



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

August 11, 2025

Mr. Ritchie Murray
Acting Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Mr. Murray:

**Re: Enbridge Gas Inc.
Extension of Franchise Agreement - County of Simcoe
Ontario Energy Board File No. EB-2024-0280**

In accordance with instructions set out by the Ontario Energy Board's Letter of Direction dated August 7, 2025, enclosed is my Affidavit of Service related to the Decision and Order in regard to the above-noted proceeding.

Yours truly,

Patrick McMahon
Technical Manager
Regulatory Research and Records
patrick.mcmahon@enbridge.com
(519) 436-5325

Encl.

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 County of Simcoe 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 County of Simcoe;

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 County of Simcoe to the by-law is not necessary.

AFFIDAVIT OF SERVICE

I, Patrick McMahon, of the Municipality of Chatham-Kent, in the Province of Ontario, make oath and say as follows:

1. I am an employee in the Chatham Office of Enbridge Gas Inc., the Applicant in the matter referred to in the preamble to this my Affidavit and I have personal knowledge of the matters herein deposed to.
2. By Courier, at Chatham, Ontario, on August 8, 2025, I did cause to be sent to the County of Simcoe a true copy of the Decision and Order issued by the Ontario Energy Board on August 7, 2025, to the above preamble and a covering letter, attached hereto as Exhibit "A".
3. The courier bill of lading is attached hereto as Exhibit "B".
4. I make this Affidavit in good faith and for no improper purpose.

SWORN BEFORE ME, at the)
 City of Toronto in the Province)
 of Ontario this 11th day of)
 August, 2025.)

 Patrick McMahon

 A Commissioner, etc.



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

Exhibit A

August 8, 2025

This is Exhibit "A" to the Affidavit of Patrick McMahon sworn before me this 11th day of August, 2025.

John Daly, County Clerk
County of Simcoe
1110 Highway 26
Midhurst, ON L9X 1N6

A Commissioner, etc.

Dear Mr. Daly:

**Re: Enbridge Gas Inc.
Extension of Franchise Agreement - County of Simcoe
Ontario Energy Board File No. EB-2024-0280**

In accordance with instructions set out by the Ontario Energy Board's letter of direction dated August 7, 2025, Enbridge Gas now serves upon you a copy of the Decision and Order of the Ontario Energy Board. The Decision and Order extends the term of the franchise agreement between the former Enbridge Gas Distribution Inc. (now Enbridge Gas Inc.) and the County of Simcoe until February 28, 2028 and aligns it with the expiry date of the franchise agreement between the former Union Gas Limited (now Enbridge Gas Inc.) and the County of Simcoe.

As noted in its Decision and Order, the Ontario Energy Board has the authority, pursuant to section 10(2) of the *Municipal Franchises Act*, to renew or extend the term of a franchise agreement and, where it exercises its authority under this section, its Decision and Order is deemed to be a valid by-law of the County of Simcoe. A copy of the extended franchise agreement is appended as Schedule A to the enclosed Decision and Order.

Yours truly,

[Original Signed By]

Patrick McMahon
Technical Manager
Regulatory Research and Records
patrick.mcmahon@enbridge.com
(519) 436-5325

Encl.



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

DECISION AND ORDER

EB-2024-0280

ENBRIDGE GAS INC.

