

**Ontario Energy
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May 3, 2018

Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
27th Floor, 2300 Yonge Street
Toronto ON M4P 1E4

Dear Ms. Walli:

**Re: EPCOR Natural Gas Limited Partnership (EPCOR)
Application for approval of municipal franchise agreement with the County
of Oxford
OEB File Number EB-2017-0232**

In accordance with Procedural Order No. 1, please find attached OEB staff's interrogatories for EPCOR's application. Union Gas has been copied on this filing.

Yours truly,

Original signed by

Azalyn Manzano
Case Manager

/ attach.

EPCOR NATURAL GAS LIMITED PARTNERSHIP

Application for approval of municipal franchise agreement with the County of Oxford

EB-2017-0232

OEB STAFF INTERROGATORIES

Interrogatory 1

Ref: Evidence, Schedule K

Preamble:

EPCOR filed a copy of the resolution adopted by the County of Oxford on May 24, 2017 and an unsigned copy of the franchise agreement.

Questions:

- a) Please confirm that this is the form of the final franchise agreement that EPCOR would like the OEB to approve.
- b) Please provide a list of all the deviations from the 2000 Model Franchise Agreement and explain the rationale for each one.

Interrogatory 2

Ref: Evidence, Schedule H, p. 2; Schedule F, December 3, 1998 letter from the County of Oxford; Schedule J, p. 4

Preamble:

EPCOR provided a copy of the emails between NRG and the County of Oxford dated December 12, 2016 and March 20, 2017. The County of Oxford raised an issue regarding responsibilities and cost apportionment under the Drainage Act, while referencing a current legal dispute with regard to a lower tier municipality and a gas utility within the Province of Ontario. However, there was no proposed language to amend the model franchise agreement included in the County of Oxford's email.

In a previous set of letters exchanged between NRG and the County of Oxford from 2009, the County of Oxford proposed a change to the form of the agreement and indicated that it would like the last part of the section on Pipeline Relocation to read: "The total relocation costs shall be borne by Natural Resource Gas Limited, with no financial contribution by the County of Oxford."

However, in the unsigned franchise agreement approved by the County of Oxford and filed by EPCOR, the relevant section reads (and is consistent with the Model Franchise Agreement):

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.

Question:

- a) Please explain the purpose of filing in evidence the letters between NRG and the County of Oxford in 2009, and the emails between NRG and the County of Oxford in 2016 and 2017.
- b) Please confirm if negotiations between EPCOR and the County of Oxford have been resolved as reflected in the form of the franchise agreement approved by the County of Oxford on May 24, 2017.
- c) If not, please describe any unresolved issues between EPCOR and the County of Oxford regarding the form of the franchise agreement, and provide a summary of any negotiations to date, as well as the timing for the conclusion of the negotiations.

Interrogatory 3

Ref: Evidence, Schedule B; Schedule E

Preamble:

EPCOR states that its natural gas distribution facilities exclusively within the County of Oxford's jurisdiction relate to Culloden Line, Prouse Road and Brownsville Road, as indicated in Schedule B. The certificate E.B.C. 111 and 119 grants EPCOR the right to construct works to supply gas and to supply gas in the Township of Southwest Oxford, which is located in the County of Oxford.

Questions:

- a) Please confirm that EPCOR's certificate for the Township of Southwest Oxford covers the area described in Schedule B.
- b) Please confirm if all of EPCOR's infrastructure within the Township of Southwest Oxford is currently located within the bounds of its certificate for the Township of Southwest Oxford.