Enbridge Gas Inc.
50 Keil Drive North
Chatham, Ontario, Canada
N7M 5M1

March 7, 2022

Ms. Nancy Marconi
Acting Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Marconi:

Re: Enbridge Gas Inc.
Application for Renewal of Franchise Agreement
City of Quinte West

Attached is an Application by Enbridge Gas Inc. for Orders of the Ontario Energy Board with respect to a Franchise Agreement with the City of Quinte West. An agreement has been reached between Enbridge Gas Inc. and the City of Quinte West with regards to the terms and conditions of the proposed Franchise Agreement.

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

Yours truly,

Patrick McMahon

Digitally signed by Patrick McMahon
Date: 2022.03.07 07:47:43 -05'00'

Patrick McMahon
Technical Manager
Regulatory Research and Records
patrick.mcmahon@enbridge.com
(519) 436-5325

Encl.

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Municipal Franchises Act*, R.S.O. 1990, c.M.55, as amended;

AND IN THE MATTER OF an Application by Enbridge Gas Inc. for an Order approving the terms and conditions upon which, and the period for which, the Corporation of the City of Quinte West is, by by-law, to grant to Enbridge Gas Inc. the right to construct and operate works for the distribution, transmission and storage of natural gas and the right to extend and add to the works in the City of Quinte West;

AND IN THE MATTER OF an Application by Enbridge Gas Inc. for an Order directing and declaring that the assent of the municipal electors of the City of Quinte West to the by-law is not necessary.

APPLICATION

1. Enbridge Gas Inc. (Enbridge Gas), a regulated public utility, is a corporation incorporated under the laws of the Province of Ontario, with its offices in the City of Toronto and the Municipality of Chatham-Kent.

2. The Corporation of the City of Quinte West (Municipality) is a municipal corporation incorporated under the laws of the Province of Ontario. Attached hereto and marked as Schedule "A" is a map showing the geographical location of the Municipality and a customer density representation of Enbridge Gas' service area. Enbridge Gas currently serves approximately 12,016 customers in the Municipality.

3. The City of Quinte West is a single-tier municipality geographically located in but administratively separated from the County of Hastings. The City of Quinte West was formed on January 1, 1998 through the amalgamation of the former Village of Frankford, the former Township of Murray, the former Township of Sidney and the former City of Trenton.

4. Enbridge Gas has a Certificate of Public Convenience and Necessity for the City of Quinte West (EB-2002-0323), which is attached as Schedule "B".

5. Enbridge Gas applied to the Council of the Municipality for a franchise agreement permitting Enbridge Gas to construct and operate works for the distribution, transmission and storage of natural gas and the right to extend and add to the works in the City of Quinte West.

6. On October 18, 2021, the Council of the Municipality gave approval to the form of a Franchise Agreement in favour of Enbridge Gas and authorized Enbridge Gas to apply to the Ontario Energy Board for approval of the terms and conditions upon which and the period for which the franchise agreement is proposed to be granted.

7. Attached hereto as Schedule "C" is a copy of the Resolution of the Council of the Municipality approving the form of the draft by-law and franchise agreement, authorizing this submission to the Ontario Energy Board, and requesting an Order declaring and directing that the assent of the municipal electors to the by-law and franchise agreement is not necessary.

8. Attached hereto as Schedule "D" is a copy of By-law 21-107 and the proposed franchise agreement. The City of Quinte West has provided first, second and third readings of its by-law.

9. Enbridge Gas has franchise agreements with and Certificates of Public Convenience and Necessity for the City of Belleville, the Town of Brighton, the Municipality of Centre Hastings, Prince Edward County, the Township of Stirling-Rawdon and the Municipality of Trent Hills, which are adjacent to the municipality. There is no other natural gas distributor in the area.

10. The proposed franchise agreement is in the form of the 2000 Model Franchise Agreement with no amendments and is for a term of twenty (20) years.

