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April 3, 2014

Patrick G. Welsh
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Our Matter Number: 1144688

Sent By Electronic Mail, Regular Mail and RESS Electronic Filing

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
27-2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli:

**EB-2012-0444 -- Franchise Renewal Application -- Natural Resource Gas Limited
and the Municipality of Thames Centre**

Please find enclosed an Application by Natural Resource Gas Limited (NRG) for an Order of the Board with respect to a proposed Franchise Agreement between NRG and the Municipality of Thames Centre.

It is NRG's understanding that the Board has received a package from Thames Centre containing copies of a Resolution and draft By-Law along with copies of a proposed Franchise Agreement signed by officers of Thames Centre. NRG asks that the Board treat the attached Application as the official Franchise Renewal Application on behalf of NRG and Thames Centre. NRG and Thames Centre will sign and execute a new Franchise Agreement following the Board's approval of this Application and the passage of the draft By-Law.

NRG will provide a copy of this Application to Thames Centre and will await further directions from the Board regarding this renewal process. Should you have any questions or require any additional information, I would be happy to assist.

Yours very truly,



Patrick G. Welsh
Associate

PW:

Enclosures (6)

c: Margaret Lewis, *Thames Centre*
Richard King, *Osler*
Laurie O'Meara, *NRG*

ONTARIO ENERGY BOARD

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 Natural Resource Gas Limited for an Order approving the terms and conditions upon which, and the period for which, the Municipality of Thames Centre is, by by-law, to grant to Natural Resource Gas Limited 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 Thames Centre;

AND IN THE MATTER OF an Application by Natural Resource Gas Limited for an Order directing and declaring that the assent of the municipal electors of the Municipality of Thames Centre to the by-law is not necessary.

**APPLICATION OF
NATURAL RESOURCE GAS LIMITED**

April 3, 2014

OSLER, HOSKIN & HARCOURT LLP
Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

Richard King
Tel: 416.862.6626

Patrick G. Welsh
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Counsel for Natural Resource Gas Limited

1. Natural Resource Gas Limited (“NRG”), is an Ontario corporation and carries on the business of, among other things, owning and operating natural gas distribution facilities in the Municipality of Thames Centre (the “Municipality”).
2. The Municipality is a municipal corporation incorporated under the laws of Ontario. A map showing the location of the Municipality is attached as Schedule “A”.
3. NRG and the former Township of North Dorchester had an existing franchise agreement dated November 22, 1982, which granted NRG the right to construct and operate works for the distribution of gas within the former Township of North Dorchester’s municipal boundaries and to supply gas to the former Township of North Dorchester’s residents (the “Existing Franchise Agreement”). NRG’s franchise rights were set to expire on November 22, 2012.
4. The former Township of North Dorchester no longer exists. On January 1, 2001, it was amalgamated with the Township of West Nissouri to become the Municipality of Thames Centre.
5. NRG has a Certificate of Public Convenience and Necessity granting it the right to construct works to supply gas and to supply gas in the former Township of North Dorchester (E.B.C. 111 and 119, issued May 5, 1982, attached as Schedule “B”).
6. On November 16, 2012, counsel for NRG requested an interim extension of the Existing Franchise Agreement with the Municipality. On November 22, 2012, the Ontario Energy Board (the “Board”) granted NRG an interim order continuing NRG’s right to operate in

the Municipality of Thames Centre pursuant to section 10(4) of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55 (the “Act”) until such time as the Board makes a final determination on NRG’s franchise renewal application regarding the Municipality.

7. NRG approached the Municipality to negotiate the renewal of the Existing Franchise Agreement using a 20-year franchise agreement based on the Board’s Model Franchise Agreement, a copy of which is attached as Schedule “C” (the “Proposed Franchise Agreement”).

8. On March 24, 2014, the Council of the Municipality passed a Resolution:

- (a) approving the form of a draft By-law 25-2014 authorizing, *inter alia*, the Mayor and the Clerk to enter into and execute the Proposed Franchise Agreement (the “Draft By-Law”);
- (b) authorizing submission of the Draft By-Law for approval by the Board; and,
- (c) requesting that the Board declare and direct that the assent of municipal electors for the Draft By-Law is not necessary.

