Lorraine Chiasson
Regulatory Coordinator
Regulatory Affairs

tel 416-495-5499
fax 416-495-6072
EGDRegulatoryProceedings@enbridge.com

Enbridge Gas Distribution
500 Consumers Road
North York, Ontario M2J 1P8
Canada

VIA COURIER AND RESS

April 27, 2017

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

Dear Ms. Walli:

Re: Enbridge Gas Distribution Inc. ("Enbridge")
Application for the Renewal of the Franchise Agreement
Town of Collingwood – EB-2017-0159 - Revised Schedule A

Further to Enbridge Gas Distribution's franchise application dated April 4, 2017, attached please find the revised Schedule A (revised map).

As the Franchise Agreement between the Town of Collingwood and Enbridge is set to expire on June 23, 2017, Enbridge wishes to apply to the Ontario Energy Board (the "Board") for an order granting approval of a new franchise agreement for the Town of Collingwood.

Enclosed please find two paper copies of the following:

- The aforementioned application;
- Schedule A – A map showing the location of the Town of Collingwood;
- Schedule B – The Certificate of Public Convenience and Necessity FBC 96 for the Town of Collingwood dated April 17, 1957;
- Schedule C – The current Town of Collingwood By-Law 97-30 and Franchise Agreement dated June 23, 1997;
- Schedule D – The signed Resolution No 099-17 from the Town dated March 13, 2017, the form of the By-law, and the proposed franchise agreement.

The application has been filed through the Board's Regulatory Electronic Submission System ("RESS"). The confirmation has been included in the package.

Enbridge looks forward to receiving direction from the Board in this matter.

The contact information for this matter follows below:

Town of Collingwood
97 Hurontario Street
PO Box 157
Collingwood, ON L9Y 3Z5
Tel: (705) 445-1030
Fax: (705) 445-2448
Attn: Ms. Sara Almas
Clerk

Enbridge Gas Distribution Inc. (Head Office)
500 Consumers Road
Toronto, Ontario M2J 1P8
Tel: (416) 495-5499 or 1-888-659-0685
Fax: (416) 495-6072
Email: EGDRegulatoryProceedings@Enbridge.com
Attn: Guri Pannu
Legal Counsel, Regulatory

Enbridge Gas Distribution Inc.
500 Consumers Road
Toronto, Ontario M2J 1P8
Tel: (416) 758-7958
Attn: Mark Wilson
Sr Advisor Municipal Affairs

Sincerely,

[original signed]

Lorraine Chiasson
Regulatory Coordinator

Attachment

cc: Guri Pannu – EGD, Legal Counsel, Regulatory
Mark Wilson – EGD, Sr. Advisor, Municipal Affairs
Tom Jedemann – EGD, Sr. Operations Manager

EB-2016-XXXX

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 Enbridge Gas Distribution Inc. for an order granting the right to construct or operate works for the distribution of gas, and the right to extend or add to the works, in the Town of Collingwood.

APPLICATION

1. Enbridge Gas Distribution Inc. (the "Applicant") is an Ontario corporation with its head office in the City of Toronto.

2. The Corporation of the Town of Collingwood (the "Municipality") is a municipal Ontario corporation with its head office at 97 Hurontario Street, Collingwood, Ontario L9Y 3Z5. The Clerk is Ms. Sara Almas, telephone number 705-445-1030. Attached hereto and marked as Schedule "A" is a map showing the geographical location of the Town of Collingwood.

3. The Applicant possesses a certificate of public convenience and necessity, FBC 96 dated April 17, 1957 for the Town of Collingwood (the "Certificate") permitting it to distribute, store and transmit gas in the Town of Collingwood. A copy of the Certificate is attached hereto and marked as Schedule "B".

4. The Applicant and the Corporation are party to a municipal gas franchise agreement. Attached hereto and marked as Schedule "C" is a copy of the franchise agreement and By-law 97-30 enacted June 23, 1997. The franchise agreement is for a term of 20 years and is set to expire on June 23, 2017.

5. The Applicant wishes to renew its municipal gas franchise with the Corporation and to continue serving the Municipality in accordance with the Certificate(s). The Applicant respectfully submits that it is in the public interest to do so. Attached hereto and marked as Schedule "D" is the Town's executed Resolution No. 099-17, proposed By-law, and the proposed franchise agreement between the Applicant and the Corporation ("the Agreement").

