



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

September 29, 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
Town of Fort Frances**

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

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 Town of Fort Frances 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 Town of Fort Frances (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 3,560 customers in the Municipality. Enbridge Gas and its predecessors have been providing gas distribution services within the Town of Fort Frances since approximately 1993.
3. The Town of Fort Frances is a single-tier municipality located in the Rainy River District.
4. Enbridge Gas has an existing franchise agreement with the Town of Fort Frances (RP-2003-0187 / EB-2003-0232) which is attached as Schedule "B".
5. Enbridge Gas has a Certificate of Public Convenience and Necessity for the Town of Fort Frances (EBC 87), which is attached as Schedule "C". Enbridge Gas is not aware of any changes to the municipal boundaries of the Town of Fort Frances since the Certificate of Public Convenience and Necessity was issued.
6. Enbridge Gas applied to the Council of the Municipality for the renewal of 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 Town of Fort Frances.

7. On August 14, 2023 and September 25, 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 Schedules "D1" and "D2" are copies of Resolution 272 and Resolution CON 315.4 of the Council of the Municipality (and their related staff reports AR-23-0356 and AR-23-0416) 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 By-law 58-23 and the proposed franchise agreement. The Town of Fort Frances has provided first and second readings of its by-law.
10. Enbridge Gas has a franchise agreement with and Certificate of Public Convenience and Necessity for the Township of Alberton, which is 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:

Town of Fort Frances
320 Portage Avenue
Fort Frances, ON P9A 3P9
Attention: Gabrielle Lecuyer, Municipal Clerk
Telephone: (807) 274-5323 ext. 1215
Email: glecuyer@fortfrances.ca

The address for Enbridge Gas' regional operations office is:

Enbridge Gas Inc.
1211 Amber Drive
Thunder Bay, ON P7B 6M4
Attention: Nicole Lehto, Director, Northern Region Operations
Email: nicole.lehto@enbridge.com

13. In recognition of the changes to OEB Notices of Hearing and Related Processes issued on September 28, 2023, Enbridge Gas believes that publishing the Notice in the local newspaper, on the OEB web site, on the Enbridge Gas' web site and on the municipality's web site will provide a broad awareness of this application. The newspaper having the highest circulation in the Town of Fort Frances is the *Fort Frances Times*. 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 Town of Fort Frances 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 Town of Fort Frances is not necessary for the proposed franchise agreement by-law under the circumstances.

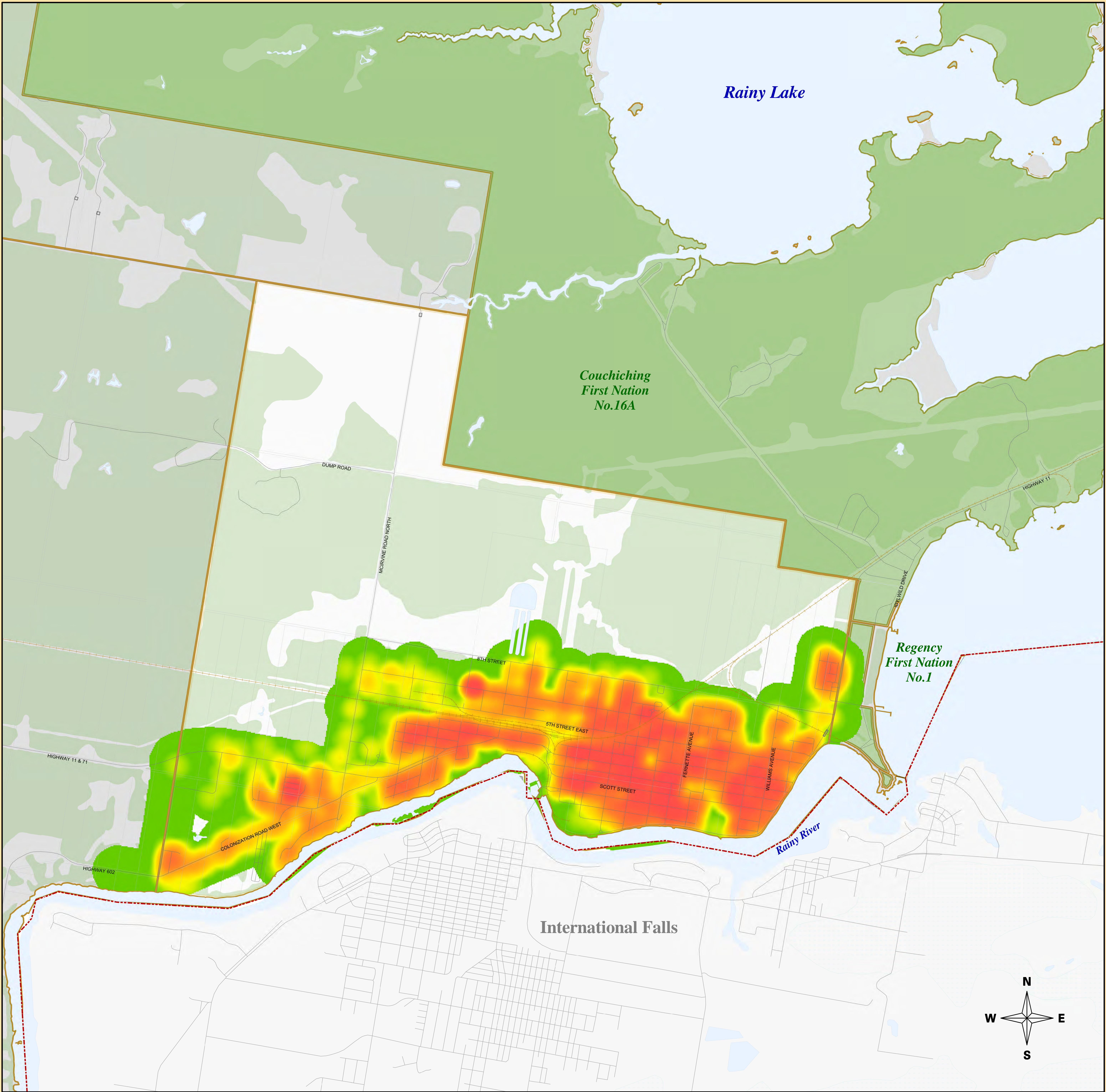
DATED at the Municipality of Chatham-Kent, in the Province of Ontario this 29th day of September, 2023.

ENBRIDGE GAS INC.

Patrick McMahon
Technical Manager
Regulatory Research and Records

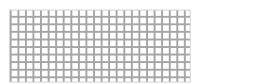



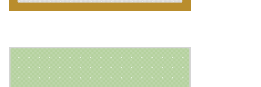

Comments respecting this Application should be directed to:

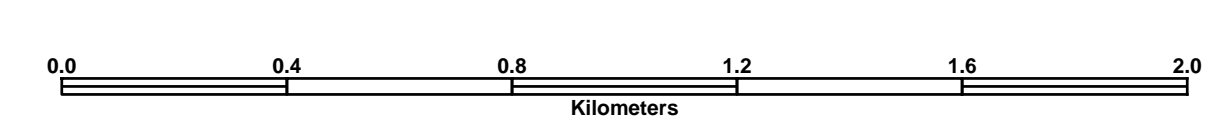
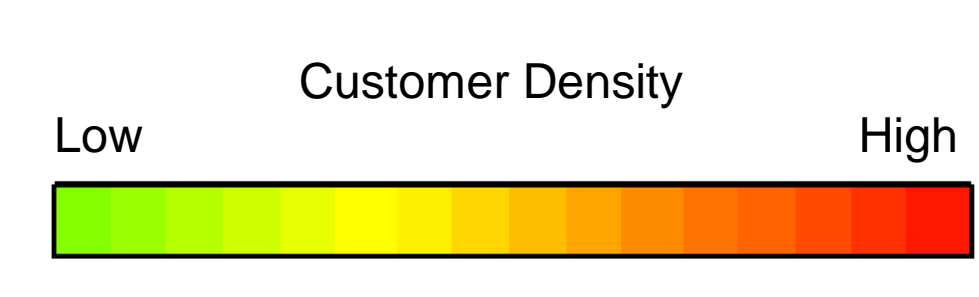
Mr. Patrick McMahon
Technical Manager, Regulatory Research and Records
Enbridge Gas Inc.
50 Keil Drive North
Chatham, ON N7M 5M1
patrick.mcmahon@enbridge.com
Telephone: (519) 436-5325



Town of Fort Frances

Legend

-  Enbridge Gas Pipeline Coverage Area
-  Town of Fort Frances
-  Roads
-  Railways
-  Municipal and Township Boundaries
-  First Nation Boundaries



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



TOWN OF FORT FRANCES

BY-LAW NO. 47/03

(Being a by-law to authorize a franchise agreement between the Corporation of the Town of Fort Frances and Union Gas Limited - the *Municipal Act, 2001*, S.O. 2001, c.25, the *Municipal Franchises Act*, R.S.O. 1990,c.M.55, the *Public Utilities Act*, R.S.O. 1990, c.P.52.)

