

Toronto

Montréal

Calgary

Ottawa

Vancouver

New York

May 28, 2018

Patrick Welsh  
Direct Dial: 416.862.5951  
pwelsh@osler.com

**Sent By Electronic Mail, Courier and RESS Electronic Filing**

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

Dear Ms. Walli:

**EB-2017-0232: Application for municipal franchise agreement with the County of Oxford**

**Re: Motion by Union Gas Limited**

We are in receipt of the motion record filed by Union Gas Limited (“**Union**”) requesting a direction from the Ontario Energy Board (“**OEB**”) requiring EPCOR Natural Gas Limited Partnership (“**EPCOR**”) to (1) provide a customer density map showing the location of EPCOR’s customers and facilities within the Township of South-West Oxford; and (2) providing an explanation to the harm to either the County of Oxford or EPCOR’s customers of leaving the clause related to the *Drainage Act* within the franchise agreement. Further, Union requested an extension to the May 31, 2018 deadline to submit written submissions to a date that is five days after EPCOR provides its response.

In EPCOR’s view, a motion is not necessary to resolve these matters.

First, and notwithstanding that Board Staff has not requested a customer density map, and that such a customer density map is irrelevant for the purposes of renewing a franchise agreement with the County of Oxford, EPCOR has already provided copies of its system map (which includes layers with customers) to Union and the OEB Staff. In EPCOR’s assessment, all of the County of Oxford is of relatively low density, and EPCOR does not have such a customer density map prepared and one cannot be quickly prepared.

With respect to Union’s second request, a motion is not necessary. As EPCOR has explained on repeated occasions, including in its Application and in its Interrogatory Responses, the removal of the clause referring to the *Drainage Act* was done so at the County of Oxford’s request. As outlined in EPCOR’s application, Oxford was unwilling to enter into the Proposed Franchise Agreement unless this clause was removed, despite numerous explanations by the original applicant, Natural Resource Gas Limited (“**NRG**”), that deviations from the Model Franchise Agreement are rare. At the time, NRG had two options: (1) remove the clause and enter into an agreement with Oxford on a voluntary basis or (2) bring an application to the OEB to impose the terms of the MFA on Oxford.

At the time, NRG chose to work amicably with Oxford, acknowledging Oxford's request, which NRG understood at the time to be based on the fact that *Drainage Act* matters were outside the jurisdiction of Oxford County. EPCOR also made it clear in its Interrogatory Responses that it was willing to bring a franchise agreement with the *Drainage Act* clause back to Oxford at the OEB's direction or would accept an order of the OEB granting a franchise agreement for Oxford on whatever terms the OEB deems just.

Finally, with respect to Union's request regarding timing, EPCOR is amenable to modifying the timelines. In fact, to accommodate planned holiday schedules, EPCOR would appreciate the OEB's indulgence in amending the timetable in Procedural Order No. 1 such that written submissions from Union and OEB Staff would be due on June 14, 2018, with EPCOR's reply due June 28, 2018.

In the event that the OEB determines that a motion is still necessary, EPCOR would also appreciate an indulgence with respect to timing, such that EPCOR's responding materials would be due on June 14, 2018 or, if possible, during the week of June 18, 2018.

Please do not hesitate to contact me if you have any questions.

Yours very truly,



Patrick G. Welsh

PW:vs

c (email only): Patrick McMahon, *Union Gas Limited*  
Azalyn Manzano, *Ontario Energy Board*  
Brian Lippold, *EPCOR Natural Gas Limited Partnership*  
Britt Tan, *EPCOR*  
Richard King, *Osler, Hoskin & Harcourt LLP*