6. The proposed municipal gas franchise agreement is in the form of the Ontario Energy Board (the "Board") approved 2000 Model Franchise Agreement, with no amendments and is for a term of twenty years.

7. The Applicant hereby applies to the Board, pursuant to Section 9 of the *Municipal Franchises Act,* R.S.O. c. M.55, for:

   i) an Order renewing the Applicant's right to distribute, store, and transmit gas in and through the Municipality for such period of time and upon the terms set out in the Agreement, or as may otherwise be prescribed by the Board; and

   ii) an Order directing and declaring that the assent of the municipal electors to the terms and conditions of the franchise agreement is not necessary.

8. The persons affected by this application are the customers and other residents in the Municipality. Because of the number of such persons, it is impractical to set out their names and addresses herein.

DATED at Toronto this 31st day of March, 2017.

ENBRIDGE GAS DISTRIBUTION INC.
500 Consumers Road
Toronto, Ontario
M2J 1P8

by its Solicitor

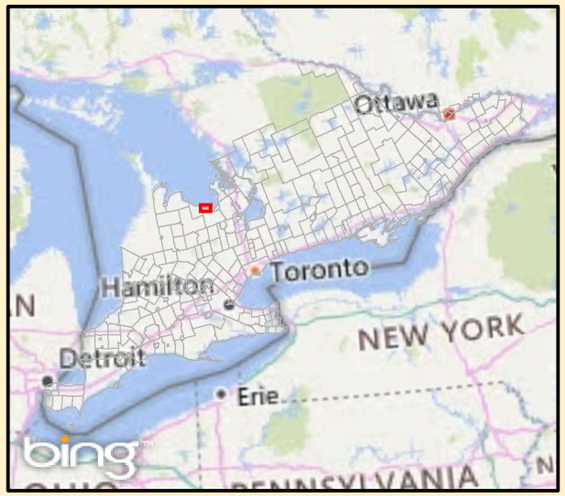
[original signed by]

Guri Pannu
Legal Counsel

Tel: (416) 758-4761
Fax: (416) 495-5994
E-mail: guri.pannu@enbridge.com

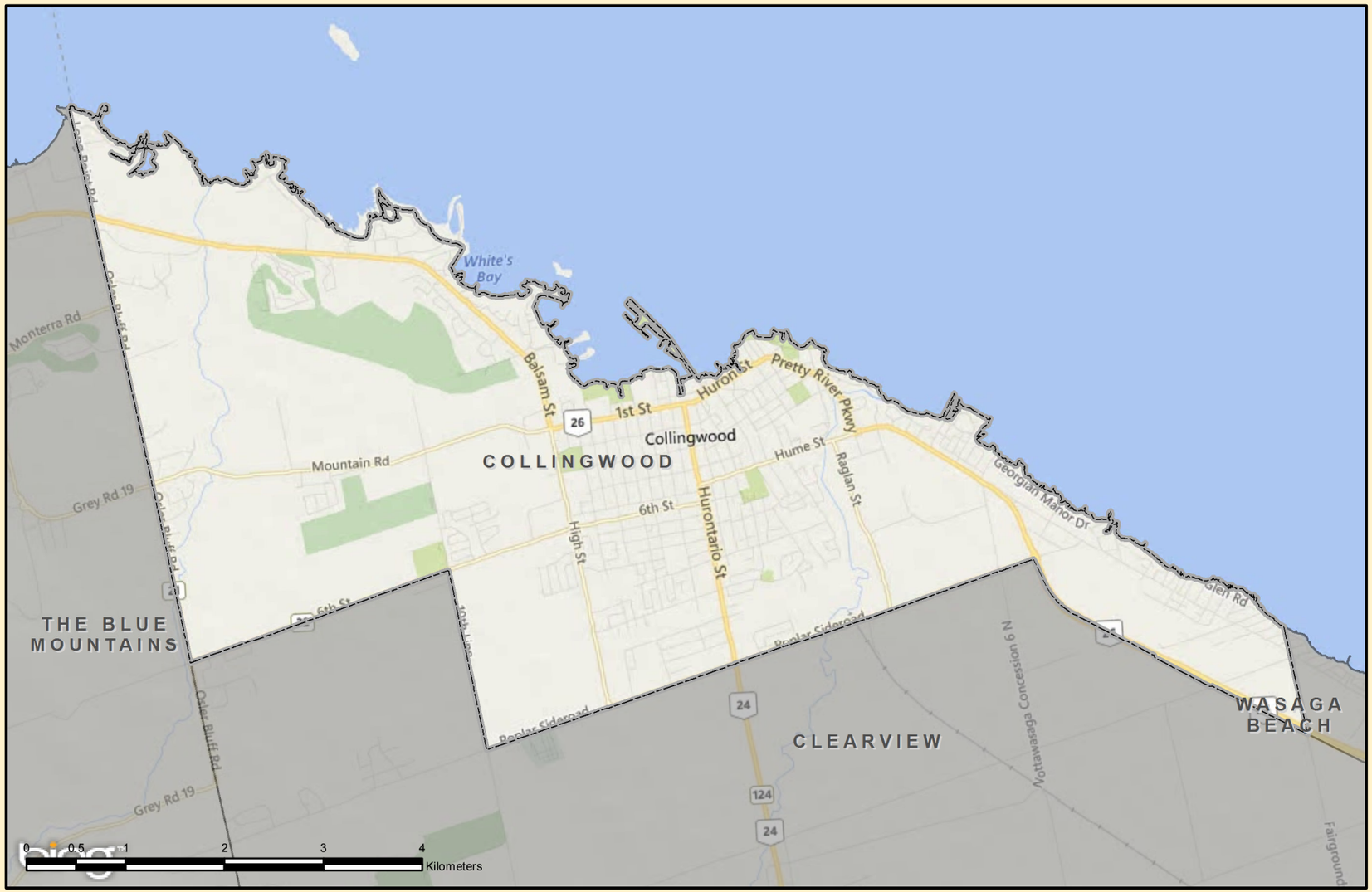
Mailing Address:
P.O. Box 650
Toronto ON M1K 5E3

