



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

July 16, 2024

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 Certificate of Public Convenience and Necessity
Township of Armour**

Attached is an application by Enbridge Gas Inc. for Orders of the Ontario Energy Board with respect to a Certificate of Public Convenience and Necessity for the Township of Armour.

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 a Certificate of Public Convenience and Necessity to
construct works to supply natural gas in the Township of Armour.

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 Township of Armour is a lower-tier municipal corporation incorporated under the laws of the Province of Ontario which is located within the Almaguin Highlands region of Parry Sound District.
3. In its project proposals for funding under Phase 2 of the Natural Gas Expansion Program (NGEP), Enbridge Gas proposed to expand access to gas distribution service in the Village of Burk's Falls which is an enclave within the Township of Armour. Following the completion of this community expansion project, Enbridge Gas received an inquiry from the Township of Armour regarding expanding access to the natural gas distribution system. While preparing an application for approval of a franchise agreement with and Certificate of Public Convenience and Necessity (CPCN) for the Township of Ryerson (EB-2024-0143), Enbridge Gas conducted a review of its neighbouring CPCNs and identified approximately 50 customers being served within the Township of Armour just outside the Village of Burk's Falls. Attached hereto and marked as Schedule "A" is a map showing the geographical location of the Township of Armour and a customer density representation of Enbridge Gas' service area in and near the Township of Armour.
4. While Enbridge Gas has a franchise agreement (EB-2009-0185) with the Township of Armour (attached as Schedule "B"), there is no CPCN in place because the initial franchise agreement between the Township of Armour and the former Northern and Central Gas Corporation (dated April 15, 1980 but effective May 6, 1980 pursuant to Bylaw 12-80) was a transmission franchise agreement to permit the construction of a transmission pipeline to allow for service to the Village of Burk's Falls (see 1980 franchise agreement attached as Schedule "C"). Since 1980, distribution system expansions have been constructed from tie-ins to the system within the Village of Burk's Falls to provide service to customers living within the Township of Armour. When the requests for service were received, there is no record of any checks being made to ensure that a CPCN was in place to allow for the construction of distribution pipelines within the Township of Armour. Enbridge Gas has put a hold on addressing service requests within the Township of Armour until a CPCN can be approved by the OEB.

5. A map showing the location of Enbridge Gas' facilities and customers within the Township of Armour will be submitted confidentially under a separate cover. This map includes specific details of the location of Enbridge Gas' facilities currently located in the Township of Armour and a chart indicating approximately when these facilities were constructed. This map is intended to show the proximity of these facilities to the distribution system located within the Village of Burk's Falls. The information provided in this map needs to be kept confidential because the public disclosure of specific locations of existing gas distribution and transmission facilities and customers poses both safety and security risks. Public access to this kind of information may allow third parties to determine gas system configurations and points of sensitivity or vulnerability that may expose Enbridge Gas and its customers to security risks. Further, persons planning developments or excavation projects may attempt to use the facilities information obtained from other sources in substitution for required facilities locates, notwithstanding the fact that obtaining locates is required by law.
6. Enbridge Gas currently has franchise agreements with and CPCNs for the Township of Perry and the Township of Strong which are immediately adjacent to the Township of Armour. An application (EB-2024-0143) is currently under review by the OEB related to a franchise agreement with and CPCN for the Township of Ryerson which is also adjacent to the Township of Armour. Enbridge Gas is not aware of any other gas distributor in the area.
7. The contact information of the Township of Armour is as follows:

Township of Armour
56 Ontario Street
Burk's Falls, ON P0A 1C0
Attention: John Theriault, Clerk
Telephone: (705) 382-3332
Email: clerk@armourtownship.ca

The contact information for Enbridge Gas' regional operations office is:

Enbridge Gas Inc.
1211 Amber Drive
Thunder Bay, ON P7B 6M4
Attention: Nicole Lehto, Director, Regional Operations
Email: nicole.lehto@enbridge.com
8. Enbridge Gas now applies to the Ontario Energy Board for an Order pursuant to s.8 of the *Municipal Franchises Act* for a Certificate of Public Convenience and Necessity to construct works to supply natural gas in the Township of Armour. Given the ongoing interest in access to natural gas within the municipality, Enbridge Gas is requesting a CPCN that covers all of the current Township of Armour.

