

Elson Advocacy

September 18, 2025

Ritchie Murray

Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4
registrar@oeb.ca

Dear Mr. Murray,

**Re: City of Guelph Franchise Agreement – Motion for Adequate Responses to
Interrogatories
EB-2025-0058**

Please find enclosed the reply submissions of eMerge Guelph Sustainability, which are filed pursuant to Procedural Order No. 4 on the motion for full and adequate responses to interrogatories.

Yours truly,



Kent Elson

cc: Parties in the above proceeding

ONTARIO ENERGY BOARD

EB-2025-0058

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 under s. 10 of the *Municipal Franchises Act* imposing the terms and
conditions of a franchise agreement on the Corporation of the City of Guelph
and to approve a new Certificate of Public Convenience and Necessity;

Reply Submissions of eMerge Guelph Sustainability

**(On the Motion for full and adequate responses to the interrogatories of
eMerge Guelph Sustainability)**

September 18, 2025

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Sustainability

Overview

In their submissions, Enbridge Gas Inc. (“Enbridge” or the “Company”) and OEB Staff have misapprehended two critical issues on this motion.

Firstly, the parties mischaracterize all issues arising from the current terms of the Model Franchise Agreement as ‘generic’ and out of scope of the proceeding. Secondly, they misconstrue a previous evidentiary ruling from the Board as rendering all arguments and evidence about the City’s proposed modifications for land-based fees as irrelevant to the proceeding. Both positions are based on an incorrect sequencing of the procedural steps under s. 10 of the *Municipal Franchises Act* (the “Act”) and pre-emptively respond to the ultimate question on the hearing before providing all parties with a meaningful opportunity to present their case.

eMerge Guelph respectfully submits that those submissions should be rejected and the motion allowed.

Definition of Generic Issues

Enbridge states that all of the unanswered interrogatories “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.”¹ Based on this assessment, the Company asserts that they are out of scope for the proceeding. A similar position is taken by OEB Staff.²

This is untrue. All of the information sought under this motion is specific to the City of Guelph and includes:

- List of payments made from the City of Guelph to Enridge for pipeline relocation (EGI-EMG-5)
- Breakdown of the local properties within the City of Guelph on which Enbridge pays property taxes (EGI-EMG-8)
- Information regarding infrastructure and pipelines owned within the City of Guelph (on and under municipal property) and future pipeline construction plans within the City of Guelph (EGI-EMG-10; EGI-EMG-11)
- Positions on the City of Guelph’s specific requests for relief in this proceeding (EGI-EMG-16)

Their argument is seemingly based on the fact that the information sought is related to universal provisions in the Model Franchise Agreement, including those affecting pipeline relocation and decommissioning costs. Under this interpretation, any position taken by a municipality regarding the current Model Franchise Agreement terms in their particular circumstances, would be out of scope in an application under the Act. This defies common sense. Together, the procedures under the Act and Model Franchise Agreement establish a process by which parties to a franchise agreement can negotiate and seek relief from the Board on the particular provisions of that agreement. Were the Board to accept Enbridge’s interpretation, it would functionally prohibit

¹ Enbridge Gas Inc., Submissions at para. 5.

² OEB Staff, Submissions at p. 2.

any municipality from raising objections and seeking to enter relevant evidence regarding current terms of the Model Franchise Agreement in their particular circumstances. This is not supported by the Act or the Board's Natural Gas Handbook.

Moreover, this position confuses what is relevant to a party's position on an application under the Act, and what constitutes compelling reasons to deviate from the Model Franchise Agreement. In so doing, it limits parties' ability to meaningfully present their case and participate in a public hearing. For example, the City of Guelph, with the support of eMerge Guelph, takes the position that the current franchise agreement terms dealing with pipeline relocation are unfair and should be modified. eMerge Guelph seeks information from the Company that will help the Board understand the actual past and likely future impacts of the provision on the City. Without that evidence, the Board will be forced to make a decision without understanding its full potential consequences. It is the Company and OEB Staff's prerogative to argue in their final submissions that such evidence did not raise sufficient compelling reasons to deviate from the Model Franchise Agreement terms. However, it is not appropriate to use that position to block relevant evidence from entering the record on an application that could result in the imposition of a twenty-year agreement on an independent municipality.

