



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

September 15, 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.
Application for Approval of Franchise Agreement and New CPCN - City of Guelph
Ontario Energy Board File No. EB-2025-0058**

Pursuant to Procedural Order No. 4, attached are the submissions of Enbridge Gas on the motion submitted by eMERGE Guelph regarding responses to interrogatories submitted by Enbridge Gas.

Should you have any questions on this submission, please do not hesitate to contact me.

Yours truly,

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

cc (email only):

Kent Elson, eMERGE Guelph Sustainability
Kate Siemiatycki, eMERGE Guelph Sustainability
Evan Ferrari, eMERGE Guelph Sustainability
Jennifer Charles, City of Guelph
Matthew Irish, City of Guelph
Kip Phillips, City of Guelph
Dylan McMahon, City of Guelph
Natalya Plummer, OEB

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 City of Guelph 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 City of Guelph;

AND IN THE MATTER OF an Application by Enbridge Gas Inc. for an Order cancelling and superseding those parts of the existing F.B.C. 109 Certificate of Public Convenience and Necessity held by Enbridge Gas Inc. related to the City of Guelph and replacing them with a Certificate of Public Convenience and Necessity to construct works to supply natural gas in the current City of Guelph.

**Enbridge Gas Inc.
Responding Submissions on Motion for Answers to Interrogatories**

Overview

1. Through the answers it seeks in this motion, eMERGE Guelph Sustainability (eMERGE Guelph) seeks to drastically expand the scope of this proceeding far beyond what was originally ordered by the Ontario Energy Board (OEB). Enbridge Gas requests that the OEB dismiss the motion in its entirety on the basis that the referenced interrogatories seek information that is irrelevant and out of scope of this proceeding, as explained below.
2. Procedural Order No. 1 states that this proceeding will address whether there are compelling reasons to deviate from the terms and conditions of the Model Franchise Agreement in the City of Guelph and that broad 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.¹
3. The OEB reiterated the narrow scope of this proceeding in Procedural Order Nos. 2 and 3, as Enbridge Gas referenced in its [July 10, 2025 letter](#) objecting to the plethora of out of scope evidence filed by eMERGE Guelph and the City of Guelph. More particularly, the OEB noted:
 - 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; and
 - 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.

¹ EB-2025-0058 – Procedural Order No. 1, March 13, 2025, page 3

4. In our July 10, 2025 letter, Enbridge Gas also set out the limits of the OEB's jurisdiction and clear direction of government policy that have a bearing upon municipal franchise proceedings and Enbridge Gas adopts those submissions in respect of this motion without repeating them here, noting the OEB must take these express legislative and policy directives into account in its administration and adjudication of this proceeding.
5. Enbridge Gas answered all of eMERGE Guelph's interrogatories that are within the scope of this proceeding mandated by the OEB's procedural orders. The interrogatories to which Enbridge Gas refused to respond were associated with matters that are not unique to the City of Guelph and impact all municipalities with which Enbridge Gas has a franchise agreement.
6. Moreover, eMERGE Guelph relies heavily on the hypothetical repeal of O. Reg. 584/06 (Fees and Charges) under the *Municipal Act, 2001* to manufacture a connection between its requested relief on this motion and the City of Guelph. This reliance is misplaced and the OEB has been crystal clear in its procedural orders that evidence and matters related to this speculative legislation are out of scope. Enbridge Gas has therefore rightly refused to respond to such interrogatories.
7. Out of the 22 interrogatories submitted, eMERGE Guelph has identified parts of five which Enbridge Gas declined to answer on the basis they were out of scope and/or speculative. eMERGE Guelph seeks in this motion, among other things, an answer to the five refused interrogatories (collectively, the "Refused Interrogatories"). For the reasons stated by Enbridge Gas in its responses, and as set out below, none of the Refused Interrogatories seek information that is relevant or within scope of this proceeding.

EGI-EMG-5

8. This interrogatory requests a list of all payments, including amounts made by the City of Guelph and other parties to Enbridge Gas to relocate gas pipelines that conflict with municipal works, and a total of all payments, over the term of the existing franchise agreement.
9. eMERGE Guelph argues that this information is needed because the City of Guelph, with the support of eMERGE Guelph, seeks modifications to the terms of the proposed franchise agreement relating to the allocation of relocation costs.
10. At its meeting on November 26, 2024, the Council of the City of Guelph directed city staff to negotiate a franchise agreement with Enbridge Gas that, among other things, will ensure that the City of Guelph is not liable to pay for any gas infrastructure relocations needed due to conflicts with municipal infrastructure, namely to make amendments to the Model Franchise Agreement that:
 - a) will allow the City of Guelph to charge fees for use of public property if and when Ontario Regulation 584/06 is amended to allow such charges,
 - b) will ensure that the City of Guelph is not liable to pay for any gas infrastructure relocations needed due to conflicts with municipal infrastructure, and
 - c) will ensure future charges for use of municipal property is not passed on to Guelph customers of the gas distribution company.