WHEREAS Council of the Corporation of the Town of Fort Frances deems it expedient to enter into a franchise agreement in the form of the attached schedule (the "Franchise Agreement"), with Union Gas Limited;

AND WHEREAS on July 14, 2003, Council approved the form of this by-law and attached franchise agreement and authorized submission of them to the Ontario Energy Board for approval pursuant to Section 9 of the *Municipal Franchises Act* with a request that the Ontario Energy Board make an Order declaring and directing that the assent of the municipal electors to this draft by-law and attached franchise agreement pertaining to the Corporation of the Town of Fort Frances is not necessary pursuant to Section 9(4) of the *Municipal Franchises Act*;

AND WHEREAS the Ontario Energy Board by its Order issued pursuant to the *Municipal Franchises Act*, on the 9th day of *January*, 200~~4~~ 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 Council for the Corporation of the Town of Fort Frances HEREBY ENACTS as follows:

1. That the Franchise Agreement between the Corporation of the Town of Fort Frances and Union Gas Limited, in the form of Schedule "A" 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 directed on behalf of the Corporation of the Town of Fort Frances 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 as Schedule "A".
3. That the following by-laws be and the same are hereby repealed:

By-Law No. 35/93 for the Corporation of the Town of Fort Frances passed in Council on the 30th day of August 1993.
4. That this by-law shall come into force and take effect on the date of final passing thereof.

READ a First and Second Time only in open Council this 14th day of July 2003.

[Original Signed By]

[Original Signed By]

Glenn R. Witherspoon, Mayor

Glenn W. Treflin, Clerk

READ a Third Time and finally passed in open Council this 26th day of *January* 200~~4~~

[Original Signed By]

[Original Signed By]

Mayor or Acting Mayor

Clerk or Deputy Clerk

2000 Model Franchise Agreement

THIS AGREEMENT effective this 26 day of January, 2004

BETWEEN:

THE CORPORATION OF THE TOWN OF FORT FRANCES

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.

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
TOWN OF FORT FRANCES**

Per: *[Original Signed By]*

Dan Onichuk, Mayor

Per: *[Original Signed By]*

Glenn W. Treflin, Clerk

UNION GAS LIMITED

Per: *[Original Signed By]*

~~Paul Riedyk, Director~~

**Christine Jackson
Assistant Secretary**

ONTARIO ENERGY BOARD

Schedule C

IN THE MATTER OF The Municipal Franchises Act, R.S.O. 1960, Chapter 255, section 8 and amendments thereto;

AND IN THE MATTER OF an application by Inter-City Gas Limited for a Certificate of Public Convenience and Necessity to construct works to supply gas in the Town of Fort Frances

BEFORE: A. B. Jackson, Vice-Chairman) Thursday, the 12th
I. C. MacNabb, Vice-Chairman) day of November, 1970.

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

UPON THE APPLICATION of Inter-City Gas Limited, (hereinafter sometimes referred to as the "Applicant") for a certificate pursuant to the provisions of The Municipal Franchises Act, R.S.O. 1960, Chapter 255, section 8 and amendments thereto, and at a public hearing of such application by the Board at the City of Toronto on the 12th day of November, 1970, after due notice of such hearing had been given as directed by the Board, in the presence of counsel for the Applicant, and in the absence of counsel for the Town of Fort Frances, no one appearing, and upon consideration of the evidence and exhibits produced at the hearing and upon hearing the representations of counsel aforesaid:

1. THIS BOARD DOETH ORDER that a Certificate of Public Convenience and Necessity be and the same is hereby granted to Inter-City Gas Limited for the supply of natural gas in the Town of Fort Frances and for the construction of the works necessary therefore;

2. AND THIS BOARD DOETH FURTHER ORDER that the costs of this hearing are fixed at \$25 and shall be paid forth-
by the Applicant to the Board.

DATED at Toronto this 13th day of January, 1971.

ONTARIO ENERGY BOARD

John C. Fidler
Secretary

Administration & Finance Division
Planning & Development Division
Phone: (807)274-5323
Fax: (807)274-8479

Operations & Facilities Division
Phone: (807)274-9893
Fax: (807)274-7360

Mailing Address for All Divisions:
320 Portage Avenue
Fort Frances, ON
P9A 3P9



Community Service Division
Phone: (807)274-4561
Fax: (807)274-3799

Email: town@fortfrances.ca
www.fortfrances.ca

August 17, 2023

Patrick McMahon
Technical Manager, Regulatory Research and Records
Enbridge Gas Inc.
50 Keil Drive North
Chatham, ON N7M 5M1

Dear Mr. McMahon;

Council at its meeting held on Monday, August 15 2023, provided Administration direction to approve an Enterprise Agreement with Enbridge Gas.

Therefore, the following letter will serve to advise you:

Resolution Number: 272

"THAT Council approval of report AR-23-0356 agrees with the recommendation of Administration that a separate resolution be passed to authorize the Town to Enter Into an Enterprise Agreement with Enbridge Gas for a period of 20 years;

AND FURTHER THAT an authorizing By-Law be prepared authorizing Mayor and Clerk to execute the agreement on behalf of the corporation."

Moved by: D. Kircher
Seconded by: M. Behan

CARRIED

Yours very truly,

ADMINISTRATION & FINANCE DIVISION

[Original Signed By]

Mia Sexton,
Deputy Clerk

ADMINISTRATIVE REPORT

Subject: Entering into a new Enterprise Agreement with Enbridge Gas

Date: July 10, 2023

To: Mayor and Council

From: Travis Rob, Interim Chief Administrative Officer

Item Number: AR-23-0356



ISSUE:

The Town of Fort Frances' enterprise agreement with Enbridge Gas is due to expire in January 2024

ADMINISTRATIVE RECOMMENDATION:

THAT Council approval of report AR-23-0330 agrees with the recommendation of Administration that a separate resolution be passed to authorize the Town to Enter Into an Enterprise Agreement with Enbridge Gas for a period of 20 years.

and FURTHER THAT an authorizing By-Law be prepared authorizing Mayor and Clerk to execute the agreement on behalf of the corporation.

OPTIONS & ALTERNATIVES:

Not enter into the agreement

Propose amendments to the terms within

HISTORY:

The Town of Fort Frances, being serviced by Enbridge Gas, has historically entered into enterprise agreements with Enbridge or their former entities to allow for the installation of gas services, mains and related infrastructure within the Town of Fort Frances Road and Lane rights of way. The Current Enterprise Agreement is due to expire in January 2024.

ANALYSIS:

Given that Enbridge is regulated in their operations and rates by the Ontario Energy Board (OEB) the renewals of enterprise agreements must be reviewed and accepted by the OEB, then advertised locally prior to being fully accepted and able to be signed. The process, outlined by Enbridge is for the municipality to pass a resolution and give first and second reading of the by-law. Enbridge needs to submit, not only the agreement but the resolution and by-law to the OEB for an order and decision by the OEB. Once that has happened, the OEB will advertise notice in the local paper. Once the Town has received the order and decision by the OEB, the Town can give the by-law final reading and execute the documents.

Attached to this report are the following documents:

1. Franchise Agreement Renewal Documents:

- Guidelines to Municipalities Respecting the Renewal of Franchise Agreements
- Draft Resolution of the municipality
- Draft By-Law of the municipality
- 2000 Model Franchise Agreement with Enbridge Gas Inc.

Historical Background:

- a copy of the current By-Law 47/03 (passed on January 26, 2004) and the current Franchise Agreement effective January 26, 2004
- a copy of the Certificate of Public Convenience and Necessity that Enbridge Gas holds for the Town of Fort Frances (EBC 87)

3. Reference Documents:

- a copy of the Gas Franchise Handbook (an explanatory supplement to the 2000 Model Franchise Agreement)
- customer density map for areas served within the Town of Fort Frances

CONSULTATION:

Gabrielle Lecuyer - Municipal Clerk

SUPPORTING DOCUMENTS:

[2023 03 06 - Updated Guidelines to Municipalities](#)

[Draft Resolution - Town of Fort Frances](#)

[Draft Bylaw - Town of Fort Frances](#)

[Model Franchise Agreement - Town of Fort Frances \(Lower-Tier EGI North\)](#)

[Bylaw and Franchise Agreement - Fort Frances \(January 26, 2004\)](#)

[EBC 87 - Certificate - Fort Frances \(January 13, 1971\)](#)

[Gas Franchise Handbook \(May 2002\)](#)

[MA3651 - CD Town of Fort Frances](#)

**GUIDELINES TO MUNICIPALITIES
RESPECTING THE RENEWAL OF FRANCHISE AGREEMENTS WITH ENBRIDGE GAS INC.**

Enclosed is the following package of documents:

- (a) Draft Resolution of the municipality;
- (b) Draft By-Law of the municipality; and
- (c) 2000 Model Franchise Agreement with Enbridge Gas Inc.

