

March 20, 2018

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Franchise Agreement and Certificate of Public Convenience and Necessity  
Town of Greater Napanee - Board File No. EB-2018-0116**

As per the Board's Letter of Direction dated March 16, 2018, enclosed is my Affidavit of Service and Publication in regard to the above-noted proceeding.

Yours truly,

*[Original signed by]*

Gary Collins  
Regulatory Research Analyst  
Regulatory Research and Records

Encl.

**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 Union Gas Limited for an Order approving the terms and conditions upon which, and the period for which the Corporation of the Town of Greater Napanee is, by by-law, to grant to Union 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 Town of Greater Napanee.

**AND IN THE MATTER OF** an Application by Union Gas Limited for an Order directing and declaring that the assent of the municipal electors of the Town of Greater Napanee to the by-law is not necessary.

**-: AFFIDAVIT OF SERVICE:-**

I, Gary Collins, of the Municipality of Southwest Middlesex, in the Province of Ontario, make oath and say as follows:

1. I am an employee in the Head Office of Union Gas Limited, the Applicant in the matter referred to in the preamble to this my Affidavit and I have personal knowledge of the matters herein deposed to.
2. By Courier, at Chatham, Ontario, on March 20, 2018, I did cause to be sent to the Town of Greater Napanee a true copy of the Notice of Hearing issued by the Board on March 16, 2018, to the above preamble and a covering letter, attached hereto as Exhibit "A".
3. Pursuant to the March 16, 2018, Letter of Direction, attached hereto and marked as Exhibit "B" is a print screen providing proof of information posted to the Union Gas Limited website on March 20, 2018 for public review at <http://www.uniongas.com/aboutus/regulatory/franchises>
4. I make this Affidavit in good faith and for no improper purpose.

SWORN BEFORE ME, at the  
Municipality of Chatham-Kent  
in the Province of Ontario,  
this 20<sup>th</sup> day of March, 2018)

)  
)  
)  
[Original Signed By]\_\_\_\_\_  
Gary Collins

\_\_\_\_\_  
[Original Signed By]  
A Commissioner, etc.

March 20, 2018

Susan Beckel, Clerk  
Town of Greater Napanee  
12 Market Square  
Greater Napanee, ON K7R1J3

Dear Ms. Beckel:

**RE: Notice of Application  
Franchise Agreement Renewal and Certificate of Public Convenience and  
Necessity  
The Corporation of the Town of Greater Napanee  
Ontario Energy Board File Number: EB-2018-0116**

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THIS IS EXHIBIT "A" TO THE AFFIDAVIT  
OF CARY COLLINS  
SWORN BEFORE ME THIS 20 DAY OF  
MARCH 20 18  
CORRIGINAL SIGNED BY  
A COMMISSIONER, ETC.

In accordance with instructions set out by the Ontario Energy Board's Letter of Direction dated March 16, 2018, Union Gas now serves upon you a copy of the Notice of Application together with a copy of the relevant Application for approval of the renewal of the Franchise Agreement between Union and the Town of Greater Napanee and the related Certificate of Public Convenience and Necessity.

The Ontario Energy Board will be arranging for publication of this Notice of Application in the *Napanee Beaver* and the *Napanee Guide* on March 29, 2018.

Yours very truly,

*[Original signed by]*

Patrick McMahon  
Manager, Regulatory Research and Records  
[pmcmahon@uniongas.com](mailto:pmcmahon@uniongas.com)  
(519) 436-5325

Encl.



# ONTARIO ENERGY BOARD NOTICE

## Union Gas Limited has applied to renew its natural gas franchise agreement with the Corporation of the Town of Greater Napanee.

### Learn more. Have your say.

Union Gas Limited has applied to the Ontario Energy Board for:

1. The renewal of a natural gas franchise agreement with the Corporation of the Town of Greater Napanee which would grant to Union Gas Limited the right to build, operate and add to the gas distribution system and to distribute, store and transmit natural gas for a period of 20 years.
2. An order that the agreement of the municipal voters of the Corporation of the Town of Greater Napanee is not required in relation to renewing the natural gas franchise agreement.
3. An order cancelling the existing certificates of public convenience and necessity for former municipalities within the Corporation of the Town of Greater Napanee and replacing them with a single certificate of public convenience and necessity for the amalgamated Corporation of the Town of Greater Napanee.