9. A copy of the Resolution is attached as Schedule “D” and a copy of the Draft By-Law is attached as Schedule “E”.

10. The address of the Municipality is:

Municipality of Thames Centre
4305 Hamilton Road
Dorchester, ON N0L 1G3
Attention: Margaret Lewis
MLewis@thamescentre.on.ca
Phone 519-268-7334 Ext. 222
Fax 519-268-3928

11. Contact information for NRG is:

Osler, Hoskin & Harcourt LLP
1 First Canadian Place, Suite 6300
Toronto, ON M5X 1B8
Attention: Patrick Welsh
pwelsh@osler.com
Tel: 416-862-5951
Fax: 416-862-6666

12. NRG now applies to the Board for:

- (a) An Order under section 9(3) of the Act approving the terms and conditions, and the period for which, the Municipality is, by by-law, to grant NRG 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; and,
- (b) An Order pursuant to section 9(4) directing and declaring that the assent of the municipal electors of the Municipality is not necessary for the Draft By-Law under the circumstances.

ALL OF WHICH IS RESPECTFULLY SUBMITTED.

April 3, 2014



Patrick G. Welsh

Tab A

Tab B



IN THE MATTER OF the Municipal
Franchises Act, R.S.O. 1980, c. 309;

AND IN THE MATTER OF applications by
Natural Resources Gas Limited for
certificates of public convenience
and necessity to construct works to
supply and to supply gas in the
Townships of Southwest Oxford, North
Dorchester, South Dorchester,
Westminster, Norfolk and Bayham, the
Villages of Belmont, Port Burwell,
Springfield and Vienna and the Town
of Aylmer.

BEFORE:	R. H. Clendining)	
	Chairman and)	
	Presiding Member)	
)	
	H. R. Chatterson)	October 15, 1981
	Member)	
)	
	R. R. Perdue)	
	Member)	

CERTIFICATE OF PUBLIC CONVENIENCE
AND NECESSITY

UPON the applications of Natural Resource Gas
Limited ("NRG") for certificates of public convenience
and necessity to construct works to supply gas in the
municipalities referred to above;

AND UPON the applications having been heard in
Toronto on September 9, 1981, in the presence of counsel
for NRG, for Union Gas Limited and for the Board, no one
else appearing, and Reasons for Decision having been
delivered on October 15, 1981:

IT IS ORDERED THAT a certificate of public convenience and necessity be and the same is hereby granted to NRG to construct works to supply and to supply gas in:

1. the Village of Belmont
2. the Township of South Dorchester
3. the Village of Port Burwell
4. the Town of Aylmer
5. the Village of Springfield
6. the Village of Vienna
7. those areas of the Townships of Southwest Oxford, North Dorchester, Westminster, Norfolk and Bayham set out in Appendix "A" to this Order.

ISSUED at Toronto this 5th day of May, 1982.

ONTARIO ENERGY BOARD

Imelda Walker

Imelda Walker
Assistant Board Secretary

E.B.C. 111 and 119 dated May 5th,
1982.

Imelda Walker
Imelda Walker
Assistant Board Secretary

TOWNSHIP OF WESTMINSTER

ALL AND SINGULAR those certain parcels or tracts of
land and premises situate, lying and being in the
Township of Westminster, in the Country of
Middlesex, and being composed of the following:

1. The whole of Lots 3, 4, 5 and 6 in Concession 8.
2. The whole of Lots 1, 2, 3, 4, 5 and 6, in
Concession 7.
3. The whole of Lots 1, 2 and 3 in each of
Concessions 3, 4, 5 and 6.
4. The south halves of Lots 4, 5 and 6, in
Concession 6.
5. Those parts of Lots 1, 2, 3 and 4 in Concession 2
lying south of Highway 401.
6. That part of the east half of Lot 5 in
Concession 2 lying south of Highway 401.
7. Those customers on the west side of Highway 74 to a
depth of 200 feet from the said Highway, from the
dividing line between the north and south halves of
Lot 1 in Concession 1 to Highway 401 lying in Lot 1
in Concession 2.