Key Map



Legend

Collingwood Boundary



N

Collingwood

ENBRIDGE
Life Takes Energy®

Schedule A

Schedule A
Appendix

For clarification purposes of boundaries for the Town of Collingwood

Boundary streets are: to the west is Long Point Road/Osler Bluff Road, south to 6th Street, east to 10th Line, south to Poplar Sideroad, east to ON 26, south to Fairgrounds Road North, north to the water.

FBC 96

IN THE MATTER OF The Municipal Franchises Act, Chapter 249 R. S. O. 1950 Section 8 as amended, and

IN THE MATTER OF an Application by The Consumers' Gas Company of Toronto for a certificate of public convenience and necessity to construct works and to supply natural gas to the inhabitants of the Town of Collingwood

B E F O R E:

A. R. Crozier, Chairman
W. R. Howard, Commissioner
L. R. McTavish, Q.C. Commissioner

} Tuesday, the 16th day of April, 1957.

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

UPON THE APPLICATION of The Consumers' Gas Company of Toronto (hereinafter referred to as the "Applicant") for a certificate pursuant to the provisions of The Municipal Franchises Act, R. S. O. 1950, Chapter 249, and amendments thereto, and upon the hearing of such application by the Board in the City of Toronto on the 16th day of April, 1957, after due notice of such hearing had been given as directed by the Board, in the presence of Counsel for the Applicant, no one else appearing, upon consideration of the evidence and exhibits produced at the hearing and upon hearing what was alleged by Counsel aforesaid,

1. THIS BOARD DOTH ORDER THAT a Certificate of Public Convenience and Necessity be and the same is hereby granted to The Consumers' Gas Company of Toronto for the supply of natural gas to the inhabitants of the Town of Collingwood and for the construction of the works necessary therefor.

2. The Board fixes the costs of this Application at $25.00 payable forthwith by the Applicant.

DATED at Toronto this 17th day of April, 1957.

ONTARIO FUEL BOARD

A. R. Crozier
Chairman

L. R. McTavish
Commissioner

W. R. Howard
Commissioner

IN THE MATTER OF The Municipal Franchises Act, Chapter 249 R. S. O. 1950, Section 8 as amended, and

IN THE MATTER OF an Application by The Consumers' Gas Company of Toronto for a certificate of public convenience and necessity to construct works and to supply natural gas to the inhabitants of the Town of Collingwood

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

THE CORPORATION OF THE TOWN OF COLLINGWOOD

BY-LAW NUMBER 97-30

A BY-LAW TO AUTHORIZE A FRANCHISE AGREEMENT BETWEEN THE CORPORATION AND THE CONSUMERS' GAS COMPANY LTD.

