



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

January 24, 2023

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

Dear Ms. Marconi:

**Re: Enbridge Gas Inc.  
Application for Renewal of Franchise Agreement - Municipality of Leamington  
Ontario Energy Board File No. EB-2022-0201**

Pursuant to Procedural Order No. 2 dated November 18, 2022, attached are Enbridge Gas' responses to the information requests submitted by Ontario Energy Board staff on Enbridge Gas' reply evidence in the above-noted proceeding.

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

Yours truly,

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cc (by email): Matthew Todd, Municipality of Leamington ([mtodd@leamington.ca](mailto:mtodd@leamington.ca))  
Brenda Percy, Municipality of Leamington ([clerks@leamington.ca](mailto:clerks@leamington.ca))

Encl.

ENBRIDGE GAS INC.

Response to Interrogatory from  
Ontario Energy Board Staff

Reference: Reply Evidence of Enbridge Gas, page 2, paragraph 7-8

Preamble:

Enbridge Gas indicates that there have been instances in which Enbridge Gas has worked with municipalities to redesign drains as an alternative to relocating natural gas infrastructure, and this work has been done in accordance with the cost sharing provisions of the franchise agreement. In instances where natural gas infrastructure has been installed in a manner that impacts drainage infrastructure, and Enbridge Gas is responsible, then Enbridge Gas notes that they have paid 100% of the costs associated with relocation of the gas main.

Questions:

- a) Can Enbridge provide details in respect of Enbridge Gas' experience working with municipalities that have similar drainage issues or topography to that which the Municipality of Leamington experiences?
- b) Are there currently franchise agreements in place between Enbridge Gas and the municipalities described in subsection (a) that are based on the Model Franchise Agreement? Please identify any amendments made to these agreements that deviate from the Model Franchise Agreement.

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Response:

- a) There are many examples of a municipality / region constructing ditching and/or culverts that are in conflict with gas pipelines resulting in a relocation of Enbridge Gas assets, but many of these ditch / culvert projects are strictly a result of road works, not a project based on a drainage issue or project.

Enbridge Gas works directly with municipalities and consultants retained by municipalities to assess design options with respect to municipal drainage projects. There are instances where Enbridge Gas and municipalities (with similar drainage issues and topography as Leamington) have altered drainage designs to negate the relocation of gas infrastructure. In such instances, Enbridge Gas has typically paid the mutually agreed assessed costs of the design changes where overall costs savings can be identified.

For example, in early 2022, a new drain in the Municipality of West Elgin was proposed to be installed that was in conflict with the location of an existing gas main. After discussions between Enbridge Gas and their consultant, the municipality was able to redesign the project to avoid any gas line relocation. Enbridge Gas agreed to pay the additional costs incurred for

the redesigned project (approximately \$18,000) in lieu of incurring relocation costs that were estimated to be \$150,000.

Enbridge Gas has worked with the Town of Kingsville on several projects to alter road drains or accesses that have been in conflict with existing gas mains. Enbridge Gas has paid any extra costs incurred for project redesign.

There is significant drainage infrastructure within the Municipality of Chatham-Kent which runs throughout the municipality, particularly the Dover Township area within which there have been several drainage-related issues impacting Enbridge Gas infrastructure over the years including the Dover Transmission Station which is located in the middle of a large pump drainage and high value crop area, and our Panhandle pipelines.

In the City of Toronto, Enbridge Gas has worked with the city over the last several years with respect to various projects including its Basement Flooding Protection Program, its Gibraltar Point Erosion project addressing the eroding shoreline of the Toronto Islands, and the flood protection program on the eastern shore of the Toronto Harbour. All of these projects have involved pipeline relocations that have been optimized to address the situations.

Several years ago, there was a drainage issue identified in the City of Greater Sudbury which initially proposed the relocation of an Enbridge Gas station. Rather than relocating the station, the Enbridge-owned land adjacent to a ravine was graded and used for purposes of the proposed project.

From Enbridge Gas' perspective, Leamington's assertion that it is in a unique position from a drainage perspective and the impact that this drainage system has on Enbridge Gas' infrastructure is not supported by any factual information.

- b) Enbridge Gas currently has franchise agreements in place with 312 lower and single-tier municipalities as well as with 26 upper-tier municipalities and all are the current Model Franchise Agreement without amendments (except for the franchise agreement with the City of Kitchener that contains a service area limitation clause). Enbridge Gas has one older perpetual transmission agreement with the County of Essex which Enbridge Gas has applied to replace with a Model Franchise Agreement<sup>1</sup>.

Enbridge Gas has franchise agreements in place with each of the municipalities referenced in response to part a) except for the City of Toronto where franchise rights are governed, in part, by the *Act to Incorporate the Consumers' Gas Company of Toronto* (1848). None of these franchise agreements contain any amendments to the current Model Franchise Agreement.

