



Ontario | Commission  
Energy | de l'énergie  
Board | de l'Ontario

**BY EMAIL**

April 24, 2025

Ms. Nancy Marconi  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4  
[Registrar@oeb.ca](mailto:Registrar@oeb.ca)

Dear Ms. Marconi:

**Re: Ontario Energy Board (OEB) Staff Submission  
Enbridge Natural Gas Inc.  
Request for the renewal a Municipal Franchise Agreement with the City of  
Guelph  
OEB File Number: EB-2024-0058**

---

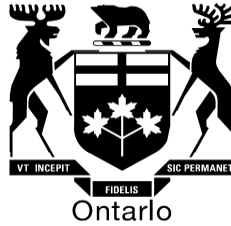
Please find attached OEB staff's submission in the above referenced proceeding, pursuant to Procedural Order No. 1.

Yours truly,

Natalya Plummer  
Advisor, Natural Gas

Encl.

cc: All parties in EB-2024-0058



# **ONTARIO ENERGY BOARD**

## **OEB Staff Submission**

**Enbridge Gas Inc.**

**Request for the Renewal of Municipal Franchise Agreement with the  
City of Guelph**

**EB-2024-0058**

**April 24, 2025**

## **OEB Staff Submission**

The following is OEB staff's submission on the relevance of the evidence proposed to be filed by the City and eMERGE Guelph in this proceeding, as set out in the letters filed on April 17, 2025.

### **Background**

Enbridge Gas Inc. (Enbridge Gas) applied to the Ontario Energy Board (OEB) on January 6, 2025, for orders under sections 8 and 10 of the *Municipal Franchises Act*, granting a franchise renewal with, and a certificate of public convenience and necessity (certificate) for, the City of Guelph (City).

The OEB issued a notice of hearing on February 13, 2025. Interventions closed on February 24, 2025.

On February 24, 2025, the City and eMERGE Guelph Sustainability (eMERGE Guelph) each applied for intervenor status. eMERGE Guelph also applied for cost eligibility.

Procedural Order No. 1 (PO1) was issued on March 13, 2025. PO1 approved both the City and eMERGE Guelph as intervenors. PO1 also instructed the City and eMERGE Guelph to file a letter by April 17, 2025, indicating whether they intend to file evidence with the OEB and, if evidence is to be filed, a detailed description of it. PO1 also asked parties to file any submissions on any proposed evidence by April 24, 2025.

On April 17, 2025, the City filed its evidence proposal letter which stated that it intends to file the following evidence: a customer density map for the area served within the City; meeting minutes; correspondence on Bill 219; correspondence between Enbridge Gas and the City; documents relating the City's climate targets and energy transition commitments; documents pertaining to the City's economic policies, Indigenous policies, and the City's provisional policy statement; and, documents relating to the costs regarding previous relocations of gas lines and/or decommissioning. The City also requested permission from the OEB to reserve its right to file additional evidence once it has had sufficient opportunity to fully review Enbridge Gas's interrogatory responses.

On April 17, 2025, eMERGE Guelph filed its evidence proposal letter which stated its intention to file evidence on the following categories: the direct views of local residents; the City's climate targets and energy transition and efforts to amend O.Reg 548/06; and a jurisdictional scan of fees charged by municipalities for use of highways.

### **OEB Staff Submission on the Proposed Evidence of the City of Guelph**

The City and Enbridge Gas are co-signatories to a municipal franchise agreement (EB-2006-0248), effective May 16, 2005 for a 20-year term. It is OEB staff's general view that, as a co-signatory to the municipal franchise agreement, it would be reasonable for the OEB to also permit the City to file evidence in this proceeding on issues that are

within scope. PO1 defined the scope of the proceeding as:

“OEB’s consideration of Enbridge Gas’s request for a new certificate for the City of Guelph, and Enbridge Gas’s request for the renewal of its franchise agreement with the City based on the terms and conditions of the Model Franchise Agreement. This proceeding will consider the views of the City and local residents as to whether there are compelling reasons to deviate from the terms and conditions of the Model Franchise Agreement in this City.”

OEB staff notes that among the evidence that the City has requested to file is documentation about previous gas line relocations and/or decommissioning in the City. As gas line relocations and decommissions are addressed in the Model Franchise Agreement, evidence pertaining to gas line relocations and decommissions in particular may hold probative value for the OEB by providing insights that are important for the OEB’s evaluation in this proceeding.

OEB staff submits that any other evidence that the City files should be based on factors specific to the City that may warrant a deviation from the standard terms and conditions of the Model Franchise Agreement and not duplicative of evidence already on the record of this proceeding.

### **OEB Staff Submission on the Proposed Evidence of Guelph eMERGE**

The first category of evidence eMERGE Guelph is requesting to file relates to the views of local residents. OEB staff notes that the OEB has received hundreds of letters from residents in the City supporting eMERGE Guelph’s participation in this proceeding. To the extent they are not aligned with the position that may be taken by the City in respect of the relief sought under section 8 of the *Municipal Franchises Act* in this proceeding, it may be beneficial for eMERGE Guelph to also file evidence, but such evidence should also be within scope. OEB staff submits that this evidence should only be permitted to the extent it is not duplicative of the letters of local residents already filed on the record of this proceeding.

The second category of eMERGE Guelph’s evidence proposal is on climate targets and the energy transition. eMERGE Guelph states:

“[i]n order to determine the appropriate terms to impose and whether compelling reasons exist for deviation from the Model Franchise Agreement, the Board will need to consider both local and regional contextual factors. This includes local factors that underlie Guelph City Council’s rejection of the Applicant’s proposed franchise agreement.”

It is not clear to OEB staff why eMERGE Guelph should be able to file such evidence, given the active participation of the City in this proceeding. However, if eMERGE is permitted to file evidence relating to this second category, it should be relate specifically

to matters impacting the City that may warrant a deviation from the standard terms and conditions of the Model Franchise Agreement. As stated in the OEB's *Natural Gas Facilities Handbook*, "the OEB expects that franchises will be based on the Model Franchise Agreement, unless there is a compelling reason for deviation." This view has been upheld in numerous prior decisions of the OEB, and the OEB's position on this has been given deference by the Courts.

The third category of eMERGE Guelph's evidence proposal pertains to fees charged by municipalities to natural gas distributors and O. Reg. 584/06 (Fees and Charges) under the *Municipal Act, 2001*. OEB staff is of the view that the potential repeal or amendment of O. Reg. 584/06, along with information pertaining to other municipal jurisdictions on this matter, is speculative and should not be considered by the OEB to be within scope of the proceeding. As stated in PO1, "[b]road issues that may have implications for communities and natural gas consumers across Ontario, which are not specific to the City of Guelph, will not be within the scope of this proceeding."

To the extent that the proposed evidence under this category is determined by the OEB to be relevant and in scope, however, it is OEB staff's further submission that the impact of future legislative changes and the relevance of jurisdictional scans would be best explored through interrogatories or by further discovery or follow-up, as the OEB may require. If, however, the OEB permits the filing of eMERGE Guelph's third category of evidence, OEB staff notes that eMERGE Guelph has proposed two methods for filing it: the first option is to retain a consultant with a cost in the range of \$6,000 to compile information relating to fees charged by municipalities relating to natural distributors and infrastructure; and the second option is for eMERGE Guelph to file reports on fees charged by municipalities relating to natural gas distributors and infrastructure. OEB staff submits that the second option would be sufficient for the purposes of this proceeding, should the OEB permit its filing.

~All of which is respectfully submitted~