



Enbridge Gas Inc.

Application for the Renewal of a Municipal Franchise Agreement with, and a Certificate of Public Convenience and Necessity for, the City of Guelph

PROCEDURAL ORDER NO. 2 May 29, 2025

Enbridge Gas Inc. (Enbridge Gas) applied under the *Municipal Franchises Act* to the Ontario Energy Board (OEB) on January 6, 2025, for an order under section 8 of the Act for a certificate of public convenience and necessity (certificate) for the City of Guelph and an order under section 10 of the Act renewing its franchise agreement with the City based on the terms and conditions of the Model Franchise Agreement, without amendment.

The OEB issued Procedural Order No. 1 on March 13, 2025. Among other things, it approved the City of Guelph and eMERGE Guelph as intervenors and established the dates for interrogatories and responses on Enbridge Gas's filed evidence, and for intervenors to file a letter informing the OEB of the nature of any evidence they intend to file. Procedural Order No.1 also provided for written submissions on the proposed evidence.

The City of Guelph has proposed revisions to the Model Franchise Agreement that will be the subject of its intervention, in furtherance of the following objectives:

- To provide for flexibility in the event of change in law, including to allow the City to charge fees for use of public property if and when O. Reg. 584/06, Fees and Charges, made under the *Municipal Act, 2001* is amended to allow such charges;
- To ensure that the City is not liable to pay for any gas infrastructure relocations needed due to conflicts with municipal infrastructure; and to advocate that any future charges for use of municipal property are not passed on to City of Guelph customers of Enbridge.

The City also stated that it is proposing to file the following evidence:

• A customer density map for the area served within the City of Guelph;

- Meeting minutes;
- A copy of Bill 219 "No Free Ride for Fossil Fuels Act" and correspondence from Mike Schriener to introduce the Bill;
- Correspondence between Enbridge Gas and the City of Guelph; documents relating to the City of Guelph's climate targets and energy transition commitments; documents pertaining to the City of Guelph's economic policies, Indigenous policies;
- The City of Guelph's policy statement;
- Any documents relating to 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.

In its letter filed on April 17, 2025, eMERGE Guelph stated that it intends to file evidence on the following categories: the direct views of local residents, the City of Guelph'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.

On April 24, 2025, each of Enbridge Gas and OEB staff filed written submissions on the intervenors' requests to file evidence. Enbridge Gas requested that the OEB deny the City of Guelph and eMERGE Guelph's requests to file any of their proposed evidence in the proceeding.

Enbridge Gas provided a detailed submission on each of the specific requests from the City and eMERGE Guelph, generally stating that the requests are either duplicative of evidence already on the record, or irrelevant based on the OEB's clearly limited scoping of this proceeding as set out in Procedural Order No. 1.

OEB staff stated that it would be reasonable to allow the City of Guelph, as a cosignatory to the franchise agreement, to file evidence on issues that are within scope and based on factors that may warrant deviation from the Model Franchise Agreement. OEB staff also stated that as the OEB has received hundreds of letters from residents from the City of Guelph supporting eMERGE Guelph's participation in the proceeding, it would also be reasonable for eMERGE Guelph to file evidence on issues within the scope of the proceeding, to the extent it would not be duplicative of evidence already on the record of the proceeding. On April 29, 2025, eMERGE Guelph filed a letter informing the OEB that it intends to bring a motion under Rule 27 for an order of the OEB requiring that Enbridge Gas provide full and adequate responses to the interrogatories requested on March 28, 2025 and responded to by Enbridge Gas on April 11, 2024. eMERGE Guelph advised that the scope of the motion will depend on the OEB's determination regarding intervenor evidence, as permission to file intervenor evidence may eliminate the need for eMERGE Guelph to obtain answers to a number of interrogatories. eMERGE Guelph noted that it would therefore file the motion following the OEB's decision on intervenor evidence.

Panel Findings

Enbridge Gas's application requests an order for a Certificate of Public Convenience and an order renewing its franchise agreement with the City of Guelph. The OEB notes that the parties are focusing their attention, concerns and proposed evidence on elements particular to the franchise agreement portion of this application.