11. The address of the Municipality is as follows:

City of Quinte West
7 Creswell Drive
Trenton, ON K8V 5R6
Attention: Virginia LaTour, Acting Manager of Corporate Services / City Clerk
Telephone: (613) 392-2841
Email: virginial@quintewest.ca

The address for Enbridge Gas' regional operations office is:

Enbridge Gas Inc.
706 Boulevard Gréber
Gatineau, QC J8V 3P8
Attention: Jean-Benoit Trahan, Director, Eastern Region Operations
Telephone: (819) 776-8876
Email: jean-benoit.trahan@enbridge.com

12. The newspaper having the highest circulation in the City of Quinte West is the *Trenton Trentonian.* This is the newspaper used by the Municipality for its notices.

13. Enbridge Gas now applies to the Ontario Energy Board for:

(a) an Order under s.9(3) approving the terms and conditions upon which, and the period for which, the City of Quinte West is, by by-law, to grant Enbridge Gas the right to construct and operate works for the distribution, transmission and storage of natural gas and the right to extend and add to the works; and

(b) an Order pursuant to s.9(4) directing and declaring that the assent of the municipal electors of the City of Quinte West is not necessary for the proposed franchise agreement by-law under the circumstances.

DATED at the Municipality of Chatham-Kent, in the Province of Ontario this 7th day of March, 2022.

ENBRIDGE GAS INC.

Patrick McMahon

Digitally signed by Patrick McMahon
Date: 2022.03.07 07:48:33 -05'00'

Patrick McMahon
Technical Manager
Regulatory Research and Records

Comments respecting this Application should be directed to:

Mr. Patrick McMahon
Technical Manager, Regulatory Research and Records
Enbridge Gas Inc.
50 Keil Drive North
Chatham, ON N7M 5M1
patrick.mcmahon@enbridge.com
Telephone: (519) 436-5325

Schedule A

City of Quinte West

Legend

- Enbridge Gas Pipeline Coverage Area
- City of Quinte West
- Roads
- Railways
- Municipal and Township Boundaries
- First Nation Boundaries

Customer Density

Low — High

0.0 1.5 3.0 4.5 6.0 7.5

Kilometers

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

ENBRIDGE®

MA3527 CD

Ontario Energy Board

Commission de l'Énergie de l'Ontario

E.B.A. 876
EB-2002-0323

IN THE MATTER OF the *Municipal Franchises Act,* R.S.O. 1990, c. M.55, as amended;

AND IN THE MATTER OF an application by Union Gas Limited for an order approving the terms and conditions upon which the Corporation of the City of Quinte West is by by-law to grant Union Gas Limited the right to construct and operate works for the distribution of gas; the right to extend and add to the works; and the period for which such rights are granted;

AND IN THE MATTER OF an application by Union Gas Limited for an order dispensing with the assent of the municipal electors of the City of Quinte West regarding the by-law.

AND IN THE MATTER OF an application by Union Gas Limited for an order cancelling and replacing the existing Certificates of Public Convenience and Necessity for the Corporation of the City of Quinte West.

BEFORE: Sheila K. Halladay
Presiding Member

George A. Dominy
Member and Vice Chair

DECISION AND ORDER

Union Gas Limited ("Union") has filed an application, dated November 30, 2001, (the "Application") with the Ontario Energy Board (the "Board") under the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, (the "Act") for an order of the Board approving the terms and conditions upon which and the period for which the Corporation of the City of Quinte West (the "Corporation"), is by by-law to grant to Union the right to construct or operate works for the distribution of gas, and the right to extend

and add to the works in the City of Quinte West (the "Municipality"). The Board has assigned File No. E.B.A. 876 to this Application.

Union also has applied, by a letter dated April 19, 2002, for an order of the Board that consolidates the existing Certificates of Public Convenience and Necessity for the predecessor municipalities and replaces these with a new Certificate of Public Convenience and Necessity for the new Municipality. The Board has assigned File No. EB-2002-0323 to this Application.

The Board's Notice of Application was published on January 16, 2002. There were no intervenors. On February 27, 2002 the Board issued a Notice of Written Hearing. No party satisfied the Board that there was a good reason for not holding a written hearing.