8. The north half of Lot 1 in Concession 1.
9. The whole of Lot 1 in the Broken Front Concession.

TOWNSHIP OF NORTH DORCHESTER

ALL AND SINGULAR those certain parcels or tracts of land and premises situate, lying and being in the Township of North Dorchester, in the County of Middlesex, and being composed of the following:

1. The whole of Lot 24 in Concession A.
2. The north half of Lot 24, in Concession B.
3. Those customers along the east side of Highway 74 to a depth of 200 feet from the said Highway, from the dividing line between the north and south halves of Lot 24, in Concession B to Highway 401 lying in Lot 24, in Concession 1.
4. Those parts of Lots 21, 22, 23 and 24, in Concession 1 lying south of Highway 401.
5. The whole of Lots 21, 22, 23 and 24 in each of Concessions 2, 3, 4, 5 and 6.
6. The west half of the southerly quarter of Lot 20 in Concession 5.
7. The whole of Lot 20, in Concession 6, save and except the northeasterly quarter thereof.

8. The south halves of Lots 11, 12, 13, 14, 15, 16, 17, 18 and 19, in Concession 6.
9. The whole of Lots 6, 7, 8, 9 and 10 in each of Concessions 2, 3, 4, 5 and 6.
10. Those parts of Lots 6, 7, 8, 9 and 10 in Concession 1 lying South of Highway 401.
11. The south halves of Lots B, 1, 2, 3, 4 and 5, in Concession 6.
12. The whole of Lot A in each of Concessions 2, 3, 4, 5 and 6.
13. That part of Lot A, in Concession 1 lying south of Highway 401.

TOWNSHIP OF SOUTHWEST OXFORD

ALL AND SINGULAR those certain parcels or tracts of land and premises situate, lying and being in the Township of Southwest Oxford in the County of Oxford, formerly in the Township of Dereham in the County of Oxford, and being composed of the following:

1. The whole of Lots 15 to 23, both inclusive, in Concession 1.
2. The whole of Lot 24, in Concession 1, save and except that part of the said Lot lying north of Highway 401.

3. The whole of Lots 15 to 28, both inclusive, in each of Concessions 2 to 12, both inclusive.
4. The southerly quarter of Lot 14, in Concession 10.
5. The southerly quarter of Lot 14, in Concession 11.

TOWNSHIP OF BAYHAM

ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the Township of Bayham, in the County of Elgin, and being composed of the whole of the said Township of Bayham, saving and excepting therefrom the following:

1. The whole of Lots 15, 16, 17, 18, 19, 20 and 21, in Concession 11.
2. The whole of Lots 20, 21, 22, 23, 24 and 25, in Concession 10.
3. The whole of Lots 20, 21, 22, 23, 24, 25, 26, 27 and 28, in Concession 9.
4. The southerly 200 feet of Lots 17, 18 and 19, in Concession 9.
5. The northerly 200 feet of Lots 17, 18 and 19 in Concession 8.
6. The north half of Lot 20, in Concession 8.

7. Those parts of Lots 21, 22, 23 and 24, in Concession 8 lying north of the road which runs in a generally easterly and westerly direction through such Lots and commonly known as Ridge Road. However, the property of Mr. John Siemens Jr., R.R.1, Eden, Ontario (part of Lot 23, Concession 8) is to continue to be served by Natural Resource Gas Limited.
8. The whole of Lots 26, 27 and 28, in Concession 8.

TOWNSHIP OF NORFOLK

ALL AND SINGULAR those certain parcels or tracts of land and premises situate, lying and being in the Township of Norfolk, in the Regional Municipality of Haldimand-Norfolk (formerly in the Township of Houghton, in the County of Norfolk) and being composed of all of the lands and premises situate, lying and being in the lands formerly known as the Township of Houghton, save and except the following:

1. The whole of Gore Lot A.
2. The north half of Gore Lot B.

(FORMERLY MIDDLETON)

ALL AND SINGULAR those certain parcels or tracts of land and premises situate, lying and being in the Township of

Norfolk, in the Regional Municipality of Haldimand-Norfolk, formerly in the Township of Middleton, in the County of Norfolk, and being composed of the following:

1. The south quarters of Lots 1 and 2, in Concession 1, North of Talbot Road.
2. The whole of Lots 1 and 2, in each of Concessions 1 and 2, South of Talbot Road.

(FORMERLY NORTH WALSHINGHAM)

ALL AND SINGULAR those certain parcels of tracts of land and premises situate, lying and being in Township of Norfolk, in the Regional Municipality of Haldimand-Norfolk, formerly in the Township of North Walsingham in the County of Norfolk, and being composed of the following:

1. The whole of Lot 1 in each of Concessions 11, 12, 13 and 14.
2. The whole of Lot 1 in Concession 10, save and except all of the southerly 200 feet of the said Lot except the westerly 200 feet of the said southerly 200 feet.
3. The whole of Lot 1 in Concession 9, save and except all of the northerly 200 feet of the said lot except the westerly 200 feet of the said northerly 200 feet.