The OEB accepts eMERGE Guelph's preferred approach to evidence preparation whereby there would be no research related cost apart from reasonable, incremental legal costs. The OEB reminds eMERGE Guelph that this is not a generic hearing on the terms and conditions of the Model Franchise Agreement. Broad issues affecting Ontario communities and natural gas customers – beyond the City of Guelph – fall outside the scope of this proceeding. As noted in Procedural Order No. 1: "The OEB is separately considering whether there is a need for a review of generic issues related to the Model Franchise Agreement, and if so, the scope and appropriate timing of any such review." In the current proceeding the OEB will consider whether there are compelling reasons for the City of Guelph to deviate from the Model Franchise Agreement's terms and conditions.

The OEB will allow eMERGE Guelph to submit evidence, provided it focuses on factors unique to the City of Guelph and is relevant to determining appropriate franchise agreement terms. The expectation is that eMERGE Guelph's evidence would be in the following general areas as outlined in their letter of April 17, 2025:

- City of Guelph climate targets
- City of Guelph's Race to Zero climate pledge
- Community Energy Plan
- History of local climate advocacy
- Commitment for the Corporation of the City of Guelph to achieve 100% Renewable Energy by 2050

- City of Ottawa Letter and Report, Model Franchise Agreement Review, January 26, 2022
- "Jurisdictional Scan" (pages 10-11)
- City of Toronto Staff Report, Impact of Bill 165 & Gas Utility Use of Public Property in Toronto, May 13, 2024

The OEB would not find it helpful to consider evidence related to efforts to amend O. Reg. 548/06. The OEB agrees with Enbridge Gas that any legislative or regulatory changes under consideration at this time remain speculative and therefore fall outside the scope of this application.

The OEB also notes that City has requested permission to reserve its right to file additional evidence once it has had sufficient opportunity to fully review Enbridge Gas's interrogatory responses. The OEB is not able to accept, at this time, the City's request to file additional evidence at a later date in the proceeding without first knowing what the additional evidence might be and why it might be needed as a result of the interrogatory responses.

At this time, provision is being made for written interrogatories.

In preparing their interrogatories, parties should refer to the certificate-related section of the OEB's <u>Natural Gas Facilities Handbook</u>. Parties should not engage in detailed exploration of items that do not appear to be material. Parties should consult sections 26 and 27 of the OEB's <u>Rules of Practice and Procedure</u> regarding required naming and numbering conventions and other matters related to interrogatories.

The OEB has set out dates for interrogatories on intervenor evidence, responses to the interrogatories, and written submissions below. Further procedural orders may be issued by the OEB.

THE ONTARIO ENERGY BOARD ORDERS THAT:

- 1. The City of Guelph shall file its written evidence with the OEB and serve it on all parties by **June 10, 2025.**
- 2. eMERGE Guelph shall file its written evidence with the OEB and serve it on all parties by **June 10, 2025**.
- 3. OEB staff, eMERGE Guelph and Enbridge Gas shall request any relevant information and documentation from the City of Guelph that is in addition to its

filed evidence, by written interrogatories filed with the OEB and served on all parties by **June 24, 2025**.

- 4. OEB staff, the City of Guelph, and Enbridge Gas shall request any relevant information and documentation from eMERGE Guelph that is in addition to its filed evidence, by written interrogatories filed with the OEB and served on all parties by **June 24, 2025.**
- 5. The City of Guelph shall file with the OEB complete written responses to all interrogatories and deliver those responses to all parties by **July 9, 2025.**
- 6. eMERGE Guelph shall file with the OEB complete written responses to all interrogatories, and serve them on all parties by **July 9, 2025**.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's <u>Rules of Practice and Procedure</u>.

Please quote file number, **EB-2025-0058** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the <u>OEB's online filing portal</u>.

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the <u>Regulatory Electronic Submission System (RESS)</u> <u>Document Guidelines</u> found at the <u>File documents online page</u> on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet <u>set up an account</u>, or require assistance using the online filing portal can contact <u>registrar@oeb.ca</u> for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the <u>File documents online page</u> of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the <u>Practice Direction on Cost Awards</u>.

All communications should be directed to the attention of the Registrar and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Natalya Plummer at Natalya.Plummer@oeb.ca and OEB Counsel, Richard Lanni at Richard.Lanni@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, May 29, 2025

ONTARIO ENERGY BOARD

Ritchie Murray Acting Registrar