Furthermore, Enbridge characterizes eMerge Guelph as solely seeking to deviate from specific terms in the Model Franchise Agreement. However, eMerge Guelph's primary ask is for new terms to be added.

In the event that the Board agrees with the Company and OEB Staff's characterization of the issues as generic, eMerge Guelph submits that the current application should be placed in abeyance until a generic hearing can be held. As was outlined in eMerge Guelph's separate request dated July 29, 2025, this would ensure some level of procedural fairness for the City, while resulting in no prejudice to the Company.

Land-Based Fees

Enbridge and OEB Staff incorrectly interpret a statement in the Board's Procedural Order No. 2 as prohibiting all evidence regarding the City's request for inclusion of a conditional provision for potential future land-based fees.³ The relevant statement was made in response to eMerge Guelph and the City of Guelph's proposals to enter evidence regarding the specific efforts of MPP Mike Schreiner and others to amend O. Reg. 548/06. It stated:

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.⁴

The information requested in the unanswered interrogatories is not related to those efforts to amend O. Reg. 548/06 and therefore is not caught by the above-noted OEB order.

³ Enbridge Gas Inc., Submissions at para. 18.

⁴⁴ EB-2025-0058, Procedural Order No. 2 at p. 4.

eMerge Guelph seeks information that will assist the Board in considering the City's request for a new conditional provision related to land-based fees. It is Guelph's right to request such relief from the Board and the information sought is relevant evidence to that request. For example, the City may wish to argue that the Board should approve such a modification because s. 4(b) of the Model Franchise Agreement could result in the municipality losing out on significant revenue if land-based fees are permitted at some point in the future. In considering this argument and the potential impacts on the City, the Board should have a full picture of the potential monetary losses that the municipality could incur. This is necessary for the Board to properly consider and balance all factors relevant to whether the terms of the agreement meet the public interest. The information requested in the unanswered interrogatories goes directly to this question.

Regulatory Efficiency

In its submissions, Enbridge accuses the City of Guelph and eMerge Guelph of creating "regulatory inefficiency" and attempting to "inappropriately saddle gas ratepayers across the province with costs properly born by municipalities in accordance with the terms of the Model Franchise Agreement."⁵

This characterization is unhelpful and untrue. In actual fact, it is Enbridge that seeks to unfairly impose the costs of gas distribution on residents and taxpayers in the City of Guelph, who are working hard to transition away from gas for the benefit of their community. The City, representing the will of local electors, and eMerge Guelph, representing a large number of concerned residents, object to that attempt and seek information that is directly relevant to their positions.

Regulatory efficiency would have been better served had Enbridge answered eMerge's requests for information in a prompt and efficient manner. Had that happened, this motion would not have been required. In an effort to support regulatory efficiency, eMerge Guelph has restricted its motion to the five unanswered interrogatories, which are the most critical to a fair hearing on the evidence. However, in actual fact, Enbridge refused to answer at least 14 of the 22 interrogatories posed by eMerge Guelph on the basis that they were not relevant or out of scope.

Conclusion and Request

The positions taken by Enbridge and OEB Staff on this motion are based on an incorrect sequencing of the procedural steps under s. 10 of the Act and pre-emptively respond to the ultimate question on the hearing before providing all parties with a meaningful opportunity to present their case.

In light of the above, eMerge Guelph respectfully requests that the Board reject the Company's submissions and order them to provide full and adequate responses to the following interrogatories:

⁵ Enbridge Gas Inc., Submissions at para. 32.

- EGI-EMG-5
- EGI-EMG-8
- EGI-EMG-10
- EGI-EMG-11
- EGI-EMG-16

All of which is respectfully submitted this 18th day of September, 2025.

A handwritten signature in blue ink, appearing to read 'K. Elson', with a stylized, cursive script.

Kent Elson