**Application for Approval of a Franchise Agreement with
the County of Simcoe**

BEFORE: **David Sword**
 Presiding Commissioner

Fred Cass
Commissioner

Allison Duff
Commissioner

August 7, 2025

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SCHEDULE A

SCHEDULE B

1 OVERVIEW

- [1] This is the Decision and Order of the Ontario Energy Board (OEB) regarding an application filed by Enbridge Gas Inc. (Enbridge Gas) for renewal of the term of its municipal franchise with the County of Simcoe (County). Enbridge Gas has two existing franchise agreements in place with the County that it seeks to replace with a single franchise agreement under section 10 of the *Municipal Franchises Act*.
- [2] The County is a municipal corporation incorporated under the laws of the Province of Ontario. It is an upper-tier regional municipality comprised of the Township of Adjala-Tosorontio, the Town of Bradford West Gwillimbury, the Town of Collingwood, the Township of Clearview, the Township of Essa, the Town of Innisfil, the Town of Midland, the Town of New Tecumseth, the Township of Oro-Medonte, the Town of Penetanguishene, the Township of Ramara, the Township of Severn, the Township of Springwater, the Township of Tay, the Township of Tiny and the Town of Wasaga Beach. The municipal franchise agreement with the former Enbridge Gas Distribution Inc. was effective August 26, 2003, and expired on August 26, 2023. The municipal franchise agreement with the former Union Gas Limited took effect February 28, 2008 and does not expire until February 28, 2028. Enbridge Gas sought to replace both agreements with a single agreement at the expiry of the earlier agreement based on the terms of the OEB's approved Model Franchise Agreement (Model Agreement), for a duration of 20 years¹.
- [3] The County intervened in the proceeding and opposed the renewal application, submitting that such renewal should not be granted unless paragraphs 11, 12, 12(a) and 15(b) of the Model Agreement were amended.
- [4] The OEB denies the application to replace the two franchise agreements with the County with a single franchise agreement based on the terms and conditions of the Model Franchise Agreement. It also denies the request to renew the expired agreement for a 20-year term. The OEB approves an extension of the expired agreement to February 28, 2028, thereby aligning it with the former Union Gas Limited agreement.

¹ The Model Agreement was adopted by the OEB in 2000, following significant input from interested stakeholders, including the Association of Municipalities of Ontario and natural gas distributors, to provide guidance to applicants and municipalities regarding the standard terms of a franchise agreement and as a tool to efficiently administer the many franchise agreements across the Province.

2 CONTEXT AND PROCESS

- [5] Enbridge Gas is a corporation incorporated under the laws of the Province of Ontario, with its head office in the City of Toronto. The County is a municipal corporation incorporated under the laws of the Province of Ontario.
- [6] Enbridge Gas filed an application with the OEB on September 24, 2024, initially under sections 9 and 10 of the *Municipal Franchises Act* for:
- An Order pursuant to s.10 approving the terms and conditions upon which, and the period for which, the County 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.
 - An Order pursuant to s.9(4) directing and declaring that the assent of the municipal electors of the County is not necessary for the proposed franchise agreement by-law under the circumstances.
- [7] During the proceeding, Enbridge Gas withdrew its request for relief under section 9(4), given that an order of the OEB granted under section 10(2) of the *Municipal Franchises Act* is deemed to be a valid by-law of the municipality assented to by the municipal electors.²
- [8] Section 10 of the *Municipal Franchises Act* operates where a franchise agreement reaches the end of its term and the parties to the agreement have been unable to agree on the terms and conditions for renewing or extending it. Subsections 10(1) and 10(2) of the *Municipal Franchises Act* provide the following pertaining to the OEB's legislative powers:
- 10(1) Where the term of a right referred to in clause 6 (1) (a), (b) or (c) that is related to gas or of a right to operate works for the distribution of gas has expired or will expire within one year, either the municipality or the party having the right may apply to the Ontario Energy Board for an order for a renewal of or an extension of the term of the right.
- 10(2) The Ontario Energy Board has and may exercise jurisdiction and power necessary for the purposes of this section and, if public convenience and necessity appear to require it, may make an order

² Enbridge Gas response to OEB staff 2-a), January 16, 2025

renewing or extending the term of the right for such period of time and upon such terms and conditions as may be prescribed by the Board, or if public convenience and necessity do not appear to require a renewal or extension of the term of the right, may make an order refusing a renewal or extension of the right.

[9] A Notice of Hearing was issued on October 18, 2024.

[10] Procedural Order No. 1 was issued on November 27, 2024. The OEB approved the County as an intervenor and set the dates for the steps in the proceeding. OEB staff filed interrogatories on December 18, 2024 and Enbridge Gas filed its responses on January 16, 2025.

[11] OEB staff and the County filed written submissions on February 6, 2025 and Enbridge Gas filed a reply submission on February 21, 2025.