11. The fact that the City of Guelph does not wish to pay for any portion of pipeline relocation costs and wishes to charge Enbridge Gas for fees over and above what is permitted by law is not unique to the City of Guelph. Balancing of utility and municipal interests of this nature is exactly what the OEB did in determining the appropriate terms of the existing Model Franchise Agreement. As is noted in the RP-1999-0048 Report to the Board which led to the approval of the current Model Franchise Agreement, the Association of Municipalities of Ontario (AMO) and the gas companies at that time jointly proposed that there should be no changes to the provisions of the 1987 Model Franchise Agreement relating to pipeline relocation. Those provisions were developed pursuant to the EBO 125 Report of the Board which determined that for all pipeline relocations in a municipal right of way necessitated by any municipal works, the municipality should pay 35% of the total cost of the relocation.²
12. The fair allocation of costs and liabilities has often been questioned by municipalities and the OEB has consistently held that the current Model Franchise Agreement is the appropriate form to be used in these circumstances.³
13. Most recently, in its decisions regarding renewal of the franchise agreements for Simcoe County⁴ and the Municipality of Leamington,⁵ the OEB denied these municipalities' requests to accept amendments to the Model Franchise Agreement because such issues are not specific to these municipalities and there were no compelling circumstances that would lead the OEB to deviate from the terms of the Model Franchise Agreement.
14. Similarly, this interrogatory is asking for information that addresses the pipeline relocation cost allocation provisions of the Model Franchise Agreement which consistently apply to each municipality with which Enbridge Gas has a franchise agreement. The OEB has already determined that broad issues that may have implications for municipalities and natural gas consumers across Ontario are not within the scope of this proceeding. The fact that pipeline relocation projects have been allocated and recovered in the City of Guelph in accordance with the terms of the Model Franchise Agreement is not unique to the City of Guelph and is therefore irrelevant and out of scope.

EGI-EGM-8

15. This interrogatory requests details of the municipal taxes that Enbridge Gas pays to the City of Guelph and an opinion from Enbridge Gas on whether there is a difference between property taxes and the payment of fees to use public lands.
16. While Enbridge Gas provided the total amount of property taxes paid to the City of Guelph in 2024, eMERGE Guelph argues that additional detail is required to support Enbridge Gas' argument that property taxes paid justifies not paying any land-based charges for the public lands where Enbridge Gas' pipelines are located.
17. Enbridge Gas noted in the interrogatory response that it is subject to permit fees in several municipalities, including the City of Guelph, to cover the administrative costs of those municipalities issuing permits, as municipalities are entitled to charge under O. Reg. 584/06 (Fees

² [RP-1999-0048 – Report to the Board, December 29, 2000](#) and [EBO 125 – Report of the Board, May 21, 1986](#)

³ For example, refer to Decisions and Orders from [EB-2022-0201](#), [EB-2024-0280](#), [EB-2024-0351](#)

⁴ EB-2024-0280 - Decision and Order dated August 7, 2025

⁵ EB-2022-0201 - Decision and Order dated March 30, 2023

and Charges) under the *Municipal Act, 2001*. However, O. Reg. 584/06 does not permit a municipality to impose a fee or charge on a gas distributor for services or activities, costs payable or the use of property with respect to pipes or other works that are or will be located on a municipal highway and are or will be used as part of the business of the gas distributor.

18. The OEB specifically held in Procedural Order No. 3 that it would not find it helpful to consider evidence related to speculative changes to legislation or regulation such as O. Reg. 584/06 (Fees and Charges) under the *Municipal Act, 2001*.⁶ The requested information falls squarely within this category and was properly refused by Enbridge Gas.
19. Enbridge Gas notes that in developing the Model Franchise Agreement, the OEB Panel specifically noted the following:⁷

Compensation for the Use of Municipal Rights-of-Way

4.4.21 The Panel recommends that municipalities should not be permitted to charge fees for the use of municipal rights-of-way.

