



43 Stewart Road,  
Collingwood, Ontario  
L9Y 4M7 Canada  
[epcor.com](http://epcor.com)

**October 20, 2021**

**Sent by EMAIL, RESS e-filing**

Ms. Christine E. Long  
Registrar  
Ontario Energy Board  
27-2300 Yonge Street  
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: EB-2021-0269- Application for an Order amending Certificate of Public Convenience and Necessity – EPCOR Natural Gas Limited Partnership (“ENGLP”)**

---

Please find enclosed an application to the Ontario Energy Board for an order amending ENGLP's Certificates of Public Convenience and Necessity to construct works to supply natural gas in the Municipality of Brockton, the Municipality of West Grey and the Township of Chatsworth. This application is the result of ENGLP's successful participation in the Ontario Natural Gas Expansion Program, wherein ENGLP was selected as the recipient of \$20 million of funding from the Government of Ontario in order to expand natural gas service to customers in this the above-noted areas.

ENGLP respectfully requests that all documents in relation to the Application be served on ENGLP and its counsel as follows:

Daniela O'Callaghan  
Legal Counsel  
EPCOR Utilities Inc.  
2000-10423 101 St. NW  
Edmonton, AB T5H 0E8  
Tel: 780-412-4081  
Email: [DOcallaghan@epcor.com](mailto:DOcallaghan@epcor.com)

Tim Hesselink  
Senior Manager, Regulatory Affairs  
EPCOR Natural Gas Limited Partnership  
43 Stewart Road  
Collingwood, ON L9Y 4M7  
Tel: 705-445-1800 ext. 2247  
Email: [THesselink@epcor.com](mailto:THesselink@epcor.com)

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

Yours truly,

A handwritten signature in blue ink, appearing to read "Tim Hesselink", is positioned above the printed name and title.

Tim Hesselink, CPA, CGA  
Senior Manager, Regulatory Affairs

## **ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, as amended (the “OEB Act”);

**AND IN THE MATTER OF** the *Municipal Franchises Act*, R.S.O. 1990, c. M.44, as amended (the “MF Act”);

**AND IN THE MATTER OF** an Application by EPCOR Natural Gas Limited Partnership for an Order amending its Certificate of Public Convenience and Necessity (“CPCN”) to construct works to supply natural gas in the Municipality of Brockton, the Township of Chatsworth and the Municipality of West Grey.

---

### **APPLICATION OF EPCOR NATURAL GAS LIMITED PARTNERSHIP**

---

#### Background/Overview

1. EPCOR Natural Gas Limited Partnership (“ENGLP”) is a wholly-owned indirect subsidiary of EPCOR Utilities Inc. (“EUI”). The general partner of ENGLP is EPCOR Ontario Utilities Inc. and the sole limited partner is EPCOR Commercial Services Inc. (formerly named EPCOR Power Development Corporation), which are both subsidiaries of EUI. ENGLP has offices in the Town of Aylmer and Kincardine and carries on the business of selling and distributing natural gas within the Province of Ontario.
2. The Ontario Energy Board (“OEB”), in its Decision and Order for the Common Infrastructure Plan (“CIP”) proceeding EB-2016-0137/0138/0139 dated April 12, 2018 (the “CIP Decision”), selected ENGLP as the successful proponent for the South Bruce Project to provide natural gas service to the Municipality of Arran-Elderslie, the Municipality of Kincardine and the Township of Huron-Kinloss (the “South Bruce Municipalities”). In the CIP Decision, the OEB granted ENGLP certificates of public conveyance and necessity (“CPCNs”) to construct works

to supply gas to each of the South Bruce Municipalities, conditional on the OEB's approval of ENGLP's subsequent leave to construct application.

3. Subsequently, in the OEB's Decision and Order dated July 11, 2019 in proceeding EB-2018-0263 (the "South Bruce LTC Decision"), the OEB granted ENGLP leave to construct the natural gas transmission pipeline and associated facilities to provide natural gas service to the South Bruce Municipalities. In the South Bruce LTC Decision, the OEB also granted ENGLP limited CPCNs for the Municipality of Brockton, the Municipality of West Grey and the Township of Chatsworth, authorizing ENGLP to traverse the pipeline route through these municipalities to supply gas to the South Bruce Municipalities.

4. As part of its leave to construct application in proceeding EB-2018-0263, ENGLP requested approval of its municipal franchise agreements ("Franchise Agreements") that had been finalized with each of the South Bruce Municipalities, as well as with each of the Township of Chatsworth, the Municipality of West Grey, the Municipality of Brockton, the County of Grey and the County of Bruce. In that proceeding, the OEB Staff's submissions provided that section 6 of the MF Act provides an exception to the requirement for OEB approval of a municipal franchise agreement in the case where infrastructure is meant to pass through a municipality to serve another municipality. Therefore, OEB approval of the Franchise Agreements for the Township of Chatsworth, the Municipality of West Grey, the Municipality of Brockton and the County of Grey was unnecessary at that time and the OEB only approved ENGLP's Franchise Agreements with each of the South Bruce Municipalities and the County of Bruce.<sup>1</sup> Accordingly, in reference to OEB Staff's submission on the above point, the South Bruce LTC Decision did not include approval of the Franchise Agreements for the Municipality of Brockton, the Municipality of West Grey, the Township of Chatsworth and the County of Grey.