Union also submitted a resolution, passed by the Council for the Corporation, approving the form of draft by-law (the "By-law"), authorizing the franchise agreement between Union and the Corporation (the "Franchise Agreement"), and requesting the Board to declare and direct, pursuant to subsection 9(4) of the Act, that the assent of the municipal electors to the By-law is not necessary.

Effective January 1, 1998 the former municipalities of the City of Trenton, the Township of Sydney, the Township of Murray and the Village of Frankford were amalgamated to form the City of Quinte West. The Board notes that Union is presently serving the Municipality and holds Certificates of Public Convenience and Necessity as follows for the former municipalities: City of Trenton (F.B.C. 50),Township of Sydney (F.B.C. 60), Township of Murray (F.B.C. 214) and Village of Frankford (E.B.C. 200). The Board also notes that the Franchise Agreement is in the form of the 2000 Model Franchise Agreement approved by the Board as a standard form of franchise agreement.

The Board finds that, based on the evidence, granting the Applications is in the public interest.

THE BOARD THEREFORE ORDERS THAT:

1. The terms and conditions upon which, and the period for which, the Corporation of the City of Quinte West is, by by-law, to grant to Union Gas Limited the right to construct and operate works for the distribution of gas, and the right to extend and add to the works, as set out in the Franchise Agreement attached as Appendix A, are approved.

2. The assent of the municipal electors of the City of Quinte West to the By-law is not necessary.

3. The existing Certificates of Public Convenience and Necessity for the former municipalities of the City of Trenton (F.B.C. 50), the Township of Sydney (F.B.C. 60), the Township of Murray (F.B.C. 214) and the Village of Frankford (E.B.C. 200) are cancelled and replaced with a single Certificate of Public Convenience and Necessity for the amalgamated City of Quinte West (EB-2002-0323).

DATED at Toronto May 22, 2002

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Schedule C

THE CORPORATION OF THE CITY OF QUINTE WEST

RESOLUTION

BE IT HEREBY RESOLVED THAT:

1. This Council approves the form of draft by-law and franchise agreement attached hereto and authorizes the submission thereof to the Ontario Energy Board for approval pursuant to the provisions of Section 9 of the *Municipal Franchises Act*.

2. This Council requests that the Ontario Energy Board make an Order declaring and directing that the assent of the municipal electors to the attached draft by-law and franchise agreement pertaining to the Corporation of the City of Quinte West is not necessary pursuant to the provisions of Section 9(4) of the *Municipal Franchises Act*.

I HEREBY CERTIFY the foregoing to be a true copy of a Resolution passed by the Council of the Corporation of the City of Quinte West on the 5 day of Oct, 2021.

[Original Signed By]

Virginia LaTour
Acting Manager of Corporate Services / City Clerk

Schedule D

CORPORATION OF THE CITY OF QUINTE WEST

BY-LAW NUMBER 21-107

BEING A BY-LAW TO AUTHORIZE AN AGREEMENT BETWEEN THE CORPORATION OF THE CITY OF QUINTE WEST AND ENBRIDGE GAS INC.

WHEREAS the Council of The Corporation of the City of Quinte West deems it expedient to enter into the attached franchise agreement (the "Franchise Agreement") with Enbridge Gas Inc.;

AND WHEREAS the Ontario Energy Board by its Order issued pursuant to The Municipal Franchises Act on the day of , 2021, has approved the terms and conditions upon which, and the period for which the franchise provided in the Franchise Agreement is proposed to be granted, and has declared and directed that the assent of the municipal electors in respect of this By-law is not necessary;

NOW THEREFORE BE IT ENACTED BY THE COUNCIL FOR THE CORPORATION OF THE CITY OF QUINTE WEST AS FOLLOWS:

1. That this by-law shall be entitled the **"Enbridge Gas Franchise Agreement By-law".**
2. That the Franchise Agreement between The Corporation of the City of Quinte West and Enbridge Gas Inc., attached hereto, and forming part of this By-law, is hereby authorized and the franchise provided for therein is hereby granted.
3. The Mayor and City Clerk shall be and are hereby authorized to execute an agreement on behalf of The Corporation of the City of Quinte West to enter into and execute under its corporate seal and deliver the Franchise Agreement, which is hereby incorporated into and forming part of this By-law.
4. That City of Quinte West By-Law 01-129 is hereby repealed in its entirety.
5. That this By-law shall come into force and take effect as of the final passing thereof.

