



**EB-2012-0463**  
**EB-2012-0486**

**IN THE MATTER OF** the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended;

**AND IN THE MATTER OF** an application by Enbridge Gas Distribution Inc. for an order approving the terms and conditions upon which, and the period for which, the Corporation of the Municipality of Trent Hills is, by by-law, to grant to Enbridge Gas Distribution Inc. the right to construct and operate works for the distribution, transmission and storage of natural gas and the right to extend and add to the works in the Municipality of Trent Hills;

**AND IN THE MATTER OF** an application by Enbridge Gas Distribution Inc. for an order directing and declaring that the assent of the municipal electors to the by-law is not necessary;

**AND IN THE MATTER OF** an application by Enbridge Gas Distribution Inc. for an order cancelling the existing certificates of public convenience and necessity for certain geographic areas now incorporated within the Municipality of Trent Hills and replacing these with a single certificate of public convenience and necessity for the Municipality of Trent Hills.

**By delegation, before:** Neil McKay

**DECISION AND ORDER**  
**March 12, 2013**

On December 6, 2012, Enbridge Gas Distribution Inc. (“Enbridge”) filed an application with the Ontario Energy Board under the *Municipal Franchises Act*, R.S.O. 1990, c. M55 (the “Act”). The application is for an order under section 9 of the Act renewing

Enbridge's right to operate works and add to works for the distribution of gas in the Municipality of Trent Hills for a period of 20 years; for an order under section 9 of the Act declaring and directing that the assent of the municipal electors is not necessary; and for an order under section 8 of the Act granting Enbridge a certificate of public convenience and necessity for the Municipality of Trent Hills.

The application was assigned Board file numbers EB-2012-0463 (regarding the request for a franchise agreement) and EB-2012-0486 (regarding the request for a certificate of public convenience and necessity).

Enbridge holds Certificates of Public Convenience and Necessity for the former Township of Percy (F.B.C. 162), the former Village of Hastings (F.B.C. 164), the former Township of Seymour (E.B.C. 71) and the former Town of Campbellford (F.B.C. 236). These municipalities were amalgamated to form the Municipality of Trent Hills. Enbridge is requesting that the Board cancel and replace the certificates for the four former municipalities with a single new certificate for the Municipality of Trent Hills.

Enbridge submitted a resolution passed by Council of the Municipality of Trent Hills on October 16, 2012, approving the form of the draft by-law and requesting that the Board declare and direct that the assent of the municipal electors to the by-law is not necessary.

The Board notes that the proposed franchise agreement is in the form of the 2000 Model Franchise Agreement (the "MFA").

The Board's Notice of Application and Hearing was published on January 9, 2013. On January 21, 2013 Mr. Elwood Varty, a resident of the Municipality of Trent Hills, requested intervenor status in the proceeding. By a letter, dated January 25, 2013, the Board granted the intervenor status to Mr. Varty and gave him an opportunity to file written submissions by February 1, 2013 and for Enbridge to reply to Mr. Varty's written submissions by February 8, 2013.

The Board received submissions by Mr. Varty and reply submissions by Enbridge in accordance with the Board set timeline. Mr. Varty's submissions and Enbridge's reply are part of the public record related to this application.

Mr. Varty submissions include 12 points commenting on the proposed franchise agreement and a number questions for Enbridge to reply.

Mr. Varty's submissions addressed the following:

- authority of the municipality to pass a by-law to require gas utility to pay a fee for an application to work where sidewalks and roads would be cut;
- previous franchise agreement related by-laws be still in effect;
- the term for a franchise agreement with a former Township of Percy;
- consultation between Enbridge and the Municipality of Trent Hills in the process of developing the Municipal Emergency Management Program;
- Enbridge's future plans for gas storage;
- whether the proposed franchise agreement would allow for a higher pressure pipelines to pass through Trent Hills;
- the integrity management of the existing infrastructure;
- questions about how Enbridge would deal with "high consequence areas";
- Enbridge's program to introduce "key municipal employees" to "The Franchise Agreement Handbook";
- Enbridge's knowledge and information about the current Official Plan, Economic Development Initiatives and Infrastructure Goals of the Municipality of Trent Hills; and
- whether Enbridge can transfer the franchise agreement without seeking approval from Trent Hills.