---

<sup>1</sup> EB-2018-0263 OEB Staff Submission, June 3, 2019, page 15

5. In August 2020, as part of Phase II of the of the Province of Ontario's Natural Gas Expansion Program (in proceeding EB-2019-0255), ENGLP submitted a proposal for the Municipality of Brockton Project which proposed to expand natural gas service within two of the South Bruce Municipalities (being the Township of Arran-Elderslie and the Municipality of Kincardine) and bring natural gas service to a number of unserved areas in the Municipality of Brockton, the Municipality of West Grey and in the Township of Chatsworth (the "Project").<sup>2</sup> On June 9, 2021, the Province of Ontario informed ENGLP in writing and announced publicly that the Project was included in the list of natural gas expansion projects that the Province of Ontario would provide funding for under Phase II of the Natural Gas Expansion Program.

### Application

6. In accordance with the Province's selection of the Project for funding under Phase II of the Natural Gas Expansion Program, ENGLP hereby applies for the following: to the OEB for an order or orders:

- (a) An order pursuant to section 8 of the MF Act, amending ENGLP's existing limited CPCNs for the Municipality of Brockton, the Municipality of West Grey and the Township of Chatsworth as outlined in this application to allow ENGLP to construct works to supply natural gas to these areas in accordance with the Project proposal and as described further in this application;
- (b) An order pursuant to section 9 of the MF Act, approving the terms and conditions upon which, and the period for which, the Municipality of Brockton, the Municipality of West Grey and the Township of Chatsworth each, by by-law, grant the right to ENGLP to construct and operate works for the distribution,

---

<sup>2</sup> File reference: ENGLP\_APPL\_Brockton\_20200804\_Redacted



transmission and storage of natural gas and the right to extend and add to the works in these municipalities; and

- (c) An order pursuant to section 9(4) of the MF Act, directing and declaring that the assent of the municipal electors of each of the Municipality of Brockton, the Municipality of West Grey and the Township of Chatsworth is not necessary in the circumstances and can be dispensed with.

7. In terms of the request for amended CPCNs for the Municipality of Brockton, the Municipality of West Grey and the Township of Chatsworth, ENGLP proposes that the OEB follow the same process as in proceeding EB-2020-0232 when issuing new CPCNs for the Project service areas. In that proceeding the OEB issued ENGLP a new certificate for the expanded service area which cancelled and superseded ENGLP's prior certificate. Furthermore, the OEB issued a new certificate to Enbridge Gas which excluded the new service areas granted to ENGLP and cancelled and superseded the prior certificate.<sup>3</sup>

#### Existing CPCNs & Franchise Agreements

8. The Project includes service to a number of areas within the Municipality of Brockton, as well as some areas in the Municipality of Kincardine, the Municipality of Arran-Elderslie, the Municipality of West Grey and the Township of Chatsworth. A location map has been included as Appendix F.

9. ENGLP and Enbridge Gas Inc. ("Enbridge") each have CPCNs for the Municipality of Brockton, the Municipality of West Grey and the Township of Chatsworth. Copies of the limited CPCNs for the Municipality of Brockton, the Municipality of West Grey and the Township of Chatsworth granted to ENGLP in the South Bruce LTC Decision are included in Appendix E.

---

<sup>3</sup> ENGLP Application for a new certificate of public convenience and necessity for the Township of South-West Oxford, Proceeding EB-2020-0232, Decision and Order dated February 11, 2021, pages 6-7.

ENGLP is requesting amendment of all three of these CPCNs as part of this application.

10. As noted above, full CPCNs for the Municipality of Kincardine and the Municipality of Arran-Elderslie were granted to ENGLP in the CIP Decision and therefore no amendments to those CPCNs are required for this Project.

11. We understand these to be the proceedings in which these CPCNs were issued to Enbridge:

- (a) EB-2007-0819: On January 17, 2008, the OEB issued Enbridge a new CPCN (replacing and/or superseding parts of historic CPCNs) approving the ability to construct works to supply gas to the Municipality of West Grey.
- (b) EB-2008-0081: On May 23, 2008, the OEB issued Enbridge a new CPCN (replacing and/or superseding parts of historic CPCNs) approving the ability to construct works to supply gas to the Township of Chatsworth.
- (c) EB-2009-0090: On June 6, 2009, the OEB issued Enbridge a new CPCN (replacing and/or superseding parts of historic CPCNs) approving the ability to construct works to supply gas to the Municipality of Brockton.

12. The Franchise Agreements that ENGLP currently has with the Expansion Project Municipalities, originally executed for the South Bruce Project, and for which ENGLP is requesting the OEB's approval as part of this application are included in Appendix B, Appendix C and Appendix D respectively. The associated bylaw for each Franchise Agreement is also included in the corresponding appendix. As noted above, these Franchise Agreements were originally executed as part of the South Bruce Project for the purpose of traversing these municipalities to serve the South Bruce Municipalities. However, each of the Expansion Project Municipalities is in the form of the 2000 Model Franchise Agreement with no amendments and

therefore the purpose of the agreement is not specifically limited to passing through the applicable municipality. Additionally, the letters provided in Appendix A from each of the Expansion Project Municipalities demonstrates that they are in support of the Project and of EPCOR providing natural gas service within their municipalities.