WHEREAS the Council of the Corporation deems it expedient to enter into the attached franchise agreement with The Consumers' Gas Company Ltd;

AND WHEREAS the Ontario Energy Board by its Order issued pursuant to The Municipal Franchises Act on the 26th day of May, 19 97 has approved the terms and conditions upon which and the period for which the franchise provided for in the attached 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;

AND WHEREAS The Consumers' Gas Company Ltd. has provided the Corporation with a consent to the repeal of the By-law hereinafter referred to:

NOW THEREFORE BE IT ENACTED:

1. That the attached franchise agreement between the Corporation and The Consumers' Gas Company Ltd. is hereby authorized and the franchise provided for therein is hereby granted.

2. That the Mayor and the Administrator-Clerk are hereby authorized and instructed on behalf of the Corporation to enter into and execute under its corporate seal and deliver the aforesaid agreement, which agreement is hereby incorporated into and shall form part of this By-law.

3. That the By-law referred to in Schedule "A" annexed hereto and forming part of this By-law is hereby repealed insofar as it applies to any area within the present geographic limits of the Corporation.

ENACTED AND PASSED this 23rd **day of** June **, 1997.**

Administrator-Clerk **Mayor**

S:\LEGAL\REGGOV\FRANCH\RENEWALS\BYCOLL.SAM

SCHEDULE "A"

By-Law No. 77-26 passed by the Council of the Corporation of the Town of Collingwood on the 24th day of October , 1977 .

THE CONSUMERS' GAS COMPANY LTD.

FRANCHISE AGREEMENT

THIS AGREEMENT made this 23rd day of June, 1997
BETWEEN:

THE CORPORATION OF THE TOWN OF COLLINGWOOD

hereinafter called the "Corporation"

- and -

THE CONSUMERS' GAS COMPANY LTD.

hereinafter called the "Gas Company"

WHEREAS the Gas Company desires to distribute and sell 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 Mayor and the Clerk-Administrator have been authorized and directed to execute this Agreement on behalf of the Corporation;

THEREFORE the Corporation and the Gas Company agree as follows:

I Definitions

1. In this Agreement:

(a) "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;

(b) "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 supply, transmission and distribution of gas in or through the Municipality;

(c) "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;

(d) "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;

(e) "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.

II Rights Granted

1. To provide gas service.

   The consent of the Corporation is hereby given and granted to the Gas Company to supply gas in the Municipality to the Corporation and to the inhabitants of the Municipality.

2. To use road allowances.

   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 supply, distribution and transmission of gas in and through the Municipality.

3. Duration of Agreement and Renewal Procedures.

   The rights hereby given and granted shall be for a term of twenty (20) years* from the date of final passing of the By-law.

   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. Nothing herein stated shall 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.**

III Conditions

1. Approval of Construction.

   Before beginning construction of or any extension or change to the gas system (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 location, showing the highways in which it proposes to lay its gas system and the particular parts thereof it proposes to occupy. Geodetic information will not be required except in complex urban intersections in order to facilitate known projects, being projects which are reasonably anticipated by the Engineer/Road Superintendent. The Engineer/Road Superintendent may require sections of the gas system to be laid at a greater depth than required by CAN/CSA- Z184-M92 to facilitate known projects. The location of the work as shown on the said plan must be approved by the Engineer/Road Superintendent before the commencement of the work and the timing, terms and conditions relating to the installation of such works shall be to his satisfaction.

   Notwithstanding the provisions of the above noted paragraph, in the event it is proposed to affix a part of the gas system to a bridge, viaduct or structure, the Engineer/Road Superintendent may, if the Engineer/Road Superintendent approves of such location, require special conditions or a separate agreement.

   No excavation, opening or work which shall disturb or interfere with the surface of the travelled portion of any highway shall be made or done unless a permit therefor has first been obtained from the Engineer/Road Superintendent and all works shall be done to his satisfaction.

