



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

May 11, 2023

Ms. Nancy Marconi
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 – County of Prince Edward**

Attached is an Application by Enbridge Gas Inc. for Orders of the Ontario Energy Board with respect to a Franchise Agreement with the County of Prince Edward. An agreement has been reached between Enbridge Gas Inc. and the County of Prince Edward 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
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 County of Prince Edward 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 County of Prince Edward;

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 County of Prince Edward 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 County of Prince Edward (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 4,500 customers within the County of Prince Edward. Enbridge Gas and its predecessors have been providing access to gas distribution services within the County of Prince Edward since approximately 1970.
3. The County of Prince Edward is a single-tier municipality located in southeastern Ontario which was formed on January 1, 1998 through the amalgamation of the former Township of Ameliasburgh, the former Township of Athol, the former Village of Bloomfield, the former Township of Hallowell, the former Township of Hillier, the former Township of North Marysburgh, the former Town of Picton, the former Township of Sophiasburgh, the former Township of South Marysburgh and the former Village of Wellington.
4. Enbridge Gas has an existing franchise agreement (effective November 6, 2003) and associated by-law (By-law 1097-2003) with the County of Prince Edward which is attached as Schedule "B". The existing franchise agreement contains an amendment to the Model Franchise Agreement (clause 12(e)) and associated appendix addressing conditions related to a specific roadway and a bylaw that has been repealed. This clause has not been carried forward in the proposed franchise agreement.

5. Enbridge Gas has a Certificate of Public Convenience and Necessity for the County of Prince Edward (RP-2003-0175 / EB-2003-0217) dated October 17, 2003 which is attached as Schedule "C". Enbridge Gas is not aware of any changes to the municipal boundaries of the County of Prince Edward since the Certificate of Public Convenience and Necessity was issued.
6. 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 County of Prince Edward.
7. On April 11, 2023, 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.
8. Attached hereto as Schedule "D" is a copy of Resolution CW-53-2023 of the Council of the Municipality (and associated Report CLS-07-2023) 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.
9. Attached hereto as Schedule "E" is a copy of the proposed By-law 62-2023 and the proposed franchise agreement. The County of Prince Edward has provided first and second readings of its by-law.
10. Enbridge Gas has franchise agreements with and Certificates of Public Convenience and Necessity for the City of Belleville, the Town of Deseronto, the Town of Greater Napanee and the City of Quinte of West, which are immediately adjacent to the Municipality. There is no other natural gas distributor in the area.
11. 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.
12. The address of the Municipality is as follows:

County of Prince Edward
280 Main Street
Picton, ON K0K 2T0
Attention: Catalina Blumenberg, Municipal Clerk
Telephone: (613) 476-2148 ext. 1021
Email: cblumenberg@pecounty.on.ca

The address for Enbridge Gas' regional operations office is:

Enbridge Gas Inc.
400 Coventry Road
Ottawa, ON K1K 2C7
Attention: Jean-Benoit Trahan, Director, Eastern Region Operations
Email: jean-benoit.trahan@enbridge.com

13. The newspaper having the highest circulation in the County of Prince Edward is the *Picton Gazette*. This is the newspaper used by the Municipality for its notices.
14. 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 County of Prince Edward 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 County of Prince Edward is not necessary for the proposed franchise agreement by-law under the circumstances.