READ A FIRST TIME THIS 18th DAY OF OCTOBER, 2021

READ A SECOND TIME THIS 18th DAY OF OCTOBER, 2021

[Original Signed By]

Jim Harrison, Mayor

[Original Signed By]

Virginia LaTour, Acting City Clerk

READ A THIRD TIME AND FINALLY PASSED THIS 22nd **DAY OF** February **, 2022.**

[Original Signed By]

Jim Harrison, Mayor

[Original Signed By]

Louise Smith, Deputy City Clerk

Corporation of the City of Quinte West
CERTIFIED TO BE A TRUE COPY

Signed *[Original Signed By]*
Louise M. Smith, Deputy City Clerk

2000 Model Franchise Agreement

THIS AGREEMENT effective this day of , 2022

BETWEEN:

THE CORPORATION OF THE CITY OF QUINTE WEST

hereinafter called the "Corporation"

- and -

ENBRIDGE GAS INC.

hereinafter called the "Gas Company"

WHEREAS the Gas Company desires to distribute, store and transmit gas in the Municipality upon the terms and conditions of this Agreement;

AND WHEREAS by by-law passed by the Council of the Corporation (the "By-law"), the duly authorized officers have been authorized and directed to execute this Agreement on behalf of the Corporation;

THEREFORE the Corporation and the Gas Company agree as follows:

Part I - Definitions

1. **In this Agreement**

   (a) “decommissioned" and "decommissions" when used in connection with parts of the gas system, mean any parts of the gas system taken out of active use and purged in accordance with the applicable CSA standards and in no way affects the use of the term 'abandoned' pipeline for the purposes of the *Assessment Act*;

   (b) “Engineer/Road Superintendent" means the most senior individual employed by the Corporation with responsibilities for highways within the Municipality or the person designated by such senior employee or such other person as may from time to time be designated by the Council of the Corporation;

(c) "gas" means natural gas, manufactured gas, synthetic natural gas, liquefied petroleum gas or propane-air gas, or a mixture of any of them, but does not include a liquefied petroleum gas that is distributed by means other than a pipeline;

(d) "gas system" means such mains, plants, pipes, conduits, services, valves, regulators, curb boxes, stations, drips or such other equipment as the Gas Company may require or deem desirable for the distribution, storage and transmission of gas in or through the Municipality;

(e) "highway" means all common and public highways and shall include any bridge, viaduct or structure forming part of a highway, and any public square, road allowance or walkway and shall include not only the travelled portion of such highway, but also ditches, driveways, sidewalks, and sodded areas forming part of the road allowance now or at any time during the term hereof under the jurisdiction of the Corporation;

(f) "Model Franchise Agreement" means the form of agreement which the Ontario Energy Board uses as a standard when considering applications under the *Municipal Franchises Act*. The Model Franchise Agreement may be changed from time to time by the Ontario Energy Board;

(g) "Municipality" means the territorial limits of the Corporation on the date when this Agreement takes effect, and any territory which may thereafter be brought within the jurisdiction of the Corporation;

(h) "Plan" means the plan described in Paragraph 5 of this Agreement required to be filed by the Gas Company with the Engineer/Road Superintendent prior to commencement of work on the gas system; and

(i) whenever the singular, masculine or feminine is used in this Agreement, it shall be considered as if the plural, feminine or masculine has been used where the context of the Agreement so requires.

Part II - Rights Granted

2. **To provide gas service**

The consent of the Corporation is hereby given and granted to the Gas Company to distribute, store and transmit gas in and through the Municipality to the Corporation and to the inhabitants of the Municipality.

