From: Gaby Kalapos <gkalapos@cleanairpartnership.org>
Sent: Tuesday, May 6, 2025 11:03 AM
To: Office of the Registrar <Registrar@oeb.ca>
Subject: Clean Air Partnership Input on EB-2025-0126

Dear Ontario Energy Board,

My apologies for not getting you this input by the May 5th deadline. I was just made aware of this today, but do hope this input can be added to the input on this OEB consultation and if I can sign up to be kept up to date on discussions and decision related to this filing.

This EB-2025-0126 application allowing Enbridge to renew their Franchise Agreement with County of Wellington regardless of County of Wellington's approval of the franchise agreement renewal is very different from how municipalities are compensated and reimbursed for utilities in their right of way in other Canadian jurisdictions. Ontario's approach whereby municipalities are unbale to charge Enbridge for use of the right of way (ROW) for their infrastructure is very different from other provinces which enable municipalities to be compensated for utilities use of their right of way lands. In some cases this has resulted in municipalities charging unregulated low carbon utilities for use of the right of way, but being unable to charge Enbridge for use of the right of way, resulting in yet another fossil fuel subsidy that is forced upon municipalities by the OEB model franchise agreement. This inability to be able to charge regulated utilities sch as Enbridge for use of the ROW yet still charging non regulated utilities such as Enwave for the use of the ROW. This results in a unequal playing field that favors fossil fuels over lower carbon options.

To increase fairness and level the playing field across all utilities municipalities should be ale to charge Enbridge and other utilities that use the municipal ROW for municipal costs and compensation for use of the ROW.

Therefore it is the recommendation by Clean Air Partnership that:

1. The Province of Ontario ensure a transparent and equitable framework across different users of the municipal right of way by updating the Model Franchise Agreement and Amending Regulation 584 in the Ontario Municipal Act to include a provision for municipal access fees to be paid to municipalities for use of their right of way for natural gas distribution infrastructure and other associated pipelines that use the municipal right of way.
2. Section 9 of Regulation 584/06 under the Municipal Act, 2001 provides an unjustified subsidy to for-profit gas utilities by forcing municipalities to provide them free use of public property. This is a large fossil-fuel subsidy that is contrary to the public interest, in light of our climate crisis, in light of the financial crisis facing Ontario municipalities, and in light of the increasing demands on public right of way space. Municipalities should be free to charge fair fees to for-profit fossil fuel utilities for their use of municipal

property. Property taxpayers should not be forced to subsidize multi-billion dollar private companies.

3. Many municipalities in Ontario are experiencing unprecedented growth within their communities. This results in significant pressures on municipalities to manage the growth and advance complete communities that address environmental, social, and economic outcomes.
4. There has been increased demand regarding access to the municipal right of way, from the municipalities' own infrastructure (sewer, stormwater, water supply), but also from utilities (electrical, natural gas), as well as telecommunications. Increasing opportunities to meet local energy needs with local energy solutions are also likely to place additional pressures on right of way infrastructure.
5. Most provinces in Canada allow municipalities to charge utilities (including natural gas utilities) for access to public lands for their infrastructure. Imposing such charges on conventional natural gas distributors will help level the playing field between entities that use the municipal right of way and between fossil fuels and low carbon energy systems that are seeking access to municipal rights of way.
6. Enbridge, as a regulated utility, earns a fixed 9% return on investment through rates based on its infrastructure assets. This means they are financially incented to expand their pipeline system. As decarbonization and electrification of building heating is achieved, it is predicted that the fossil fuel gas infrastructure will be increasingly expensive to maintain, leading to increased abandonment by the utility, as allowed under the present Model Franchise Agreement. Increased applications for abandonment of natural gas infrastructure in the municipal right of way have occurred and are concerning considering the increased demand on the municipal right of way and the future liability this transfers to municipalities.

The municipalities of Toronto, Guelph and London have considered the above and passed council resolutions calling for AMO and the province to enable municipalities to charge utilities such as Enbridge for use of the ROW similar to what occurs in other Canadian jurisdictions.

If I would be able to added to the list of stakeholders that would like to be kept informed of any discussion related to Enbridge franchise agreements with municipalities that would be greatly appreciated. thanks, Gaby

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