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February 4, 2026

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. 6, Enbridge Gas hereby submits reply arguments in response to final argument submissions by Ontario Energy Board staff, the City of Guelph and eMerge Guelph Sustainability.

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

Yours truly,

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cc (email only):

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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.

REPLY ARGUMENT OF ENBRIDGE GAS INC.

1. In accordance with Procedural Order No. 6, these are the reply submissions of Enbridge Gas in response to the submissions filed by Ontario Energy Board (“OEB”) staff, the City of Guelph and eMerge Guelph Sustainability (“eMerge Guelph”).

Overview

2. This is an application to renew the franchise agreement between Enbridge Gas and the City of Guelph on the same terms as the current franchise agreement, namely the terms of the OEB’s Model Franchise Agreement (the “MFA”), and to update the Certificate of Public Convenience and Necessity (“CPCN”) held by Enbridge Gas for the City of Guelph in order to align CPCN boundaries with the current boundaries of the municipality. OEB staff has confirmed that it supports the granting of the application as requested by Enbridge Gas, while the City of Guelph and eMerge Guelph request amendments to the terms of the MFA and do not support updating the CPCN. Enbridge Gas submits that the OEB should grant the requested relief and renew the franchise agreement on the same terms as the MFA, without amendment, for a term of 20 years and issue an updated CPCN. The City of Guelph and eMerge Guelph have not established any compelling reasons unique to the City of Guelph to depart from the terms of the MFA. The broad-based cost sharing and climate change reasons they have put forward to support proposed MFA amendments are outside the scope of this proceeding.
3. Under section 10 of the *Municipal Franchises Act* (the “*MF Act*”), the OEB is empowered, where public convenience and necessity require it, to renew or extend the right of a gas company to operate a gas distribution system in a municipality, and the OEB has broad discretion to do so “*for such period of time and upon such terms and conditions as may be*

*prescribed by the [OEB]*¹. As noted in OEB staff’s submissions, prior decisions, including from appellate courts, have repeatedly confirmed that the OEB can order the renewal of a franchise agreement and prescribe its terms over the objection of the municipality, where the utility and municipality have been unable to agree on the renewal terms, like the situation here.²

4. The OEB adopted the MFA following significant input from interested stakeholders, including municipalities, and has applied it consistently in efficiently administering the many franchise agreements in place across the province. As the *Natural Gas Facilities Handbook* and previous decisions make clear (and as referred to in OEB staff’s submissions), the OEB will only consider deviating from the standard terms of the MFA in very limited circumstances if it is established that “*there is a compelling reason for deviation*”.³ A main thrust of the amendment requests of the City of Guelph and eMerge Guelph is that the relocation cost sharing provisions of the MFA should be modified in the City of Guelph’s favour and to the detriment of Enbridge Gas and, by extension, its ratepayer customers. However, the OEB has consistently found in other franchise agreement renewal proceedings that the relocation cost sharing provisions in the MFA are appropriate and represent a fair balancing of the various interests, and should apply uniformly across the province.⁴
5. This same conclusion should apply here. The City of Guelph and eMerge Guelph have not established any compelling reasons, unique to the City of Guelph and its circumstances, to deviate from the terms of the MFA and alter the franchise agreement terms that have been in place with the City of Guelph for the past 20 years. Further, the main reasons and evidence they seek to rely on are not even within the scope of these proceedings, as set out in the prior procedural orders which consistently confirmed the narrow scope of the review of this application. The City of Guelph’s and eMerge Guelph’s positions and concerns regarding the relocation cost sharing provisions are not particular to any unique circumstances at the City of Guelph. In the event the OEB is prepared to reconsider the relocation cost sharing or other provisions of the MFA that these intervenors have raised – provisions which were the subject of much consideration, evidence and deliberation in previous proceedings – this would only be appropriately considered and dealt with, if at all, in the upcoming narrow scope generic proceeding. The broad climate change considerations and concerns raised by the City of Guelph and eMerge Guelph are not only outside the scope of the review of this application, they are also inconsistent with the Ontario Government’s *Natural Gas Policy Statement* and *Integrated Energy Plan* (“IEP”) and are beyond the mandate and jurisdiction of the OEB.
6. In the sections below, we respond to specific submissions of the City of Guelph and eMerge Guelph on the above points, and we then address and clarify the basis for Enbridge Gas’ updated CPCN request, including responding to the request for clarification raised in OEB staff’s submissions on this topic. Since the submissions of the City of Guelph and eMerge Guelph overlap and are similar in several respects, we have organized the submissions below by topic.

¹ *Municipal Franchises Act*, Section 10(2)

² For example, [EB-2025-0058 - OEB Staff Submission dated January 14, 2026](#); [EB-2022-0201 – OEB Staff Submission dated February 21, 2023](#); [EB-2022-0201 - Decision and Order dated March 30, 2023](#); [Leamington \(Municipality of\) v. Enbridge Gas Inc., 2024 ONSC 867](#); [Sudbury \(City of\) v Union Gas Ltd., 2001 CanLII 2886](#); [City of Peterborough and Consumers Gas \(1980\), 111 D.L.R., \(3d\) 234](#)

³ [Natural Gas Facilities Handbook](#), page 11

⁴ OEB Staff Submission dated January 14, 2026, page 6

OEB's Powers Under Section 10 of the *MF Act* to Renew this Franchise Agreement

7. Subsections 10(1) and (2) of the *MF Act* provide as follows:

Application to Energy Board for renewal, etc., of gas franchise

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 construct, operate, extend or add to 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.

Powers of Energy Board

(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 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.