### Technical Information

13. ENGLP confirms the leave-to-construct thresholds in subsection 90(1) of the OEB Act are triggered for the Project and accordingly will file a leave-to-construct application for the Project at a later date.

14. ENGLP's Phase II proposal for the Project was submitted in accordance with the guidelines established by the OEB for proceeding EB-2019-0255 and accordingly included the technical details for the Project. ENGLP notes that the Province's award of the funding under the Phase II Natural Gas Expansion Program was later than the timing assumed in ENGLP's Project proposal. Accordingly, the project schedule originally provided in section 3.5 of the Project proposal will be adjusted in the leave-to-construct application to reflect revised dates.

### Territorial and Mapping Information

15. ENGLP has included three separate proposed draft CPCNs (as Appendixes G, H & I), which includes :

1. The Municipality of Brockton (Appendix G)
  - a. excluding areas within the Municipality located East of Bruce Road 3 and South of Concession Rd 4 West.
2. The Municipality of West Grey (Appendix H), specifically:
  - a. Bruce Road 10 starting at Bentinck-Sullivan Townline and ending at Concession Road 6
  - b. East down Concession road 6 ending at Grey Road 3

- c. Continuing North on Grey Road 3 and ending at Bentinck-Sullivan Townline,
3. The Township of Chatsworth (Appendix I), specifically:
- a. Bruce Road 10 starting at Bentinck-Sullivan Townline and ending at Sideroad 7
  - b. Continuing East on Sideroad 7 ending at Grey Road 3
  - c. Continuing South on Grey Road 3 and ending at Bentinck-Sullivan Townline,

ENGLP also recognizes that the OEB has directed utilities to provide mapping information that “accurately delineates service boundaries and the general location and density of customers” for proceedings brought under the MF Act.<sup>4</sup> In order to meet this expectation, ENGLP has included maps with its draft CPCNs,

### Conclusion

16. ENGLP’s requests of the OEB in this application align with the Province of Ontario’s award of Phase II grant funding to ENGLP for the Project. ENGLP is looking forward to bringing a leave-to-construct application for the Project before the OEB in the future and, subject to the OEB granting such leave, to ultimately providing natural gas service to the Expansion Project Municipalities in support of the goals of the Province’s Natural Gas Expansion Program.

ALL OF WHICH IS RESPECTFULLY SUBMITTED.

October 20, 2021

---

<sup>4</sup> EB-2017-0232, Decision on Motion and Procedural Order No. 3 (October 4, 2018) at p. 3.

## **APPENDIX A - Letters of Support**



September 29, 2021

EPCOR Natural Gas LP  
Suite 710 – 55 University Avenue  
Toronto ON  
M5J 2H7

Attention: Susannah Robinson – Vice President Ontario Region

**Re: EPCOR Natural Gas Distribution Infrastructure Development in Brockton**

The Municipality of Brockton is pleased to provide this letter of support to EPCOR towards their plan to extend natural gas service to the various businesses and residents in the natural gas deprived area of our Municipality.

This letter is confirmation that the Municipality is aware that EPCOR has been awarded Phase 2 Natural Gas Expansion funding to expand its existing natural gas system into Brockton in order to serve a significant amount of the rural area and hamlets in Brockton with natural gas service. The Municipality of Brockton Council has enacted By-Law 2018-074 that authorizes a Municipal Franchise Agreement with EPCOR and feels this will serve with respect to the transmission and distribution of natural gas in the Municipality of Brockton. The agreement already in place aligns with the continued development and operations effort going forward to advance the natural gas project.

We appreciate all the work EPCOR has invested on this initiative over the past few years in order to make this expansion possible. COVID has added challenges and slowed down the approval process but we remain very enthusiastic about this project. On behalf of Council we are convinced natural gas will boost the economic viability of the Municipality and it will ensure our rural businesses remain competitive with those in neighboring communities who have access to natural gas services.

Sincerely,

On behalf of the Council of the Municipality of Brockton

Chris Peabody  
Mayor



**Corporation of the Municipality of  
West Grey**  
402813 Grey Road 4 RR 2 Durham,  
ON N0G 2V0  
519-369-2200

Thomas Stachowski,  
Business Development,  
Project Developer EPCOR Commercial Services  
E: [tstachowski@epcor.com](mailto:tstachowski@epcor.com)

September 16, 2021

Mr. Thomas Stachowski,

**Re: EPCOR Distribution Infrastructure Development in West Grey**

Please be advised that West Grey Council passed a resolution at the Council meeting of September 7, 2021 directing that a letter of support for the development of distribution infrastructure within the Municipality of West Grey.

West Grey Council fully supports the development of the EPCOR natural gas expansion within the Municipality of West Grey. This letter is confirmation that the Municipality is aware that EPCOR is now working to develop distribution infrastructure in the Municipality of West Grey in order to provide customers with natural gas service. The Municipality of West Grey feels the existing by-law will serve with respect to the continued development and operations effort going forward.