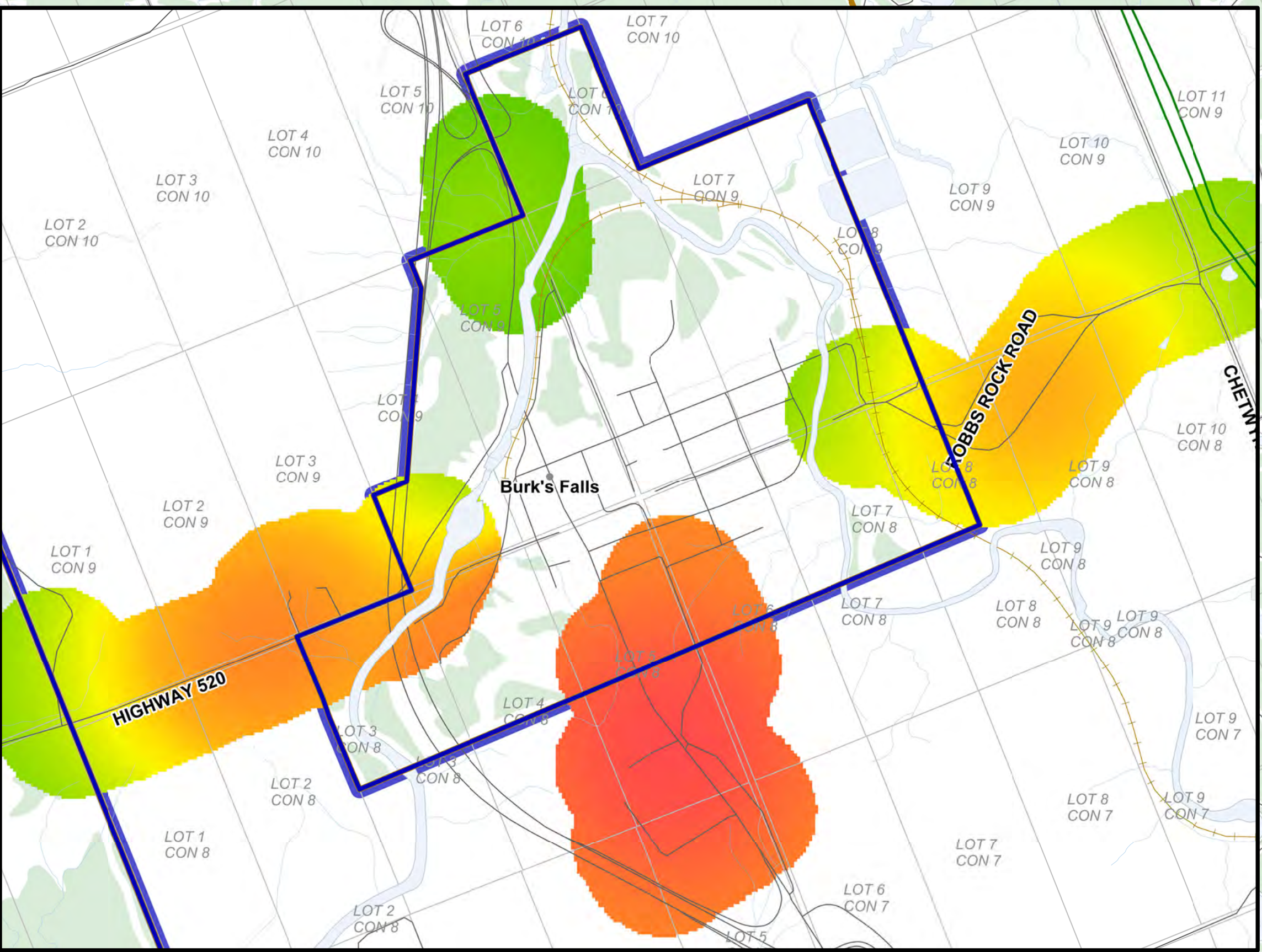
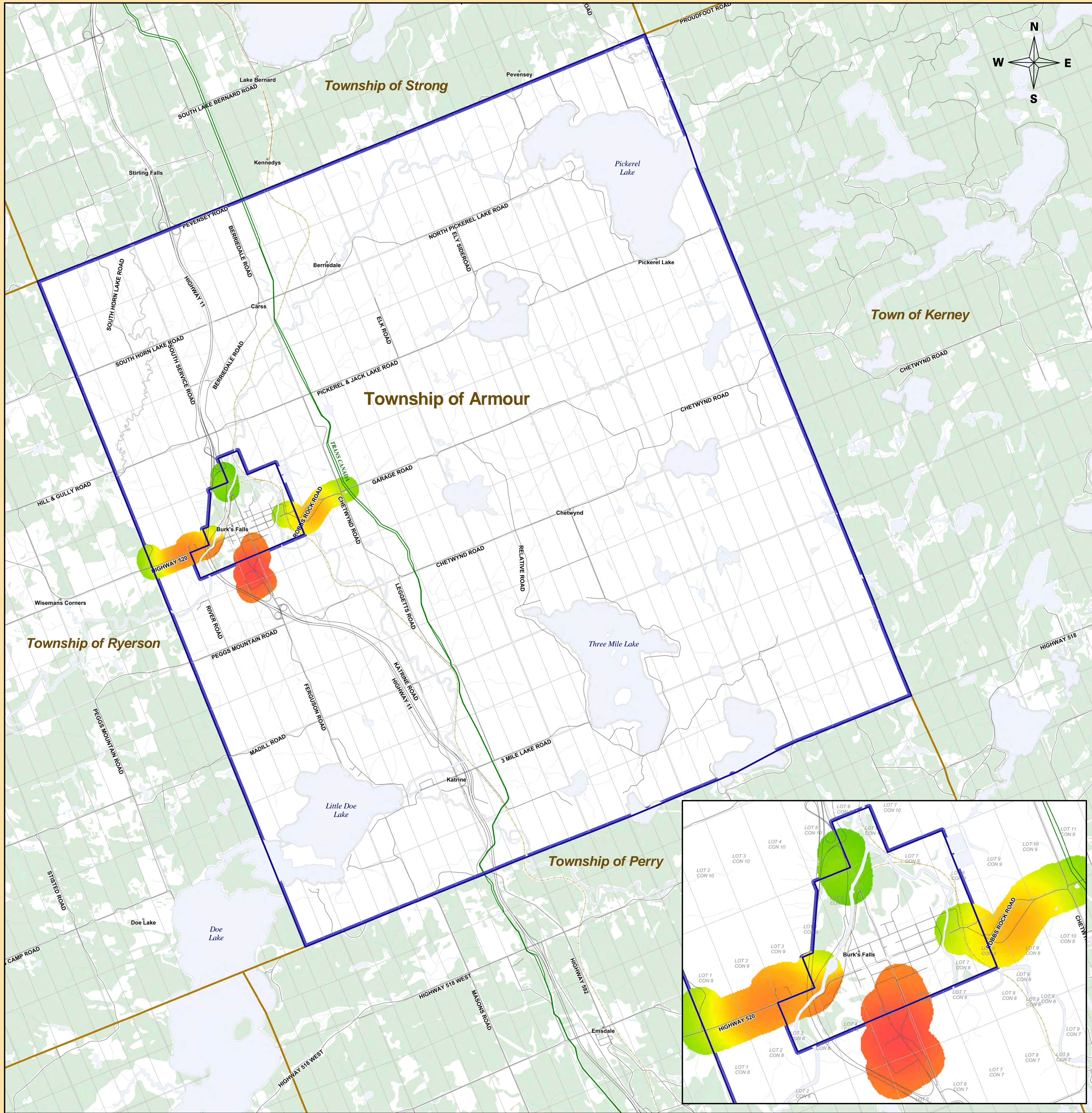
DATED at the Municipality of Chatham-Kent, in the Province of Ontario this 16th day of July, 2024.