3 DECISION ON THE APPLICATION

[12] Enbridge Gas submitted that it has been providing gas distribution services within the lower-tier municipalities in the County since 1956 and that its franchise should be renewed based on the standard terms in the Model Agreement. Enbridge Gas also submitted that it currently serves 118,000 customers in the lower-tier municipalities of the County³ and that there is no other natural gas distributor in the area. Enbridge Gas requested that the OEB issue an order pursuant to section 10 of the *Municipal Franchises Act* renewing its franchise in the County.

[13] Section 4.c of the franchise agreement indicates,

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*.

[14] Enbridge Gas indicated that discussions continued for several months between Enbridge Gas and the County to come to an agreement on the franchise renewal. In its submission, the County denied that it had ongoing discussions with Enbridge Gas. In reply, Enbridge Gas disagreed, cited dates of communications in 2022 and claimed that Enbridge Gas staff met with the County to discuss the proposed amendments.⁴

[15] On September 11, 2024, the Council of the County voted not to approve the draft by-law and Model Agreement proposed by Enbridge Gas for the franchise renewal. The County seeks the following amendments to the Model Agreement:

[16] *Paragraph 11*: currently states:

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 is feasible, to provide the Gas Company with easements over that part of the

³ Application, page 1, para 2

⁴ County of Simcoe Submission, February 5, 2025, page 2

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.

[17] The County asks that Paragraph 11 be amended to state:

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 Gas Company shall bear the cost of relocating or altering the gas system to facilitate continuity of gas service, as provided for in Paragraph 12 of this Agreement. [OEB emphasis to illustrate the requested amendment]

[18] *Paragraph 12(a)*: currently states:

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.

[19] The County asks that Paragraph 12(a) be amended to state:

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 12 months, or such longer period as agreed upon by the parties, such part of the gas system to a location approved by the Engineer/Road Superintendent. Where the Gas Company fails to remove and/or relocate within 12 months, it shall compensate the Corporation for the losses that flow from such delay. [OEB emphasis to illustrate the requested amendment]

[20] *Paragraph 15(b)* currently states:

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

[21] The County asks that Paragraph 15(b) be amended by replacing the current paragraph with:

If the Gas Company decommissions part of its gas system located within a highway owned by the Corporation, and where the Corporation has identified a future need for infrastructure within same, the Gas Company shall, at the request of the Corporation and at the Gas Company's sole expense, remove the part of its gas system predicted to be in conflict with the anticipated infrastructure.

[22] **Submissions**

[23] Enbridge Gas submitted that the County has not raised any issues unique to the County that would lead the OEB to deviate from the Model Agreement. Enbridge Gas indicated that it has franchise agreements with 312 single/lower-tier and 27 upper-tier municipalities in Ontario based on the Model Agreement and that it would be inappropriate for the OEB to consider changes to the Model Agreement on an *ad hoc* basis.

[24] The County argued that Enbridge Gas has not demonstrated that its requested amendments to the Model Agreement would have a negative impact on public convenience and necessity. The County submitted that section 2 of the *Ontario Energy Board Act, 1998* empowers the OEB to make its requested revisions to the Model Agreement. The County also argued that its amendments are sufficiently minor and do not undermine the key terms and underlying principles of the Model Agreement.⁵ The County submitted that the OEB is not bound to the existing terms of the Model Agreement and cited three court proceedings⁶ that discuss the terms and conditions of the Model Agreement to support its position.

[25] OEB staff submitted that the OEB has consistently found that the Model Agreement best meets the public interest by providing fair treatment of both civic duties of a municipality and a gas distributor's ratepayers. The OEB has previously found that the Model framework "is preferable to a piecemeal approach of negotiating terms specific to a franchise"⁷.

[26] OEB staff submitted that the County did not file evidence to support its argument that the deviations from the Model Agreement are warranted in this specific proceeding. As a result, OEB staff submitted that the franchise renewal should be based on the standard terms and conditions of the Model Agreement without amendment. In addition, OEB staff submitted that narrower terms for one municipality could have implications for or involve considerations applicable to other municipalities that are not involved in the proceeding.

[27] In its reply, Enbridge Gas argued that it is not relying on the fact that every other municipality in Ontario has put the unamended Model Agreement in place as justification for this application.