4.4.22 The Panel agrees with the Gas Companies that the highways do not belong to a municipality in the same way land belongs to a private owner. A municipality holds the highways in trust for the public, and the municipality is required to allow those highways to be used for the furtherance of the public interest. [emphasis added]

4.4.23 As a practical matter, once the pipelines are laid, neither the municipality nor the Gas Company has any choice in the matter. Any attempt by the municipality to retroactively impose user fees on a Gas Company for facilities laid in the highway years ago is unreasonable. [emphasis added]

EGI-EMG-10

20. This interrogatory requests details of the metres of pipelines Enbridge Gas currently owns and plans to construct in the City of Guelph and a list all infrastructure owned by Enbridge Gas in the City of Guelph, with descriptions by type, size and use.
21. eMERGE Guelph argues that this detailed information is needed by the City of Guelph and eMERGE Guelph in order to argue for deviations from portions of the Model Franchise Agreement, including sections dealing with the allocation of relocation costs, land-based charges, and abandonment of pipelines.
22. Similar to EMG-5 and 8, this interrogatory is asking for information that addresses the pipeline relocation cost allocation provisions of the Model Franchise Agreement which consistently apply to each municipality with which Enbridge Gas has a franchise agreement. The OEB has already determined that broad issues that may have implications for municipalities and natural gas consumers across Ontario will not be within the scope of this proceeding. Debating details of gas infrastructure in one municipality will not change the fact that relocation and abandonment are generic issues already addressed in the Model Franchise Agreement in a manner that fairly balances

⁶ EB-2025-0058 - Procedural Order No. 3, June 12, 2025, page 2

⁷ [RP-1999-0048 – Report to the Board, December 29, 2000](#)

the interests of gas utilities and municipalities, and the City of Guelph is not unique in this regard.

23. Also as noted above, the OEB specifically held in Procedural Order No. 3 that it would not find it helpful to consider evidence related to speculative changes to legislation or regulation such as O. Reg. 584/06 (Fees and Charges) under the *Municipal Act, 2001*, so no additional information is needed to address speculative land-based charges.

EGI-EMG-11

24. This interrogatory requests details of the metres of pipelines Enbridge Gas currently owns in the City of Guelph that are not located on a municipal highway but are located on City of Guelph property and private property, and land-based fees paid for these pipelines.
25. eMERGE Guelph's only justification for this detailed information is to support arguments for a franchise agreement term permitting municipal land-based fees in the event of provincial legislative amendments.
26. As noted above, the OEB specifically held in Procedural Order No. 3 that it would not find it helpful to consider evidence related to speculative changes to legislation or regulation such as O. Reg. 584/06 (Fees and Charges) under the *Municipal Act, 2001*, so no additional information is needed to address speculative land-based charges.
27. It was appropriate for Enbridge Gas to refuse to provide the requested information on this basis. Also irrelevant to this application regarding a franchise agreement with the City of Guelph are any fees paid to private landowners, for obvious reasons.

EGI-EMG-16

28. This interrogatory requests opinions from Enbridge Gas related to amendments to proposed franchise agreement terms associated with relocation cost allocation.
29. As noted in Enbridge Gas' response to this interrogatory, this same question was asked in a previous proceeding which addressed similar issues raised by a municipality and the OEB found Enbridge Gas not responding to these questions was appropriate in light of the limited scope of that previous proceeding. The OEB was of the view that this interrogatory failed to raise issues specific to the municipality that could justify a deviation from the standard terms of the Model Franchise Agreement.⁸
30. The same reasoning applies to this application to renew the franchise agreement with the City of Guelph which the OEB has clearly indicated is not an appropriate forum to raise generic issues relating to the Model Franchise Agreement.

⁸ See EB-2024-0134 at Procedural Order No. 4 which addressed Enbridge Gas' response to Q8 from the Concerned Residents group - "The OEB finds Enbridge Gas's limited responses to interrogatories CR-1 to CR-4, CR-5(b) to CR-9, and CR-10(b) appropriate in the light of the scope of this proceeding. The OEB is of the view that these interrogatories either failed to raise issues specific to the County that could justify a deviation from the standard terms of the Model Franchise Agreement or were based on speculation of a legislative change that is not reflective of the current circumstances of the application".

Conclusion

31. Enbridge Gas declined to answer the Refused Interrogatories consistent with specific directions provided by the OEB in its procedural orders regarding the scope of this proceeding, prior OEB decisions on relevance and the limits of the OEB's jurisdiction on what it can consider in a franchise proceeding as set out in Enbridge Gas' July 10, 2025 letter.
32. The Refused Interrogatories are merely a fishing expedition to solicit information that is irrelevant and out of scope for the reasons explained above. The OEB should also carefully consider the significant regulatory inefficiency of allowing such broad enquiries from municipalities and organizations such as eMERGE Guelph whose ultimate objective is to inappropriately saddle gas ratepayers across the province with costs properly born by municipalities in accordance with the terms of the Model Franchise Agreement. Exploring specific costs for and infrastructure within each municipality in this regard only detracts from the obvious generic nature and broader impact of these issues and it would be inappropriate for the OEB to do so outside of a generic process.
33. The OEB should dismiss the motion in its entirety.

All of which is respectfully submitted this 15th day of September, 2025.