8. Where public convenience and necessity appear to require it, the OEB is expressly empowered to renew a franchise agreement. Once the OEB determines that a franchise agreement should be renewed, the OEB then has broad discretion to determine and prescribe the terms of the renewal that it considers appropriate, including in respect of the duration of the renewal. This point has been repeatedly confirmed, including by recent Ontario appellate court authority. In the Divisional Court's 2024 decision in *Leamington (Municipality of) v. Enbridge Gas Inc.* ("*Leamington*"), for example, the Court stated: "*the plain language of s. 10(2) authorizes the OEB, in exercising its public interest mandate, to decide upon and 'prescribe' the terms and conditions that will govern the renewed franchise agreement" and similarly referred to the OEB's "broad powers to impose the terms of renewal"*.⁵
9. Contrary to the suggestion in the City of Guelph's and eMerge Guelph's submissions, the OEB does not have to be satisfied that each individual term of the MFA, such as the particular duration of it, is required by public convenience and necessity. That is not how subsection 10(2) of the *MF Act* is written or what it requires. Once the OEB determines that public convenience and necessity warrant a renewal of the franchise agreement, it then exercises its discretion to set the terms it considers appropriate.
10. Enbridge Gas submits that it is clear in the circumstances of this application that public convenience and necessity require the renewal of the franchise agreement with the City of Guelph. Enbridge Gas currently serves nearly 48,000 customers in the City of Guelph. The application included a map showing a customer density representation of Enbridge Gas' service area and illustrating that Enbridge Gas has distribution infrastructure and customers located throughout the City of Guelph. Enbridge Gas and its predecessors have been providing gas distribution services within the City of Guelph since approximately 1955.⁶

⁵ *Leamington (Municipality of) v. Enbridge Gas Inc.*, 2024 ONSC 867 at paras. 37-39 (Div. Ct.)

⁶ Application, page 1 and Schedule "A" (customer density map)

11. It is in the public interest that Enbridge Gas be permitted to continue to serve the customers in the City of Guelph who rely on its gas services, and any other customers who may choose to use the service. The continued availability of gas services and customers' entitlement to choose the form of energy that best meets their needs are fundamental components of the Ontario government's *Natural Gas Policy Statement* and are consistent with the objectives in the *Ontario Energy Board Act, 1998* regarding the regulation of the natural gas industry.⁷
12. OEB staff's position is, similarly, that it is in the public interest for this franchise agreement to be renewed.
13. Notably, the City of Guelph itself takes the position that the franchise agreement should be renewed, thus implicitly accepting, for purposes of section 10 of the *MF Act*, that public convenience and necessity require a renewal. The City of Guelph expressly confirmed in its submissions that it is not seeking to have the OEB deny a renewal. Rather, the City of Guelph's arguments are focussed on its requests for amendments to the terms of the MFA, which we address further below.
14. eMerge Guelph suggests that, instead of ordering a renewal of the franchise agreement, the OEB should direct the City of Guelph and Enbridge Gas to engage in further discussions regarding the terms of a renewal, or alternatively that the OEB should order a renewal. The suggestion of ordering further discussions should be rejected. It is inconsistent with the terms of section 10 of the *MF Act*, nor would it be of practical use or serve regulatory efficiency. It is also not something the City of Guelph itself has requested.
15. Prior to Enbridge Gas bringing this application, Enbridge Gas and the City of Guelph engaged in discussions over a period of several months. This included Enbridge Gas meeting with administrative and legal staff of the City of Guelph on multiple occasions in the fall of 2024. The discussions involved consideration of requests from City of Guelph staff for potential alterations to the terms of the MFA.⁸
16. Following these discussions, City of Guelph staff then prepared a report (authored and approved by multiple staff) in early November 2024 for the City of Guelph's Committee of the Whole. In that report, City of Guelph staff in fact recommended that the City of Guelph approve the renewal of the franchise agreement on the terms of the MFA, i.e. the same terms as the existing franchise agreement that has been in place the past 20 years. Under the heading "Strategic Plan Alignment", City of Guelph staff stated that: "*Natural gas is an important part of the energy mix serving residents in the City of Guelph now and in the future as our community grows. Strong relationships with natural gas distributors and other utilities are key to successful coordination of infrastructure upgrades and expansions to enhance service to the community.*" And in respect of "Financial Implications", City of Guelph staff noted that: "*The renewal of the franchise agreement with Enbridge does not have new financial implications for the City.*"⁹
17. City of Guelph council ultimately did not agree with the recommendation of the municipality's administrative staff. After that determination, further discussions took place between the City

⁷ [Energy for Generations | ontario.ca; Ontario Energy Board Act, 1998](https://www.ontario.ca/government/energy/energy-board/ontario-energy-board-act-1998)

⁸ EB-2025-0058 - Exhibit EGI-EMG-4

⁹ Application, Schedule D1, page 2

of Guelph and Enbridge Gas during which it was made clear that the City of Guelph would not agree to any renewal of the franchise agreement unless Enbridge Gas agreed to the amended terms the City of Guelph is now seeking in the review of this application. Accordingly, it became obvious that an agreement could not be reached between the parties and so this application needed to be brought. By that point (and after that), neither side was suggesting that further discussion should take place or would be productive, and Enbridge Gas therefore commenced this application.¹⁰ In its submissions, the City of Guelph itself noted that the parties engaged in discussions between September to December 2024, but “*the parties were unable to agree upon the terms and conditions for a renewed franchise.*”¹¹

18. Section 10 of the *MF Act* is meant for exactly this type of situation. The utility and municipality have been unable to reach a renewal agreement. Either side is permitted to bring an application in these circumstances to have the OEB determine if there should be a renewal, and the terms of it. There is nothing in Section 10 supporting eMerge Guelph’s request that the OEB should simply order further negotiations, nor does that make any practical or regulatory sense in these circumstances in light of the prior discussions that already took place and the OEB’s clear expectations that franchises will be based on the MFA.¹²

OEB’s Exclusive Jurisdiction to Set the Terms of Renewal Over Objection of Municipality

19. The City of Guelph’s submissions at length seek to emphasize “*local agency and the will of council*” and the fact that the City of Guelph’s council decided it was not prepared to support a renewal of the franchise agreement on the terms of the MFA for a period of 20 years.¹³ eMerge Guelph’s submissions similarly refer to “*democratic will*” and suggests that ordering a renewal on the terms of the MFA would “*offend the democratic will*” of the City of Guelph.¹⁴ Although Enbridge Gas appreciates that the City of Guelph’s council decided it would prefer that amendments be made to the MFA terms in the municipality’s financial favour and to shorten the duration of the franchise agreement, what is important to bear in mind is that the OEB has exclusive jurisdiction to decide the terms of the franchise agreement that are appropriate, and to do so over the objection of the municipality. While the views of the municipality can and should of course be considered, the OEB’s powers are not in any way subject to, nor does it defer to, the “will of council” of the municipality. The *MF Act* and case law are clear on this point.
20. In the *Leamington* decision, the Court confirmed that the OEB has the “*authority and jurisdiction to determine the terms of the renewed franchise agreement,*” “*including prescribing terms over the objection of either party*”. And the Court concluded that the OEB, as part of its broad discretionary powers, “*clearly had the authority on Enbridge’s s. 10 application to determine the terms and conditions of the parties’ renewal agreement, including ordering terms over [the municipality’s] objections.*”¹⁵