Sincerely,

*Genevieve Scharback*

Genevieve Scharback, CMO  
Director of Administration/Clerk  
Municipality of West Grey



## TOWNSHIP OF CHATSWORTH

316837 Highway 6, RR 1  
Chatsworth, Ontario N0H 1G0

Telephone 519-794-3232 – Fax 519-794-4499

October 15, 2021

To Whom it May Concern:

### **Re: EPCOR Natural Gas Distribution Infrastructure Development in Chatsworth**

The Township of Chatsworth is providing this letter of support to EPCOR based on their plans to extend natural gas service in Bruce County along its existing natural gas supply line located at the south municipal border of the Township of Chatsworth.

EPCOR recently constructed a high pressure steel gas line which transmits natural gas to customers west of the Township of Chatsworth, with limited ability to connect any potential customers along this infrastructure. The Township supports EPCOR's initiative to connect customers along this corridor if it is feasible and aligns with the project. The southern region of the Township is currently deprived of natural gas service and an opportunity to connect customers to this line would provide heating alternatives to customers in the region.

The Township of Chatsworth looks forward to continue working with EPCOR to find opportunities to further service areas of the community, that are lacking in natural gas service.

Sincerely,

Patty Sinnamon, Dipl. M.M.  
CAO/Clerk



## **APPENDIX B - Franchise Agreement, Municipality of Brockton**



By-Law 2018-074

---

Being a By-Law to Authorize the Signing of an Agreement With EPCOR Ontario Utilities Inc. for the Purpose of Distributing, Storing, and Transmitting Gas Within the Corporation of the Municipality of Brockton.

---

**Whereas** The Council for the Corporation of the Municipality of Brockton deems it expedient to enter into an agreement with EPCOR Ontario Utilities Inc. with respect to the distribution, storage, and transmission of gas within the boundaries of the Corporation of the Municipality of Brockton;

**And Whereas** in accordance with Subsection 9(1) of the Municipal Franchise Act no By-Law granting final approval for the right to construct or operate works for the distribution of gas shall be passed until the Ontario Energy Board has approved the proposed Franchise Agreement;

**And Whereas** upon receipt of final approval of the Franchise Agreement by the Ontario Energy Board Council will grant final approval to the By-Law hereto;

**Now Therefore** the Council of the Corporation of the Municipality of Brockton enacts as follows;

- 1.0 The Franchise Agreement, which is attached as "Schedule A", between the Corporation of the Municipality of Brockton and EPCOR Natural Gas Limited Partnership, by its general partner EPCOR Ontario Utilities Inc. (the "**Franchise Agreement**"), is hereby authorized and the franchise provided for therein is hereby granted;
- 2.0 The Franchise Agreement forms and becomes part of this By-Law;
- 3.0 The execution by the Mayor and Clerk of the Franchise Agreement is hereby authorized, ratified, and confirmed.
- 4.0 This By-Law shall come into full force and effect upon final passage.
- 5.0 This By-Law may be cited as the "EPCOR Natural Gas Franchise Agreement By-Law".

**Read a First and Second Time and Provisionally Adopted this 10th day of September, 2018.**

Original Signed By  
Deputy Mayor – Dan Gieruszak

Original Signed By  
Clerk – Fiona Hamilton

**Read a Third time and Finally Passed this 30th day of July, 2019.**

## **Schedule A to By-Law 2018-074**

### **Model Franchise Agreement**

THIS AGREEMENT effective this 30th day of July, 2019.

BETWEEN:

THE CORPORATION OF THE MUNICIPALITY OF BROCKTON

hereinafter called the "Corporation"

- and -

EPCOR NATURAL GAS LIMITED PARTNERSHIP,  
by its general partner EPCOR ONTARIO UTILITIES 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.
- b. At any time within two years prior to the expiration of this Agreement, either party may give notice to the other that it desires to enter into negotiations for a renewed franchise upon such terms and conditions as may be agreed upon. Until such renewal has been settled, the terms and conditions of this Agreement shall continue, notwithstanding the expiration of this Agreement. This shall not preclude

either party from applying to the Ontario Energy Board for a renewal of the Agreement pursuant to section 10 of the *Municipal Franchises Act*.

### **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 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.

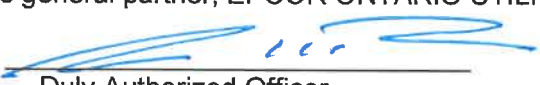
IN WITNESS WHEREOF the parties have executed this Agreement effective from the date written above.

THE CORPORATION OF THE MUNICIPALITY OF BROCKTON

By:   
Mayor

By:   
Clerk – Fiona Hamilton

EPCOR NATURAL GAS LIMITED PARTNERSHIP,  
by its general partner, EPCOR ONTARIO UTILITIES INC.

