

# **DECISION AND ORDER**

EB-2023-0146

### **ENBRIDGE GAS INC.**

Application for approval of a Certificate of Public Convenience and Necessity for the City of Sarnia

By Delegation, before: Theodore Antonopoulos

Vice President Applications

August 31, 2023

#### 1 OVERVIEW

This Decision and Order of the Ontario Energy Board (OEB) approves an application filed by Enbridge Gas Inc. (Enbridge Gas) for a certificate of public convenience and necessity (certificate) for the City of Sarnia.

#### **2 CONTEXT AND PROCESS**

Enbridge Gas and its predecessor companies have been supplying natural gas in the City of Sarnia and its predecessor municipalities since 1878.<sup>1</sup>

Enbridge Gas is authorized to construct works for the supply of natural gas in certain parts of the City of Sarnia pursuant to a certificate issued to its predecessor Union Gas Ltd. on June 22, 1955<sup>2</sup> and, in certain other parts of the City of Sarnia pursuant to an exemption from having to hold a certificate as set out under section 8 (1) (a) of the *Municipal Franchises Act* (which provides that a gas company is not required to hold a certificate in respect of any municipality in which it supplied natural gas prior to April 1, 1933).

Enbridge Gas filed an application on May 18, 2023 for an Order of the OEB granting Enbridge Gas a new certificate for the entirety of the City of Sarnia, as it is constituted today. Such certificate would, in effect, both dispense with Enbridge Gas's piecemeal authorizations for serving the different parts of the municipality and add to Enridge Gas's existing service territory within the municipality.

The OEB held a written hearing. A notice of hearing was published in the local newspaper on June 15, 2023. No persons sought to become intervenors or otherwise participate in the proceeding.

In this Decision and Order, a reference to the City of Sarnia is a reference to the municipal corporation or its geographical area, as the context requires.

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<sup>&</sup>lt;sup>1</sup> Enbridge Gas is the result of the merger of Union Gas Ltd. and Enbridge Gas Distribution Inc. that became effective in January 2019 (see OEB Decision: EB-2017-0306 / 0307) <sup>2</sup> P.F.C-2970

#### 3 APPLICATION

Enbridge Gas is a corporation incorporated under the laws of the Province of Ontario, with its head office in the City of Toronto.

The City of Sarnia is a municipal corporation incorporated under the laws of the Province of Ontario. It is a lower-tier municipality located in the County of Lambton. The City of Sarnia was formed in 1991 as the result of the amalgamation of the former City of Sarnia and former Town of Clear-Water.

Enbridge Gas and the City of Sarnia are parties to a municipal franchise agreement dated July 16, 2012.<sup>3</sup> Enbridge Gas holds a certificate which authorizes it to supply natural gas in a part of the City of Sarnia that constituted the former Township of Sarnia.<sup>4</sup> Enbridge Gas operates in other parts of the City of Sarnia for which it does not hold a certificate because (through its predecessor companies) Enbridge Gas has supplied such parts since at least 1878.<sup>5</sup>

Section 8 (1) of the *Municipal Franchises Act* provides as follows:

- 8 (1) Despite any other provision in this Act or any other general or special Act, no person shall construct any works to supply,
  - (a) natural gas in any municipality in which such person was not on the 1st day of April, 1933, supplying gas; or
  - (b) gas in any municipality in which such person was not on the 1st day of April, 1933, supplying gas and in which gas was then being supplied,

without the approval of the Ontario Energy Board.

The City of Sarnia, as it is currently constituted, has been the subject of numerous municipal reorganizations since 1878 (including annexations of, and amalgamations with, legacy municipalities). This is all set out, in detail, in Enbridge Gas's application.<sup>6</sup>

<sup>&</sup>lt;sup>3</sup> EB-2012--0216

<sup>&</sup>lt;sup>4</sup> P.F.C-2970

<sup>&</sup>lt;sup>5</sup> Application, Para 3

<sup>&</sup>lt;sup>6</sup> Application, Para 5, 6 and 7

Enbridge Gas submitted that, over the years, Enbridge Gas and its predecessors have expanded access to natural gas distribution services in and around the City of Sarnia and that there are extensive facilities throughout the City of Sarnia.<sup>7</sup> Enbridge Gas stated that, to bring certainty in respect of its authorization to serve the municipality, it is proposing to expand its existing certificate rights to cover the entire City of Sarnia, as it is currently constituted (thus including areas for which, in accordance with section 8 (1) (a) of the *Municipal Franchises Act*, it technically does not require a certificate).<sup>8</sup>

As noted in its application, Enbridge Gas holds certificates and franchise agreements for the Village of Point Edward, the Town of Plympton-Wyoming, the Township of St. Clair, and the Township of Enniskillen, each of which is immediately adjacent to the City of Sarnia. Enbridge Gas submitted that it is not aware of any other gas distributor in the area.

<sup>&</sup>lt;sup>7</sup> Application, Para 14 and Para 15

<sup>&</sup>lt;sup>8</sup> Ibid.