¹⁰ EB-2025-0058 - Exhibit EGI-EMG-4

¹¹ City of Guelph Submission dated January 14, 2026, page 6, paragraph 23

¹² [Natural Gas Facilities Handbook](#), page 11

¹³ City of Guelph Submission dated January 14, 2026, page 6, starting at paragraph 21

¹⁴ eMerge Guelph Submission dated January 14, 2026, page 9

¹⁵ *Leamington*, *supra* at paras. 36-37, 41 (Div. Ct.)

21. Accordingly, the fact that the City of Guelph’s council now objects to the terms of the MFA should not be given undue weight. It is for the OEB to determine, in its exclusive discretionary assessment and exercising its public interest mandate, what terms are appropriate for this franchise agreement.

No Deviations from the MFA Are Warranted Here

22. As noted in OEB staff’s submissions, and as is referred to in the OEB’s *Natural Gas Facilities Handbook* and prior case law, the OEB adopted the MFA following significant input from interested stakeholders, including municipalities, and has applied it consistently in efficiently administering the many franchise agreements across the province. As noted by the Divisional Court in *Leamington*, the MFA was developed “*in order to standardize the format and content of franchise agreements between natural gas distributors and Ontario municipalities*”. It provides a template as to the terms and conditions the OEB generally finds reasonable. The MFA is expected to be followed “*unless there is a compelling reason for deviation*”.¹⁶
23. Enbridge Gas has franchise agreements in place, in the form of the MFA without amendment, with all other municipalities located within the County of Wellington where the City of Guelph is located, as well as with an additional 300+ municipalities within which Enbridge Gas operates.
24. Given the purpose of the MFA and the careful consideration and balancing of stakeholder interests (including consultations and two generic hearings that took place) involved in developing it, it is only in very limited circumstances when the OEB has been prepared to entertain deviations from the terms and conditions of the MFA. As stated, there must be compelling reasons put forward to justify an amendment in the particular circumstances of a case. Here, neither the City of Guelph nor eMerge Guelph has established any such compelling reason.
25. Enbridge Gas agrees with OEB staff’s conclusion in its submissions that “*the intervenors have not raised issues or sought to introduce evidence that could be considered as properly falling within the scope of this proceeding*”, and that the franchise agreement renewal “*should be based on the standard terms and conditions of the [MFA], without amendment*”.¹⁷
26. We respond below to the amendment requests and reasons put forward by the City of Guelph and eMerge Guelph.

¹⁶ *Leamington*, supra at paras. 17-18 (Div. Ct.); and *Natural Gas Facilities Handbook*, page 11

¹⁷ OEB Staff Submission dated January 14, 2026, page 1

Request to Amend the Relocation Cost Sharing Provisions of the MFA

27. The City of Guelph and eMerge Guelph request amendments to the standard relocation cost sharing provisions in the MFA – provisions which apply uniformly in Ontario. The intent of the amendments they seek is to pass costs from the municipality, in connection with municipality activities, onto Enbridge Gas and its ratepayers (though they also seem to selectively seek that only ratepayers outside of the City of Guelph should have to bear these costs).
28. There is no proper or justified basis to amend the relocation cost sharing provisions in this franchise agreement renewal, and the main reason they put forward for seeking these amendments – essentially that the municipality does not agree with the MFA provisions – is not a circumstance sufficiently unique or particular to circumstances in this municipality so as to constitute a “compelling reason”.
29. As noted in the OEB staff’s submissions, the OEB has found in previous franchise renewal proceedings that the relocation cost sharing provisions in the MFA should apply uniformly across the province.¹⁸ The Leamington franchise renewal proceeding is one example where the OEB confirmed that the standard relocation cost sharing provisions of the MFA would continue to apply notwithstanding the municipality’s objection to them. In the Divisional Court appeal decision in *Leamington*, the Court confirmed the OEB’s decision. In its reasons, the Court noted that, even though the municipality may prefer a different relocation cost sharing provision, that was no basis to deviate from the standard provisions in the MFA. The Court referred to the OEB’s reasons on this point, in which the OEB had concluded that:

The standard terms that address cost-sharing in the Model Agreement were developed to provide certainty and resolve any dispute in an equitable manner. While the OEB understands that the *Drainage Act* may provide a more favourable result for the Municipality, the OEB finds that the Norwich decision supported a view of the Model Agreement, in general, as best meeting the public interest by providing fair treatment of both the civic duties of the Municipality and the fair treatment of Enbridge Gas’s ratepayers. This is preferable to a piecemeal approach of negotiating terms specific to a franchise. The OEB is ultimately not convinced that topographic difficulties referenced by the Municipality are sufficient to initiate a renegotiating of cost-sharing provisions in the Model Agreement. Moreover, the OEB notes that the cost-sharing arrangement in the Model Agreement is not an outlier, as such arrangements to share costs of necessary public requirements in which the municipality may have an interest exist in multiple contexts (see for example, the *Public Service on Highways Act*).¹⁹

30. Regarding the relocation cost allocation provisions in the MFA, in particular, the Court in *Leamington* also noted that: “*The issue of costs allocation for the relocation of gas works received a significant amount of attention and consideration as part of the consultation and hearing process that led to the adoption of the [MFA] in 1987 and its amendment in 2000. At*

¹⁸ OEB Staff Submission dated January 14, 2026, page 6

¹⁹ *Leamington*, *supra* at para. 28 (Div. Ct.)