4. The whole of Lots 1 in each of Concessions 7 and 8.
5. The south halves of each of Lots 2, 3, 4 and 5 in Concession 7.

(FORMERLY SOUTH WALSINGHAM)

ALL AND SINGULAR those certain parcels or tracts of land and premises situate, lying and being in the Township of Norfolk, in the Regional Municipality of Haldimand-Norfolk, formerly in the Township of South Walsingham, in the County of Norfolk, and being composed of the following:

1. The whole of Lots 1, 2, 3, 4 and 5, in each of Concessions 1, 2, 3, 4, 5 and 6.
2. The whole of Lots 1, 2, 3, 4 and 5, in each of Ranges A and B.
3. The whole of Marsh Lots 1, 2, 3, 4 and 5.
4. The whole of Gore Lot E, in Concession 3.
5. The whole of Gore Lot D in Concession 2.
6. The whole of Gore Lot C in Concession 1.
7. The whole of Gore Lot B, in Range A.
8. The whole of Gore Lot A, in Range B.
9. The whole of Marsh Lot in front of Gore Lot A, Range B.

Tab C

FRANCHISE AGREEMENT

THIS AGREEMENT effective this ____ day of _____, 20__.

BETWEEN:

CORPORATION OF THE MUNICIPALITY OF THAMES CENTRE
hereinafter called the “**Corporation**”

- and -

NATURAL RESOURCE GAS LIMITED
hereinafter called the “**Gas Company**”

WHEREAS the Gas Company desires to distribute, store and transmit gas in the Municipality upon the terms and conditions of this Agreement;

AND WHEREAS by by-law passed by the Council of the Corporation (the “By-law”), the duly authorized officers have been authorized and directed to execute this Agreement on behalf of the Corporation;

THEREFORE the Corporation and the Gas Company agree as follows:

ARTICLE 1 – DEFINITIONS

1.1 In this Agreement:

- (a) “**decommissioned**” and “**decommissions**” when used in connection with parts of the gas system, mean any parts of the gas system taken out of active use and purged in accordance with the applicable CSA standards and in no way affects the use of the term ‘abandoned’ pipeline for the purposes of the *Assessment Act*;
- (b) “**Engineer/Road Superintendent**” means the most senior individual employed by the Corporation with responsibilities for highways within the Municipality or the person designated by such senior employee or such other person as may from time to time be designated by the Council of the Corporation;
- (c) “**gas**” means natural gas, manufactured gas, synthetic natural gas, liquefied petroleum gas or propane-air gas, or a mixture of any of them, but does not include a liquefied petroleum gas that is distributed by means other than a pipeline;

- (d) “**gas system**” means such mains, plants, pipes, conduits, services, valves, regulators, curb boxes, stations, drips or such other equipment as the Gas Company may require or deem desirable for the distribution, storage and transmission of gas in or through the Municipality;
- (e) “**highway**” means all common and public highways and shall include any bridge, viaduct or structure forming part of a highway, and any public square, road allowance or walkway and shall include not only the travelled portion of such highway, but also ditches, driveways, sidewalks, and sodded areas forming part of the road allowance now or at any time during the term hereof under the jurisdiction of the Corporation;
- (f) “**Model Franchise Agreement**” means the form of agreement which the Ontario Energy Board uses as a standard when considering applications under the *Municipal Franchises Act*. The Model Franchise Agreement may be changed from time to time by the Ontario Energy Board;
- (g) “**Municipality**” means the territorial limits of the Corporation on the date when this Agreement takes effect, and any territory which may thereafter be brought within the jurisdiction of the Corporation;
- (h) “**Plan**” means the plan described in Paragraph 3.1 of this Agreement required to be filed by the Gas Company with the Engineer/Road Superintendent prior to commencement of work on the gas system; and
- (i) whenever the singular, masculine or feminine is used in this Agreement, it shall be considered as if the plural, feminine or masculine has been used where the context of the Agreement so requires.

ARTICLE 2 - RIGHTS GRANTED

2.1 To provide gas service:

The consent of the Corporation is hereby given and granted to the Gas Company to distribute, store and transmit gas in and through the Municipality to the Corporation and to the inhabitants of the Municipality.