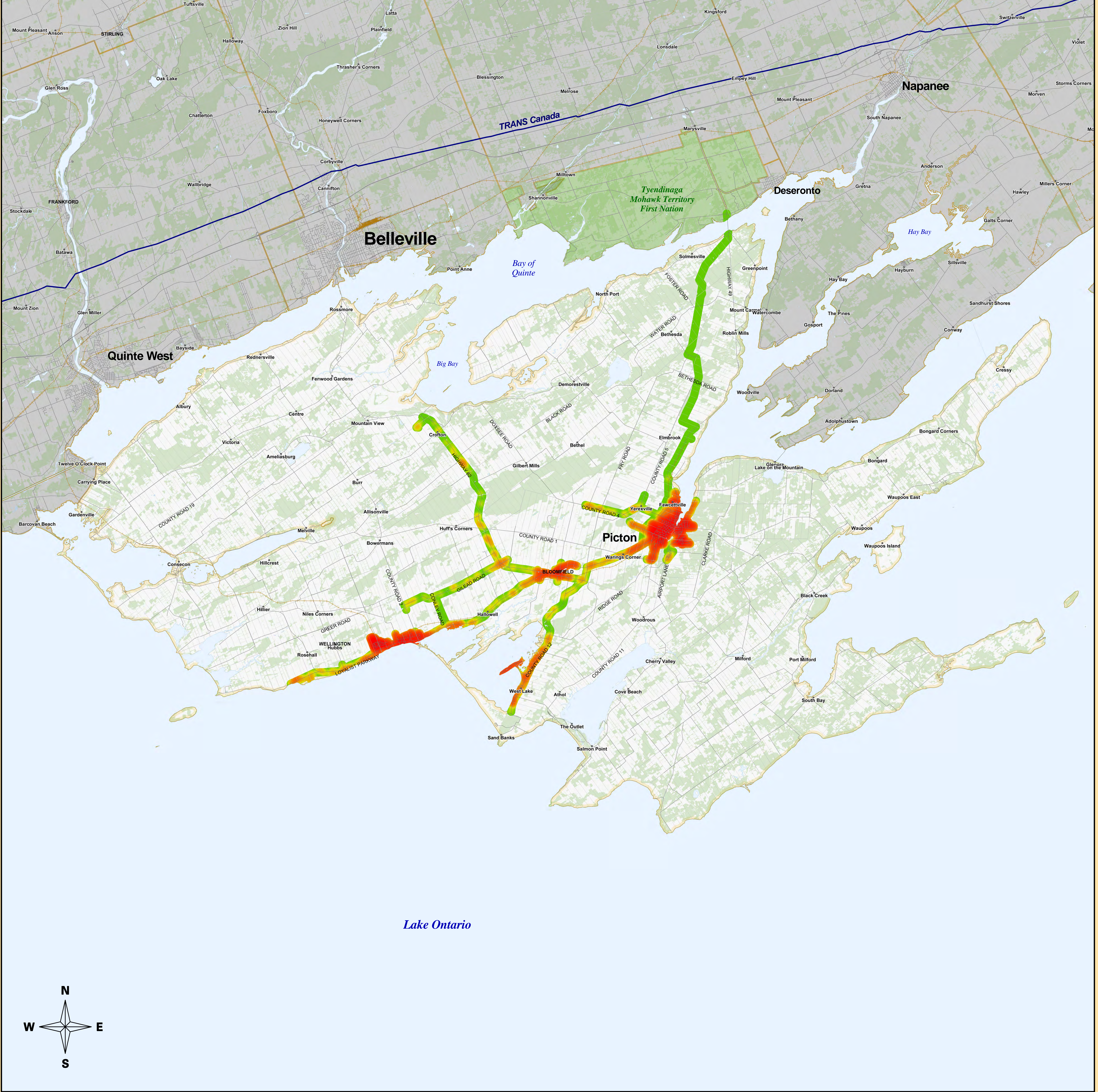
DATED at the Municipality of Chatham-Kent, in the Province of Ontario this 11th day of May, 2023.

ENBRIDGE GAS INC.

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

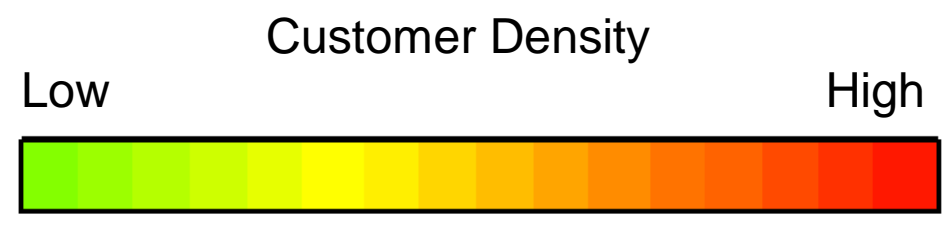


Prince Edward County



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

- Legend**
- Enbridge Gas Pipeline Coverage Area
 - Prince Edward County
 - Roads
 - Railways
 - Municipal and Township Boundaries
 - First Nation Boundaries