*the 1999 hearing, the issue of relocation costs was again heavily contested, but the resulting OEB report rejected a request that the utility companies be required to pay 100 percent of the relocation costs required for municipal purposes. The OEB concluded that it continued to be generally appropriate that the municipality should bear 35 percent of the relocation costs ‘as a disincentive to municipalities to require gas line relocation’ as a result of their municipal work” and the Court also referred to the prior Court of Appeal decision in the *Union Gas Limited v. Norwich (Township)* case on this point.²⁰*

31. In the recent Simcoe County franchise agreement renewal decision on a section 10 application (EB-2024-0280), the OEB also denied a similar request by the municipality to amend the relocation cost sharing provisions to require Enbridge Gas to pay the full costs of relocation in various circumstances. The fact that Simcoe County objected to the MFA provisions and thought a different cost sharing regime would be more appropriate and would be in its interests – like the City of Guelph’s position here - did not constitute a compelling reason to warrant deviating from the standard MFA terms. OEB staff noted in the Simcoe County case that “*the OEB has consistently found that the [MFA] best meets the public interest by providing fair treatment of both civic duties of a municipality and a gas distributor’s ratepayers*”, and that “*the Model framework is preferable to a piecemeal approach of negotiating terms specific to a franchise*”.²¹
32. Like in the above other cases, the City of Guelph has not put forward or established any factors or circumstances here that are unique to the City of Guelph that would warrant any deviation from the standard relocation cost sharing terms of the MFA. The main thrust of the City of Guelph’s reason for seeking changes is essentially that they do not agree the MFA provisions are appropriate or fair and that more of the costs should be borne by Enbridge Gas and its ratepayers outside of the City of Guelph. But there are no unique circumstances relating to the City of Guelph or Enbridge Gas’ operations within the City of Guelph or the geography of its service area that constitutes a compelling reason for deviation or would warrant granting the City of Guelph exceptional treatment in respect of the relocation cost sharing terms. And, as noted above, the City of Guelph staff report expressly stated that “*the renewal of the franchise agreement with Enbridge does not have new financial implications for the City*”.²²
33. Further, various arguments the City of Guelph puts forward in support of its requests are not within the scope of this narrow proceeding, and would more appropriately be considered, if at all, within the upcoming generic proceeding (in the event the OEB is prepared to further consider the relocation cost sharing provisions as part of that proceeding). Procedural Order No. 1 in this proceeding confirmed that the review of this application will just address whether there are compelling reasons to deviate from the terms and conditions of the MFA 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. That is the case in respect of the City of Guelph’s broad and general-based reasons for now objecting to the relocation cost sharing provisions.

²⁰ *Leamington, supra* at para. 20 (Div. Ct.), citing the *Norwich* case

²¹ Simcoe County Franchise Renewal Decision and Order, EB-2024-0280, August 7, 2025 at paragraphs 25, 40-43

²² Application, Schedule D1, page 2

34. eMerge Guelph similarly makes broad based submissions regarding whether it is fair for the municipality (and by extension its taxpayers, residents and businesses) to bear the “financial burden” of paying a portion of relocation costs under the terms of the MFA. Like with the City of Guelph’s submissions, eMerge Guelph’s submissions are not focussed on circumstances or positions unique to the City of Guelph and are not properly within the narrow scope of this proceeding. If at all, they would only be for consideration at a more generic proceeding. eMerge Guelph itself recognizes in its submissions that it is seeking to raise broader-based issues that do not fall within the narrow scope of this proceeding.²³
35. Enbridge Gas’ position is also that, from a policy perspective, it would not be equitable or appropriate to shift additional costs related to the City of Guelph’s activities onto Enbridge Gas ratepayers (and we understand the City of Guelph would be seeking to only have costs borne by Enbridge Gas customers outside of the City of Guelph), but that is a point we can address more so in the generic review / consultation if the OEB decides it is going to further re-consider these provisions as part of that proceeding.

Request to Amend the definition of “Highway” in the MFA

36. The City of Guelph argues that the definition of “highway” should be amended to correspond with the *Municipal Act, 2001* definition such that Enbridge Gas does not have the automatic right to locate its infrastructure in areas intended predominantly for public use and enjoyment.²⁴ The definition of “highway” contained within the MFA was the result of negotiations between the Association of Municipalities of Ontario and gas utilities at the time to address the locations of existing and potential gas distribution assets needed to provide requested services within a municipality. The proposed change to the definition of “highway” for the franchise agreement with the City of Guelph is not driven by any circumstance unique to the City of Guelph and is not a request that falls within the proper scope of this proceeding.

Request to Shorten Duration of Renewal Franchise Agreement

37. Both the City of Guelph and eMerge Guelph request that the OEB renew the franchise agreement for a much shorter period than the standard renewal term of 20 years. In particular, the City of Guelph requests that the OEB extend the franchise right “*for three years or less*”. Apart from its general opposition to a longer term renewal (based on its objection to various terms of the MFA and its climate change policies, which we address below), a main reason for this request is that the OEB has indicated that it plans to engage in a narrow scope generic review of the MFA and the City of Guelph does not want to be prejudiced in this regard by having the agreement’s terms fixed for 20 years and being “*bound to outdated agreement terms*”.²⁵
38. In a similar vein, eMerge Guelph requests that, if the OEB allows this application and renews the franchise agreement, the renewal franchise agreement should be for an even shorter period. Its request is that the OEB include “*an expiry date six-months following conclusion of the upcoming [MFA] generic hearing*”. eMerge Guelph makes this request so that its generic and

²³ eMerge Guelph Submission dated January 14, 2026, page 7

²⁴ City of Guelph Submission dated January 14, 2026, paragraph 44

²⁵ City of Guelph Submission dated January 14, 2026, paragraphs 38-40

broad-based concerns or issues can be raised and considered in the generic proceeding and the outcome of that proceeding can then have an impact on the terms of the City of Guelph's franchise agreement going forward after that in the event changes are ultimately made to the MFA.²⁶