[28] Rather, Enbridge Gas submitted that the Model Agreement outlines the terms that the OEB finds reasonable under the *Municipal Franchises Act* and natural gas distributors are expected to follow the form of the Model Agreement when filing applications for the approval of franchise agreements. Enbridge Gas submitted that given the consistent position taken by the OEB that a municipality would need to provide compelling evidence that an amendment to the Model Agreement should be considered, and the fact that the County has not provided

⁵ County of Simcoe Submission, February 5, 2025

⁶ *Sudbury (City) v. Union Gas Ltd.*, 2001 CanLII 2886 (ON CA); *Peterborough (City) v. Consumers Gas*, 1980 CanLII 1724 (ON SC); *Centra and City of Kingston (E.B.A 825)* June 23, 2000.

⁷ OEB Decision and Order EB-2022-0201, p. 11

any such evidence, there is no compelling reason to amend the Model Agreement for the County.

[29] Enbridge Gas further stated that the OEB has the authority to impose the terms of the Model Agreement on the County when there is no agreement between the municipality and the natural gas company.

[30] Enbridge Gas reiterated its revised request for an OEB order pursuant to section 10 of the *Municipal Franchises Act* renewing its existing agreements with the County and replacing them with a single agreement based on the terms and conditions of the Model Agreement without amendment for 20 years.

[31] **Findings**

[32] The OEB denies Enbridge Gas's application to replace the two franchise agreements with the County of Simcoe with a single franchise agreement based on the terms and conditions of the Model Franchise Agreement.

[33] Under Section 10(1) of the *Municipal Franchises Act*, where the term of a right related to gas distribution has expired or will expire within one year, either the municipality or the rights holder may apply to the Ontario Energy Board for a renewal or extension of that right.

[34] The franchise agreement with the former Enbridge Gas Distribution Inc. has expired as of August 26, 2023.

[35] However, the agreement with the former Union Gas Limited remains in effect as it will not expire until February 28, 2028, a time frame of more than one year from the date of this application. Therefore, the OEB is not considering a renewal or extension of the Union Gas agreement at this time.

[36] The OEB sees merit in Enbridge Gas's proposal that the two existing agreements with the County be replaced with a single agreement. Aligning the expiry dates of the two existing agreements will facilitate the OEB's review of such a proposal in the future.

[37] The OEB finds that public convenience and necessity require the extension of the expired Enbridge Gas Distribution Inc. agreement to ensure the continued right to operate distribution services in the portion of the County covered by that agreement, as gas service is ongoing.

[38] Therefore, the OEB approves an extension of the former Enbridge Gas Distribution Inc. franchise agreement to February 28, 2028, aligning it with the expiry date of the former Union Gas Limited agreement.

[39] Changes to the franchise agreement:

[40] The County proposed four amendments to the Model Franchise Agreement that was proposed by Enbridge Gas.

[41] The *Natural Gas Facilities Handbook* indicates that the OEB expects franchises will be based on the Model Agreement unless there is a compelling reason for deviation.⁸

[42] The OEB finds no compelling reasons to approve the County's proposed amendments to the Model Agreement. In this proceeding, the County did not provide sufficient detail and reasons to warrant a deviation from the Model Agreement. As noted by OEB staff, the County did not file evidence to support its argument that deviations from the Model Agreement are warranted in this specific proceeding. The OEB also notes that the County did not avail itself of the opportunity to submit interrogatories to help explore such topics as potential implications, costs or benefits for Enbridge Gas if the proposed amendments were approved by the OEB.

[43] The County submission referred to the amendments as 'minor' and claimed that the four changes would not depart from the substance of the Model Agreement. The OEB does not agree. The County is proposing a revision to certain cost responsibility and timing provisions of the Model Agreement, and the OEB does not consider those to be either minor or consistent with the substance of the Model Agreement.

[44] In approving the extension of the former Enbridge Gas Distribution Inc. franchise agreement to February 28, 2028, the OEB does so without any amendments.

⁸ Natural Gas Facilities Handbook, March 31, 2022, p. 11.

