

November 6, 2025

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

Dear Mr. Murray:

**Re: Enbridge Gas Inc.  
Application for Approval of Franchise Agreement and New Certificate of  
Convenience and Necessity - City of Guelph  
Ontario Energy Board File No. EB-2025-0058**

Enbridge Gas Inc. (Enbridge Gas) writes in response to the Ontario Energy Board (OEB) letter dated October 16, 2025 which requested submissions on what the next steps in this proceeding should be given the OEB's stated intention to commence a generic, narrow scope review of the Model Franchise Agreement at some point in 2026.

On August 1, 2025, Enbridge Gas responded to a request by eMERGE Guelph to place this proceeding in abeyance. For similar reasons, Enbridge Gas urges the OEB to proceed with adjudicating this application without further delay because:

- 1) Subject to final argument submissions, the OEB has the information it needs on the record to make a determination on the eMERGE Guelph notice of motion and a decision in this proceeding;
- 2) The issues raised by the City of Guelph and eMERGE Guelph are outside of the OEB's jurisdiction;
- 3) Any generic review of the Model Franchise Agreement, particularly one that the OEB has described as narrow in scope and for which no procedural schedule or guidelines have been set, does not hamper the OEB's ability to adjudicate franchise agreement and certificate of public convenience and necessity (CPCN) matters as they arise; and
- 4) Further delay is contrary to regulatory efficiency and prejudicial to Enbridge Gas.

### **The OEB has the information it needs**

Quoting from the OEB's [Protocol for Adjusting Adjudicative Timelines](#), "An application is placed in 'abeyance' when a proceeding can no longer continue until an event occurs".<sup>1</sup> There is nothing preventing this current proceeding from continuing. The parties have provided voluminous evidence and submissions on the various issues raised. The fact that the City of Guelph objects to some provisions of the Model Franchise Agreement and suggests alternative

<sup>1</sup> [Protocol for Adjusting Adjudicative Timelines](#), November 1, 2021, page 3, footnote 4

language that would allow it to improperly burden gas ratepayers with municipal costs is not exceptional. On several occasions, the OEB has found that such issues are not unique to a municipality and do not justify a change to the Model Franchise Agreement in the context of a specific franchise proceeding.<sup>2</sup>

### **The disputed issues are outside of the OEB's jurisdiction**

Simply put, the OEB has no independent ability to authorize municipalities to charge fees to gas utilities, through this proceeding, a generic review of the Model Franchise Agreement or otherwise. This is a matter for the Ontario Legislature to determine and, to date, there is clearly no government support for such a proposition, notwithstanding the amendments to Ontario Regulation 584/06 (Fees and Charges) made under the *Municipal Act, 2001* (O. Reg. 584/06) that are being proposed by a select group of municipalities like the City of Guelph.

The OEB is required to consider and facilitate implementation of the Ontario government's Natural Gas Policy Statement contained within the [Integrated Energy Plan](#) (IEP). The IEP is clear in respect of the continuing role of natural gas into the future and that the OEB is expected to enable "the continued rational expansion of the natural gas system". The IEP emphasizes the importance of ensuring and protecting customer choice, stating that "Ontario's approach to affordability centres on the principle of customer choice" since "customers are best positioned to decide which energy solutions work for them". The IEP "supports this choice by making a diverse range of energy options available", including natural gas. As further stated in the IEP, natural gas is "a critical component of Ontario's future energy mix" and is a "critical energy source for Ontario".<sup>3</sup>

Moreover, it should be abundantly evident that, particularly in the light of the IEP and the government's recent action in passing Bill 17- *Protect Ontario by Building Faster and Smarter Act, 2025* (which received Royal Assent on June 5, 2025), additional fees are directly contrary to government policy to maintain energy affordability and financial viability of the gas industry and network for Ontario residents.<sup>4</sup> Similarly, changes introduced to the *Building Code Act, 1992* under Bill 17 (which limit a municipality's ability to impose green development standards that might impact future development) are directly related to supporting government policy to maintain energy affordability.

The City of Guelph's requests for amendments to the Model Franchise Agreement are summarized in the following excerpt from the affidavit of Kyle Gibson: <sup>5</sup>

"I have been informed and verily believe that on November 26, 2024 City Council passed the following motions:

1. That the report entitled Municipal Franchise Agreement with Enbridge Gas Inc. dated November 5, 2024, be received for information.
2. That Council request the Province of Ontario to amend Section 9 of Regulation 584/06 under the Municipal Act, 2001, to permit municipalities to charge fair fees to for-profit gas utilities for their use of public property, as municipalities do in most other provinces.

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<sup>2</sup> For example, see OEB decisions in [EB-2022-0201](#) (Leamington), [EB-2024-0134](#) (Lennox & Addington) and [EB-2024-0188](#) (Guelph/Eramosa).