2.2 To Use Highways.

Subject to the terms and conditions of this Agreement the consent of the Corporation is hereby given and granted to the Gas Company to enter upon all highways now or at any time hereafter under the jurisdiction of the Corporation and to lay, construct, maintain, replace, remove, operate and repair a gas system for the distribution, storage and transmission of gas in and through the Municipality.

2.3 Duration of Agreement and Renewal Procedures.

- (a) The rights hereby given and granted shall be for a term of 20 years from the date of final passing of the By-law provided that, if during the 20-year term this Agreement, the Model Franchise Agreement is changed, then on the 7th

anniversary and on the 14th anniversary of the date of the passing of the By-law, this Agreement shall be deemed to be amended to incorporate any changes in the Model Franchise Agreement in effect on such anniversary dates. Such deemed amendments shall not apply to alter the 20-year term.

- (b) At any time within two years prior to the expiration of this Agreement, either party may give notice to the other that it desires to enter into negotiations for a renewed franchise upon such terms and conditions as may be agreed upon. Until such renewal has been settled, the terms and conditions of this Agreement shall continue, notwithstanding the expiration of this Agreement. This shall not preclude either party from applying to the Ontario Energy Board for a renewal of the Agreement pursuant to section 10 of the *Municipal Franchises Act*.

ARTICLE 3 – CONDITIONS

3.1 Approval of Construction

- (a) The Gas Company shall not undertake any excavation, opening or work which will disturb or interfere with the surface of the travelled portion of any highway unless a permit therefor has first been obtained from the Engineer/Road Superintendent and all work done by the Gas Company shall be to his satisfaction.
- (b) Prior to the commencement of work on the gas system, or any extensions or changes to it (except service laterals which do not interfere with municipal works in the highway), the Gas Company shall file with the Engineer/Road Superintendent a Plan, satisfactory to the Engineer/Road Superintendent, drawn to scale and of sufficient detail considering the complexity of the specific locations involved, showing the highways in which it proposes to lay its gas system and the particular parts thereof it proposes to occupy.
- (c) The Plan filed by the Gas Company shall include geodetic information for a particular location:
 - (i) where circumstances are complex, in order to facilitate known projects, including projects which are reasonably anticipated by the Engineer/Road Superintendent, or
 - (ii) when requested, where the Corporation has geodetic information for its own services and all others at the same location.
- (d) The Engineer/Road Superintendent may require sections of the gas system to be laid at greater depth than required by the latest CSA standard for gas pipeline systems to facilitate known projects or to correct known highway deficiencies.
- (e) Prior to the commencement of work on the gas system, the Engineer/Road Superintendent must approve the location of the work as shown on the Plan filed

by the Gas Company, the timing of the work and any terms and conditions relating to the installation of the work.

- (f) In addition to the requirements of this Agreement, if the Gas Company proposes to affix any part of the gas system to a bridge, viaduct or other structure, if the Engineer/Road Superintendent approves this proposal, he may require the Gas Company to comply with special conditions or to enter into a separate agreement as a condition of the approval of this part of the construction of the gas system.
- (g) Where the gas system may affect a municipal drain, the Gas Company shall also file a copy of the Plan with the Corporation's Drainage Superintendent for purposes of the *Drainage Act*, or such other person designated by the Corporation as responsible for the drain.
- (h) The Gas Company shall not deviate from the approved location for any part of the gas system unless the prior approval of the Engineer/Road Superintendent to do so is received.
- (i) The Engineer/Road Superintendent's approval, where required throughout this Paragraph, shall not be unreasonably withheld.
- (j) The approval of the Engineer/Road Superintendent is not a representation or warranty as to the state of repair of the highway or the suitability of the highway for the gas system.

3.2 As Built Drawings.

The Gas Company shall, within six months of completing the installation of any part of the gas system, provide two copies of "as built" drawings to the Engineer/Road Superintendent. These drawings must be sufficient to accurately establish the location, depth (measurement between the top of the gas system and the ground surface at the time of installation) and distance of the gas system. The "as built" drawings shall be of the same quality as the Plan and, if the approved pre-construction plan included elevations that were geodetically referenced, the "as built" drawings shall similarly include elevations that are geodetically referenced. Upon the request of the Engineer/Road Superintendent, the Gas Company shall provide one copy of the drawings in an electronic format and one copy as a hard copy drawing.

