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File No. P12

May 2, 1997

Ms. Kathy Cooper
Canadian Environmental Law Association
517 College St., Suite 401
Toronto, Ontario
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Dear Ms. Cooper:

Recently I became aware of a commentary on Bill 107, printed on the letterhead of the Canadian Environmental Law Association. The comments appear under the heading "Top 5 MYTHS ABOUT BILL 107: WHAT YOU NEED TO KNOW".

Unfortunately, your FACT about Myth #1 creates and perpetuates a myth of its own. Specifically, the statement reads:

"Indeed, privatization has already made inroads in Ontario; York Region, for example, has already cast its lot with a British utility company and a private gas company for the provision of future water supplies for projected growth and development."

Despite our concerted efforts to advise CELA and other interested parties of the truth, this myth persists. York Region is not, has not and likely will never contemplate the privatization of its water supply.

The Region's recent positive experience with Consumers Utilities was based on a partnership whose mandate was to find, evaluate and recommend a preferred solution for York Region's long-term water needs. The project succeeded in meeting its objectives and was completed on time and on budget.

In a parallel undertaking, the partners, along with the best available consultants, examined whether there was the basis for an ongoing relationship and how any such arrangement could be structured to benefit the citizens of York Region. The analysis showed that, in York Region's specific circumstances, the best solution



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would be a contractual relationship, in which York Region would contract with Consumers Utilities -- or any other competitive service provider - for specific services. More details on these findings and recommendations are available should you wish to review them.

To return to the myth, it is worth noting that, at no point was the surrender of Regional assets considered. Nor was the absolute right of Regional Council to control its water systems and to set water rates ever examined.

Thus, I find it hard to understand how anyone could conclude "privatization" of water services had "made inroads" in York Region, or that the Region has "cast its lot" with anyone for the provision of future water supplies. York Region's mandate -- and commitment -- remains to provide the best quality water at the lowest possible rates for our citizens.

I would appreciate it if you would stop any further spread of the "York Region privatization myth" and make every effort to correct your previous actions in this regard.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan P. Wells", written in a cursive style.

Alan P. Wells
Chief Administrative Officer

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