PLEASE READ THE FOLLOWING GUIDELINES AND FOLLOW STEPS IN ORDER

1. The draft By-law supplied in this package is designed to repeal any existing by-laws to allow the operation of a new by-law. Although Enbridge Gas uses its best efforts to check its records for by-law repeal, please advise us if there are other by-laws that the municipality is aware of that should also be repealed. Please create an official By-law document for execution purposes.
2. The By-law should be reviewed and given **First and Second reading ONLY**. Third and Final reading **SHOULD NOT** be performed until Enbridge Gas applies for and is in receipt of a Decision and Order from the Ontario Energy Board. The dates of the first and second readings are to be identified on the By-law by the municipality.
3. Having given the By-law first and second readings, representatives (*Mayor and Municipal Clerk*) for the municipality should execute (i.e. sign and seal) **four** copies of the **Resolution**. **DO NOT SIGN OR DATE THE FRANCHISE AGREEMENT AND DO NOT SIGN THE BY-LAW AT THIS TIME**. The **FOUR** executed (i.e., signed and sealed) copies of the **Resolution** as well as the copies of the **By-law** and **Franchise Agreement** should be returned to Enbridge Gas.
4. Upon Enbridge Gas' receipt of the documentation from the municipality, an application will be forwarded to the Ontario Energy Board for approval of the franchise agreement.
5. Notice of Enbridge Gas' application to the Ontario Energy Board for approval of the franchise agreement will be published in a local newspaper.
6. Upon receipt of a **Decision and Order** from the Ontario Energy Board, Enbridge Gas will follow the directions from the OEB as set out its Letter of Direction (i.e., directions as to service and publication of the Decision and Order). Enbridge Gas will then return to the municipality the four copies of the By-law and the Franchise Agreement for final approval and execution.
7. At this time the municipality will be directed to insert the date of the OEB Decision and Order into the 2nd paragraph of the By-law. The By-law should be given **THIRD and FINAL reading**. The date of the third and final reading of the By-law will be the effective date of the Franchise Agreement.
8. Upon this third and final reading, the municipality should return **four fully executed (signed and sealed)** By-Laws and **four fully executed (signed and sealed)** Franchise Agreements to Enbridge Gas.
9. Upon receipt of the documents, Enbridge Gas will sign and seal all four original Franchise Agreements and return one fully executed Franchise Agreement with a By-law to the Municipality and to the Ontario Energy Board and will retain the balance for its files.

Kindly refer to the attached "Task List" for your reference and ease in completing the Franchise Agreement renewal process. We thank you for your co-operation with this process.

CHECK LIST FOR COMPLETING FRANCHISE AGREEMENT

Task #	Task	Task Complete
1	Municipality receives Franchise Agreement package from Enbridge Gas	✓
2	Municipality creates official By-law for execution purposes – 4 originals required	
3	Municipality creates official Resolution for execution purposes – 4 originals required	
4	Municipality gives First & Second Reading to By-law and inserts dates of these 2 readings in the By-law document	
5	Municipality executes 4 original Resolution documents	
6	Municipality sends 4 original executed Resolution documents with 4 By-law and 4 Franchise Agreement documents to Enbridge Gas	
7	Municipality awaits for return of documents once Enbridge Gas applies to the OEB and receives the OEB's Order & Decision	
8	The OEB will publish a Notice related to the application in a local newspaper.	
9	Enbridge Gas receives Decision and Order from the OEB and follows directions as to service and publication.	
10	Municipality receives Decision and Order of OEB along with Franchise Agreement renewal documentation from Enbridge Gas	
11	Municipality inserts date of OEB Decision and Order into all four By-law documents (2 nd paragraph AND WHEREAS...)	
12	Municipality gives Third & Final Reading to By-Law and inserts date into all four By-law documents	
13	Municipality fully executes (signs and seals) all four originals of the By-law	
14	Municipality inserts date of Third and Final Reading into the Franchise Agreement (top of first page) as the date of the agreement	
15	Municipality fully executes (sign and seals) all four originals of the Franchise Agreement	
16	Municipality forwards all four fully executed By-laws and Franchise Agreements to Enbridge Gas for execution	
17	Enbridge Gas executes the Franchise Agreement	
18	Enbridge Gas provides one fully executed Franchise Agreement and By-law to the OEB, the Municipality and retains 2 copies for its files	
19	Municipality receives its copy of the fully executed By-law and Franchise Agreement for its records	

THE CORPORATION OF THE TOWN OF FORT FRANCES

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 Town of Fort Frances 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 Town of Fort Frances on the ___ day of _____, 2023.

Gabrielle Lecuyer, Municipal Clerk

THE CORPORATION OF THE TOWN OF FORT FRANCES

BY-LAW NUMBER _____

**A BY-LAW TO AUTHORIZE A FRANCHISE AGREEMENT BETWEEN
THE CORPORATION OF THE TOWN OF FORT FRANCES
and
ENBRIDGE GAS INC.**

WHEREAS the Council of the Corporation of the Town of Fort Frances 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 Town of Fort Frances enacts as follows:

1. **THAT** the Franchise Agreement between the Corporation of the Town of Fort Frances 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 Municipal Clerk be and they are hereby authorized and instructed on behalf of the Corporation of the Town of Fort Frances 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 be hereby repealed:
 - By-law Number 47/03 for the Corporation of the Town of Fort Frances, passed in Council on the 26th day of January, 2004.
4. **THAT** this by-law shall come into force and take effect as of the final passing thereof.

Read a first time this _____ day of _____, 2023.

Read a second time this _____ day of _____, 2023.

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

THE CORPORATION OF THE TOWN OF FORT FRANCES

Andrew Hallikas, Mayor

Gabrielle Lecuyer, Municipal, Clerk

2000 Model Franchise Agreement

THIS AGREEMENT effective this day of , 2023

BETWEEN:

THE CORPORATION OF THE TOWN OF FORT FRANCES

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 TOWN OF FORT FRANCES

Per:

Andrew Hallikas, Mayor

Per:

Gabrielle Lecuyer, Municipal Clerk

ENBRIDGE GAS INC.

Per:

Mark Kitchen, Director, Regulatory Affairs

Per:

Nicole Lehto, Director, Northern Region Operations

TOWN OF FORT FRANCES

BY-LAW NO. 47/03

(Being a by-law to authorize a franchise agreement between the Corporation of the Town of Fort Frances and Union Gas Limited - the *Municipal Act, 2001*, S.O. 2001, c.25, the *Municipal Franchises Act*, R.S.O. 1990, c.M.55, the *Public Utilities Act*, R.S.O. 1990, c.P.52.)

WHEREAS Council of the Corporation of the Town of Fort Frances deems it expedient to enter into a franchise agreement in the form of the attached schedule (the "Franchise Agreement"), with Union Gas Limited;

AND WHEREAS on July 14, 2003, Council approved the form of this by-law and attached franchise agreement and authorized submission of them to the Ontario Energy Board for approval pursuant to Section 9 of the *Municipal Franchises Act* with a request that the Ontario Energy Board make an Order declaring and directing that the assent of the municipal electors to this draft by-law and attached franchise agreement pertaining to the Corporation of the Town of Fort Frances is not necessary pursuant to Section 9(4) of the *Municipal Franchises Act*;

AND WHEREAS the Ontario Energy Board by its Order issued pursuant to the *Municipal Franchises Act*, on the *9th* day of *January*, 200*4* 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 Council for the Corporation of the Town of Fort Frances HEREBY ENACTS as follows:

1. That the Franchise Agreement between the Corporation of the Town of Fort Frances and Union Gas Limited, in the form of Schedule "A" attached hereto and forming part of this by-law, is hereby authorized and the franchise provided for therein is hereby granted.

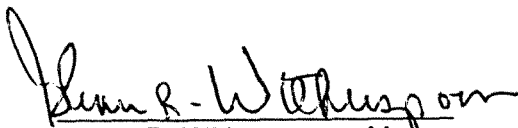
2. That the Mayor and Clerk be and they are hereby authorized and directed on behalf of the Corporation of the Town of Fort Frances to enter into and execute under its corporate seal and deliver the Franchise Agreement, which is hereby incorporated into and forming part of this by-law as Schedule "A".


3. That the following by-laws be and the same are hereby repealed:

By-Law No. 35/93 for the Corporation of the Town of Fort Frances passed in Council on the 30th day of August 1993.

4. That this by-law shall come into force and take effect on the date of final passing thereof.


READ a First and Second Time only in open Council this 14th day of July 2003.


Glenn R. Witherspoon, Mayor


Glenn W. Treflin, Clerk

READ a Third Time and finally passed in open Council this *26th* day of *January* 200*4*.


Mayor or Acting Mayor


Clerk or Deputy Clerk

2000 Model Franchise Agreement

THIS AGREEMENT effective this 26 day of January, 2004

BETWEEN:

THE CORPORATION OF THE TOWN OF FORT FRANCES

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.