3.3 Emergencies

In the event of an emergency involving the gas system, the Gas Company shall proceed with the work required to deal with the emergency, and in any instance where prior approval of the Engineer/Road Superintendent is normally required for the work, the Gas Company shall use its best efforts to immediately notify the Engineer/Road Superintendent of the location and nature of the emergency and the work being done and, if it deems appropriate, notify the police force, fire or other emergency services having jurisdiction. The Gas Company shall provide the Engineer/Road Superintendent with at least one 24 hour emergency contact for the Gas Company and shall ensure the contacts are current.

3.4 Restoration

The Gas Company shall well and sufficiently restore, to the reasonable satisfaction of the Engineer/Road Superintendent, all highways, municipal works or improvements which it may excavate or interfere with in the course of laying, constructing, repairing or removing its gas system, and shall make good any settling or subsidence thereafter caused by such excavation or interference. If the Gas Company fails at any time to do any work required by this Paragraph within a reasonable period of time, the Corporation may do or cause such work to be done and the Gas Company shall, on demand, pay the Corporation's reasonably incurred costs, as certified by the Engineer/Road Superintendent.

3.5 Indemnification

The Gas Company shall, at all times, indemnify and save harmless the Corporation from and against all claims, including costs related thereto, for all damages or injuries including death to any person or persons and for damage to any property, arising out of the Gas Company operating, constructing, and maintaining its gas system in the Municipality, or utilizing its gas system for the carriage of gas owned by others. Provided that the Gas Company shall not be required to indemnify or save harmless the Corporation from and against claims, including costs related thereto, which it may incur by reason of damages or injuries including death to any person or persons and for damage to any property, resulting from the negligence or wrongful act of the Corporation, its servants, agents or employees.

3.6 Insurance

- (a) The Gas Company shall maintain Comprehensive General Liability Insurance in sufficient amount and description as shall protect the Gas Company and the Corporation from claims for which the Gas Company is obliged to indemnify the Corporation under Paragraph 3.5. The insurance policy shall identify the Corporation as an additional named insured, but only with respect to the operation of the named insured (the Gas Company). The insurance policy shall not lapse or be cancelled without sixty (60) days' prior written notice to the Corporation by the Gas Company.
- (b) The issuance of an insurance policy as provided in this Paragraph shall not be construed as relieving the Gas Company of liability not covered by such insurance or in excess of the policy limits of such insurance.
- (c) Upon request by the Corporation, the Gas Company shall confirm that premiums for such insurance have been paid and that such insurance is in full force and effect.

3.7 Alternative Easement

The Corporation agrees, in the event of the proposed sale or closing of any highway or any part of a highway where there is a gas line in existence, to give the Gas Company reasonable notice of such proposed sale or closing and, if is feasible, to provide the Gas

Company with easements over that part of the highway proposed to be sold or closed sufficient to allow the Gas Company to preserve any part of the gas system in its then existing location. In the event that such easements cannot be provided, the Corporation and the Gas Company shall share the cost of relocating or altering the gas system to facilitate continuity of gas service, as provided for in Paragraph 3.8 of this Agreement.

3.8 Pipeline Relocation

- (a) If in the course of constructing, reconstructing, changing, altering or improving any highway or any municipal works, the Corporation deems that it is necessary to take up, remove or change the location of any part of the gas system, the Gas Company shall, upon notice to do so, remove and/or relocate within a reasonable period of time such part of the gas system to a location approved by the Engineer/Road Superintendent.
- (b) Where any part of the gas system relocated in accordance with this Paragraph is located on a bridge, viaduct or structure, the Gas Company shall alter or relocate that part of the gas system at its sole expense.
- (c) Where any part of the gas system relocated in accordance with this Paragraph is located other than on a bridge, viaduct or structure, the costs of relocation shall be shared between the Corporation and the Gas Company on the basis of the total relocation costs, excluding the value of any upgrading of the gas system, and deducting any contribution paid to the Gas Company by others in respect to such relocation; and for these purposes, the total relocation costs shall be the aggregate of the following:
 - (i) the amount paid to Gas Company employees up to and including field supervisors for the hours worked on the project plus the current cost of fringe benefits for these employees,
 - (ii) the amount paid for rental equipment while in use on the project and an amount, charged at the unit rate, for Gas Company equipment while in use on the project,
 - (iii) the amount paid by the Gas Company to contractors for work related to the project,
 - (iv) the cost to the Gas Company for materials used in connection with the project, and
 - (v) a reasonable amount for project engineering and project administrative costs which shall be 22.5% of the aggregate of the amounts determined in items (i), (ii), (iii) and (iv) above.
- (d) The total relocation costs as calculated above shall be paid 35% by the Corporation and 65% by the Gas Company, except where the part of the gas system required to be moved is located in an unassumed road or in an unopened

road allowance and the Corporation has not approved its location, in which case the Gas Company shall pay 100% of the relocation costs.