By:   
Duly Authorized Officer  
S.K. Robinson

## **APPENDIX C - Franchise Agreement, Municipality of West Grey**

**THE CORPORATION OF THE MUNICIPALITY WEST GREY**

**BY - LAW NUMBER 90 - 2018**

**BEING**, A by-law to enter into a Model Franchise Agreement between the Municipality of West Grey and EPCOR Natural Gas Limited Partnership, by its general partner EPCOR Ontario Utilities Inc.;

**WHEREAS**, the Council of the Municipality of West Grey deems it expedient and in the public interest to enter into the aforementioned Agreement;

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF WEST GREY ENACTS AS FOLLOW:**

1. That the Model Franchise Agreement between the Municipality of West Grey and EPCOR Natural Gas Limited Partnership, by its general partner EPCOR Ontario Utilities Inc., attached hereto as Schedule "A", and forming part of this bylaw, is hereby approved.
2. That the Mayor and CAO/Deputy Clerk are hereby authorized to sign and seal the said Agreement.
3. That this by-law shall come into full force and effect on the date of passing.

**READ** a first and second time this 8<sup>th</sup> day of August, 2018.

**READ** a third time and finally passed this 8<sup>th</sup> day of August, 2018.

  
Kevin Eccles, Mayor

  
Mark Turner, Clerk



# Model Franchise Agreement

THIS AGREEMENT effective this 8<sup>th</sup> day of August, 2018.

BETWEEN:

THE CORPORATION OF THE MUNICIPALITY OF WEST GREY  
hereinafter called the "Corporation"

- and -

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

### **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 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 MUNICIPALITY OF WEST GREY

By: Kevin Eccles.  
Kevin Eccles, Mayor

By: Laura Johnston  
Laura Johnston, CAO/Deputy Clerk

EPCOR NATURAL GAS LIMITED PARTNERSHIP,  
by its general partner, EPCOR ONTARIO UTILITIES INC.

By: Susannah K. Robinson  
Duly Authorized Officer

## **APPENDIX D - Franchise Agreement, Township of Chatsworth**

# THE CORPORATION OF THE TOWNSHIP OF CHATSWORTH

## BY-LAW NUMBER 2018-56

**BEING** a By-law to authorize the Mayor and Clerk to execute a franchise agreement between The Corporation of the Township of Chatsworth and Epcor Natural Gas Limited Partnership by its general partner EPCOR ONTARIO UTILITIES INC.

**WHEREAS** the Council of the Corporation of the Township of Chatsworth deems it in the public interest to enter into a utility franchise agreement with Epcor Natural Gas Limited Partnership by its general partner EPCOR ONTARIO UTILITIES INC.

**AND WHEREAS** pursuant to the provisions of Sections 34 of the Planning Act, R.S.O. 1990, as amended, By-laws may be amended by Councils of Municipalities;


**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF CHATSWORTH ENACTS AS FOLLOWS:**

1. That a franchise agreement between the Township of Chatsworth and Epcor Natural Gas Limited Partnership by its general partner EPCOR ONTARIO UTILITIES INC. being attached hereto as Schedule "A" and forming part of this By-law is hereby authorized and the Mayor and Clerk are authorized to execute the agreement on behalf of the Township of Chatsworth.
2. That this By-law shall come into full force and effect upon its final passing.

Read a first and second time this 1<sup>st</sup> day of August, 2018

Read a third time and finally passed this 1<sup>st</sup> day of August, 2018

  
\_\_\_\_\_  
Mayor Bob Pringle

  
\_\_\_\_\_  
CAO Clerk Patty Sinnamon

## Model Franchise Agreement

THIS AGREEMENT effective this 1<sup>st</sup> day of August, 2018.

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF CHATSWORTH  
hereinafter called the "Corporation"

- and -

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

### **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 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


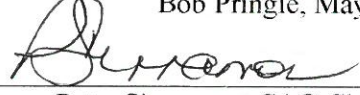
such matters to the Franchise Handbook prepared by the Association of Municipalities of Ontario and the gas utility companies, as may be amended from time to time.

18. Agreement Binding Parties

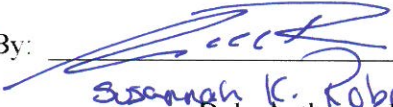
This Agreement shall extend to, benefit and bind the parties thereto, their successors and assigns, respectively.

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

THE CORPORATION OF THE TOWNSHIP OF CHATSWORTH

By:   
Bob Pringle, Mayor  
  
Patty Sinnamon, CAO Clerk

EPCOR NATURAL GAS LIMITED PARTNERSHIP,  
by its general partner, EPCOR ONTARIO UTILITIES INC.

By:   
Suzanne K. Robinson  
Duly Authorized Officer

## **APPENDIX E - Current ENGLP Limited CPCNs**

## **Certificate of Public Convenience and Necessity**

The Ontario Energy Board grants

### **EPCOR Natural Gas Limited Partnership**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, limited to constructing pipeline facilities along

- Bruce Road 19 starting at Grey Road 10 and ending at Sideroad 15 South;
- continuing along Brant-Elderslie, starting at Sideroad 15 South and ending at the intersection of Greenock Elderslie and Greenock Brant;
- continuing along Concession 18, starting at the intersection of Greenock Elderslie and Greenock Brant and ending at Bruce Road 1; and
- continuing along Bruce Road 1, starting at Concession 18 and ending at Bruce Road 20, all within the

### **Municipality of Brockton**

as it is constituted on the date of this Decision and Order, in order to supply gas to the Municipality of Arran-Elderslie, the Municipality of Kincardine and the Township of Huron-Kinloss.