3. **To Use Highways**

Subject to the terms and conditions of this Agreement the consent of the Corporation is hereby given and granted to the Gas Company to enter upon all highways now or at any time hereafter under the jurisdiction of the Corporation and to lay, construct, maintain, replace, remove, operate and repair a gas system for the distribution, storage and transmission of gas in and through the Municipality.

4. **Duration of Agreement and Renewal Procedures**

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

or

(b) If the Corporation has previously received gas distribution services, the rights hereby given and granted shall be for a term of 20 years from the date of final passing of the By-law provided that, if during the 20 year term of this Agreement, the Model Franchise Agreement is changed, then on the 7th anniversary and on the 14th anniversary of the date of the passing of the By-law, this Agreement shall be deemed to be amended to incorporate any changes in the Model Franchise Agreement in effect on such anniversary dates. Such deemed amendments shall not apply to alter the 20 year term.

(c) At any time within two years prior to the expiration of this Agreement, either party may give notice to the other that it desires to enter into negotiations for a renewed franchise upon such terms and conditions as may be agreed upon. Until such renewal has been settled, the terms and conditions of this Agreement shall continue, notwithstanding the expiration of this Agreement. This shall not preclude either party from applying to the Ontario Energy Board for a renewal of the Agreement pursuant to section 10 of the *Municipal Franchises Act*.

Part III – Conditions

5. Approval of Construction

(a) The Gas Company shall not undertake any excavation, opening or work which will disturb or interfere with the surface of the travelled portion of any highway unless a permit therefor has first been obtained from the Engineer/Road Superintendent and all work done by the Gas Company shall be to his satisfaction.

(b) Prior to the commencement of work on the gas system, or any extensions or changes to it (except service laterals which do not interfere with municipal works in the highway), the Gas Company shall file with the Engineer/Road Superintendent a Plan, satisfactory to the Engineer/Road Superintendent, drawn to scale and of sufficient detail considering the complexity of the specific locations involved, showing the highways in which it proposes to lay its gas system and the particular parts thereof it proposes to occupy.

(c) The Plan filed by the Gas Company shall include geodetic information for a particular location:

(i) where circumstances are complex, in order to facilitate known projects, including projects which are reasonably anticipated by the Engineer/Road Superintendent, or

(ii) when requested, where the Corporation has geodetic information for its own services and all others at the same location.

(d) The Engineer/Road Superintendent may require sections of the gas system to be laid at greater depth than required by the latest CSA standard for gas pipeline systems to facilitate known projects or to correct known highway deficiencies.

(e) Prior to the commencement of work on the gas system, the Engineer/Road Superintendent must approve the location of the work as shown on the Plan filed by the Gas Company, the timing of the work and any terms and conditions relating to the installation of the work.

(f) In addition to the requirements of this Agreement, if the Gas Company proposes to affix any part of the gas system to a bridge, viaduct or other structure, if the Engineer/Road Superintendent approves this proposal, he may require the Gas Company to comply with special conditions or to enter into a separate agreement as a condition of the approval of this part of the construction of the gas system.

(g) Where the gas system may affect a municipal drain, the Gas Company shall also file a copy of the Plan with the Corporation's Drainage Superintendent for purposes of the *Drainage Act*, or such other person designated by the Corporation as responsible for the drain.

(h) The Gas Company shall not deviate from the approved location for any part of the gas system unless the prior approval of the Engineer/Road Superintendent to do so is received.

(i) The Engineer/Road Superintendent's approval, where required throughout this Paragraph, shall not be unreasonably withheld.

(j) The approval of the Engineer/Road Superintendent is not a representation or warranty as to the state of repair of the highway or the suitability of the highway for the gas system.

6. **As Built Drawings**

The Gas Company shall, within six months of completing the installation of any part of the gas system, provide two copies of "as built" drawings to the Engineer/Road Superintendent. These drawings must be sufficient to accurately establish the location, depth (measurement between the top of the gas system and the ground surface at the time of installation) and distance of the gas system. The "as built" drawings shall be of the same quality as the Plan and, if the approved pre-construction plan included elevations that were geodetically referenced, the "as built" drawings shall similarly include elevations that are geodetically referenced. Upon the request of the Engineer/Road Superintendent, the Gas Company shall provide one copy of the drawings in an electronic format and one copy as a hard copy drawing.