ARTICLE 4 – PROCEDURAL AND OTHER MATTERS

4.1 Municipal By-laws of General Application

The Agreement is subject to the provisions of all regulating statutes and all municipal bylaws of general application, except by-laws which have the effect of amending this Agreement.

4.2 Giving Notice

Notices may be delivered to, sent by facsimile or mailed by prepaid registered post to the Gas Company at its head office or to the authorized officers of the Corporation at its municipal offices, as the case may be.

4.3 Disposition of Gas System

- (a) If the Gas Company decommissions part of its gas system affixed to a bridge, viaduct or structure, the Gas Company shall, at its sole expense, remove the part of its gas system affixed to the bridge, viaduct or structure.
- (b) If the Gas Company decommissions any other part of its gas system, it shall have the right, but is not required, to remove that part of its gas system. It may exercise its right to remove the decommissioned parts of its gas system by giving notice of its intention to do so by filing a Plan as required by Paragraph 3.1 of this Agreement for approval by the Engineer/Road Superintendent. If the Gas Company does not remove the part of the gas system it has decommissioned and the Corporation requires the removal of all or any part of the decommissioned gas system for the purpose of altering or improving a highway or in order to facilitate the construction of utility or other works in any highway, the Corporation may remove and dispose of so much of the decommissioned gas system as the Corporation may require for such purposes and neither party shall have recourse against the other for any loss, cost, expense or damage occasioned thereby. If the Gas Company has not removed the part of the gas system it has decommissioned and the Corporation requires the removal of all or any part of the decommissioned gas system for the purpose of altering or improving a highway or in order to facilitate the construction of utility or other works in a highway, the Gas Company may elect to relocate the decommissioned gas system and in that event Paragraph 3.8 applies to the cost of relocation.

4.4 Use of Decommissioned Gas System

- (a) The Gas Company shall provide promptly to the Corporation, to the extent such information is known:

- (i) the names and addresses of all third parties who use decommissioned parts of the gas system for purposes other than the transmission or distribution of gas; and
 - (ii) the location of all proposed and existing decommissioned parts of the gas system used for purposes other than the transmission or distribution of gas.
- (b) The Gas Company may allow a third party to use a decommissioned part of the gas system for purposes other than the transmission or distribution of gas and may charge a fee for that third party use, provided
 - (i) the third party has entered into a municipal access agreement with the Corporation; and
 - (ii) the Gas Company does not charge a fee for the third party's right of access to the highways.
- (c) Decommissioned parts of the gas system used for purposes other than the transmission or distribution of gas are not subject to the provisions of this Agreement. For decommissioned parts of the gas system used for purposes other than the transmission and distribution of gas, issues such as relocation costs will be governed by the relevant municipal access agreement.

4.5 Franchise Handbook

The Parties acknowledge that operating decisions sometimes require a greater level of detail than that which is appropriately included in this Agreement. The Parties agree to look for guidance on such matters to the Franchise Handbook prepared by the Association of Municipalities of Ontario and the gas utility companies, as may be amended from time to time.

4.6 Agreement Binding Parties

This Agreement shall extend to, benefit and bind the parties thereto, their successors and assigns, respectively.

IN WITNESS WHEREOF the parties have executed this Agreement effective from the date written above.

**THE CORPORATION OF THE
MUNICIPALITY OF THAMES CENTRE**

By: _____

By: _____

**NATURAL RESOURCE GAS
LIMITED**

By: _____

Tab D

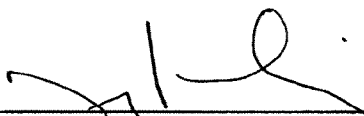


Municipality of Thames Centre

Documentation Certification Record

I, Margaret Lewis, Clerk, of The Corporation of the Municipality of Thames Centre do hereby certify that the resolution hereunder is a true copy of Resolution No. 258-2014 of The Corporation of the Municipality of Thames Centre, passed on March 24, 2014.