THE CORPORATION OF THE COUNTY OF PRINCE EDWARD

BY-LAW NO. 1097 -2003

A BY-LAW TO AUTHORIZE A FRANCHISE AGREEMENT BETWEEN THE CORPORATION OF THE COUNTY OF PRINCE EDWARD AND UNION GAS LIMITED

WHEREAS the Council of the The Corporation of the County of Prince Edward deems it expedient to enter into the attached franchise agreement (the "Franchise Agreement") with Union Gas Limited;

AND WHEREAS the Ontario Energy Board by its Order issued pursuant to The Municipal Franchises Act on **17th day of October, 2003** 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 the Council of the Corporation of the County of Prince Edward enacts as follows;

1. **THAT** the Franchise Agreement between the Corporation of the County of Prince Edward and Union Gas Limited, attached hereto and forming part of this by-law, is hereby authorized and the franchise provided for therein is hereby granted.
2. **THAT** the Mayor and the Clerk be and they are hereby authorized and instructed on behalf of The Corporation of the County of Prince Edward to enter into execute under its corporate seal and deliver the Franchise Agreement, which is hereby incorporated into and forming part of this By-law.
3. **THAT** the following by-laws be and the same are hereby repealed:

By-law #840 for the former Corporation of the Township of Hallowell, passed in Council on the 11th day of July, 1983;

By-law #19-1983 for the former Corporation of the Town of Picton, passed in Council on the 11th day of July, 1983;

By-law #1014 for the former Corporation of the Village of Wellington, passed in Council on the 11th day of July, 1983;

By-law #569 for the former Corporation of the Village of Bloomfield, passed in Council on the 11th day of July, 1983;

By-law #1171 for the former Corporation of the Township of Sohiasburgh, passed in Council on the 21st day of July, 1983;

By-law #1392 for the former Corporation of the Township of Hillier, passed in Council on the 9th day of September, 1996;

By-law #2241 for the Corporation of the County of Prince Edward, passed in Council on the 30th day of October, 1997;

4. **THAT** this by-law shall come into force and take effect as of the final passing thereof.

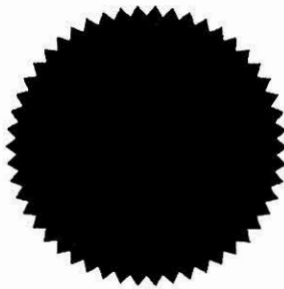
Read a first time this	23 rd	day of June	, 2003
Read a second time this	23 rd	day of June	, 2003
Read a third time and finally passed this	6 th	day of November,	2003

[Original Signed By]

CLERK
Victoria Leskie

[Original Signed By]

MAYOR
James Taylor, Q.C.



2000 Model Franchise Agreement

THIS AGREEMENT effective this 6th day of November , 2003

BETWEEN:

THE CORPORATION OF THE COUNTY OF PRINCE EDWARD

hereinafter called the "Corporation"

- and -



uniongas

LIMITED

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 therefore 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.
- (e) Notwithstanding any provision to the contrary herein, where, in the course of constructing, changing, altering or improving parts of County Road 4 or County Road 4A, as identified in Appendix "A", during the term of this Agreement, it becomes necessary to take-up, remove or change the location of any part of the gas system, constructed, extended or changed prior to the date of the final passing of By-law No. 2241, the Gas Company shall relocate such part of the gas system in accordance with this section and at the sole expense of the Gas Company. The Gas Company acknowledges that Appendix A, as may be modified by agreement of the Corporation and the Gas Company, describes fully the portions of County Road 4 and County Road 4A where the gas system has been installed as of October 30th, 1997, being the third and final reading date of By-Law No. 2241.