39. The City of Guelph and eMerge Guelph previously requested that this application be held in abeyance pending the generic proceeding, and the OEB determined that doing so was not appropriate or necessary. Enbridge Gas submits that there is similarly no need to order a short term for the renewal franchise agreement in light of the generic proceeding, and it does not constitute a compelling reason to change the standard term of the MFA.
40. First, as Enbridge Gas indicated in its submission dated November 6, 2025 in the review of this application, if the generic proceeding review of the MFA ends up resulting 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 *MF Act*, the *Statutory Powers Procedure Act* and the *Ontario Energy Board Act, 1998*). This authority, for instance, includes the power to review and vary decisions and orders (including to initiate a review of its own accord).²⁷
41. In this regard, OEB staff also notes in its submissions that, in the event the generic proceeding results in any amendments to the MFA, it anticipates that *“implementation matters regarding any changes that the OEB may approve to the standard [MFA] arising from the generic hearing will also be addressed at that time”*.²⁸
42. Second, even without the OEB making any specific order in the context of or following the generic hearing regarding implementation of any amendments to the MFA, the existing terms of the MFA already include provisions for updating the MFA to incorporate any revisions to the MFA at various times. Specifically, the MFA includes a provision providing for amendments to be made to the executed agreement on its 7th and 14th anniversaries to incorporate any changes in the MFA that are in effect on those anniversary dates.²⁹
43. Accordingly, once the OEB determines the scope and timing of the generic proceeding, parties will be able to raise issues for consideration in that proceeding that are within its scope, and there are mechanisms for any subsequent amendments to the MFA to then be incorporated in the terms of the renewal franchise agreement with the City of Guelph, if/as the OEB may determine.

²⁶ eMerge Guelph Submission dated January 14, 2026, pages 13-15

²⁷ Rule 41.01 of the OEB's [Rules of Practice and Procedure](#)

²⁸ OEB Staff Submission dated January 14, 2026, page 8

²⁹ Model Franchise Agreement section 4(b)

Request to Amend for Potential Future Change to Legislation

44. eMerge Guelph requests that the OEB include in the renewal franchise agreement “*a conditional term allowing negotiations regarding the charging of land-use fees in the event that provincial regulations are amended*”, and it offers two examples of potential new terms in this regard.³⁰
45. As noted by OEB staff in its submissions, earlier in this proceeding in Procedural Order No. 2, the OEB already determined that issues or evidence relating to any potential future amendments to O. Reg. 584/06 are out of scope of this proceeding. The OEB concluded that evidence on this topic was not helpful and that any legislative or regulatory changes under consideration remain speculative and out of scope. Accordingly, OEB staff states that “*any arguments advanced by the [City] and [eMERGE] pertaining to deviations from the standard terms and conditions of the [MFA] pertaining to O. Reg. 584/06 should not be considered*”.³¹ Enbridge Gas agrees with that submission.
46. The OEB has been clear throughout this proceeding in delineating the focussed scope of it (in both Procedural Orders No. 2 and 3), including that speculative future potential legislative changes are irrelevant at this point and out of scope. The possibility that there might at some point in the future potentially be a change to regulations does not constitute a compelling reason, let alone something that is uniquely particular to the circumstances of the City of Guelph, in order to warrant a deviation to the terms of the MFA. There is no proper basis for including the type of conditional provision eMerge Guelph suggests. Further, in the event the regulations are at any point changed, the government would be in a position to consider and determine the effect and implementation of any such changes.
47. Enbridge Gas also strongly disagrees with eMerge Guelph’s suggestion that a franchise agreement without terms related to imposing currently illegal fees would result in “*meaningful unfairness*” for the City of Guelph and its residents by locking them into the provision of “*land-use subsidies*” for the duration of the agreement at the expense of taxpayers.³²
48. Enbridge Gas pays property taxes in every municipality in which it has facilities based on linear infrastructure and is also subject to permit fees in several municipalities to cover the administrative costs of those municipalities issuing permits, as municipalities are entitled to charge under O. Reg. 584/06 (Fees and Charges) under the *Municipal Act*. In 2024, Enbridge Gas paid \$1,113,661 in property taxes for all buildings and pipelines located within the City of Guelph and required minimal municipal services in return. In this sense, Enbridge Gas is a passive taxpayer (i.e., the pipelines and other assets in place do not require municipal funding for activities like snow removal or garbage pick-up), resulting in a net benefit to the municipality. During City of Guelph council discussions in 2024, administrative staff for the City of Guelph confirmed that no subsidies are paid to Enbridge Gas for operating within the municipality.³³

³⁰ eMerge Guelph Submission dated January 14, 2026, pages 13, 15-16

³¹ OEB Staff Submission dated January 14, 2026, page 8

³² eMerge Guelph Submission dated January 14, 2026, page 3

³³ City of Guelph Committee of the Whole meeting, November 5, 2024, video at 1:48:00 – 1:48:20 (<https://pub-guelph.escrimeetings.com/Players/ISStandAlonePlayer.aspx?Id=99dad340-87ab-46cb-a53b-326b8e57b9af>)

Attempt to Rely on Broad-based Climate Concerns to Justify Amendment Requests

49. The City of Guelph and eMerge Guelph both seek to rely on broad climate change concerns and policies, and a general opposition to natural gas service that some residents within the City of Guelph have, as an overriding basis for their requests that the MFA be amended. The City of Guelph refers to and seeks to rely on its municipal climate change plans and policies in this regard. It refers to “*the goals and priorities of Council and the City as reflected in its climate-related policies and strategies*” as a reason the OEB should not order a franchise agreement renewal on the terms of the MFA.³⁴ Besides relying on the City of Guelph’s climate policies, eMerge Guelph also submits that the proposed renewal franchise agreement “*does not align with [the City’s] longstanding environmental ethos*” and that the environment and climate change is an important issue in this municipality.³⁵
50. The OEB should not give effect to those submissions. They provide no proper basis to warrant making amendments to the MFA for purposes of renewing the franchise agreement with the City of Guelph. Those broad-based climate change issues and concerns are: (i) outside the scope of these proceedings; (ii) beyond the mandate and jurisdiction of the OEB; and (iii) fundamentally inconsistent with the Ontario government’s recent *Natural Gas Policy Statement* regarding the important continued role of natural gas going forward and customers’ choice regarding their preferred energy source.
51. **Out of Scope.** As stated, Procedural Order No. 1 states that this proceeding will address whether there are compelling reasons to deviate from the terms and conditions of the MFA for the franchise agreement between Enbridge Gas and 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. Procedural Order No. 2 reiterated that this is not a generic proceeding and that broad issues affecting consumers across Ontario will not be considered. Enbridge Gas agrees with OEB staff’s submission that “*any arguments advanced by the [City] and [eMERGE] pertaining to deviations from the standard terms and conditions of the [MFA] pertaining to climate change should not be considered in this proceeding*”.³⁶ Environmental and climate change concerns are clearly not unique or particular to the City of Guelph. Many municipalities have developed climate action plans and policies.
52. The evidence filed by the City of Guelph and eMerge Guelph on this topic is inconsistent with the prior procedural orders regarding the proper scope of this hearing. That evidence is irrelevant for purposes of this proceeding and should be disregarded. Enbridge Gas objected to the proposed filing of this type of evidence. In the interests of efficiency and as no formal motion was brought, the OEB directed that the evidence could be filed but that Enbridge Gas could make submissions on relevance as part of closing argument. Also, the OEB may consider the relevance of evidence and the extent to which it may disregard OEB instructions regarding proceeding scope when it considers cost awards.³⁷