[45] In a concurrent proceeding regarding an application for approval of a franchise agreement renewal, the OEB indicated that “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”.⁹

⁹ EB-2025-0058, Procedural Order No. 1, March 15, 2025, p. 3

4 ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The term of the municipal franchise agreement between The Corporation of the County of Simcoe and the former Enbridge Gas Distribution Inc. (now Enbridge Gas Inc.), effective August 26, 2003, setting out the terms and conditions upon which, and the period for which, the County of Simcoe is to grant 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 municipality, a copy of which is attached as Schedule A is hereby extended to February 28, 2028. A current map of the County of Simcoe is attached as Schedule B.
2. This order shall be deemed to be a valid by-law of the County of Simcoe assented to by the municipal electors, with an effective date of August 7, and expiry date of February 28, 2028.
3. Enbridge Gas Inc. shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

DATED at Toronto August 7, 2025

ONTARIO ENERGY BOARD

Ritchie
Murray

Digitally signed by Ritchie
Murray
Date: 2025.08.07
11:59:43 -04'00'

Ritchie Murray
Acting Registrar

SCHEDULE A
MUNICIPAL FRANCHISE AGREEMENT
ENBRIDGE GAS INC.
EB-2024-0280
AUGUST 7, 2025

EB-2024-0280

Municipal Franchise Agreement

By this decision and order, the term of the accompanying franchise agreement, by which Enbridge Gas (the former Enbridge Gas Distribution Inc.) has 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 County of Simcoe, is extended to February 28, 2028.

Model Franchise Agreement

THIS AGREEMENT effective this *26th* day of *August*, 20 *03* .

BETWEEN: The Corporation of the County of Simcoe hereinafter called the
"Corporation"

- and -

Enbridge Gas Distribution 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 Corporation and to the inhabitants of those local or lower tier municipalities within the Municipality from which the Gas Company has a valid franchise agreement for that purpose.

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 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 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

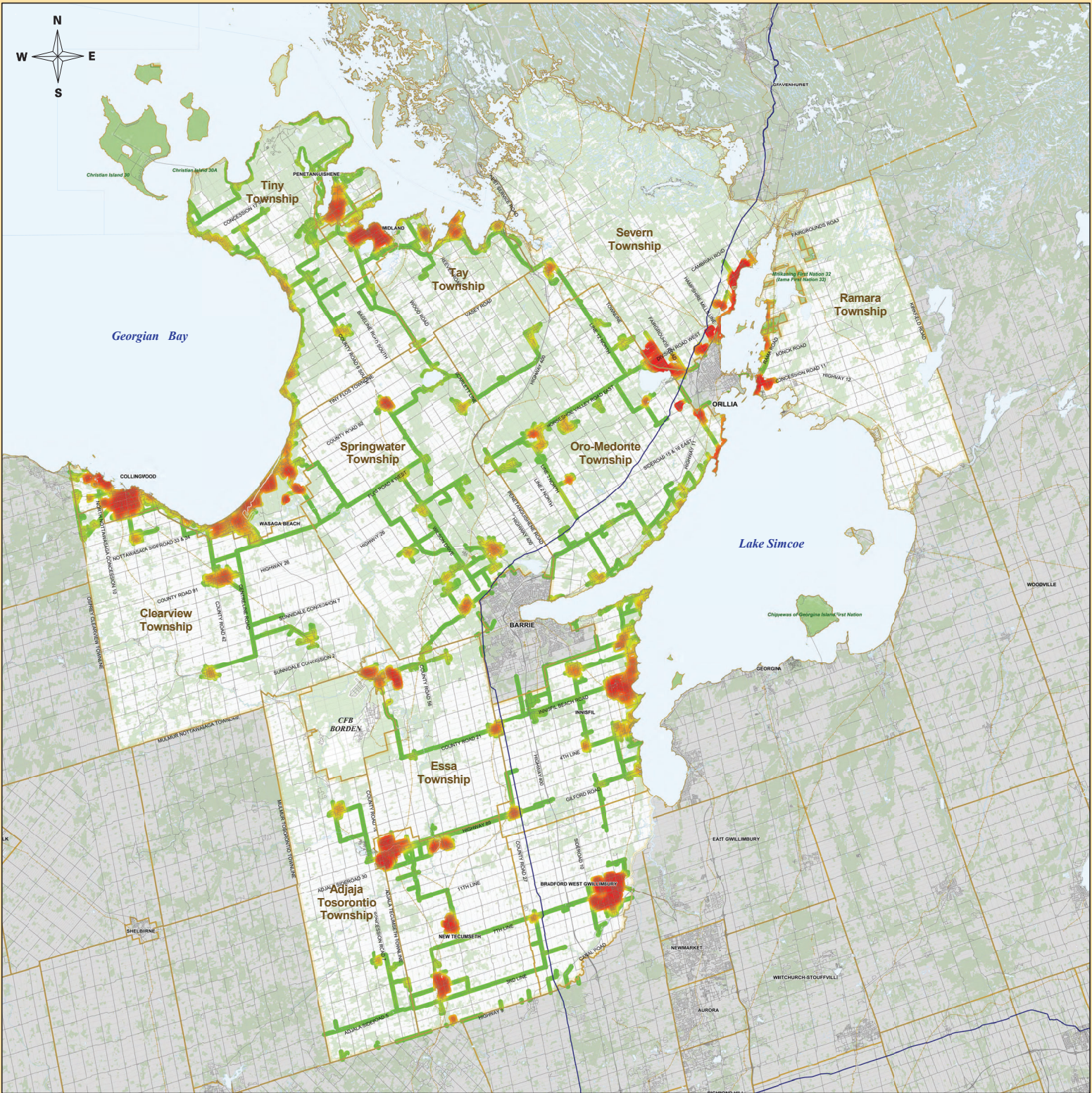
- a. If the Gas Company decommissions part of its gas system affixed to a bridge, viaduct or structure, the Gas Company shall, at its sole expense, remove the part of its gas system affixed to the bridge, viaduct or structure.
- b. If the Gas Company decommissions any other part of its gas system, it 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