### THE ONTARIO ENERGY BOARD IS HOLDING A PUBLIC HEARING

The Ontario Energy Board (OEB) will hold a public hearing to consider Union Gas' requests. At the end of this hearing, the OEB will decide whether to grant Union Gas' requests.

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.

### CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

In order to distribute natural gas in Ontario, a person must comply with the requirements of the *Municipal Franchises Act*. This Act requires that a person that intends to distribute natural gas within a municipality must first receive approval from the OEB, in the form of a certificate of public convenience and necessity. Where the OEB has issued a certificate for an area but there is currently no natural gas distribution service, another person can apply for a certificate to serve that area.

### BE INFORMED AND HAVE YOUR SAY

You have the right to information regarding this application and to be involved in the process.

- You can review the application filed by Union Gas on the OEB's website now.
- You can file a letter with your comments, which will be considered during the hearing.
- You can become an active participant (called an intervenor). Apply by **April 9, 2018** or the hearing will go ahead without you and you will not receive any further notice of the proceeding.
- At the end of the process, review the OEB's decision and its reasons on our website.

The OEB does not intend to provide for an award of costs for this hearing.

### LEARN MORE

Our file number for this case is **EB-2018-0116**. To learn more about this hearing, find instructions on how to file letters or become an intervenor, or to access any document related to this case, please enter the file number **EB-2018-0116** on the OEB website: [www.oeb.ca/participate](http://www.oeb.ca/participate). You can also phone our Consumer Relations Centre at 1-877-632-2727 with any questions.

### ORAL VS. WRITTEN HEARINGS

There are two types of OEB hearings – oral and written. The OEB intends to proceed with this application by way of a written hearing. If you think an oral hearing is needed, you can write to the OEB to explain why by **April 9, 2018**.

### PRIVACY

*If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.*

*This hearing will be held under sections 8, 9(3) and 9(4) of the Municipal Franchises Act, R.S.O. 1990, c.M.55*



February 28, 2018

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: The Corporation of the Town of Greater Napanee  
Franchise Agreement and Certificate of Public Convenience and Necessity**

Attached is an Application by Union Gas Limited for Orders of the Board with respect to a Franchise Agreement and a Certificate of Public Convenience and Necessity with the Town of Greater Napanee. An agreement has been reached between Union and the Town of Greater Napanee with regards to the terms and conditions of the proposed Franchise Agreement.

Should you have any questions, please do not hesitate to contact me. I look forward to receipt of your instructions.

Yours truly,

*[Original signed by]*

Patrick McMahon  
Manager, Regulatory Research and Records  
[pmcmahon@uniongas.com](mailto:pmcmahon@uniongas.com)  
(519) 436-5325

Encl.

## 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 Union Gas Limited for an Order approving the terms and conditions upon which, and the period for which, the Corporation of the Town of Greater Napanee is, by by-law, to grant to Union 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 Town of Greater Napanee;

**AND IN THE MATTER OF** an Application by Union Gas Limited for an Order directing and declaring that the assent of the municipal electors of the Town of Greater Napanee to the by-law is not necessary;

**AND IN THE MATTER OF** an Application by Union Gas Limited for an Order cancelling and superseding the existing Certificates of Public Convenience and Necessity held by Union Gas Limited for the former municipalities within the Town of Greater Napanee and replacing them with a single Certificate of Public Convenience and Necessity for the amalgamated Town of Greater Napanee.

### APPLICATION

1. Union Gas Limited ("Union"), a regulated public utility, is a corporation incorporated under the laws of the Province of Ontario, with its head office at the Municipality of Chatham-Kent, in the Province of Ontario.
2. The Corporation of the Town of Greater Napanee ("Municipality") is a municipal corporation incorporated under the laws of the Province of Ontario. Attached hereto and marked as Schedule "A" is a map showing the location of the Municipality.
3. Union applied to the Council of the Municipality for approval of a franchise agreement permitting Union 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 Town of Greater Napanee.
4. On December 19, 2017, the Council of the Municipality gave approval to the form of a Franchise Agreement in favour of Union and authorized Union to apply to the Ontario Energy Board for approval of the terms and conditions upon which and the period for which the Franchise Agreement is proposed to be granted.