*The rights given and granted for a first agreement shall be for a term of 20 years. The rights given and granted for any subsequent agreement shall be for a term of not more than 15 years, unless both parties agree to extend the term to a term of 20 years maximum.

The Engineer/Road Superintendent's approval, where required throughout this section, shall not be withheld unreasonably.

2. As Built Drawings.

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. After completion of the construction, where plans were initially filed, an "as built" plan of equal quality to the pre-construction plan or certification that the pre-construction plan is "as built" will be filed with the Engineer/Road Superintendent.

3. Emergencies.

In the event of an emergency involving the gas system, the Gas Company will proceed with the work and in any instance where prior approval of the Engineer/Road Superintendent is normally required, 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 having jurisdiction.

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 any reasonable account therefor as certified by the Engineer/Road Superintendent.

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.

6. 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 to provide, if it is feasible, 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 will share, as provided in clause III, 7 of this Agreement, in the cost of relocating or altering the gas system to facilitate continuity of gas service.

7. Pipeline Relocation.

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.

Where any part of the gas system relocated in accordance with this section is located on a bridge, viaduct or structure, the Gas Company shall alter or relocate, at its sole expense, such part of the gas system.

Where any part of the gas system relocated in accordance with this section 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:

(a) 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,

(b) 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,

(c) the amount paid by the Gas Company to contractors for work related to the project,

(d) the cost to the Gas Company for materials used in connection with the project, and

(e) a reasonable amount for project engineering and project administrative costs which shall be 22.5% of the aggregate of the amounts determined in items (a), (b), (c) and (d) above.

The total relocation costs as calculated above shall be paid 35% by the Corporation and 65% by the Gas Company.

8. Notice to Drainage Superintendent.

In a case where the gas system may affect a municipal drain, the Gas Company shall file with the Drainage Superintendent, for purposes of the **Drainage Act,** or other person responsible for the drain, a copy of the plan required to be filed with the Engineer/Road Superintendent.

IV Procedural And Other Matters

1. Municipal By-laws of General Application.

This Agreement and the respective rights and obligations hereunto of the parties hereto are hereby declared to be subject to the provisions of all regulating statutes and all municipal by-laws of general application and to all orders and regulations made thereunder from time to time remaining in effect save and except by-laws which impose permit fees and by-laws which have the effect of amending this Agreement.

2. Giving Notice.

Notices may be given by delivery or by mail, and if mailed, by prepaid registered post, to the Gas Company at its head office or to the Clerk of the Corporation at its municipal offices, as the case may be.

3. Disposition of Gas System.

During the term of this Agreement, if the Gas Company abandons a part of its gas system affixed to a bridge, viaduct or structure, the Gas Company shall, at its sole expense, remove that part of its gas system affixed to the bridge, viaduct or structure.

If at any time the Gas Company abandons any other part of its gas system, it shall deactivate that part of its gas system in the Municipality. Thereafter, the Gas Company shall have the right, but nothing herein contained shall require it, to remove its gas system. If the Gas Company fails to remove its gas system and the Corporation requires the removal of all or any of the 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 deactivated 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.

4. Agreement Binding Parties.

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

IN WITNESS WHEREOF the parties hereto have duly executed these presents with effect from the date first above written.

THE CORPORATION OF THE TOWN OF COLLINGWOOD

Mayor

Administrator-Clerk

APPROVED AS TO FORM
LEGAL

THE CONSUMERS' GAS COMPANY LTD.

N.B. LOBERG
VICE PRESIDENT
CORPORATE AFFAIRS

G.L. SEVICK
SENIOR VICE PRESIDENT
DISTRIBUTION OPERATIONS

DATED **19**

THE CORPORATION OF THE

TOWN OF COLLINGWOOD

- and -

THE CONSUMERS' GAS COMPANY LTD.

FRANCHISE AGREEMENT

THE CONSUMERS' GAS COMPANY LTD.
Atria III, Suite 1100
2225 Sheppard Avenue East
North York, Ontario
M2J 5C2

Attention: Legal Department

Schedule C

TOWN OF COLLINGWOOD

March 13, 2017 **NO.099-17**

MOVED BY.....

SECONDED BY.....