³⁴ See for example, City of Guelph Submission dated January 14, 2026, paragraph 54

³⁵ eMerge Guelph Submission dated January 14, 2026, pages 8-11

³⁶ OEB Staff Submission dated January 14, 2026, page 8

³⁷ OEB Staff Letter dated [July 14, 2025](#) re Continuance of Procedural Schedule

53. ***Outside the OEB’s Mandate/Jurisdiction.*** Not only are broad-based climate change issues or concerns (including regarding environmental impacts of using natural gas) beyond the scope of this application as per the prior procedural orders, they are also beyond the mandate and jurisdiction of the OEB to regulate.
54. As an economic regulator, the OEB regulates the delivery, storage and supply of gas. It has no jurisdiction or power to regulate the utilization of gas by customers or the effects arising from its use. The OEB’s statutory public interest powers do not extend to regulating the broad environmental issues or concerns (GHG emissions and climate change concerns) raised by the City of Guelph and eMerge Guelph. This is a point the OEB has confirmed in the past. Other governmental authorities, including the Ontario Ministry of the Environment, Conservation and Parks, have jurisdiction in this area.
55. In EB-2019-0159 (a leave to construct application), for example, certain intervenors including the local municipality (City of Hamilton) objected to a proposed pipeline project on the basis of the same types of broad-based environmental concerns being raised here by the City of Guelph and eMerge Guelph, including concerns about emissions impacts from downstream use of gas and related climate concerns, and requested that they be added to the issues list. The OEB declined to do so and confirmed that these issues, including specifically “*the effects of the consumption of the natural gas*”, were out of scope and beyond the OEB’s statutory powers to address. The OEB noted that its public interest mandate must be interpreted in the context of its enabling legislation. And, relying on prior case law, the OEB confirmed that “*the phrase ‘public interest’ does not broaden the Board’s jurisdiction to include an assessment of the environmental or economic impact of the use of the gas flowing through the pipeline*”.³⁸
56. The City of Guelph’s and eMerge Guelph’s broad environmental concerns and climate action plans, and a related policy opposition to natural gas amongst some City of Guelph residents, are outside the OEB’s mandate/jurisdiction and are not relevant to the OEB’s proper determination of this application and would not be a basis to deny the application or order amendments to the standard terms of the MFA.
57. ***Inconsistent with Government’s Natural Gas Policy Statement and IEP.*** It is also important to keep in mind that the OEB is required to consider and facilitate implementation of Ontario’s *Natural Gas Policy Statement* that is part of the province’s IEP. The IEP and *Natural Gas Policy Statement* are clear in respect of the important continuing role of natural gas now and into the future. Natural gas, the IEP notes for example, is “*the dominant fuel used for heating in Ontario*”, with about 75% of all residential customers using it to heat their homes (besides various other natural gas uses). The IEP confirms that “*Ontario will continue to support the important role of natural gas in Ontario’s energy system and economy*”, and the *Natural Gas Policy Statement* expressly provides that the OEB is expected to enable “*the continued rational expansion of the natural gas system*”.³⁹
58. The IEP and *Natural Gas Policy Statement* further emphasize the importance of ensuring and protecting customer choice – “*a hallmark of the province’s energy system*” - now and going

³⁸ EB-2019-0159, Application to Construct Natural Gas Pipeline and Associated Facilities in the City of Hamilton, [Procedural Order No. 2 and Decision on Issues List](#), March 6, 2020, pages 9-11

³⁹ [Energy for Generations | ontario.ca](#) – pages 11, 95-96

forward. The IEP states 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*”.⁴⁰

59. eMerge Guelph’s opposition to natural gas service and any expansion of the gas system, and its attempt to have the OEB give effect to that opposition in the review of this application is directly at odds with the government’s IEP and *Natural Gas Policy Statement*, with which the OEB must abide and implement. This is a further reason the OEB should disregard eMerge Guelph’s position and submissions in this regard, along with similar concerns raised by the City of Guelph in its submissions.
60. For all of the above reasons, Enbridge Gas submits that the franchise agreement renewal should be ordered based on the terms of the MFA for a duration of 20 years, as requested in the application.

The Request to Update the CPCN

61. Enbridge Gas agrees with OEB staff’s conclusion that the updated CPCN should be approved as requested.⁴¹ This is in accordance with the [Natural Gas Facilities Handbook](#) which states that if the boundaries of a person’s existing CPCN are affected by a municipal amalgamation or annexation, and no other person holds a CPCN for any part of the newly amalgamated or annexed municipal territories, then the person should notify the OEB to have the CPCN amended to reflect the change. The OEB has a longstanding practice of issuing CPCNs aligned with municipal boundaries because it is administratively efficient and in keeping with OEB guidelines for CPCN updates following municipal boundary changes. As the OEB has noted in previous proceedings, if CPCNs were instead limited to the geographic footprint of a utility’s actual or proposed infrastructure, the utility would need to apply for a CPCN amendment any time it wanted to connect a new customer outside the metes and bounds of the CPCN. This would complicate the rational expansion of the gas system and a fragmented and inconsistent approach to CPCN issuances across Ontario would not serve the public interest.⁴²
62. In their submissions, OEB staff ask whether the F.B.C. 109 CPCN can be cancelled entirely or just amended to remove the City of Guelph. While the application indicated that F.B.C. 109 had been issued for four municipalities, including the City of Guelph, that is not accurate. The Matter clauses in F.B.C. 109 refer to an application by Union Gas Company of Canada Limited to the Ontario Fuel Board for the approval to construct works to supply gas in the municipalities of the City of Guelph, the Township of Guelph, the City of Stratford and the Town of Strathroy as they existed in 1957. At the conclusion of the hearing of that application, the Ontario Fuel Board issued four CPCNs on June 25, 1957: F.B.C. 109 for the City of Guelph, F.B.C. 110 for the Township of Guelph, F.B.C. 111 for the City of Stratford, and F.B.C. 112 for the Town of

⁴⁰ [Energy for Generations | ontario.ca](#) – pages 14, 95-96

⁴¹ OEB Staff Submission dated January 14, 2026, pages 1 and 9

⁴² For example, see [EB-2024-0342 - Decision and Order dated October 16, 2025](#)

Strathroy. As a result, the CPCN being requested in this current application will replace the F.B.C. 109 CPCN and can result in its cancellation.