Enbridge responded to each of 12 points made by Mr. Varty. To address Mr. Varty's concerns about safety and co-operation between Enbridge and Trent Hills, Enbridge explained that it has an on-going relationship with municipalities that it participates in the local public utilities coordinating committees and communicates with public works personnel. Enbridge also noted that it is informed about current municipal plans and participates in reviews of Official Plans. Enbridge further explained that its

Emergency Response Preparedness Program is coordinated with municipal plans and that a standardized emergency response system is also coordinated with the municipalities. Enbridge stated it had no plans for gas storage in Trent Hills and that all pipelines in Trent Hills are distribution system pipelines below 6 inch diameter. Regarding Mr. Varty's concerns about the age of the system and integrity management Enbridge stated that the pipelines within its distribution systems are tested annually to ensure adequate corrosion protection.

The Board carefully reviewed Mr. Varty's submissions and reply submissions by Enbridge. The Board finds Enbridge's responses satisfactory, and the Board will approve the application as filed. Mr. Varty suggested that a preamble be added to the franchise agreement acknowledging that Trent Hills has the authority to pass certain by-laws. The Board agrees with Enbridge's submission that the application of by-laws in a more generic manner is appropriately addressed in the MFA in section 13 and finds that modification of the standard wording of the MFA by adding the preamble is not warranted.

The Board finds that all of the issues and questions raised by Mr. Varty, have been addressed in Enbridge's submissions. The Board notes that Council of the Municipality of Trent Hills passed a resolution approving the form of the draft by-law, effectively agreeing on the proposed form and term of franchise agreement.

The Board finds that it is in the public interest to grant the application and that public convenience and necessity requires that approval be given.

**IT IS THEREFORE ORDERED THAT:**

1. Enbridge Gas Distribution Inc.'s certificates of public necessity and convenience associated with the former Township of Percy (F.B.C. 162), the Village of Hastings (F.B.C. 164), the Township of Seymour (E.B.C. 71) and the Town of Campbellford (F.B.C. 236) are hereby cancelled.
2. A certificate of public convenience and necessity, attached as Appendix A to this Decision and Order, is granted to Enbridge Gas Distribution Inc. to construct works to supply gas in the Municipality of Trent Hills.

3. The terms and conditions upon which, and the period for which, the Municipality of Trent Hills is, by by-law, to grant to Enbridge Gas Distribution Inc., the right to construct and operate works for the distribution, transmission and storage of natural gas and the right to extend and add to the works in the Municipality of Trent Hills, as set out in the franchise agreement attached as Appendix B, are approved.
  
4. The assent of the municipal electors of the Municipality of Trent Hills to the by-law is not necessary.

**DATED** at Toronto, March 12, 2013

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli  
Board Secretary

**APPENDIX A  
TO BOARD DECISION AND ORDER**

**EB-2012-0486**

**DATED: March 12, 2013**

**Certificate of Public Convenience and Necessity for  
the Municipality of Trent Hills**

**Certificate of Public Convenience and Necessity**

The Ontario Energy Board hereby grants

**Enbridge Gas Distribution Inc.**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, to construct works to supply gas in the geographic boundaries of the

**Municipality of Trent Hills**

This certificate replaces certificates associated with the former Town of Alliston (F.B.C. 156), the former Township of Percy (F.B.C. 162), the former Village of Hastings (F.B.C. 164), the former Township of Seymour (E.B.C. 71) and the former Town of Campbellford (F.B.C. 236).

**DATED** at Toronto, March 12, 2013

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli  
Board Secretary

**APPENDIX B  
TO BOARD DECISION AND ORDER**

**EB-2012-0463**

**DATED: March 12, 2013**

**Franchise Agreement for  
the Municipality of Trent Hills**