#### 4 FINDINGS

I find that it is in the public interest to grant Enbridge Gas a new certificate for the City of Sarnia. Enbridge Gas filed a complete application and provided notice of the hearing in the manner instructed by the OEB. I note that no party intervened or otherwise objected to the application.

The new certificate, attached as Schedule A to this Decision and Order, cancels and supersedes certificate P.F.C-2970, which was granted to Enbridge Gas's predecessor on June 22, 1950. The new certificate is for the entirety of the City of Sarnia, as its municipal boundaries are currently constituted. I find that the approach proposed by Enbridge Gas to be reasonable to allow for clarity and certainty notwithstanding that there does not appear to be a requirement for all parts of the City of Sarnia to be under certification.

With its application, Enbridge filed a "heat map" (which it attached at Schedule A to its application) and a second more detailed infrastructure map for which it sought confidential treatment. At first instance, the heat map sufficiently serves the purpose of the information being sought by the OEB for a certificate application as outlined in section 2.4 of the filing requirements in the *Natural Gas Facilities Handbook*. Unless specifically requested by the OEB, a detailed infrastructure map is not required and, as such, the second of the maps filed by Enbridge Gas will be excluded from the record of this proceeding. Going forward, Enbridge Gas should refrain from filing infrastructure or other such detailed maps in certificate proceedings unless those types of maps are required to support an application or specifically requested by the OEB.

<sup>&</sup>lt;sup>9</sup> Report of the Ontario Energy Board, "Natural Gas Facilities Handbook", EB-2022-0081, March 31, 2022

#### 5 ORDER

#### IT IS ORDERED THAT:

- A certificate of public convenience and necessity, attached as Schedule A, is granted to Enbridge Gas Inc. to construct works or supply natural gas in the City of Sarnia. A current map of the City of Sarnia is attached as Schedule B.
- 2. This certificate of public convenience and necessity cancels and supersedes:
  - a. P.F.C- 2970 (former Township of Sarnia)
- 3. Enbridge Gas Inc. shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

**DATED** at August 31, 2023

#### **ONTARIO ENERGY BOARD**

Theodore Antonopoulos Vice President Applications

# SCHEDULE A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY ENBRIDGE GAS INC.

EB-2023-0146

**AUGUST 31, 2023** 

# **Certificate of Public Convenience and Necessity**

The Ontario Energy Board grants

# **Enbridge Gas Inc.**

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

# City of Sarnia

as it is constituted on the date of this Decision and Order.

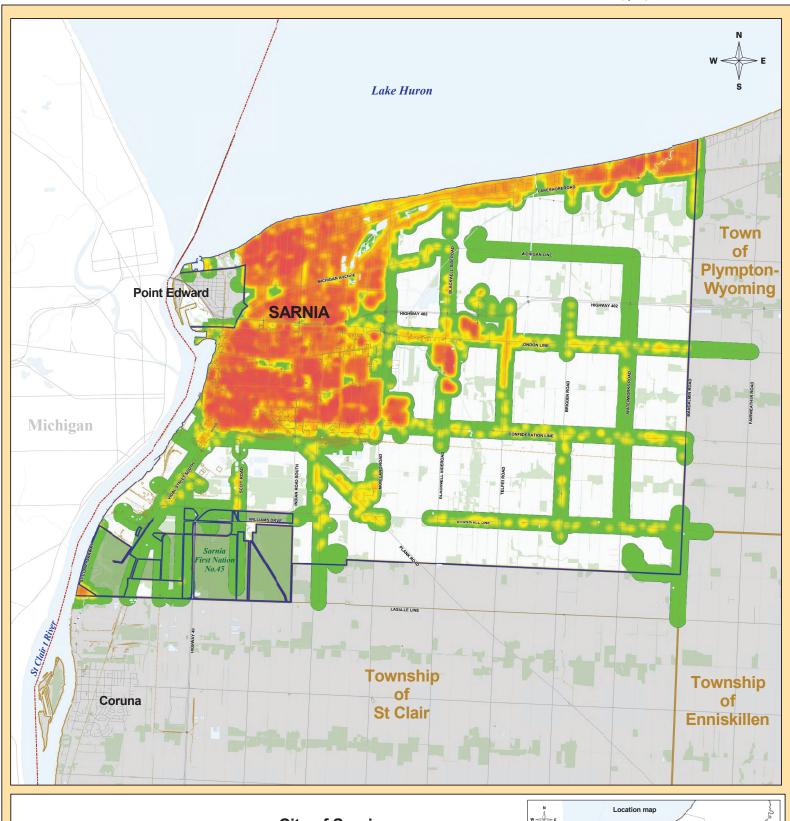
This certificate of public convenience and necessity cancels and supersedes: P.F.C-2970 (former Township of Sarnia)

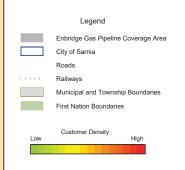
**DATED** at August 31, 2023

**ONTARIO ENERGY BOARD** 

Theodore Antonopoulos Vice President Applications

# SCHEDULE B MAP OF THE CITY OF SARNIA ENBRIDGE GAS INC. EB-2023-0146 AUGUST 31, 2023





#### City of Sarnia

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