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

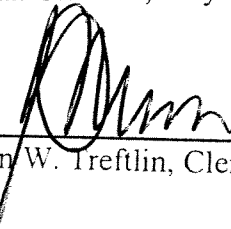
**THE CORPORATION OF THE
TOWN OF FORT FRANCES**

Per:



Dan Onichuk, Mayor

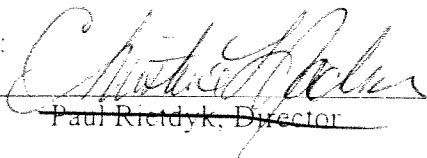
Per:



Glenn W. Treflin, Clerk

UNION GAS LIMITED

Per:



Paul Rietdyk, Director

**Christine Jackson
Assistant Secretary**

GAS FRANCHISE HANDBOOK

developed by

**A JOINT COMMITTEE
OF GAS COMPANY**

and

**MUNICIPAL SECTOR
REPRESENTATIVES**



TABLE OF CONTENTS

Foreword	1
Definition of Highway	3
Right to Use Highways	3
Compensation for Damages	3
Planning for Construction	4
Plans and Drawings	5
Sample Plan - Figure 1	6
Work on the Highway	7
Location and Depth of Plant	9
Easements	9
Typical Road Cross Section - Figure 2.	10
Joint Trench Profile - Figure 3.	11
Ditches and Drains	12
Bridges, Viaducts or Other Structures	12
Emergency Situations	13
Post-Construction Clean Up.	13
Plants, Trees, Vegetation, Grass or Sod	13
Pipeline Relocation	14
Encasement of the Gas System	14
Maintenance of the Gas System.	15
Work in the Vicinity of the Gas System	15
Pipeline Supports.	16
Typical Pipeline Support Crossing Trench - Figure 4.	16
Typical Pipeline Support Parallel to Trench - Figure 5	17
Location of the Gas System for Others	18

The following are subjects which are more complex and not easily summarized in a Handbook. Reference should be made to Sections 11, 13 and 16 of the 2000 Model Franchise Agreement.

- *Alternative Easements*
- *Municipal By-laws of General Application*
- *Use of Decommissioned Gas System*

Full copies of the 2000 Model Agreement may be obtained at www.oeb.gov.on.ca or contact your local Gas Company.

FOREWORD

NATURAL GAS FRANCHISE HANDBOOK

Provincial legislation requires that there be a Franchise Agreement between the Municipal Corporation and the Gas Company serving that Municipality. In April 2001, the Ontario Energy Board issued the revised 2000 Model Franchise Agreement to serve as a model for such agreement.

A joint committee comprised of Gas Company and Municipal Sector Representatives has developed this revised Franchise Handbook as a supplement to the 2000 Model Franchise Agreement. This Franchise Handbook is meant to serve as a consolidated guide to deal with operating issues that sometimes require a greater level of detail than appears in the Franchise Agreement itself.

Although your current Franchise Agreement may not be the 2000 Model Franchise Agreement, the contents of this Franchise Handbook describe how the Gas Company intends to carry out its activities within the Municipality and is intended to represent good operating practice. Where there is any conflict between your Franchise Agreement and this Handbook, it is the Franchise Agreement that takes precedence. The Gas Company has staff available to expand on the matters covered in this Franchise Handbook and answer any questions that might arise.

The Board acknowledges the efforts of the participants in producing the revised Franchise Handbook.



Floyd Laughren
Chair – Ontario Energy Board
May 2002

THE FRANCHISE HANDBOOK WORK TEAM



Wilfred Teper (left)
*Ontario Energy
Board*

Bob Foulds (right)
*Municipal Sector
Representative*



David Shantz
*Municipal Sector
Representative*



David Sword (left)
Union Gas Representative

Nick Thalassinos (right)
*Enbridge Consumers Gas
Representative*

Pat Vanini
(no photo available)
*Municipal Sector
Representative*

Page 31 of 40

Neil McKay (left)
Ontario Energy Board

Hugh Thomas (right)
Union Gas Representative



DEFINITION OF HIGHWAY

For purposes of the Franchise Agreement '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.

RIGHT TO USE HIGHWAYS

Subject to the terms and conditions of the Franchise Agreement the consent of the Municipality is granted to the Gas Company to enter upon all highways now or at any time hereafter under the jurisdiction of the Municipal 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.

The Gas Company attempts to minimize inconvenience and disruption caused by pipeline construction and maintenance activities through pre-construction planning, on the job supervision, discussions with municipal representatives and/or property owners or occupants, and timely restoration of property.

COMPENSATION FOR DAMAGES

The Gas Company will be responsible for, and will repair promptly or pay compensation for, any damage it causes during surveying or construction or that may result from inspection, maintenance work or emergency repairs.

This includes damage to crops, fences, tile drains, culverts, trees and access routes. Well qualified, independent appraisers and consultants are often used to assess fair compensation for damages. Any crop loss or damage will be measured, appraised and compensated for as soon as possible after cleanup has been satisfactorily completed.

PLANNING FOR CONSTRUCTION

To facilitate proper system expansion and maintenance, the Gas Company will actively participate in each Municipality's Public Utilities Coordinating Committee (PUCC). One of the mandates of the PUCC will be to develop an approved highway cross-section that outlines a standard pipeline location within the highway for each utility's plant.

The Gas Company will adhere to the standard line location wherever feasible, and will acquire approval from the Engineer/Road Superintendent prior to deviating from the standard location. In addition the PUCC will act as a forum to minimize construction conflicts between the road authority and various utilities including cable companies and municipal water and sewer works.



Working on the proposed projects plans to be submitted to the Engineers or Road Superintendent of the Municipality.



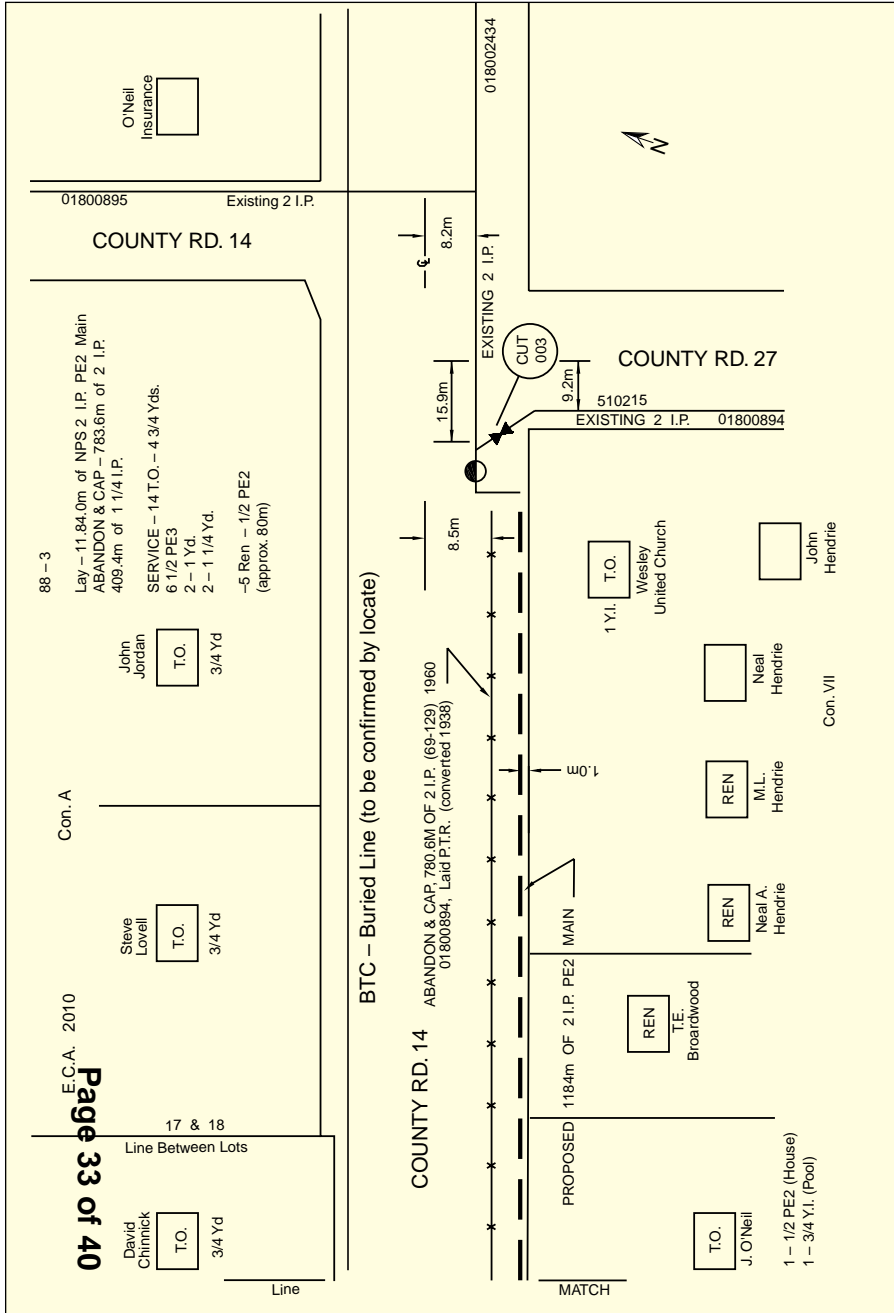
Engineers check plans to minimize construction conflicts.

