

**NORTHWESTERN ONTARIO MUNICIPAL ASSOCIATION
PRESENTATION TO STANDING COMMITTEE ON GENERAL GOVERNMENT
APRIL 4, 2012**

My name is Larry Hebert, I am a councillor with the City of Thunder Bay and Vice President of the Northwestern Ontario Municipal Association (NOMA)

We are pleased to have the opportunity to express our concerns regarding Bill 8, *An Act respecting Ontario One Call Ltd.*

NOMA represents the interests of 37 municipalities from Kenora and Rainy River in the west to Hornepayne and Wawa in the east.

Bill 8 would require all municipalities in Ontario to join Ontario One Call Ltd. The objects of the corporation are outlined in the Bill as follows:

- a call centre that receives queries regarding the location of underground infrastructure;
- identifies whether underground infrastructure is located in the vicinity of a proposed excavation site;
- notifies members of proposed excavations that may affect underground infrastructure; and,
- raises public awareness of the need for safe digging.

NOMA has three specific concerns with Bill 8:

Concern #1: Mandatory Monopoly

Our members do not believe that there is a need for Bill 8 and are concerned that this legislation creates an **unnecessary but mandatory monopoly** that will duplicate services that are already successfully provided by municipalities and private companies across Ontario.

Our members strongly believe that each municipality should have a choice as to how it wishes to manage infrastructure locate calls. Many municipalities across the Northwest currently provide infrastructure location services, either as a municipal service or by contract with private providers. This process is working well and deals with the needs of both the communities and the citizens who they represent. There is no need for a legislated “solution” as there is no problem to be solved.

Concern #2: Additional Costs to Municipalities

While Bill 8 will create a central call handling number and provider for all of Ontario, It will NOT change the way in which municipalities or utilities administer infrastructure locates – meaning that municipalities and the public will have to pay for these new call handling services, while continuing to pay for provision of location markings as normal.

The legislation requires every municipality in Ontario to become a member of Ontario One Call Ltd within 12 months of the Act coming into force. It is our understanding that each municipality will need to pay a \$1,000 fee to join Ontario One Call regardless of whether or not they own any underground infrastructure. This is an unnecessary additional cost on municipalities and their taxpayers.

Further, we understand that a fee of between one dollar (\$1.00) and (\$1.60) one dollar sixty cents is charged for each locate dispatched. Ontario One Call has advised NOMA in writing that municipal owners pay nothing for the processing of water, sewer, traffic or street-lighting locates at this time. However, there is a concern that fees could change in future as it is anticipated that the creation of a single provider system could result in higher fees due to a lack of competition.

The legislation further requires a member to “immediately...provide such information to the Corporation as is necessary for the Corporation to identify the location of all underground infrastructure owned by the member.” NOMA is concerned that small communities may not have the capacity to provide this information without incurring significant additional costs to their municipality.

Concern #3: Impact on other providers & possible loss of jobs/local business

Current locate-service providers have invested significant resources in the development of systems that meet specific local needs in Northwestern Ontario. These providers will be forced out of this service by the passage of this Private Members legislation with no consideration for economic impacts or job losses.

Bill 8 does not just set up a one call system – it also mandates a specific company, Ontario One Call, to provide the service across Ontario with no bidding process to allow other interested providers – whether corporate or municipal - to submit proposals to provide the same service in their specific area or region.

If the intent of Bill 8 is to set up one number for Ontarians to call, surely the legislation could be drafted in a way that outlines the requirements of the provider while also putting in place a fair bidding process that meets this need while not forcing current companies out of business.

My time is fleeting but I would like to mention a few other concerns. The legislation does not indicate: who will be responsible to provide oversight; the Board governance structure of Ontario One Call; what penalties or fines will be charged for an offence; or who would be liable in the event of a missed locate that results in damage. While we understand that there will be regulations in the future that address these issues, we are concerned that these items will not be outlined until after the legislation is enacted as law.

NOMA is opposed to Bill 8 as currently written.

We would be happy to answer any questions from the Committee.