7. **Emergencies**

In the event of an emergency involving the gas system, the Gas Company shall proceed with the work required to deal with the emergency, and in any instance where prior approval of the Engineer/Road Superintendent is normally required for the work, the Gas Company shall use its best efforts to immediately notify the Engineer/Road Superintendent of the location and nature of the emergency and the work being done and, if it deems appropriate, notify the police force, fire or other emergency services having jurisdiction. The Gas Company shall provide the Engineer/Road Superintendent with at least one 24 hour emergency contact for the Gas Company and shall ensure the contacts are current.

8. **Restoration**

The Gas Company shall well and sufficiently restore, to the reasonable satisfaction of the Engineer/Road Superintendent, all highways, municipal works or improvements which it may excavate or interfere with in the course of laying, constructing, repairing or removing its gas system, and shall make good any settling or subsidence thereafter caused by such excavation or interference. If the Gas Company fails at any time to do any work required by this Paragraph within a reasonable period of time, the Corporation may do or cause such work to be done and the Gas Company shall, on demand, pay the Corporation's reasonably incurred costs, as certified by the Engineer/Road Superintendent.

9. **Indemnification**

The Gas Company shall, at all times, indemnify and save harmless the Corporation from and against all claims, including costs related thereto, for all damages or injuries including death to any person or persons and for damage to any property, arising out of the Gas Company operating, constructing, and maintaining its gas system in the Municipality, or utilizing its gas system for the carriage of gas owned by others. Provided that the Gas Company shall not be required to indemnify or save harmless the Corporation from and against claims, including costs related thereto, which it may incur by reason of damages or injuries including death to any person or persons and for damage to any property, resulting from the negligence or wrongful act of the Corporation, its servants, agents or employees.

10. **Insurance**

(a) The Gas Company shall maintain Comprehensive General Liability Insurance in sufficient amount and description as shall protect the Gas Company and the Corporation from claims for which the Gas Company is obliged to indemnify the Corporation under Paragraph 9. The insurance policy shall identify the Corporation as an additional named insured, but only with respect to the operation of the named insured (the Gas Company). The insurance policy shall not lapse or be cancelled without sixty (60) days' prior written notice to the Corporation by the Gas Company.

(b) The issuance of an insurance policy as provided in this Paragraph shall not be construed as relieving the Gas Company of liability not covered by such insurance or in excess of the policy limits of such insurance.

(c) Upon request by the Corporation, the Gas Company shall confirm that premiums for such insurance have been paid and that such insurance is in full force and effect.

11. **Alternative Easement**

The Corporation agrees, in the event of the proposed sale or closing of any highway or any part of a highway where there is a gas line in existence, to give the Gas Company reasonable notice of such proposed sale or closing and, if it is feasible, to provide the Gas Company with easements over that part of the highway proposed to be sold or closed sufficient to allow the Gas Company to preserve any part of the gas system in its then existing location. In the event that such easements cannot be provided, the Corporation and the Gas Company shall share the cost of relocating or altering the gas system to facilitate continuity of gas service, as provided for in Paragraph 12 of this Agreement.

12. **Pipeline Relocation**

(a) If in the course of constructing, reconstructing, changing, altering or improving any highway or any municipal works, the Corporation deems that it is necessary to take up, remove or change the location of any part of the gas system, the Gas Company shall, upon notice to do so, remove and/or relocate within a reasonable period of time such part of the gas system to a location approved by the Engineer/Road Superintendent.