5. Attached hereto as Schedule "B" is a copy of the Resolution of the Council of the Municipality following first and second readings of the by-law approving the form of the proposed Franchise Agreement.
6. Attached hereto as Schedule "C" is the form of By-law No. 2017-0064 following first and second readings authorizing a Franchise Agreement between the Municipality and Union, and a copy of the proposed Franchise Agreement.
7. On January 1, 1998, the former Township of Adolphustown, the former Township of North Fredericksburgh, the former Township of Richmond, the former Township of South Fredericksburgh and the former Town of Napanee were amalgamated to the form the Town of Greater Napanee by Minister's Order.
8. Union has a Franchise Agreement with the Town of Greater Napanee (E.B.A. 835, which expires May 25, 2018).
9. Union also has Certificates of Public Convenience and Necessity for the former Township of Adolphustown (F.B.C. 269 dated December 31, 1958), the former Township of North Fredericksburgh (F.B.C. 208 dated June 19, 1958), the former Town of Napanee (F.B.C. 46 dated March 28, 1956), the former Township of Richmond (F.B.C. 216 dated May 2, 1958), the former Township of South Fredericksburgh (F.B.C. 269 dated December 31, 1958)
10. Union has Certificates and Franchise Agreements for the County of Prince Edward, the Municipality of Centre Hastings, the Municipality of Tweed, the Town of Deseronto, the Township of Stone Mills and the Township of Tyendinaga, which are immediately adjacent to the Municipality. The nearest natural gas distributor is Utilities Kingston.
11. The proposed Franchise Agreement covers the same territory as that covered by the existing Franchise Agreements.
12. The proposed Franchise Agreement is in the form of the 2000 Model Franchise Agreement with no amendments and is for a term of twenty (20) years.
13. The address of the Municipality is as follows:

Town of Greater Napanee  
12 Market Square  
Greater Napanee, ON K7R1J3  
Attention: Susan Beckel, Clerk  
Telephone: (613)-354-3351 ext. 2014  
Email: [sbeckel@greaternapanee.com](mailto:sbeckel@greaternapanee.com)

The address for Union's district office is:

Union Gas Limited  
1653 Venture Drive  
Kingston, ON K7P 0E9  
Attention: Danny Watson, District Manager, Eastern District  
Telephone: (613) 634-4560  
Email: [dgwatson@uniongas.com](mailto:dgwatson@uniongas.com)

14. The English language newspaper having the highest circulation in the Town of Greater Napanee is the Napanee Beaver. This is the newspaper used by the Municipality for its notices.
15. Union now applies to the Ontario Energy Board for:
  - (a) an Order under s.9(3) approving the terms and conditions upon which, and the period for which, the Municipality is, by by-law, to grant Union Gas 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;
  - (b) an Order pursuant to s.9(4) directing and declaring that the assent of the municipal electors of the Municipality is not necessary for the proposed franchise by-law under the circumstances; and
  - (c) an Order pursuant to s.8 cancelling and superseding the existing Certificates of Public Convenience and Necessity held by Union Gas Limited for the former municipalities within the Town of Greater Napanee and replacing them with a single Certificate of Public Convenience and Necessity for of the amalgamated Town of Greater Napanee.