PLANS AND DRAWINGS

Before installing any gas main on a highway, the Gas Company will submit a plan/drawing of the proposed work (similar to the Sample Plan, Figure 1 on page 6) to the Engineer/Road Superintendent for approval. Such approval will not be unreasonably withheld from the Gas Company. This drawing will show the proposed location and alignment of the works to be installed. Route selection involves judgement as well as technical expertise. The Gas Company is very willing to meet with the Engineer/Road Superintendent to arrive at a line location that is acceptable to both parties.

Where circumstances are complex, and in order to facilitate known or reasonably anticipated projects, or when requested because the Municipality has geodetic information for its own services and all others at the same location, the plan filed by the Gas Company shall include geodetic information.

Sample Plan
Figure 1

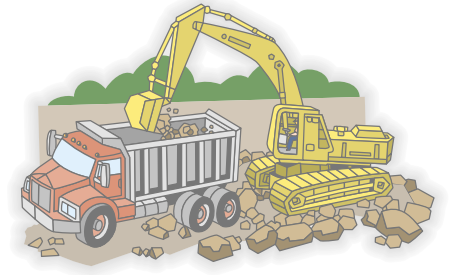


WORK ON THE HIGHWAY

The Gas Company shall not undertake any work that will disturb or interfere with the surface of the travelled portion of the highway unless a permit has been first obtained from the Engineer/Road Superintendent and all work done shall be to his/her satisfaction.

In all other circumstances, except Emergency Situations referred to on page 13, the Gas Company, before entering on any highway within the Municipality shall adhere to the requirements of the Municipality in terms of:

- (1) 'giving notice',
- (2) providing an explanation satisfactory to the Engineer/Road Superintendent, and
- (3) where required, obtaining the appropriate approval(s).



Pavement Cuts

All crossings of the travelled portion of the road will be constructed by boring, jacking or similar methods. In circumstances where these methods are not feasible, approval to open cut will be requested from the Engineer/Road Superintendent prior to construction. Such approval will not be withheld unreasonably. All pavement cuts will be repaired at the expense of the Gas Company.

The Municipality may specify a reasonable degree of compaction and the types of backfill necessary to properly restore the excavation and sub-base of the road. Also, the Engineer/Road Superintendent may specify the type, thickness and method of pavement cut restoration, both temporary and permanent. The Gas Company shall make good any settling or subsidence thereafter caused by such excavation. Where there is an agreement to do so, the Municipality may carry out the repairs and invoice the Gas Company.

WORK ON THE HIGHWAY (continued)

Driveways & Sidewalks

Every effort will be made to bore under paved driveways and sidewalks in an attempt to minimize any inconvenience to the local residents. Any damage that occurs as a result of installation of the gas system will be promptly repaired by the Gas Company to a condition as good or better than it was prior to the construction work and the responsibility for such repairs will be borne by the Gas Company.

Minimizing Inconvenience

The Gas Company will make every effort to minimize any inconvenience during construction. Residents of the local area will be notified prior to construction, and driveways will be obstructed as little as possible. The Municipality may provide guidance and procedures with regard to temporary traffic lane closing, barricading of excavations, detours and partial road closures. Every construction crew is staffed with people who are capable of answering inquiries brought forward by local residents.



*Workers
move quickly
to minimize
any
inconvenience
during
construction.*

LOCATION AND DEPTH OF PLANT

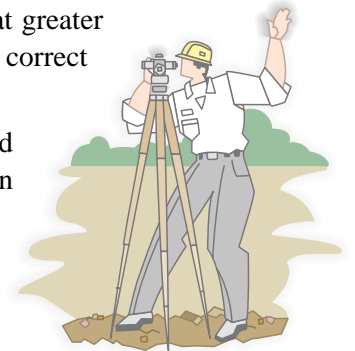
The location of the gas system must be approved by the Engineer/Road Superintendent and his approval shall not be unreasonably withheld. The Gas Company has standard locations for gas lines in specific types of rural or urban environments.

While the locations of utilities will vary in certain municipalities, the diagrams, (Figure 2 on page 10 and Figure 3 on page 11) are typical cross sections for utility locations in a 26-metre road allowance.

The depth of plant must be in accordance with the latest CSA standard and applicable Ontario Regulations at the time of construction. Depth as defined in the latest CSA standards and applicable Ontario Regulations should not be solely relied upon to locate the gas system as the depth of cover may have changed since installation. (see Figure 2, page 10 and Figure 3, page 11).

The Engineer/Road Superintendent may require sections of the gas system to be laid at greater depth to facilitate known projects or to correct known highway deficiencies.

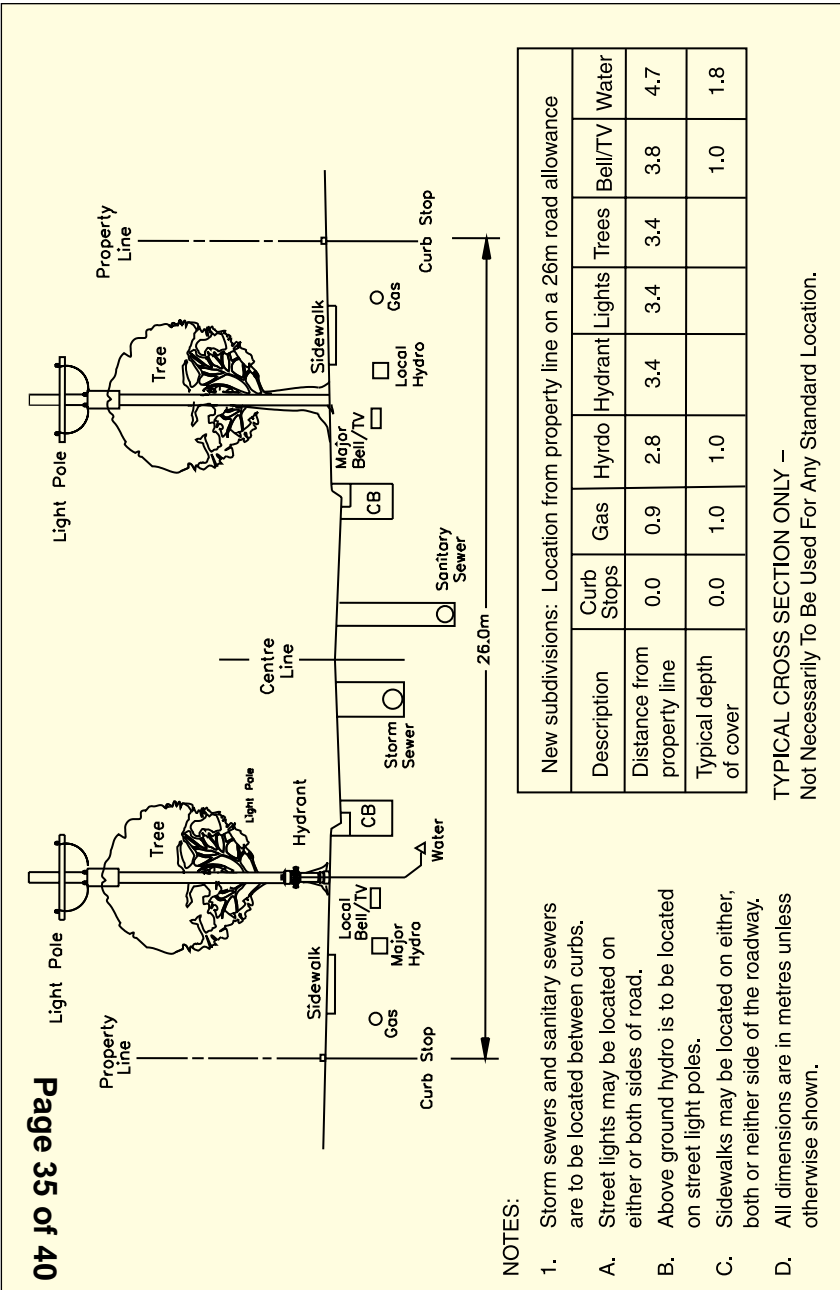
The approval of the Engineer/Road Superintendent is not a representation or warranty as to the state of repair of the highway or the suitability of the highway for the gas system.



