNION GAS LIMITED

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## ONTARIO ENERGY BOARD NOTICE TO CUSTOMERS OF UNION GAS LIMITED

**Union Gas Limited has applied for a multi-year rate setting mechanism.  
Learn more. Have your say.**

Union Gas Limited has applied to the Ontario Energy Board for a multi-year Incentive Regulation Mechanism that will be used to set Union's regulated distribution, transportation and storage of gas rates over the 2014 to 2018 period. Under the proposal residential Customers of Union Gas in the Southern service area would see an increase of approximately 0.3% in their average annual bill while customers in the North would see a 0.2% decline in their average annual bill during the 5 year period. Other customers, including businesses, may be affected as well.

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

The proposed incentive rate mechanism parameters have been established through a comprehensive Settlement Agreement (the "Agreement") between Union Gas Limited and the ratepayer groups that participated in Union's last rates hearing. The Agreement establishes the formula for setting Union's rates for a five year period starting January 1, 2014 based on an annual adjustment tied to inflation less a productivity factor.

The Agreement will be presented to the Board at a public hearing. At this time, any other interested parties will be able to present any questions or concerns. At the end of this hearing, the OEB will decide whether to accept all or part of the Agreement.

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 Union Gas Limited's application on the OEB's website now.
- sign up to observe the proceeding by receiving OEB documents related to the hearing.
- file a letter with your comments, which will be considered during the hearing.
- become an active participant (called an intervenor). Apply by **September 10, 2013** 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, review the OEB's decision and its reasons on our website.

### LEARN MORE

The application relates to Union Gas Limited's rate setting approach for the 2014-2018 period. Our file number for this case is EB-2013-0202. To learn more about this hearing, find instructions on how to file letters or become an intervenor, or to access any document related to this case please enter that file number at the OEB website: [www.ontarioenergyboard.ca/notice](http://www.ontarioenergyboard.ca/notice). You can also phone our Consumer Relations Centre at 1-877-632-2727 with any questions.

### ORAL VS. WRITTEN HEARINGS

There are two types of OEB hearings – oral and written. Union Gas Limited has applied for an oral hearing. The OEB will determine at a later date whether to proceed by way of a written or oral hearing.

### 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 rate hearing will be held under section 36 of the Ontario Energy Board Act, S.O. 1998 c.15 (Schedule B).*



Ontario Energy Board  
Conseil de l'énergie  
de l'Ontario