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
COUNTY OF PRINCE EDWARD**

Per: *[Original Signed By]*

James Taylor, Mayor

Per: *[Original Signed By]*

Victoria Leskie, Clerk

UNION GAS LIMITED

Per: *[Original Signed By]*

Christine Jackson, Assistant Secretary

APPENDIX "A"

In the County of Prince Edward (formerly Township of Hallowell, in the County of Prince Edward) and being composed of parts of County Roads No's. 4 and 4A described as follows:

FIRSTLY: that part of County Road 4A bounded on the east by the north west limit of the road allowance between Concession 1 North West of Carrying Place and Concession 2 North West of Carrying Place and bounded on the west by the north east limit of County Road No. 4.

SECONDLY: that part of County Road 4 bounded on the east by the westerly production of the south limit of said County Road No. 4A and bounded on the west by a line drawn south westerly at right angles to the north east limit of said County Road No. 4 from a point which is distant 2,325 metres measured north westerly along the north west limit of said County Road No. 4 from the intersection of the north east limit of said County Road No. 4 with the south limit of County Road No. 4A.

The herein described portions of County Road Numbers 4 and 4A are shown on the attached sketch in a black solid coloration.

Ontario Energy
Board

Commission de l'Énergie
de l'Ontario



RP-2003-0175

EB-2003-0217

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Union Gas Limited

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, to construct works to supply gas to the

County of Prince Edward.

This the certificates replaces the certificates of the former municipalities that are now within the geographic area of the County of Prince Edward.

DATED at Toronto, October 17, 2003

ONTARIO ENERGY BOARD

Paul B. Pudge
Assistant Secretary



From the Office of the Clerk
The Corporation of the County of Prince Edward
T: 613.476.2148 x 1021 F: 613.476.5727
clerks@pecounty.on.ca | www.thecounty.ca

April 26, 2023

Please be advised that during the regular Council meeting of April 11, 2023 the following motion regarding Enbridge Franchise Agreement - Renewal between the Corporation of the County of Prince Edward and Enbridge Gas was carried:

RESOLUTION NO. CW-53-2023

DATE: April 11, 2023

MOVED BY: Councillor Branderhorst

SECONDED BY: Councillor St-Jean

1. **THAT** report CLS-07-2023 be received;
2. **THAT** Council approve the draft form of the Franchise Agreement, attached hereto and authorize the submission thereof, and any other documents required to the Ontario Energy Board for approval pursuant to the provisions of Section 9 of the Municipal Franchises Act;
3. **THAT** a By-Law to Authorize a Franchise Agreement Between the Corporation of The County of Prince Edward And Enbridge Gas Inc. receive first and second reading at the April 11, 2023 meeting of Council; and
4. **THAT** 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 County of Prince Edward is not necessary pursuant to the provisions of Section 9(4) of the Municipal Franchises Act.

CARRIED

Yours truly,

[Original Signed By]

Catalina Blumenberg, **CLERK**

Certified a True Copy
this 4 day of May

[Original Signed By]

Kapreece Skinner

Legislative and Customer Service Specialist
The County of Prince Edward

[Original Signed By]

Steve Ferguson, **MAYOR**





REPORT

Corporate and Legislative Services

TO: Mayor and Members of Council

FROM: Catalina Blumenberg, Clerk

DATE: March 30, 2023

REPORT: CLS-07-2023

SUBJECT: Enbridge Franchise Agreement - Renewal between the Corporation of the County of Prince Edward and Enbridge Gas

EXECUTIVE SUMMARY:

The Corporation of the County of Prince Edward's (The County) current Franchise Agreement with Enbridge Gas Inc. (Enbridge) is due to expire on November 3, 2023. Enbridge has approached County staff to renew the Agreement for a period of 20 years. Provincial legislation requires that there be a Franchise Agreement between the Municipal Corporation and the Gas Company serving that municipality. This report sets out the responsibilities of The County and Enbridge with regards to construction and maintenance of gas systems in the municipality.

The proposed new Agreement is similar to the current Agreement, and is consistent with most Ontario municipalities. The proposed new Agreement requires review and approval by the Ontario Energy Board (OEB), which requires a resolution from Council directing Enbridge to apply for the approval. The agreement would ultimately be implemented by municipal by-law.