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



Legend

- Township of Armour
- Municipal and Township Boundaries
- Trans CANADA Pipelines
- Roads
- Railways
- First Nation Boundaries
- Wooded Areas
- Customer Density
Low High

Township of Armour

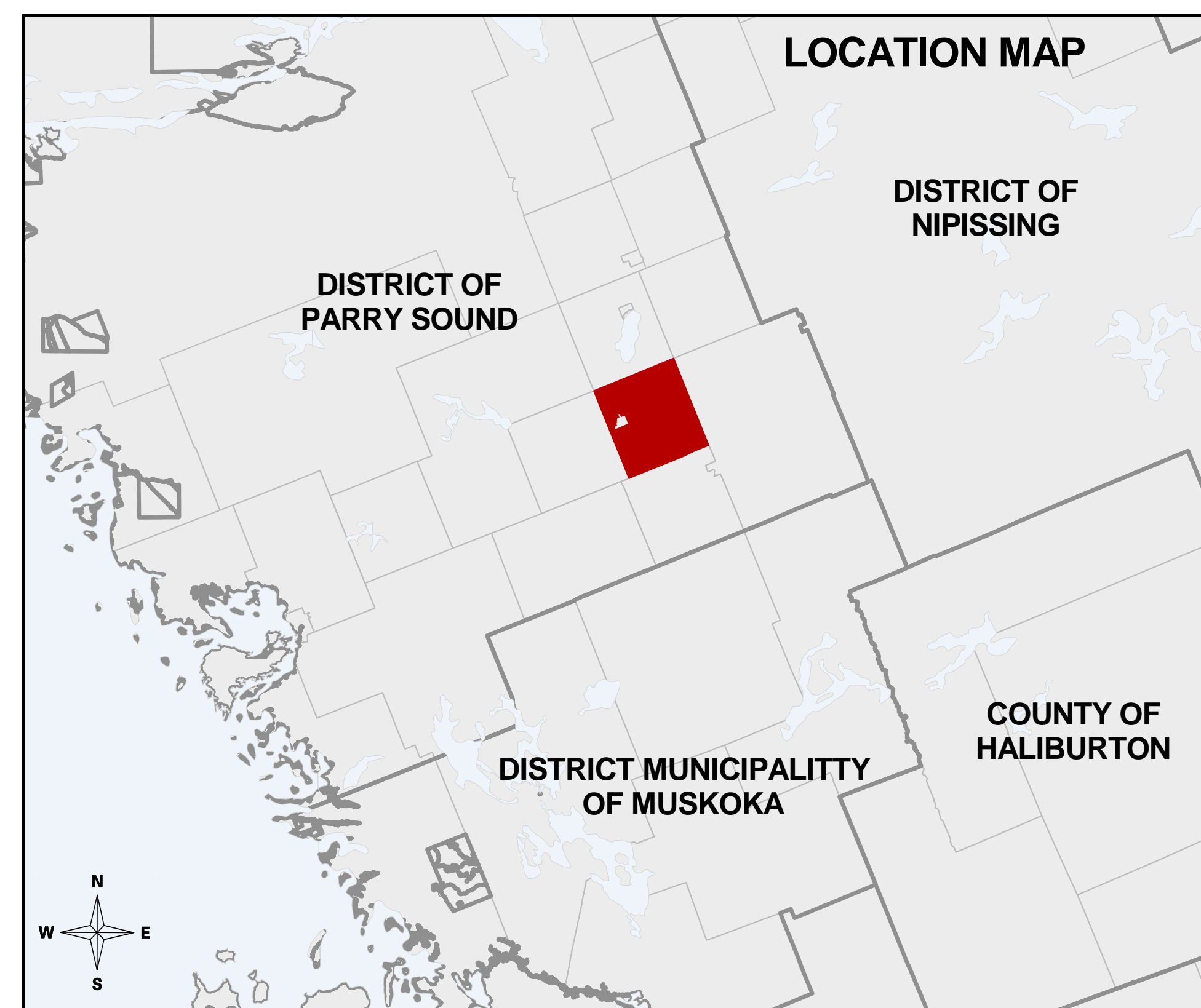
0.0 1.5 3.0 4.5 6.0 7.5
Kilometers

Disclaimer:

Enbridge Gas Inc.
The map is provided with no warranty express or implied and is subject to change at any time. Any Person using the Map shall do so at its own Risk and the Map is not intended in any way As a tool to locate underground infrastructure for the purposes of excavation.



LOCATION MAP



MUNICIPAL CORPORATION OF THE TOWNSHIP OF ARMOUR**BY-LAW # 24-2009****To authorize a franchise agreement between the
Corporation of the Township of Armour and Union Gas Limited**

WHEREAS the Council of the Township of Armour deems it expedient to enter into the attached franchise agreement (the Franchise Agreement) with Union Gas Limited;

AND WHEREAS the Ontario Energy Board by its Order issued pursuant to the Municipal Franchise Act on the 5TH day of AUGUST, 2009 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 Township of Armour enacts as follows:

1. That the Franchise Agreement between the Corporation of the Township of Armour and Union Gas Limited attached hereto and forming part of this by-law, is hereby authorized and the franchise provided for herein is hereby granted.
2. That the Reeve and Clerk be and they are hereby authorized and instructed on behalf of the Corporation of the Township of Armour 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 and same is hereby repealed;
By-law # 12-80 for the Corporation of the Township of Armour passed in Council on the 6th day of May, 1980.
4. That this by-law shall come into force and take effect as of the final passing thereof.

[Original Signed by Bob MacPhail]

REEVE, Bob MacPhail

[Original Signed By Wendy Whitwell]

CLERK, Wendy Whitwell

Read a first, and second
time, this 26th day of May, 2009

Read a third and final time
this 11TH AUGUST, 2009

Certified to be a true copy of BY-LAW # 24-2009	
<u>Aug. 18/09</u> Date	<i>[Original Signed]</i> <u>By Deputy Clerk</u> Signature of Clerk DEPUTY

2000 Model Franchise Agreement

THIS AGREEMENT effective this *11* day of *AUGUST*, 20*09*

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF ARMOUR

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
TOWNSHIP OF ARMOUR**

Per: *[Original Signed By Bob MacPhail]*

Bob MacPhail, Reeve

Per: *[Original Signed By Wendy Whitwell]*

Wendy Whitwell, Clerk-Treasurer

UNION GAS LIMITED

Per: *[Original Signed By Rick Birmingham]*

Rick Birmingham, Vice President

Per: *[Original Signed By Paul Rietdyk]*

Paul Rietdyk, Vice President

SCHEDULE "~~44A~~" TO THE MINUTES
OF THE DIRECTORS' MEETING

BY-LAW NO. 12-80 HELD ON

Being a By-Law of the Corporation of
the Township of Armour
to authorize a Franchise Agreement
between the Corporation and Northern
and Central Gas Corporation Limited

PLEDGED TO THE TRUSTEE IN TH
~~44A~~...SUPPLEMENTAL INDENTUR

THE COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF ARMOUR
ENACTS AS FOLLOWS:

1. That the proposed franchise agreement with Northern and Central Gas Corporation Limited be and the same is hereby approved and authorized and the franchise provided for therein granted.
2. That the Reeve and Clerk are hereby authorized and instructed on behalf of the Corporation to enter into, execute, seal with the Corporate seal and deliver in the form approved, the agreement set forth in the schedule hereto between the Corporation and Northern and Central Gas Corporation Limited, which agreement in the form so approved, is hereby incorporated in and shall form part of the By-Law.

READ A FIRST TIME THIS 15 DAY OF April A.D., 19 80
READ A SECOND TIME THIS 15 DAY OF April A.D., 19 80

READ A THIRD TIME AND FINALLY PASSED THIS 6 DAY OF May A.D., 19 80

SCHEDULE TO BY-LAW NO. 12-80

AGREEMENT MADE IN DUPLICATE THIS 15 day of April, 1980
19 80 .

