

January 13, 2023

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

Dear Ms. Marconi:

**Re: Enbridge Gas Inc.
Renewal of Franchise Agreement with the Town of Bracebridge
Ontario Energy Board File No. EB-2022-0253**

Further to the question submitted by Ontario Energy Board Staff related to the above-noted application, Enbridge Gas provides the following response.

Staff Question-1

Reference: EB-2022-0253, Application and Evidence

Preamble:

The Town of Bracebridge was formed in 1971 through the amalgamation of the Town of Bracebridge, the Township of Draper, the Township of Macaulay, the Township of Oakley, the Township of Township of Monck, the Township of Muskoka, and portions of the Township of McLean. Enbridge Gas holds certificates that cover all the Town of Bracebridge except for the geographic areas of the former Township of Oakley and portions of the former Township of McLean.

Enbridge Gas applied for an order of the OEB cancelling and superseding the existing certificates of public convenience and necessity (certificates) held by Enbridge Gas for the former municipalities within the Town of Bracebridge and replacing them with a certificate of Public Convenience and Necessity to construct works to supply gas in the Town of Bracebridge.

Enbridge Gas notes that the request for the new certificate expands the geographic area currently covered by the existing certificates to include the geographic area of the former Township of Oakley and portion of the former Township of Mclean.

Question:

- a) Please explain the need for additional service area (i.e., the Township of Mclean and Township of Oakley) in the Town of Bracebridge. To support your response, please illustrate where Enbridge Gas has existing and planned infrastructure in the proposed additional service area. An infrastructure map is not required to be submitted.

Response:

- a) To clarify, the current Town of Bracebridge was formed on January 1, 1971 through the amalgamation of the former Town of Bracebridge, the former Township of Draper, the former Township of Macaulay, the former Township of Oakley, and portions of three other municipalities - the former Township of McLean, the former Township of Monck, and the former Township of Muskoka.

As is indicated in the application (paragraph 5), the request for a new Certificate of Public Convenience and Necessity (CPCN) to cover all areas of the current Town of Bracebridge changes the area currently covered by CPCNs issued for the former municipalities to include those parts of the former Township of McLean and the former Township of Oakley that became part of the current Town of Bracebridge in 1971.

Given the location of the Town of Bracebridge in the District Municipality of Muskoka, there are no other gas distribution companies in the area. As noted in the application, Enbridge Gas has franchise agreements with and CPCNs for the Town of Gravenhurst, the Town of Huntsville and the City of Kawartha Lakes which are immediately adjacent to the Town of Bracebridge and there is no other natural gas distributor in the area. Not having a CPCN that covers the whole Town of Bracebridge could unnecessarily delay responding to requests for natural gas service in currently unserved areas of the municipality.

General system expansion projects are driven by organic growth and customer requests for service so it is difficult to pinpoint which parts of the municipality will be developed and when. Enbridge Gas is currently proceeding with system expansion work to address residential and commercial requests for service in various parts of the former Township of Macaulay and the former Township of Monck and is currently reviewing three additional residential and commercial requests for service within the former Township of Macaulay.

While Enbridge Gas does not have any existing or planned infrastructure extensions in the former Township of McLean and the former Township of Oakley, since Highway 118 travels right through the former Township of Oakley and there are already several seasonal residences in place within these areas of the Town of Bracebridge, these areas have the potential for future service expansion requests, especially given the financing tools (e.g., Temporary Connection Surcharge and System Expansion Surcharge) that are now in place to address customer financial contributions.

As is noted in the Natural Gas Facilities Handbook¹, if a CPCN has been issued for a particular area in which there is currently no gas distribution service, another person may apply for a CPCN to serve that area. Granting a CPCN to Enbridge Gas for all the Town of Bracebridge does not prevent another distributor from proposing to provide service in an unserved area, but it would avoid delays to Enbridge Gas initiating work to address requests for service caused by the need to apply for CPCN amendments.

¹ Natural Gas Facilities Handbook, page 14

Should you have any questions on this submission, please do not hesitate to contact me.

Yours truly,

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