**DATED** at Toronto, July 11, 2019

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli  
Board Secretary



## **Certificate of Public Convenience and Necessity**

The Ontario Energy Board grants

### **EPCOR Natural Gas Limited Partnership**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, limited to constructing pipeline facilities along

- Grey Road 25, starting at the Dornoch Meter and Regulator Station and ending at Grey Road 3; and
- continuing along Bentinck Sullivan Townline and ending at Grey Road 10, all within the

### **Municipality of West Grey**

as it is constituted on the date of this Decision and Order, in order to supply gas to the Municipality of Arran-Elderslie, the Municipality of Kincardine and the Township of Huron-Kinloss.

**DATED** at Toronto, July 11, 2019

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli  
Board Secretary

## **Certificate of Public Convenience and Necessity**

The Ontario Energy Board grants

### **EPCOR Natural Gas Limited Partnership**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, limited to constructing pipeline facilities along

- Grey Road 25, starting at the Dornoch Meter and Regulator Station and ending at Grey Road 3; and
- continuing along Bentinck Sullivan Townline and ending at Grey Road 10, all within the

### **Township of Chatsworth**

as it is constituted on the date of this Decision and Order, in order to supply gas to the Municipality of Arran-Elderslie, the Municipality of Kincardine and the Township of Huron-Kinloss.

**DATED** at Toronto, July 11, 2019

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli  
Board Secretary

## **APPENDIX F - Maps of Potential Customers and Proposed Pipeline Infrastructure**



## **APPENDIX G - Proposed CPCN - Brockton**

## **Certificate of Public Convenience and Necessity**

The Ontario Energy Board grants

### **EPCOR Natural Gas Limited Partnership**

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55,  
as

amended, to construct works to supply gas to the areas within

### **The Municipality of Brockton**

excluding areas within the Municipality located East of Bruce Road 3 and South of Concession  
Rd 4 West.

This certificate replaces the parts of the Certificate of Public Necessity and Need currently  
held by Enbridge Gas Inc. (under the name of Union Gas Limited) that is associated with  
the Municipality of Brockton.