RECOMMENDATION:

1. **THAT** report CLS-07-2023 be received;
2. **THAT** Council approve the draft form of the Franchise Agreement, attached hereto and authorize the submission thereof, and any other documents required to the Ontario Energy Board for approval pursuant to the provisions of Section 9 of the *Municipal Franchises Act*;

3. **THAT** a By-Law to Authorize a Franchise Agreement Between the Corporation of The County of Prince Edward And Enbridge Gas Inc. receive first and second reading at the April 11, 2023 meeting of Council; and
4. **THAT** 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 County of Prince Edward is not necessary pursuant to the provisions of Section 9(4) of the *Municipal Franchises Act*.

ANALYSIS:

The County currently has a Franchise Agreement in place with Enbridge Gas Inc. dated November 6, 2003 (Attachment 1) which grants Enbridge permission to distribute, store and transmit gas in and through the municipality to the Corporation and to the inhabitants of the municipality. This Agreement has a duration of 20 years and is due to expire on November 3, 2023. Gas Franchise agreements are governed under the *Municipal Franchises Act* (MFA) which sets out the requirements for the allocation of municipal services to the regulated utilities. The MFA assigns responsibility for renewing or refusing to renew a franchise agreement to the OEB. In accordance with the MFA, franchise agreements are required and are subject to OEB approval including a possible OEB public hearing prior to any approval. This process can take up to eight months.

To assist municipalities across Ontario, the Association of Municipalities of Ontario (AMO) in consultation with the gas industry developed a model agreement which was utilized by The County in 2003, and the same agreement is being used for the purposes of this report for the 20-year renewal. Terms and conditions of the agreement include emergency response, work in roadways, pipe relocation and decommissioning, various responsibilities of the gas company and The County.

Any major alterations to the model agreement would require OEB approval. This Model Franchise Agreement (Attachment 2) is also followed by every municipality in Ontario that is serviced by Enbridge. It is the staff recommendation that the Agreement has served the County well and does not require any major revisions as presented.

This Agreement permits fees of general application in accordance with the Fees and Charges By-Law to be applied to Enbridge works. The new expansion fees, recently approved by Council, are part of the 2022 Fees and Charges By-law. Enbridge currently uses the regular permit fee and will now use the expansion permit fee (as approved at the [February 28, 2023](#) Council meeting under report OPS-02-2023) where required. Additionally, the By-Law and attached Agreement require a first and second reading approval at this time. The third and final reading does not take place until Enbridge applies for and is in receipt of a Decision and Order from the OEB.

A few key highlights in comparing the 2003 agreement and proposed new 2023 agreement are:

1. Changing references of Engineer/Road Superintendent to Director of Operational Services and updating the notice provisions to include electronic correspondence.

Staff enquired with Enbridge to make these two changes but there have been no compelling reasons brought forward to warrant changing components of the Model Franchise agreement to uniquely fit the circumstances in each municipality. Likewise, the OEB has advised through its decisions over the last 10-15 years that it is not looking to adjust provisions of the Model Franchise Agreement (e.g., methods of providing notice) without completing a more comprehensive review of the Model Franchise Agreement with all impacted stakeholders. In approving the ongoing use of the Model Franchise Agreement, the OEB indicated its intent to have the key provisions apply fairly and uniformly throughout the province.

2. The current franchise agreement between Prince Edward County and the former Union Gas contains an extra clause 12(e) which describes circumstances that are contrary to the cost sharing mechanism identified in the Model Franchise Agreement which is now in use in all other municipalities in which Enbridge operates. This specific clause was originally part of a 1997 franchise agreement between the former Centra Gas and Prince Edward County and was related to approximately 3.5km of pipeline installed on a county road. This add-on cost sharing provision was part of negotiations in the early 1990s and was only designed to be in place for the term of the 1997 franchise agreement. There does not appear to be any documentation in County records indicating why it was carried over to the subsequent (and current) franchise agreement effective November 6, 2003 nor justification for why all other ratepayers in Enbridge service areas should be responsible for paying the costs incurred pursuant to the franchise agreement with Prince Edward County.