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<sup>1</sup> EB-2022-0207

ENBRIDGE GAS INC.

Response to Interrogatory from  
Ontario Energy Board Staff

Reference: Reply Evidence of Enbridge Gas, page 2, paragraph 7

Preamble:

Enbridge Gas indicates that in all municipalities in which it provides gas services, Enbridge Gas follows the provisions of the franchise agreement when it comes to sharing the costs incurred to relocate pipeline.

Questions:

- a) How does Enbridge Gas typically manage the interaction of natural gas infrastructure and underground assets other than drainage (e.g., water and sewage systems, cable, internet, etc.)?
- b) In Enbridge Gas's experience in managing circumstances described in subsection (a), how have the cost sharing provisions of the Model Franchise Agreement been applied? Where the Model Franchise Agreement has not been applied, please explain what other mechanisms exist that prescribe or impact cost sharing arrangements between a utility and a municipality? Have the terms of the Model Franchise Agreement been considered in the context of any other legislation or regulations?
- c) Is there a local "Utility Co-ordinating Committee" or similar group or body in the Municipality of Leamington whereby the owners and operators of underground assets and unique linear property assemble to discuss common issues with the municipality?

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Response:

- a) All proposed drawings submitted by other parties are circulated internally within Enbridge Gas for review for any conflicts.

Enbridge Gas follows the provisions of the franchise agreement for assets that are owned by the municipality such as water and sewage systems. Enbridge Gas follows these provisions when a conflict exists with our underground infrastructure that may involve the relocation of these assets.

For assets owned by other parties, such as telephone and electricity distributors, Enbridge Gas requires payment of 100% of costs to relocate its assets.

- b) As identified in response to part a), Enbridge follows the cost sharing provisions of the franchise agreement for municipally-initiated projects. For relocation of Enbridge assets for all other requests, Enbridge requires the third party to pay 100% of the costs.

For example, if a project initiated by a municipality is proposed within a municipally-owned right-of-way, then any relocation costs are addressed pursuant to the franchise agreement. If a regional government initiates a project located within a lower-tier municipality's right-of-way (i.e., the scope of work is outside of the regional government-owned right-of-way), then the full cost of the pipeline relocation is assessed to the regional government (plus 35% for overhead costs).

If the project initiator does not provide enough time to Enbridge Gas to complete construction drawings and safely relocate assets (i.e., they expose Enbridge's gas main during their construction and now need Enbridge Gas operational staff to relocate the pipeline), then even if the scope of the project falls within the project initiator's right of way, the full cost of the pipeline relocation (plus 35% overhead) is assessed to the right-of-way owner.

With respect to whether the terms of the Model Franchise Agreement have been considered in the context of any other legislation or regulations, the most relevant consideration is in the 2018 Ontario Court of Appeal's determination that neither the *Drainage Act* nor public policy prohibited a utility and a municipality coming to their own agreement (i.e., the franchise agreement) regarding the sharing of costs related to a pipeline relocation.

- c) Yes, the Municipality of Leamington has an active Utility Co-ordinating Committee which meets on a quarterly basis. Enbridge Gas is actively engaged in these meetings.

ENBRIDGE GAS INC.

Response to Interrogatory from  
Ontario Energy Board Staff

Reference: Reply Evidence of Enbridge Gas, page 1, paragraph 3  
Reply Evidence of Enbridge Gas, page 2, paragraph 9

Preamble:

Enbridge Gas notes that the current franchise agreement with the Municipality of Leamington is the Model Franchise Agreement without amendment. Enbridge Gas further states that the Municipality of Leamington has not provided information sufficient for Enbridge to respond to claims that the Municipality of Leamington has experienced conflicts with various utilities and drains along rights-of-way and along roadways, including conflicts that have arisen with Enbridge Gas' operations.

Questions:

- a) Please describe how Enbridge Gas has satisfied the requirements of paragraph 6 of the franchise agreement between the Municipality of Leamington and Enbridge Gas, the provision of as-built drawings to the Municipality of Leamington's Engineer or Road Superintendent.
- b) Does Enbridge Gas provide maps with sufficient detail to the Municipality of Leamington in order to address concerns that are related to the interaction of drainage and natural gas infrastructure?

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Response:

- a) Paragraph 6 of the franchise agreement (As Built Drawings) states that Enbridge will, 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. Enbridge Gas has provided project maps and as-built drawings to the Municipality of Leamington when requested.

Enbridge Gas currently has a GIS data sharing agreement in place with the Municipality of Leamington which provides the municipality with access to base map data (land base parcel fabric, structures, topographic features, etc.) and facility information (natural gas pipelines, natural gas service lines, natural gas valves, etc.) throughout the municipality and allows the municipality to extract data from the GIS system to create its own maps in electronic or paper format whenever the municipality needs access to this information.

- b) Yes. See response to part (a).