**DATED** at Toronto, XXX XXX XXX

### **ONTARIO ENERGY BOARD**

*Original Signed By*

Christine E. Long  
Registrar





# CPCN Request Brockton

- Proposed Project Area
- Proposed Brockton CPCN
- Brockton Municipal Boundary

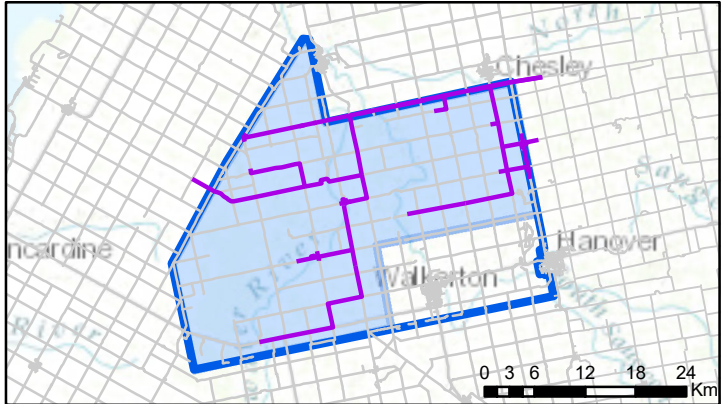


Service Layer Credits: Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

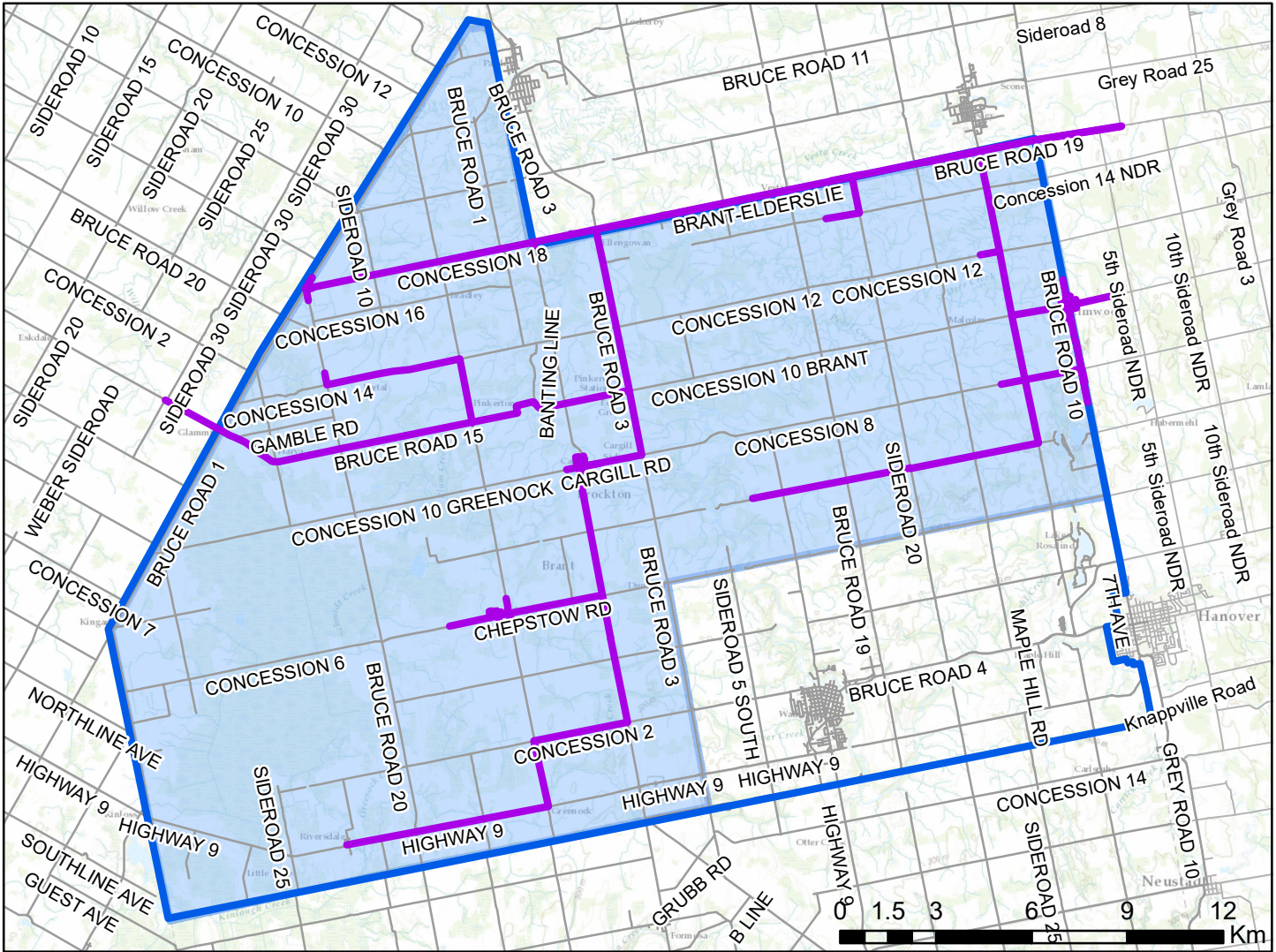
Key Map



Municipality of Brockton



Requested Area



## **APPENDIX H - Proposed CPCN - West Grey**



## Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

### EPCOR Natural Gas Limited Partnership

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55,  
as

amended, to construct works to supply gas to the areas within

- Bruce Road 10 starting at Bentinck-Sullivan Townline and ending at Concession Road 6
- East down Concession road 6 ending at Grey Road 3
- Continuing North on Grey Road 3 and ending at Bentinck-Sullivan Townline, all within the

### The Municipality of West Grey

This certificate replaces the parts of the Certificate of Public Necessity and Need currently held by Enbridge Gas Inc. (under the name of Union Gas Limited) that is associated with the Municipality of West Grey.