**DATED** at the Municipality of Chatham-Kent, in the Province of Ontario this 28<sup>th</sup> day of February, 2018.

**UNION GAS LIMITED**

*[Original signed by]*

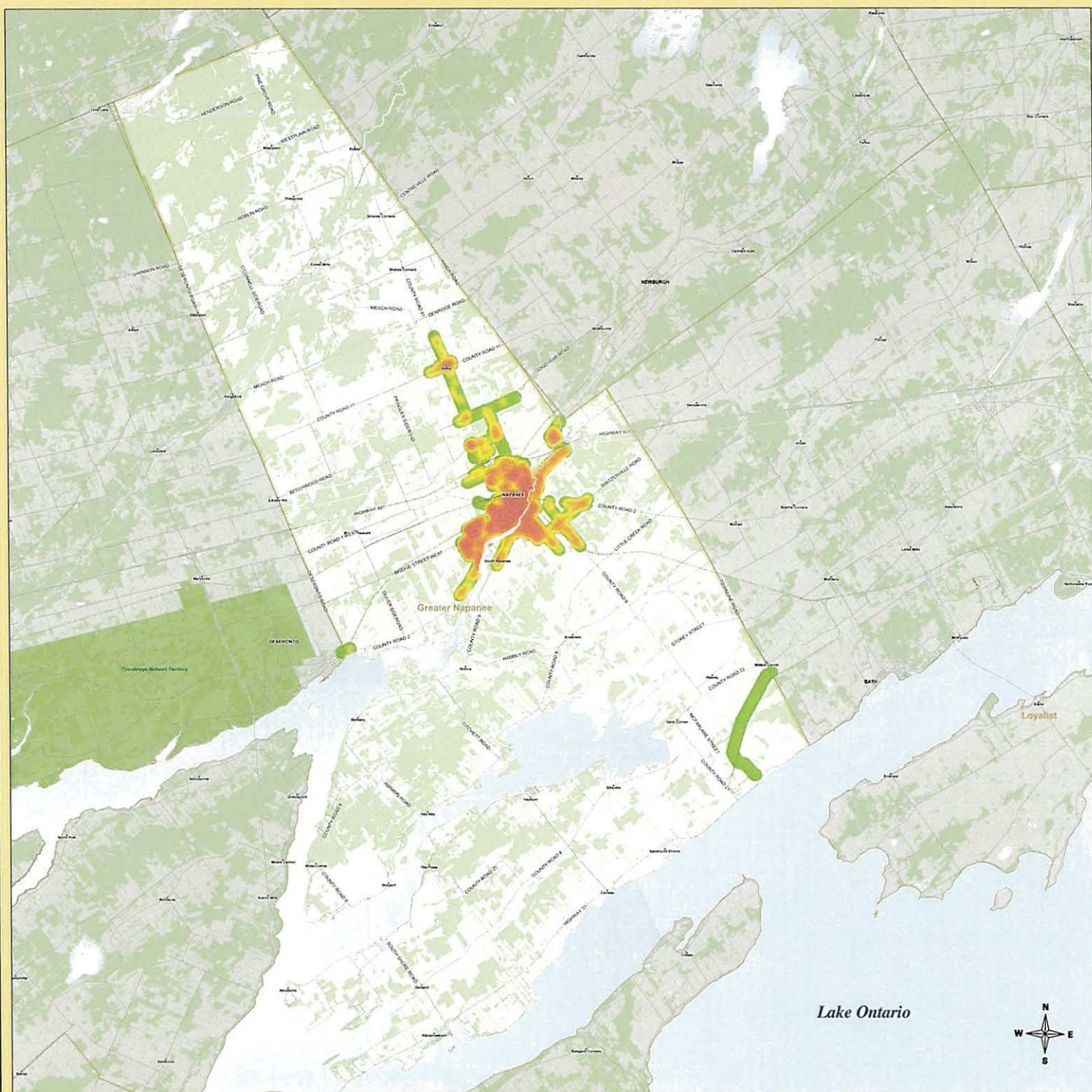
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Patrick McMahon  
Manager, Regulatory Research and Records



Comments respecting this Application should be directed to:

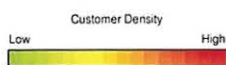
Mr. Patrick McMahon  
Manager, Regulatory Research and Records  
Union Gas Limited  
50 Keil Drive North  
Chatham, ON N7M 5M1  
[pmcmahon@uniongas.com](mailto:pmcmahon@uniongas.com)  
Telephone: (519) 436-5325



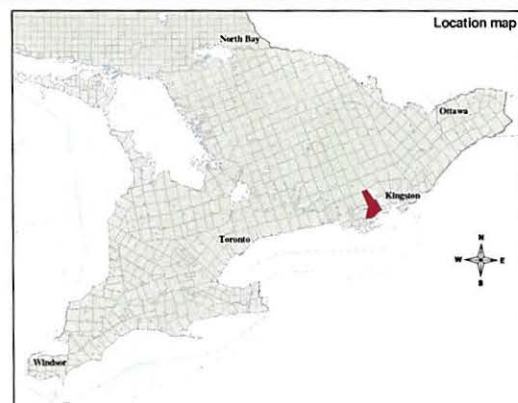
## Town of Greater Napanee

### Legend

- Union Gas Pipeline Coverage Area
- Town of Greater Napanee
- Roads
- Railway
- Municipal and Township Boundaries
- First Nation Boundaries