BETWEEN:

The Corporation of the Township of Armour
hereinafter called the
"Corporation" of the FIRST PART

AND

Northern and Central Gas Corporation Limited,
a company incorporated under the laws of the
Province of Ontario and having its Head Office
in the City of Toronto in the said Province
hereinafter called the "Gas Company"
of the SECOND PART

In consideration of the undertakings and agreement
hereinafter expressed and upon the terms hereinafter set forth,
the Corporation and the Gas Company mutually covenant and agree
as follows:

1. In this agreement:

- (a) "Gas" means natural gas, manufactured gas or any liquified petroleum gas, and includes any mixture of natural gas, manufactured gas or liquified petroleum gas, but does not include a liquified petroleum gas that is distributed by a means other than a pipe line:
- (b) "transmission pipeline" means a pipeline for the transmission of gas including any works appurtenant thereto and includes a branch line;
- (c) "Engineer" means from time to time the employee of the Corporation designated by the Corporation for the purposes of this agreement, or, failing such designation, the senior employee of the Corporation for the time being charged with the administration of public works and highways in the municipality;

- (d) "Municipality" means and includes the locality (within the meaning of The Municipal Act as amended from time to time) under and subject to the jurisdiction of the Corporation and any territory which may at any time or from time to time hereafter be brought within the jurisdiction of the Corporation by annexation or otherwise;
- (e) "Public Property" means all roads, highways, streets, lanes, sidewalks, bridges, including untravelled portions, public squares, road allowances and other public land owned by the Municipality from time to time within the Municipality.

2. The Corporation hereby grants to and confers upon the Gas Company the franchise, right and privilege of:

- (a) passing through the municipality for the purpose of continuing a transmission pipeline, work or system which is intended to be operated in or for the benefit of another municipality and is not used or operated in the municipality for any other purpose except that of supplying gas in a township to persons whose land abuts on a highway along

or across which the same is carried or conveyed, or to persons whose land lies within such limits as the Corporation by by-law passed from time to time determines should be supplied with any of such services;

- (b) passing through the municipality with a transmission pipeline to transmit gas not intended to be distributed from such line in the municipality or only intended to be distributed from such line in the municipality to a person engaged in the transmission or distribution of gas;
- (c) constructing, using and operating works required for the transmission of gas not intended for sale or use in the municipality (except as hereinbefore provided), and to enter upon any public property for the purpose of the construction, operation, maintenance and repair of the transmission pipeline.

3. The franchise hereby granted shall be for the term of thirty (30) years from and after the third reading of the by-law of the Corporation authorizing the execution of this agreement.

4. Before beginning construction of a transmission pipeline in the municipality, the Gas Company shall file with the Engineer a plan showing the public property upon, under or over which it proposes to construct the transmission pipeline or any part thereof, together with written specifications of all pipes and works proposed to be laid or constructed by it, specifying the materials and dimensions thereof and the depth at which same are to be laid, and before beginning the construction of any extension, addition or change to or in such transmission pipeline the Gas Company shall file with the Engineer similar plans and specifications relating to such extension, addition or change

provided that the provisions of this paragraph shall not apply to lateral service pipes constructed by the Gas Company.

5. Except in the event of emergency no excavation, opening or work which shall disturb or interfere with the surface of any public property shall be made or done unless the Engineer has approved the Gas Company's location plan for such construction and all such works shall be done to his satisfaction.

6. The location of all pipes and works on public property shall be subject to the approval of the Engineer and all such pipes and works, whenever it may be reasonable and practicable, shall be laid in and along the sides of such public property.