**DATED** at Toronto, XXX XXX XXX

**ONTARIO ENERGY BOARD**

*Original Signed By*

Christine E. Long  
Registrar



# CPCN Request West Grey

- Proposed Project Area
- Proposed West Grey CPCN
- West Grey Boundary

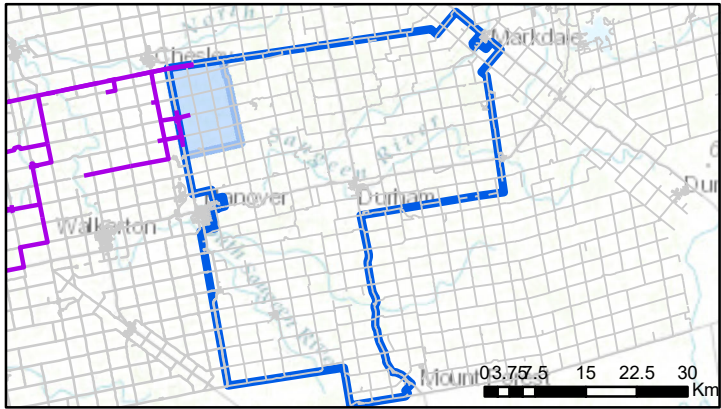


Service Layer Credits: Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

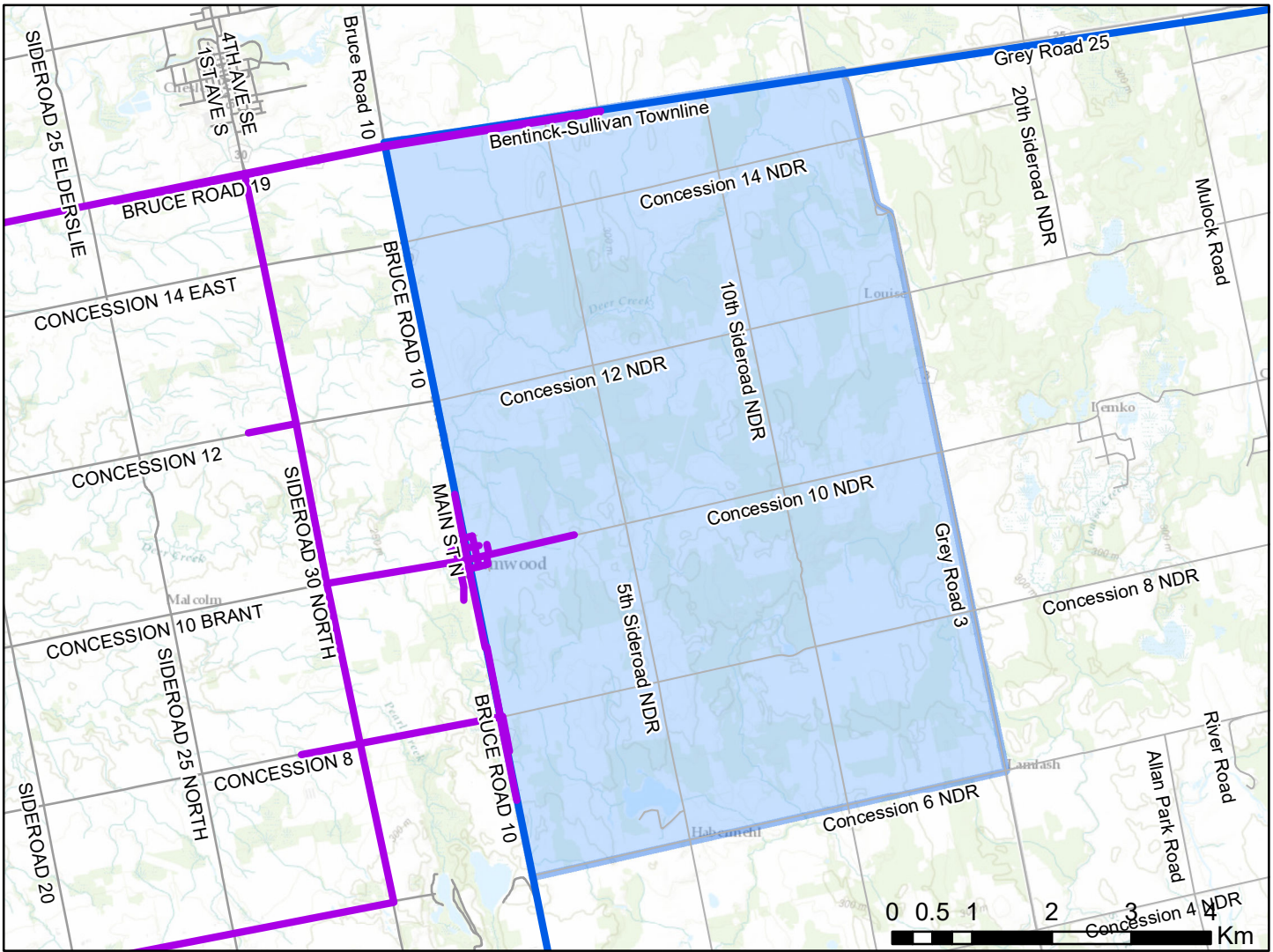
Key Map



Municipality of West Grey



Requested Area



## **APPENDIX I - Proposed CPCN - Chatsworth**

## Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

### EPCOR Natural Gas Limited Partnership

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55,  
as

amended, to construct works to supply gas to the areas within

- Bruce Road 10 starting at Bentinck-Sullivan Townline and ending at Sideroad 7
- Continuing East on Sideroad 7 ending at Grey Road 3
- Continuing South on Grey Road 3 and ending at Bentinck-Sullivan Townline, all within the

### The Township of Chatsworth

This certificate replaces the parts of the Certificate of Public Necessity and Need currently held by Enbridge Gas Inc. (under the name of Union Gas Limited) that is associated with the Township of Chatsworth.

**DATED** at Toronto, XXX XXX XXX

**ONTARIO ENERGY BOARD**

*Original Signed By*

Christine E. Long  
Registrar





# CPCN Request Chatsworth

- Proposed Project Area
- Township of Chatsworth Boundary
- Proposed Chatsworth CPCN

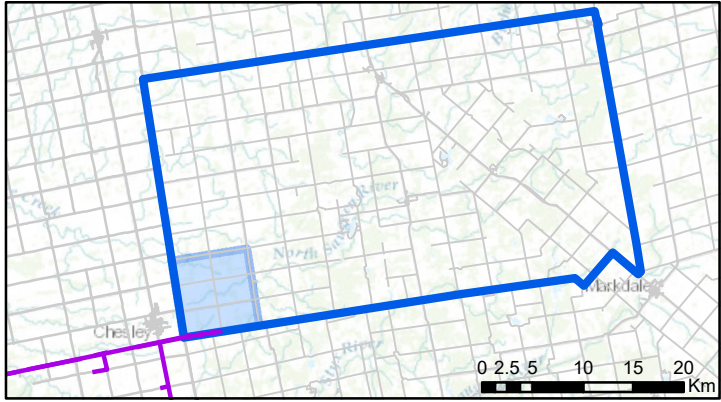


Service Layer Credits: Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

Key Map



Township of Chatsworth



Requested Area