OTHER OPTIONS CONSIDERED:

An alternative option would be to negotiate different terms with Enbridge to explore alternative green energy sources. This option was considered but there was insufficient time to explore how this would occur within this new agreement. This approach would be innovative but costly and time consuming given the timelines. Staff will ensure to explore this in the next franchise renewal agreement process.

ICONSULTATION TO DATE:

Sonia Fazari, Senior Advisor, Municipal & Stakeholder Engagement, Enbridge Gas Inc.

Adam Goheen, Director of Operational Services

David MacPherson, Manager of Engineering

Tanya Redden, Construction & Technical Services Supervisor

FINANCIAL CONSIDERATIONS:

There are 4,500 Enbridge customers in The County, and Enbridge pays approximately \$70,191.30 in property taxes. The proposed new Agreement is similar to the current Agreement so there are no anticipated adverse financial, staffing or

legal implications associated with approving the new Agreement. Cost sharing arrangements on any future Enbridge projects will continue as they have under the current Agreement.

RISKS:

RISK DESCRIPTION	RISK TYPE	PROPOSED MITIGATION
The agreement as drafted may not be approved under the prescribed process under the OEB	Legal / Financial / Regulatory	The renewal of the agreement is subject to approval by the OEB, which involves a public hearing. Staff conducted a thorough review of the proposed agreement to ensure it is consistent with OEB regulations and requirements

RELEVANT POLICY/BY-LAW:

The recommendations comply with the *Municipal Act* and *Municipal Franchises Act*.

CORPORATE STRATEGIC PRIORITY ALIGNMENT:

Infrastructure Renewal - Create a sustainable plan focused on maintaining core existing infrastructure and services.

- The renewal with Enbridge for natural gas supply will ensure core existing infrastructure and services continue.

COMMUNICATIONS:

The County will work with Enbridge to advertise the renewal in all local newspapers and in a public service announcement following the OEB decision.

ATTACHMENTS:

1. By-Law & Franchise Agreement (November 6, 2003)
2. New Model Franchise Agreement
3. Draft By-Law
4. Map
5. Gas Franchise Handbook

Authorizing signatures:

Prepared by: Catalina Blumenberg Clerk March 15, 2023

[Original Signed By]

Reviewed by: Arryn McNichol
Director of Corporate and Legislative Services

[Original Signed By]

Approved by: Marcia Wallace
Chief Administrative Officer

Certified a True Copy
this 4 day of May

Motion CW-53-2023

[Original Signed By]

THE CORPORATION OF THE COUNTY OF PRINCE EDWARD

Kapreece Skinner

Legislative and Customer Service Specialist

BY-LAW NO. 62-2023

The County of Prince Edward

**A BY-LAW TO AUTHORIZE A FRANCHISE AGREEMENT BETWEEN
THE CORPORATION OF THE COUNTY OF PRINCE EDWARD
AND ENBRIDGE GAS INC.**

WHEREAS the Council of the Corporation of the County of Prince Edward 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 _____, 2023 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 the Council of the Corporation of the County of Prince Edward enacts as follows:

1. **THAT** the Franchise Agreement between the Corporation of the County of Prince Edward 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.
2. **THAT** the Mayor and Clerk be and they are hereby authorized and instructed on behalf of the Corporation of the County of Prince Edward 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.
3. **THAT** the following By-Law 1097-2003 is and be hereby repealed:
4. **THAT** this by-law shall come into force and take effect as of the final passing thereof.

Read a first a first time this 11th day of April, 2023

Read a second time this 11th day of April, 2023

Read a third time and finally passed this ____ day of _____, 2023

[Original Signed By]

[Original Signed By]

Catalina Blumenberg, CL

Steve Ferguson, MAYOR



2000 Model Franchise Agreement

THIS AGREEMENT effective this day of , 2023

BETWEEN:

THE CORPORATION OF THE COUNTY OF PRINCE EDWARD

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 COUNTY OF PRINCE EDWARD

Per: _____
Steve Ferguson, Mayor

Per: _____
Catalina Blumenberg, Clerk

ENBRIDGE GAS INC.

Per: _____
Mark Kitchen, Director, Regulatory Affairs

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