



The Corporation of the
City of Kawartha Lakes

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July 26th, 2017

Re: Victoria Grains-Natural Gas Expansion Project

Mr. Wilson,

Please accept this letter as confirmation that pending receipt of correspondence detailing your request, Council will take this request under consideration at our next regular Council meeting on the 22nd of August 2017.

This project would enable Victoria County Grains (VCG) to move from propane & diesel fuels in their grain dryer to natural gas. Further, if VCG were to utilize natural gas as a replacement to propane and diesel for power generation they would be able to save an estimated \$100,000 a year. This opportunity presents a clear path to lowering GHG emissions and strengthening a local business; a true win-win scenario.

Further, this project would contribute to the goals of both the City of Kawartha Lakes' 2016 – 2019 Strategic Plan of creating a vibrant and growing economy by establishing a stronger, more diversified economy; as well as the Economic Development Strategic Plan (anticipated enactment August 2017) which places an emphasis on supporting our strong agriculture and food cluster through the development of additional value-added processing.

It is expected that this project will have an immediate benefit for this agri-business/grain elevator described in the application by providing a cost effective operating solution allowing them to be more competitive with similar service providers in other areas with access to natural gas. Additionally, a cost effective custom grain drying service will benefit crop producers across the region. A vibrant agri-business support sector ensures the long term economic growth of the City of Kawartha Lakes, a Rural Ontario community (as defined by Statistics Canada).

Sincerely,

Andy Letham
Mayor