SCHEDULE B
MAP OF THE COUNTY OF SIMCOE
ENBRIDGE GAS INC.
EB-2024-0280
AUGUST 7, 2025



County of Simcoe

- Legend**
- Enbridge Gas Pipeline Coverage Area
 - County of Simcoe
 - Trans CANADA Pipeline
 - 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



Exhibit B

This is Exhibit "B" to the Affidavit of
Patrick McMahon sworn before me
this 11th day of August, 2025.

County of Simcoe
1110 Highway 26
Midhurst, ON L9X 1N6



(705) 735-6901

Attention: John Daly, County Clerk

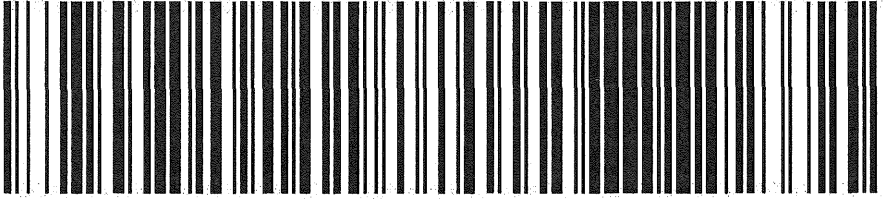
A Commissioner, etc.

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FROM/DE: UNION GAS 50 KEIL DR N APT/SUITE DOCKA CHATHAM, ONTARIO N7L3V9 519-436-4600 SIN: NET77902661 PIN: NET77902661 REF: P.MCMAHON WGT: 1.00 LBS DWT: 0.90 LBS DIM: 1X1X1 INCHES	TO/A: COUNTY OF SIMCOE 1110 HIGHWAY 26 MIDHURST, ON L9X1N6 705-735-6901 ATTN: JOHN DALY	V  STANDARD TERMS AND CONDITIONS APPLY  NET77902661
INSTRUCTIONS:	GRD PREPAID	

**L9X1N6
BARRIE**



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NET77902661 PIN: 111 DATE: 08/08/2025 LOOMIS-EXPRESS.COM