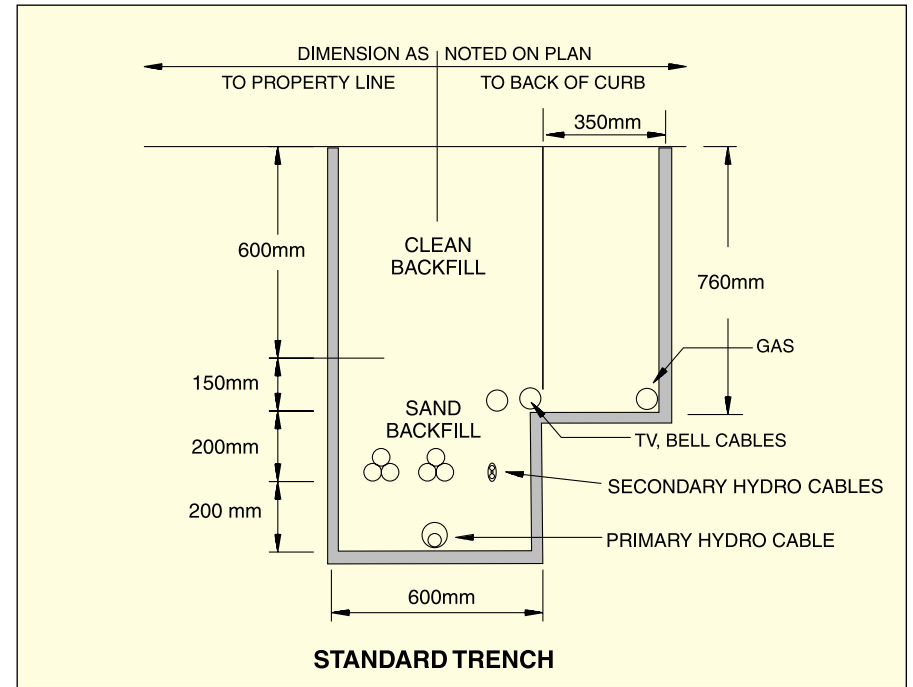
EASEMENTS

Occasionally the Gas Company will install pipelines that need to cross private property. In these cases, easements will be obtained from the landowner prior to construction.

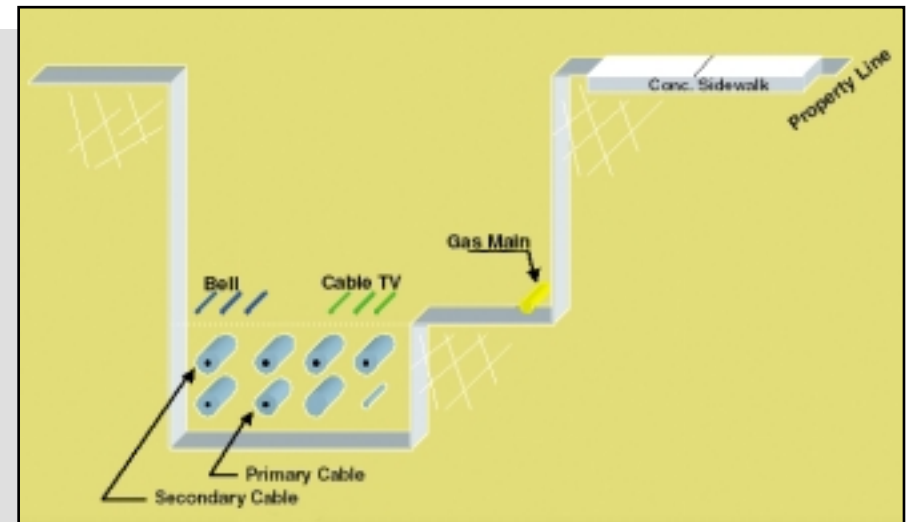
Typical Road Cross Section
Figure 2



Typical Joint Trench Profile
Figure 3



Standard Joint Trench Sketch



DITCHES AND DRAINS

Before installing any plant in the area of a drain or ditch, a copy of the plan for the installation as filed with the Engineer/Road Superintendent will be filed with the Drainage Superintendent. Wherever possible, gas lines will be installed completely under or completely over the ditch so as to not interfere with the carrying capacity of the ditch. Subsurface drains and surface drains will be restored to their original condition after construction. Ditch banks and stream banks will be restored to promote quick vegetation and minimize the possibility of erosion.



*Attaching
gas line on
a bridge.*

BRIDGES, VIADUCTS OR OTHER STRUCTURES

If the Engineer/Road Superintendent approves of a proposal (he/she may disapprove) to affix any part of the gas system to a bridge, viaduct or other structure, he/she may require special conditions or a separate agreement as a condition of approval.

Page 33 of 40

EMERGENCY SITUATIONS

In the event of an emergency involving the gas system, the Gas Company will notify the local authorities, as deemed appropriate, (e.g. Engineer/Road Superintendent, police, fire, ambulance or emergency measures organizations having jurisdiction) immediately upon becoming aware of the severity of the situation. The Gas Company will make every reasonable effort to control the situation as quickly as possible and will consider claims for extraordinary expenses incurred by the Municipality during the emergency. The Gas Company will provide the Engineer/Road Superintendent with at least one 24-hour emergency contact for the Gas Company and shall ensure the contacts are current.

POST-CONSTRUCTION CLEANUP

The cleanup and restoration operations will be performed under the supervision of the Gas Company staff. These staff will be available to discuss with local residents and Municipal representatives any problem that may arise during construction. Gas Company staff have full authority to require that the construction crews and/or all the contractors carry out their work in accordance with the agreements reached with each landowner and in accordance with all relative directives and guidelines of the Ontario Energy Board or the Engineer/Road Superintendent.

PLANTS, TREES, VEGETATION, GRASS OR SOD

Damage caused by the Gas Company to plants, trees, vegetation, grass or sod will be minimized during the construction period with the Gas Company bearing full responsibility for any damages. The Gas Company will not cut, trim or interfere with any trees on the road allowance without the approval of the Engineer/Road Superintendent. Restoration will be completed as promptly as possible, allowing for supply and weather constraints.

PIPELINE RELOCATION

The location of the gas system may conflict with the Municipality's plans to reconstruct or alter roads or Municipal utilities. In these instances, the Gas Company will work with the Municipality to relocate its gas system, with the cost of the relocation to be shared as outlined in the Franchise Agreement. In most circumstances the cost of relocating the gas system will be shared 65% Gas Company and 35% Municipality. In the event your Municipality has a pre-1987 agreement or special legislation, the cost sharing may vary. The Engineer/Road Superintendent must approve the proposed new location of the gas system. The Gas Company will then relocate its gas system within a reasonable period of time.

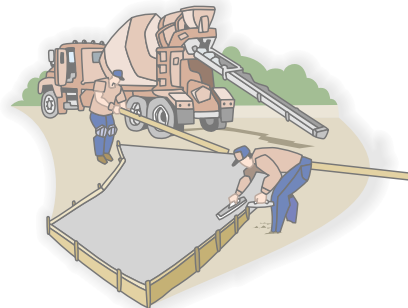
If any part of the gas system is located on a bridge, viaduct or other structure, the Gas Company will alter or relocate that part of the gas system at its sole expense.

In the event the gas system is located in an unassumed road or in an unopened road allowance and the Municipality has not approved its location, the Gas Company will pay 100% of the relocation costs.

ENCASEMENT OF THE GAS SYSTEM

The Municipality will not knowingly build or permit anyone to build without the Gas Company's permission any structure over or encasing any part of the gas system within the highway. Structures would include, but not be limited to, buildings, culverts, vaults, catch basins, utility poles and anchors, and retaining walls.

The construction of roadways, sidewalks and driveways over the gas system would not constitute encasement.

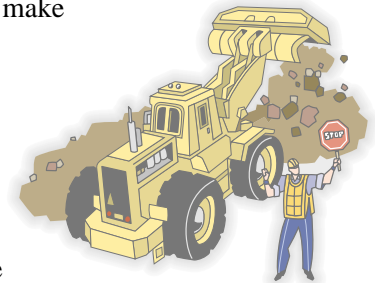


MAINTENANCE OF THE GAS SYSTEM

The Gas Company accepts full responsibility for the construction and installation, maintenance and repair of the gas system. All work done on the gas system must meet all requirements as described by the appropriate government codes. The Ontario Energy Board, the TSSA and the Canadian Standards Association require that all standards and regulations relating to both the protection of the environment and public safety are carried out. If requested, Gas Company representatives will provide copies of the relevant codes/documents. The system is maintained by trained personnel who are available at all times to keep the gas system in good operating condition.

WORK IN THE VICINITY OF THE GAS SYSTEM

Prior to working in the vicinity of gas systems, Municipalities and their agents should make themselves familiar with any required procedures and restrictions. This is necessary to ensure the safety of the general public, the safety of workers carrying out excavation, prevention of damage to gas lines and property, and to ensure the work activities take place in a compatible fashion.