**Disclaimer:**  
The map is provided with no warranty express or implied and is subject to change at any time. Any Person using the Density Map shall do so at its own Risk and the Density Map is not intended in any way As a tool to locate underground infrastructure for the purposes of excavation






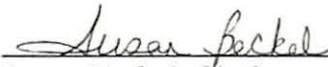
THE CORPORATION OF THE TOWN OF GREATER NAPANEE

RESOLUTION NO. 553/17

BE IT HEREBY RESOLVED THAT:

1. This Council approves the form of draft by-law and franchise agreement attached hereto and authorizes the submission thereof to the Ontario Energy Board for approval pursuant to the provisions of Section 9 of The Municipal Franchises Act.
2. This Council requests that the Ontario Energy Board make an Order declaring and directing that the assent of the municipal electors to the attached draft by-law and franchise agreement pertaining to the Corporation of the Town of Greater Napanee is not necessary pursuant to the provisions of Section 9(4) of the Municipal Franchises Act.

  
\_\_\_\_\_  
Gordon Schermerhorn, Mayor

  
\_\_\_\_\_  
Susan Beckel, Clerk

I HEREBY CERTIFY the foregoing to be a true copy of a Resolution passed by the Council of the Corporation of the Town of Greater Napanee on the 19<sup>th</sup> day of December 2017.

  
\_\_\_\_\_  
Susan Beckel, Clerk

THE CORPORATION OF THE TOWN OF GREATER NAPANEE

BY-LAW NUMBER 2017-0064

A BY-LAW TO AUTHORIZE A FRANCHISE AGREEMENT BETWEEN  
THE CORPORATION OF THE TOWN OF GREATER NAPANEE  
and  
UNION GAS LIMITED

WHEREAS the Council of the Corporation of the Town of Greater Napanee deems it expedient to enter into the attached franchise agreement (the "Franchise Agreement") with Union Gas Limited;

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 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 Town of Greater Napanee enacts as follows:

1. THAT the Franchise Agreement between the Corporation of the Town of Greater Napanee and Union 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 Town of Greater Napanee 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 the following by-law be and the same is hereby repealed:

By-law #98-81 for The Corporation of the Town of Greater Napanee, passed in Council on the 25<sup>th</sup> day of May, 1998;

4. THAT this by-law shall come into force and take effect as of the final passing thereof.

Read a first time this 19<sup>th</sup> day of December, 2017.

Read a second time this 19<sup>th</sup> day of December, 2017.

Read a third time and finally passed this       day of       , 2017.

THE CORPORATION OF THE TOWN OF  
GREATER NAPANEE

\_\_\_\_\_  
Gordon Schermerhorn, Mayor

\_\_\_\_\_  
Susan Beckel, Clerk



# **2000 Model Franchise Agreement**

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THIS AGREEMENT effective this                      day of                      , 20

BETWEEN:

**THE CORPORATION OF THE TOWN OF GREATER NAPANEE**

hereinafter called the "Corporation"

- and -



**uniongas**

**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:

## **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 of this Agreement, the Model Franchise Agreement is changed, then on the 7<sup>th</sup> anniversary and on the 14<sup>th</sup> 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 therefore 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. Other Conditions**

None.

**19. 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  
GREATER NAPANEE**

Per:

---

Gordon Schermerhorn, Mayor

Per:

---

Susan Beckel, Clerk

**UNION GAS LIMITED**

Per:

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David G. Simpson, Vice President  
Regulatory, Lands and Public Affairs

Per:

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Tanya Mushynski, Assistant Secretary

THIS IS EXHIBIT "B" TO THE AFFIDAVIT  
OF GARY COLLINS  
SWORN BEFORE ME THIS 20 DAY OF  
MARCH 20 18  
ORIGINAL SIGNED BY  
A COMMISSIONER, ETC.



https://www.uniongas.com/about-us/company-overview/regulatory/franchises



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## Franchises

### EB-2017-0108 - Overlapping Certificates of Public Convenience and Necessity

- Application
- Notice of Application (English)
- Notice of Application (French)

### EB-2017-0126 - Town of South Bruce Peninsula

- Application
- Notice of Application

### EB-2017-0198 - Town of Saugeen Shores

- Application
- Notice of Application

### EB-2018-0116 - Town of Greater Napanee

- Application
- Notice of Application