7. The Gas Company shall restore all public property which it may excavate or interfere with in the course of construction, repair or removal of the gas distribution system or any part thereof as nearly as possible to the same condition in which it existed prior to the commencement of the work to the satisfaction of the Engineer, and shall make good any settling or subsidence caused by any such excavation:

8. In the event of the Company's failing at any time to do any work required by Section 7, the Corporation may notify the Gas Company in writing that such work has not been done, and after a reasonable period of time, have such work done, and charge to and collect from the Company the cost thereof, and the Company shall pay any account therefor certified by said Engineer.

9. The Company shall and does hereby agree to indemnify and save harmless the Corporation from and against all losses, damages, charges and expenses which the Corporation may suffer or incur or be put to or for which it may become liable by reason of any damage or injury to persons

or property resulting from the imprudence, neglect or want of skill of the employees or agents of the Gas Company in connection with the construction, repair, maintenance or operation by the Company of any of its works in the Municipality.

10. The Gas Company at all times shall use proper and practicable means to prevent the escape or leakage of gas from its mains and pipes and the causing of any damage or injury therefrom to any person or property.

11. The Corporation will not build or permit any commission or other public utility or person to build any structure or structures encasing any portion of the transmission pipeline of the Gas Company.

12. In the event of any dispute or disagreement between the parties hereto as to the meaning or interpretation of anything herein contained or as to the performance or non-performance by either of such parties of any of the provisions hereof or as to the respective rights and obligations of the parties hereto hereunder, either of such parties may refer such dispute or disagreement to arbitration under the provisions of paragraph 13 hereunder.

13. Whenever The Municipal Arbitrations Act, R.S.O. 1970, Chapter 286, shall extend and apply to the municipality, any reference to arbitration pursuant to the provisions of this agreement shall be to the Official Arbitrator appointed under that Act and shall be governed by the provisions of that Act. At any other time the procedure upon an arbitration pursuant to the provisions of paragraph 12 hereof shall be as follows:

Within twenty days after the written request of either of the parties hereto for arbitration each of them shall appoint one arbitrator and the two so appointed shall, within twenty days after the expiration of such twenty day

period select a third. In case either of the parties hereto shall fail to name an arbitrator within twenty days after the said written request for arbitration, the arbitrator appointed shall be the only arbitrator. In case the two arbitrators so appointed are unable to agree on a third arbitrator within twenty days after the expiry of the first twenty day period above mentioned, application shall be made as soon as reasonably possible to any Judge of the Supreme Court of Ontario for the appointment of such third arbitrator. The arbitrator or arbitrators so appointed shall have all the powers accorded arbitrators by the Arbitration Act, R.S.O. 1970, Chapter 25, as from time time amended, or any Act in substitution therefor. The decision of the said arbitrator or arbitrators (or of a majority of such arbitrators) shall be final and binding on the parties hereto.

14. Within twelve months following the termination of the term of this franchise the Gas Company may remove the transmission pipeline or any portion or portions thereof from the public property, provided that failure to effect such removal shall not deprive the Gas Company of title to the transmission pipeline or any portion or portions thereof.

15. Any notice or request to be given or made hereunder to or of either of the parties hereto shall be deemed to be sufficiently given or made if reduced to writing and mailed by prepaid registered post to the Gas Company at its Head Office or to the clerk for the time being of the Corporation at the municipal offices of the Corporation, as the case may be, or to such other address as the party to whom the same is to be given or made may hereafter have designated by notice given in the manner provided in this paragraph; and any notice or request so given or made shall be deemed to have been given or made on the day following the date of the mailing of the same within Ontario.

16. This agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

17. IN WITNESS WHEREOF, the Gas Company has hereunto caused its corporate seal to be affixed and this agreement to be signed by its proper officers in that behalf and the Corporation has hereunto caused its corporate seal to be affixed and this agreement to be signed by its Reeve and Clerk.

THE CORPORATION OF THE TOWNSHIP OF ARMOUR

[Original Signed By Reeve of Township of Armour]

Reeve

[Original Signed by E. Rayner]

Clerk

NORTHERN AND CENTRAL GAS CORPORATION
LIMITED

[Original Signed By Vice-President, Finance]

~~Vice-President~~, FINANCE

[Original Signed By Olga Boychuk, Secretary]

Secretary