Areas to become familiar with include, but are not limited to:

- *Guidelines for excavations in the vicinity of gas systems*
- *Requirements when blasting in the vicinity of gas systems*
- *Requirements when pile driving in the vicinity of gas systems*
- *Requirements when exposing gas systems*

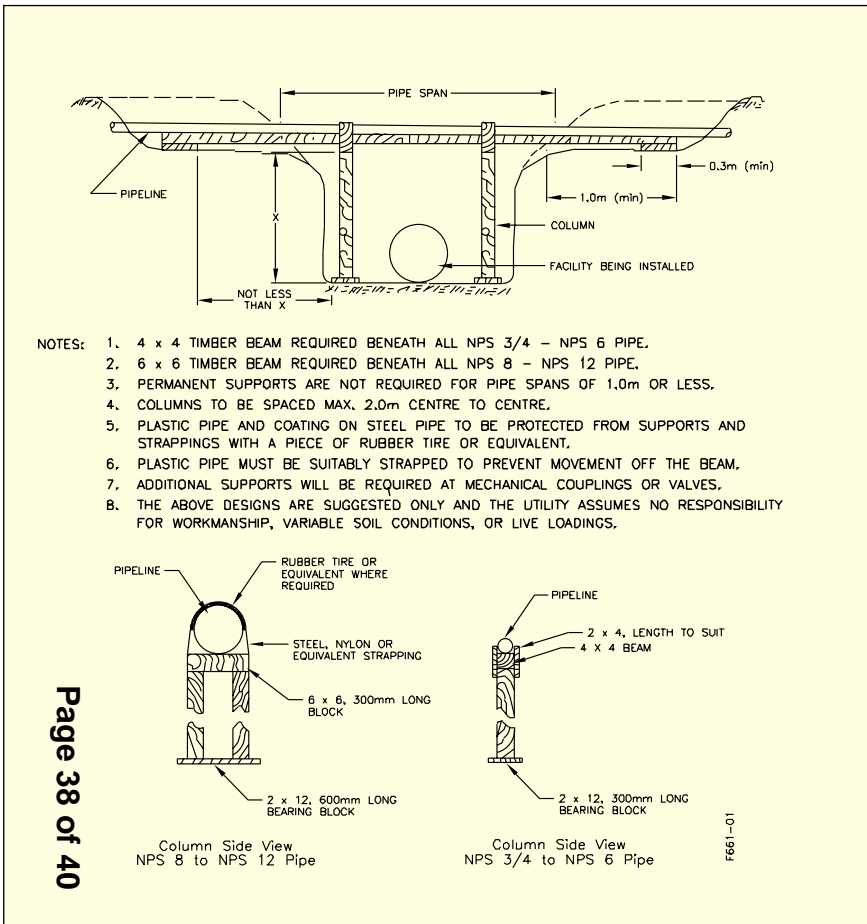
For more information on these areas, please contact your local Gas Company.

PIPELINE SUPPORTS

Prior to excavating below gas pipelines, a suitable support must be installed to prevent the pipeline from deflecting. Figures 4 and 5 (shown on pages 16 and 17) show a variety of support designs. These designs are suggestions only as conditions vary at each job site. In the event Municipal work involves support of the gas system, the proposed work shall be reviewed and approved by the Gas Company and approval will not be unreasonably withheld.

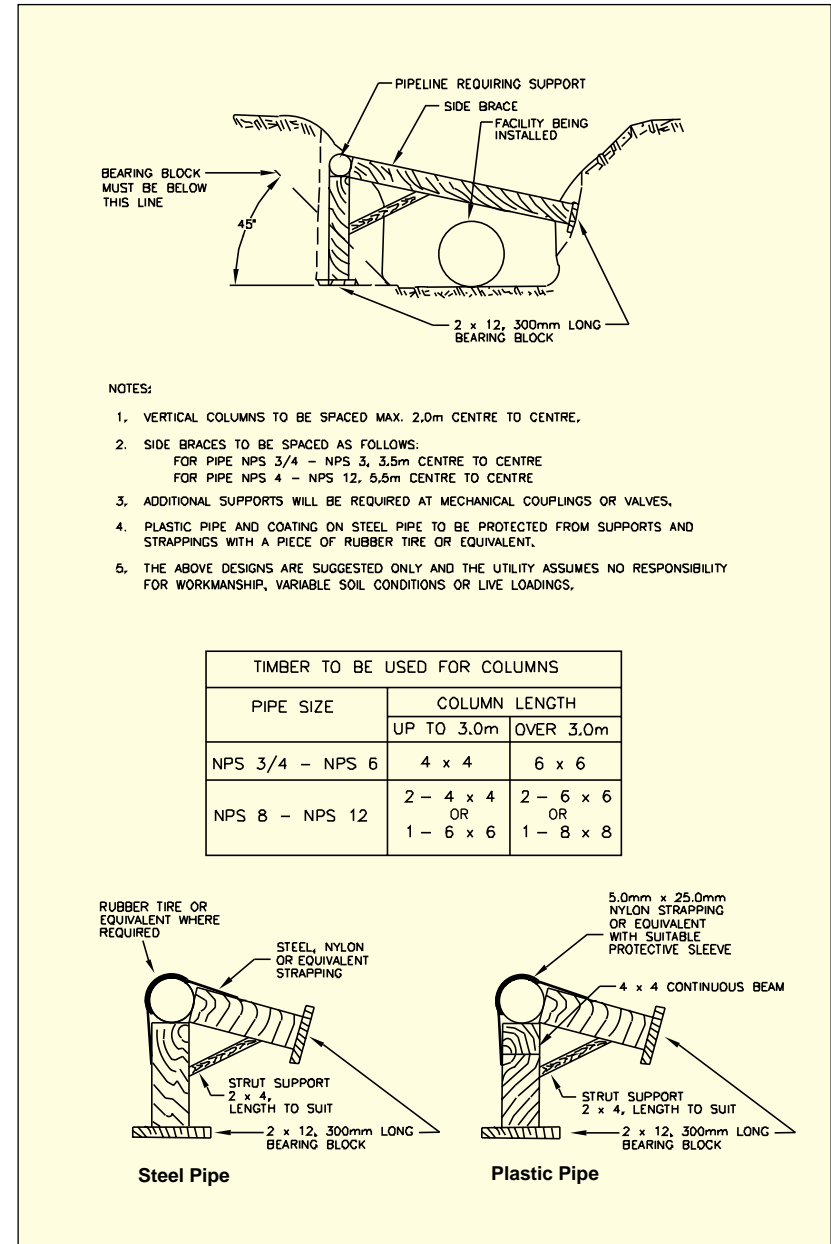
Typical Pipeline Support Crossing Trench

Figure 4



Typical Pipeline Support Parallel to Trench

Figure 5











LOCATION OF THE GAS SYSTEM FOR OTHERS

In order to facilitate work to be undertaken by others, the Gas Company will identify, on the surface of the ground, the location of any of its gas system in a prompt and accurate manner. The cost of this locate service will be borne by the Gas Company. The Gas Company requires hand digging near its pipelines as specified on the locate form.

The chart below illustrates the standard colours that are used in Ontario to identify the various utilities.

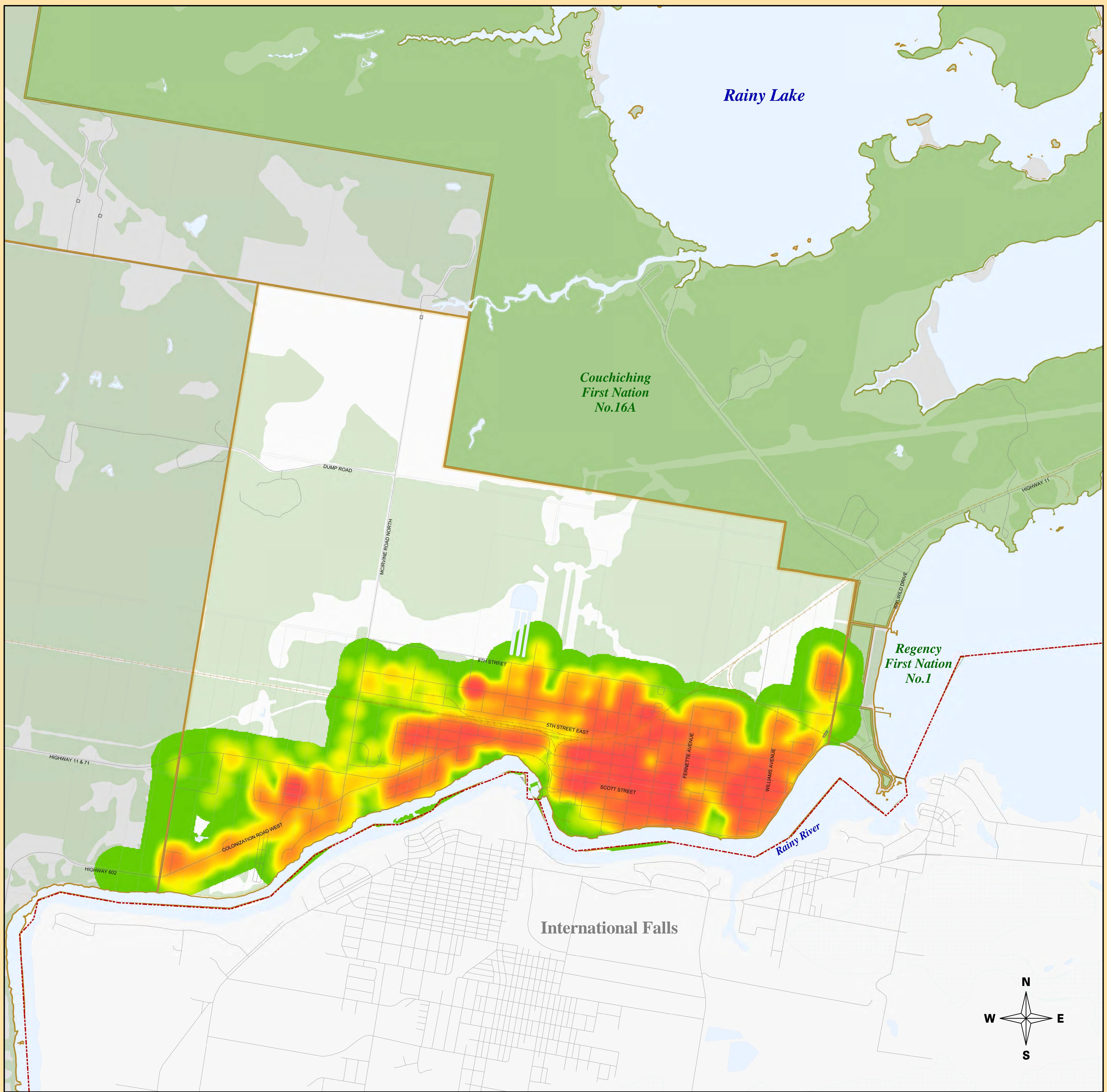
Buried Public Utilities will be identified in the field by the following fluorescent colours.