63. OEB staff also requested Enbridge Gas discuss the status of CPCNs F.B.C. 99, F.B.C. 192, F.B.C. 332, F.B.C. 110 and F.B.C. 209 to clarify whether an order granting a new CPCN for the City of Guelph should also include amendments to these CPCNs. A detailed status update is provided below and concludes that in the event the OEB issues the requested CPCN for the current City of Guelph, F.B.C. 99, F.B.C. 109 and F.B.C. 192 can be cancelled. The remaining CPCNs on OEB staff's list (F.B.C. 110, F.B.C. 209 and F.B.C. 332) have already been cancelled by prior OEB decisions.

- **F.B.C. 99** was issued by the Ontario Fuel Board on June 12, 1957 to Union Gas Company of Canada Limited with respect to a pipeline being constructed across tracts of land located in the Township of Dawn, the County of Lambton, on roads between the Counties of Halton and Peel, and on concession roads in the Township of Trafalgar, as well as branch pipelines and connections to be located within the Township of Caradoc, the Town of Strathroy, the Township of London, the City of London, the Township of West Nissouri, the Township of Blanshard, the Town of St. Marys, the Township of West Zorra, the Township of Downie, the City of Stratford, the Township of North Dumfries, the Township of Waterloo, the City of Kitchener, the City of Waterloo, the Township of Beverly, the Township of Puslinch, the Township of Guelph, the City of Guelph, the Township of East Flamborough, the Township of West Flamborough, and the City of Hamilton as these municipalities existed in 1957.
 - Following a comprehensive review of all the municipalities previously covered by the F.B.C. 99 CPCN and the CPCN updates over the last several years, the CPCN being requested in this current application can result in cancellation of the F.B.C. 99 CPCN.

- **F.B.C. 192** was issued by the Ontario Fuel Board on January 8, 1958 to Ontario Natural Gas Storage and Pipelines Limited with respect to constructing works to supply gas in 29 municipalities that existed at that time:
 - **County of Essex** – upper-tier municipality for which overall boundaries have not changed since the F.B.C. 192 CPCN was issued

 - **County of Kent** – upper-tier municipality that is now part of the single-tier Municipality of Chatham-Kent which is covered by the RP-2005-0016 / EB-2005-0312 CPCN issued August 23, 2005. The [Decision and Order associated with the RP-2005-0016 / EB-2005-0312 CPCN](#) specifically cancelled those parts of the F.B.C. 192 CPCN associated with the County of Kent.

 - **County of Lambton** - upper-tier municipality for which overall boundaries have not changed since the F.B.C. 192 CPCN was issued

 - **County of Middlesex** - upper-tier municipality for which overall boundaries have not changed since the F.B.C. 192 CPCN was issued

- **County of Perth** - upper-tier municipality for which a new CPCN (E.B.C. 29) was issued May 1, 1963. The [Decision and Order associated with the E.B.C. 29 CPCN](#) did not specifically cancel any parts of the F.B.C. 192 CPCN.
- **County of Waterloo** – upper-tier municipality that is now the Regional Municipality of Waterloo. No CPCN has been issued for the Regional Municipality of Waterloo.
- **County of Wellington** - upper-tier municipality for which a new CPCN (E.B.C. 32) was issued June 10, 1965. The Decision and Order associated with the E.B.C. 32 CPCN did not specifically cancel any parts of the F.B.C. 192 CPCN.
- **County of Wentworth** – was an upper-tier municipality that was replaced in 1973 by the Regional Municipality of Hamilton-Wentworth. In 2001, the Regional Municipality and its six constituent municipalities were amalgamated as the "megacity" of Hamilton which is now covered by the EB-2006-0284 CPCN issued February 6, 2007. The [Decision and Order associated with the EB-2006-0284 CPCN](#) specifically cancelled those parts of the F.B.C. 192 CPCN associated with the former Regional Municipality of Hamilton-Wentworth.
- **County of Halton** – upper-tier municipality (which became the Regional Municipality of Halton in 1974) is covered by the E.B.C. 32 CPCN issued June 10, 1965. The Decision and Order associated with the E.B.C. 32 CPCN did not specifically cancel any parts of the F.B.C. 192 CPCN.
- **Town of Ojibway** – lower-tier municipality which is now part of the City of Windsor which is covered by the EB-2007-0800 CPCN issued January 28, 2008. The [Decision and Order associated with the EB-2007-0800 CPCN](#) did not specifically cancel any parts of the F.B.C. 192 CPCN, although it did state that the EB-2007-0800 CPCN “replaces the certificates or portions of certificates associated with the former entities that are now within the City of Windsor”.
- **Township of Sandwich West** - lower-tier municipality which is now part of the City of Windsor which is covered by the EB-2007-0800 CPCN issued January 28, 2008. The [Decision and Order associated with the EB-2007-0800 CPCN](#) did not specifically cancel any parts of the F.B.C. 192 CPCN, although it did state that the EB-2007-0800 CPCN “replaces the certificates or portions of certificates associated with the former entities that are now within the City of Windsor”.
- **Township of Sandwich East** - lower-tier municipality which is now part of the City of Windsor which is covered by the EB-2007-0800 CPCN issued January 28, 2008. The [Decision and Order associated with the EB-2007-0800 CPCN](#) did not specifically cancel any parts of the F.B.C. 192 CPCN, although it did state that the EB-2007-0800 CPCN “replaces the certificates or portions of

certificates associated with the former entities that are now within the City of Windsor”.