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

(c) Where any part of the gas system relocated in accordance with this Paragraph is located other than on a bridge, viaduct or structure, the costs of relocation shall be shared between the Corporation and the Gas Company on the basis of the total relocation costs, excluding the value of any upgrading of the gas system, and deducting any contribution paid to the Gas Company by others in respect to such relocation; and for these purposes, the total relocation costs shall be the aggregate of the following:

(i) the amount paid to Gas Company employees up to and including field supervisors for the hours worked on the project plus the current cost of fringe benefits for these employees,

(ii) the amount paid for rental equipment while in use on the project and an amount, charged at the unit rate, for Gas Company equipment while in use on the project,

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

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

(v) a reasonable amount for project engineering and project administrative costs which shall be 22.5% of the aggregate of the amounts determined in items (i), (ii), (iii) and (iv) above.

(d) The total relocation costs as calculated above shall be paid 35% by the Corporation and 65% by the Gas Company, except where the part of the gas system required to be moved is located in an unassumed road or in an unopened road allowance and the Corporation has not approved its location, in which case the Gas Company shall pay 100% of the relocation costs.

Part IV - Procedural And Other Matters

13. Municipal By-laws of General Application

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

14. Giving Notice

Notices may be delivered to, sent by facsimile or mailed by prepaid registered post to the Gas Company at its head office or to the authorized officers of the Corporation at its municipal offices, as the case may be.

15. Disposition of Gas System

(a) If the Gas Company decommissions part of its gas system affixed to a bridge, viaduct or structure, the Gas Company shall, at its sole expense, remove the part of its gas system affixed to the bridge, viaduct or structure.

(b) If the Gas Company decommissions any other part of its gas system, it shall have the right, but is not required, to remove that part of its gas system. It may exercise its right to remove the decommissioned parts of its gas system by giving notice of its intention to do so by filing a Plan as required by Paragraph 5 of this Agreement for approval by the Engineer/Road Superintendent. If the Gas Company does not remove the part of the gas system it has decommissioned and the Corporation requires the removal of all or any part of the decommissioned gas system for the purpose of altering or improving a highway or in order to facilitate the construction of utility or other works in any highway, the Corporation may remove and dispose of so much of the decommissioned gas system

as the Corporation may require for such purposes and neither party shall have recourse against the other for any loss, cost, expense or damage occasioned thereby. If the Gas Company has not removed the part of the gas system it has decommissioned and the Corporation requires the removal of all or any part of the decommissioned gas system for the purpose of altering or improving a highway or in order to facilitate the construction of utility or other works in a highway, the Gas Company may elect to relocate the decommissioned gas system and in that event Paragraph 12 applies to the cost of relocation.

16. **Use of Decommissioned Gas System**

(a) The Gas Company shall provide promptly to the Corporation, to the extent such information is known:

(i) the names and addresses of all third parties who use decommissioned parts of the gas system for purposes other than the transmission or distribution of gas; and

(ii) the location of all proposed and existing decommissioned parts of the gas system used for purposes other than the transmission or distribution of gas.

(b) The Gas Company may allow a third party to use a decommissioned part of the gas system for purposes other than the transmission or distribution of gas and may charge a fee for that third party use, provided

(i) the third party has entered into a municipal access agreement with the Corporation; and

(ii) the Gas Company does not charge a fee for the third party's right of access to the highways.

(c) Decommissioned parts of the gas system used for purposes other than the transmission or distribution of gas are not subject to the provisions of this Agreement. For decommissioned parts of the gas system used for purposes other than the transmission and distribution of gas, issues such as relocation costs will be governed by the relevant municipal access agreement.

17. **Franchise Handbook**

The Parties acknowledge that operating decisions sometimes require a greater level of detail than that which is appropriately included in this Agreement. The Parties agree to look for guidance on such matters to the Franchise Handbook prepared by the Association of Municipalities of Ontario and the gas utility companies, as may be amended from time to time.

18. **Other Conditions**

None.

19. **Agreement Binding Parties**

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

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

THE CORPORATION OF THE
CITY OF QUINTE WEST

Per: _____
Jim Harrison, Mayor

Per: _____
Virginia LaTour
Acting Manager of Corporate Services / City Clerk

ENBRIDGE GAS INC.

Per: _____
Mark Kitchen, Director
Regulatory Affairs

Per: _____
Jean-Benoit Trahan, Director
Eastern Region Operations & Gazifère