Dated at the Municipality of Thames Centre,
in the County of Middlesex, this 26th day of
March, 2014.



Margaret Lewis
Clerk

M. LEWIS
Clerk
Municipality of
Thames Centre



**MUNICIPALITY OF THAMES CENTRE
RESOLUTION OF COUNCIL**

DATE: March 24, 2014

NO: 258-2014

MOVED BY: C. Patterson

SECONDED BY: A. Suffoletta

RESOLVED THAT By-law No. 25-2014, being a by-law to authorize a Franchise Agreement between the Municipality of Thames Centre and Natural Resource Gas Limited, be given first and second reading only;

THAT the Council of the Municipality of Thames Centre hereby approves the form of draft By-Law No. 25-2014 and Franchise Agreement with Natural Resource Gas Limited attached to By-law No. 25-2014 and authorizes the submission thereof to the Ontario Energy Board for approval pursuant to the provisions of Section 9 of the Municipal Franchises Act;

THAT Council requests the Ontario Energy Board to make an Order declaring and directing that the assent of the municipal electors to the draft By-Law and Franchise Agreement pertaining to the Corporation of the Municipality of Thames Centre is not necessary pursuant to the provisions of Section 9(4) of the Municipal Franchises Act.

CONFLICTS OF INTEREST DECLARED: None.

DISPOSITION: Carried.


M. Lewis
Clerk

M. LEWIS
Clerk
Municipality of
Thames Centre

Tab E

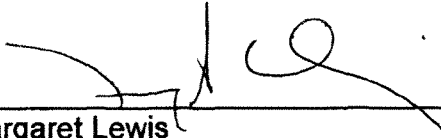


Municipality of Thames Centre

By-law Certification Record

I, Margaret Lewis, Clerk, of The Corporation of the Municipality of Thames Centre do hereby certify that the by-law hereunder is a true copy of By-law No. 25-2014 of The Corporation of the Municipality of Thames Centre, given first and second reading on the 24th day of March, 2014.

Dated at the Municipality of Thames Centre,
In the County of Middlesex, this 27th day of
March, 2014.



Margaret Lewis
Clerk

M. LEWIS
Clerk
Municipality of
Thames Centre

COPY

THE CORPORATION OF THE MUNICIPALITY OF THAMES CENTRE

BY-LAW NO. 25-2014

Being a By-law to authorize a Franchise Agreement between the Municipality of Thames Centre and Natural Resource Gas Limited.

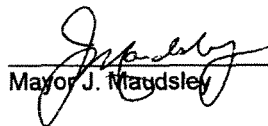
WHEREAS the Council of the Corporation of the Municipality of Thames Centre deems it expedient to enter into the attached Franchise Agreement (the "Franchise Agreement") with Natural Resource Gas Limited;

AND WHEREAS the Ontario Energy Board by its Order issued pursuant to the Municipal Franchises Act on the day of , 2014 has approved the terms and conditions upon which and the period for which the franchise provided in the Franchise Agreement is proposed to be granted, and has declared and directed that the assent of the municipal electors in respect of this By-law is not necessary;


NOW THEREFORE the Council of The Corporation of the Municipality of Thames Centre **HEREBY ENACTS AS FOLLOWS:**

1. **THAT** the Franchise Agreement between the Corporation of the Municipality of Thames Centre and Natural Resource Gas Limited attached hereto and forming part of this By-law, is hereby authorized and the franchise provided for therein is hereby granted.
2. **THAT** the Mayor and Clerk be and they are hereby authorized and instructed on behalf of the Corporation of the Municipality of Thames Centre to enter into and execute under its corporate seal and deliver the Franchise Agreement, which is hereby incorporated into and forming part of this by-law.
3. **THAT** By-law No. 60-82, of the Township of North Dorchester, passed on the 16th day of November, 1982, be and the same hereby repealed.
4. **THAT** this by-law shall come into full force and takes effect on the final passing thereof.

READ a FIRST and SECOND time this 24th day of March, 2014.



Mayor J. Maudsley



Clerk, M. Lewis

READ a THIRD time and **FINALLY PASSED** this day of , 2014.

Mayor J. Maudsley

Clerk, M. Lewis