Permanent line markers are installed along pipelines in rural areas.

	Ontario Hydro Local Hydro Traffic Systems
	Gas Lines, Oil Lines, Steam Lines
	Water Systems
	Telephone Lines, Telegraph Lines, Police and Fire Communications, Cable TV Lines
	Sanitary Sewers, Storm Sewers
	Temporary Survey
	Proposed Excavation
	Reclaimed Water, Irrigation & Slurry Lines




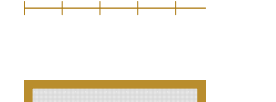


Cautionary Note:

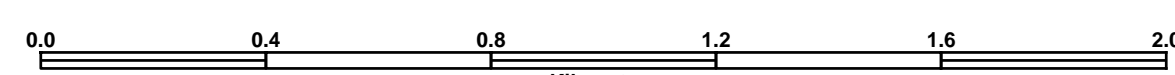
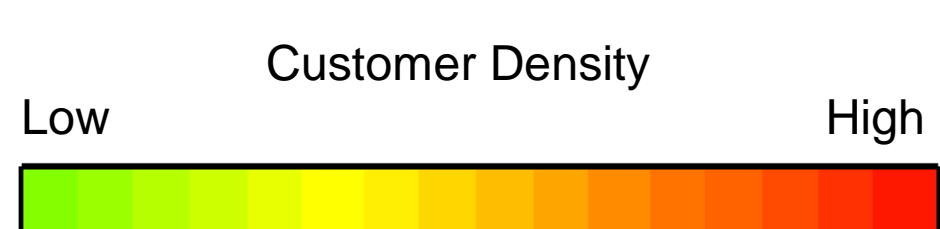
Individuals are reminded that the location of the gas system is identified on the surface of the ground. If you are working above, below or in the vicinity of the gas system you are required to meet the requirements of the various Ontario regulations/guidelines that apply and these can be provided by the Gas Company.



Town of Fort Frances

Legend

-  Enbridge Gas Pipeline Coverage Area
-  Town of Fort Frances
-  Roads
-  Railways
-  Municipal and Township Boundaries
-  First Nation Boundaries



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



Administration & Finance Division
Planning & Development Division
Phone: (807)274-5323
Fax: (807)274-8479

Mailing Address for All Divisions:
320 Portage Avenue
Fort Frances, ON
P9A 3P9



Operations & Facilities Division
Phone: (807)274-9893
Fax: (807)274-7360

Community Service Division
Phone: (807)274-4561
Fax: (807)274-3799

Email: town@fortfrances.ca
www.fortfrances.ca

September 27, 2023

Patrick McMahon
Enbridge Gas Inc
50 Keil Drive North
Chatham, ON N7M 5M1

Sent via email: Patrick.McMahon@enbridge.com

RE: Enbridge Gas Franchise Agreement Renewal

Dear Mr. McMahon,

Council of the Town of Fort Frances at it's meeting held on Monday September 25, 2023, reviewed and considered a resolution pertaining to the Enbridge Gas Franchise Agreement Renewal. The following resolution was approved.

Resolution # CON 315.4

*Moved by Councillor Brunetta
Seconded by Councillor Behan*

THAT Council approval of report [AR-23-0416](#) will agree with the recommendation of Administration 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 Town of Fort Frances is not necessary pursuant to the provisions of Section 9(4) of the Municipal Franchises Act.

CARRIED

If you have any questions regarding this matter, please don't hesitate to contact the Civic Centre on ph: 807 274-5323

Yours very truly,

[Original Signed By]

Gabrielle Lecuyer, AOMC, Dipl. M.A.
Municipal Clerk

Cc: Travis Rob Interim CAO

ADMINISTRATIVE REPORT

Subject: Enbridge Enterprise Agreement Revised Support Resolution

Date: September 25, 2023

To: Mayor and Council

From: Travis Rob, Interim Chief Administrative Officer

Item Number: AR-23-0416



ISSUE:

Enbridge needs specific wording within their resolution to meet the needs of the Ontario Energy Board

ADMINISTRATIVE RECOMMENDATION:

THAT Council approval of report AR-23-0416 will agree with the recommendation of Administration 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 Town of Fort Frances is not necessary pursuant to the provisions of Section 9(4) of the *Municipal Franchises Act*.

HISTORY:

on [July 10th](#) Council received a report related to the renewal of a franchise agreement with Enbridge for a period of 20 years. That agreement needed to be accompanied by a by-law and resolution for submission to the Ontario Energy Board for review, advertisement and approval before coming back before Council for final sign off. Enbridge requires specific wording in their resolutions to meet the needs of the OEB in their application.

ANALYSIS:

This report will provide the required wording for the Enbridge application to the OEB for the renewal of the enterprise agreement with the Town of Fort Frances for a period of 20 years.

THE CORPORATION OF THE TOWN OF FORT FRANCES

BY-LAW 58-23

Being a by law to authorize a franchise agreement between the Corporation of the Town of Fort Frances and Enbridge Gas Inc.

WHEREAS the Municipal Act, 2001, c. 25 as amended, Section 9, grants a municipality the capacity, rights, powers, and privileges of a natural person for the purpose of exercising its authority under the Act or any other Act;

AND WHEREAS Section 10 (1) of the Municipal Act, 2001, c. 25 as amended, authorizes a single-tier municipality to provide any service or thing that the municipality considers necessary or desirable for the public;

AND WHEREAS Council received report AR-23-0284 from the Interim Chief Administrative Officer relating to the renewal of an Enterprise Agreement with Enbridge Gas;

AND WHEREAS the Council of the Corporation of the Town of Fort Frances deems it expedient to enter into the attached franchise agreement (the "Franchise Agreement") with Enbridge Gas Inc for a period of 20 years;

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 be it resolved that council of the Corporation of the Town of Fort Frances HEREBY ENACTS as follows:

- 1. THAT any policy of the Town of Fort Frances approved, adopted, or amended by Municipal Council on a day prior to the day this by-law is in force and effect, pertaining to the franchise agreement between the Corporation of the Town of Fort Frances and Enbridge Gas Inc. is hereby revoked.
2. THAT the Franchise Agreement between the Corporation of the Town of Fort Frances 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. THAT the Mayor and the Clerk be authorized on behalf of the Town, to execute, and to affix the Corporate Seal of the Town, to the Franchise Agreement with Enbridge Gas in the form of Schedule "A" attached to and forming part of this By-Law
4. THAT By-law 47-03 is hereby repealed
5. THAT this By-law shall come into force and take effect upon the final passing thereof.

ENACTED and PASSED this 14th day of August 2023

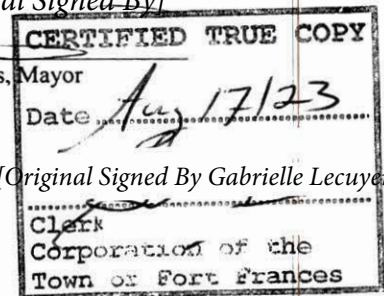
[Original Signed By]

G. Lecuyer, Clerk



[Original Signed By]

A. Hallikas, Mayor



[Original Signed By Gabrielle Lecuyer]

Clerk Corporation of the Town of Fort Frances

2000 Model Franchise Agreement

THIS AGREEMENT effective this day of , 2023

BETWEEN:

THE CORPORATION OF THE TOWN OF FORT FRANCES

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 TOWN OF FORT FRANCES

Per:

Andrew Hallikas, Mayor

Per:

Gabrielle Lecuyer, Municipal Clerk

ENBRIDGE GAS INC.

Per:

Mark Kitchen, Director, Regulatory Affairs

Per:

Nicole Lehto, Director, Northern Region Operations