BE IT RESOLVED:

THAT Staff Report PW2017-08 entitled "Enbridge Gas Franchise Agreement" be received;

AND THAT Council approve the form of draft By-law (including the franchise agreement forming part thereof) attached hereto and authorize the submission thereof to the Ontario Energy Board for approval pursuant to the provisions of Section 9 of the Municipal Franchises Act;

AND THAT Council request the Ontario Energy Board make an order dispensing the assent of the municipal electors of the attached draft By-law and Model Franchise Agreement pursuant to the provisions of Section 9(4) of the Municipal Franchises Act.

Staff Report PW2017-08 re: Enbridge Gas Franchise Agreement

☑ **CARRIED**
☐ **DEFEATED**
☐ **TABLED** *Moved by:* _____
Seconded by: _____
Deferred Until: _____

☐ ***RECORDED VOTE***

COUNCIL	*Yea*	*Nay*
Cooper		
Saunderson		
Fryer		
Edwards		
Ecclestone		
Jeffery		
Doherty		
Madigan		
Lloyd		
TOTAL		

Sandra Cooper
MAYOR

CLERK

BY-LAW No. 2017-XXX
OF THE
CORPORATION OF THE TOWN OF COLLINGWOOD

A BY-LAW TO AUTHORIZE A MODEL FRANCHISE AGREEMENT BETWEEN THE CORPORATION OF THE TOWN OF COLLINGWOOD AND ENBRIDGE GAS DISTRIBUTION INC.

WHEREAS the Municipal Act, 2001, S.O. 2001 c. 25, as amended, authorizes municipalities to enter into agreements respecting matters within their jurisdiction;

AND WHEREAS the Council of the Corporation of the Town of Collingwood deems it expedient to enter into the attached Model Franchise Agreement with Enbridge Gas Distribution Inc.;

AND WHEREAS the Ontario Energy Board by its Order issued pursuant to The Municipal Franchises Act on the day of , 20 has approved the terms and conditions upon which and the period for which the franchise provided for in the attached 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 TOWN OF COLLINGWOOD HEREBY ENACTS AS FOLLOWS:

1. **THAT** the Model Franchise Agreement between the Corporation of the Town of Collingwood and Enbridge Gas Distribution Inc. be hereby authorized and the franchise provided for therein is hereby granted.
2. **THAT** the Mayor and the Clerk are hereby authorized and instructed on behalf of the Corporation to enter into and execute under its corporate seal and deliver the aforesaid agreement, which agreement is hereby incorporated into and shall form part of this By-law.
3. **THAT** this by-law shall come into full force and effect on the date of final passage hereof at which time all by-laws that are inconsistent with the provisions of this by-law and the same are hereby amended insofar as it is necessary to give effect to the provisions of this by-law.

ENACTED AND PASSED this day of , 2017.

_____
MAYOR

_____
CLERK

Model Franchise Agreement

THIS AGREEMENT effective this day of , 20 .

BETWEEN: The Corporation of The Town of Collingwood hereinafter called the

"Corporation"

- and -

Enbridge Gas Distribution Inc. 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:

Part I - Definitions

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 5 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.

Part II - Rights Granted

2. 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.

3. 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.

4. Duration of Agreement and Renewal Procedures.

a. If the Corporation has not previously received gas distribution services, the rights hereby given and granted shall be for a term of 20 years from the date of final passing of the By-law.

or

b. If the Corporation has previously received gas distribution services, 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.

c. 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.

Part III - Conditions

5. 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.

6. 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.

7. 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.

8. 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.

9. 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.

10. 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 9. 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.

11. 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 it 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 12 of this Agreement.

12. 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.

Part IV - Procedural And Other Matters

13. Municipal By-laws of General Application

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

14. 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.

15. 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 5 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 12 applies to the cost of relocation.

16. 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.

17. 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.

18. 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 TOWN OF COLLINGWOOD

By: _____

By: _____

Duly Authorized Officer

ENBRIDGE GAS DISTRIBUTION INC.

By: _____

By: _____

DATED this day of , 20 .

THE CORPORATION OF THE

TOWN OF COLLINGWOOD

- and -

ENBRIDGE GAS DISTRIBUTION INC.

FRANCHISE AGREEMENT

ENBRIDGE GAS DISTRIBUTION INC.
500 Consumers Road
North York, Ontario
M2J 1P8

Attention: Regulatory Affairs Department