<sup>3</sup> Government of Ontario's June 2025 [Energy for Generations: Ontario's Integrated Plan to Power the Strongest Economy in the G7](#), pages 14, 26, 95-96

<sup>4</sup> Government of Ontario's June 2025 [Energy for Generations: Ontario's Integrated Plan to Power the Strongest Economy in the G7](#), at page 102.

<sup>5</sup> Exhibit 1, Tab 2, pages 5-6 of the [Guelph evidence](#)

3. That Council direct staff, to the satisfaction of the DCAO of IDE, to negotiate a Franchise Agreement with the gas distribution company 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.
4. That the City of Guelph supports, in principle, the Bill 219, "No Free Ride for Fossil Fuels Act, 2024" tabled November 4, 2024 by Guelph MPP Mike Schreiner.
5. That the above referenced motions and a letter of support for Bill 219, be circulated to MPP Mike Schreiner, Premier Doug Ford, Minister of Municipal Affairs and Housing, Paul Calandra, Stephen Lecce, Minister of Energy and Electrification, the Ontario Big City Mayors (OBCM), the Association of Municipalities of Ontario, and its member municipalities."

These statements are squarely aimed at supporting former Bill 219 (Bill 50 in the current session of the Ontario Legislative Assembly) and the lobbying efforts of City of Guelph MPP Mike Schreiner to persuade the Ontario government to amend O. Reg. 584/06 to permit municipalities to charge currently illegal road use and other fees to gas utilities.

eMERGE Guelph's position is similarly narrow as confirmed in reply submissions on its motion for further interrogatory responses that attempts to differentiate its O. Reg. 584/06 amendment lobbying efforts from its actual objectives which are in fact virtually indistinguishable:

"The information requested in the unanswered interrogatories is not related to those efforts to amend O. Reg. 584/06 [sic] and therefore is not caught by the above-noted OEB order.

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 substance, both intervenors are grounding their requests in this proceeding in the unsuccessful efforts to amend O. Reg. 584/06, a subject matter that is clearly outside of the OEB's jurisdiction in any event.

**A pending generic review of the Model Franchise Agreement does not prevent the OEB from adjudicating franchise agreement matters as they arise**

As noted, it would be speculative and unproductive to adjourn this proceeding – which the OEB has attempted to keep focused on issues specific to the renewal of the existing franchise agreement and any issues unique to the City of Guelph – based on a proposed plan (the details of which are still unknown) to examine parts of the Model Franchise Agreement at some future time.

Even if the proposed narrow scope review of the Model Franchise Agreement results in the OEB determining that amendments are appropriate, the OEB has authority to make amendments to existing franchise agreements, subject to the applicable rules of procedural fairness (under the common law and applicable provisions of the *Municipal Franchises Act*, the *Statutory Powers Procedure Act* and the *Ontario Energy Board Act*). For instance, pursuant to Rule 41.01 of the OEB's [Rules of Practice and Procedure](#), the OEB may at any time initiate a review of one of its decisions or orders, and may confirm, vary, suspend or cancel the order or

decision. Since existing franchise agreements have been approved by a decision and order of the OEB, the OEB has the requisite power to review and amend such decisions and orders.

There are also provisions within the Model Franchise Agreement itself to allow for amendments to executed franchise agreements on their 7<sup>th</sup> and 14<sup>th</sup> anniversaries to incorporate any changes in the Model Franchise Agreement in effect on such anniversary dates.

**Further delay is contrary to regulatory efficiency and prejudicial to Enbridge Gas**

As noted previously, Enbridge Gas anticipates filing more than 20 applications for franchise agreement renewals between now and the end of 2026. Delaying this proceeding may invite similar requests in other proceedings, risking a bottleneck that would be difficult for Enbridge Gas and the OEB to manage. In addition, Enbridge Gas will continue to file other matters such as leave to construct applications related to the remaining Natural Gas Expansion Program Phase 2 projects (for which any required OEB applications must be submitted by year end 2025, as prescribed by regulation) that may compete for the same limited resources. The ability to prepare for and manage regulatory proceedings based on a predictable workplan over time is essential. In this regard, the practical effects and implications of delays in otherwise routine proceedings would be prejudicial to Enbridge Gas and any customers impacted by these proceedings.

Enbridge Gas reminds the OEB that this application is simply for purposes of renewing a specific, existing franchise agreement in the form of the OEB's current Model Franchise Agreement and updating the applicable CPCN to continue to provide efficient and cost-effective service to almost 50,000 natural gas customers within the City of Guelph. Given the already very complete record in this proceeding and the OEB's ability to amend any decision and order issued in this proceeding at a future date if required, there is no reason to delay adjudication of this application any further. Enbridge Gas respectfully submits that the OEB should issue its next procedural order accordingly to ensure the efficient and orderly completion of this hearing.

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

Yours truly,

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