- **Township of Maidstone** - lower-tier municipality which is now part of the Municipality of Lakeshore which is covered by the EB-2025-0162 CPCN issued July 29, 2025. On January 1, 1998, the former Town of Belle River and the former Township of Maidstone were amalgamated as the former Township of Lakeshore. The [Decision and Order associated with the EB-2025-0162 CPCN](#) specifically cancelled the RP-2004-0219 / EB-2004-0514 CPCN related to the former Town of Lakeshore. The [Decision and Order associated with the RP-2004-0219 / EB-2004-0514 CPCN](#) had previously cancelled those parts of the F.B.C. 192 CPCN associated with the former Township of Maidstone.
- **Township of Rochester** - lower-tier municipality which is now part of the Municipality of Lakeshore which is covered by the EB-2025-0162 CPCN issued July 29, 2025. The [Decision and Order associated with the EB-2025-0162 CPCN](#) specifically cancelled the RP-2004-0219 / EB-2004-0514 CPCN related to the former Town of Lakeshore. The [Decision and Order associated with the RP-2004-0219 / EB-2004-0514 CPCN](#) had previously cancelled those parts of the F.B.C. 192 CPCN associated with the former Township of Rochester.
- **Township of Tilbury North** - lower-tier municipality which is now part of the Municipality of Lakeshore which is covered by the EB-2025-0162 CPCN issued July 29, 2025. The [Decision and Order associated with the EB-2025-0162 CPCN](#) specifically cancelled the RP-2004-0219 / EB-2004-0514 CPCN related to the former Town of Lakeshore. The [Decision and Order associated with the RP-2004-0219 / EB-2004-0514 CPCN](#) had previously cancelled those parts of the F.B.C. 192 CPCN associated with the former Township of Tilbury North.
- **Township of Dover** - lower-tier municipality that is now part of the single-tier Municipality of Chatham-Kent which is covered by the RP-2005-0016 / EB-2005-0312 CPCN issued August 23, 2005. The [Decision and Order associated with the RP-2005-0016 / EB-2005-0312 CPCN](#) specifically cancelled those parts of the F.B.C. 192 CPCN associated with the Township of Dover.
- **Township of Chatham** - lower-tier municipality that is now part of the single-tier Municipality of Chatham-Kent which is covered by the RP-2005-0016 / EB-2005-0312 CPCN issued August 23, 2005. The [Decision and Order associated with the RP-2005-0016 / EB-2005-0312 CPCN](#) specifically cancelled those parts of the F.B.C. 192 CPCN associated with the Township of Chatham.
- **Township of Sombra** - lower-tier municipality which is now part of the Township of St. Clair which is covered by the EB-2010-0384 CPCN issued February 15, 2011. The [Decision and Order associated with the EB-2010-0384](#)

[CPCN](#) specifically cancelled those parts of the F.B.C. 192 CPCN associated with the former Township of Sombra.

- **Township of Dawn** - lower-tier municipality which is now part of the Township of Dawn-Euphemia which is covered by the EB-2009-0305 CPCN issued September 28, 2009. The [Decision and Order associated with the EB-2009-0305 CPCN](#) specifically cancelled those parts of the F.B.C. 192 CPCN associated with the former Township of Dawn.
- **Township of Caradoc** - lower-tier municipality which is now part of the Township of Strathroy-Caradoc which is covered by the EB-2009-0169 CPCN issued September 8, 2009. The [Decision and Order associated with the EB-2009-0169 CPCN](#) specifically cancelled those parts of the F.B.C. 192 CPCN associated with the former Township of Caradoc.
- **Township of London** - lower-tier municipality which is now part of the Municipality of Middlesex Centre (which is covered by the EB-2009-0333 CPCN issued December 4, 2009) and the City of London (which is covered by the EB-2009-0068 CPCN issued February 4, 2010). The [Decision and Order associated with the EB-2009-0333 CPCN](#) specifically cancelled those parts of the F.B.C. 192 CPCN associated with the Township of London. The [Decision and Order associated with the EB-2009-0068 CPCN](#) did not specifically cancel any parts of the F.B.C. 192 CPCN.
- **Township of Westminster** - lower-tier municipality which is now part of the City of London which is covered by the EB-2009-0068 CPCN issued February 4, 2010. The [Decision and Order associated with the EB-2009-0068 CPCN](#) did not specifically cancel any parts of the F.B.C. 192 CPCN.
- **Township of Blanshard** - lower-tier municipality which is now part of the Municipality of Perth South which is covered by the RP-2003-0041 / EB-2003-0051 CPCN issued July 29, 2003. The [Decision and Order associated with the RP-2003-0041 / EB-2003-0051 CPCN](#) specifically cancelled those parts of the F.B.C. 192 CPCN associated with the former Township of Blanshard.
- **Township of Downie** - lower-tier municipality which is now part of the Municipality of Perth South which is covered by the RP-2003-0041 / EB-2003-0051 CPCN issued July 29, 2003. The [Decision and Order associated with the RP-2003-0041 / EB-2003-0051 CPCN](#) specifically cancelled those parts of the F.B.C. 192 CPCN associated with the former Township of Downie.
- **Township of North Dumfries** – lower-tier municipality which is now covered by the EB-2022-0172 CPCN issued September 8, 2022. The [Decision and Order associated with the EB-2022-0172 CPCN](#) specifically cancelled those parts of the F.B.C. 192 CPCN associated with the former Township of North Dumfries.

- **Township of Waterloo** – lower-tier municipality which is now part of the cities of Kitchener and Waterloo and the Township of Woolwich which are covered by the EB-2015-0296 CPCN (issued January 21, 2016), the E.B.C. 3 CPCN (issued June 8, 1961) and the EB-2024-0308 (issued February 13, 2025) respectively. The [Decision and Order associated with the EB-2015-0296 CPCN](#) for the City of Kitchener does not specifically cancel those parts of the F.B.C. 192 CPCN associated with the former Township of Waterloo. The Decision and Order associated with the E.B.C. 3 CPCN for the City of Waterloo does not specifically cancel those parts of the F.B.C. 192 CPCN associated with the former Township of Waterloo. The [Decision and Order associated with the EB-2024-0308 CPCN](#) for the Township of Woolwich specifically cancels those parts of the F.B.C. 192 CPCN associated with the former Township of Waterloo.
- **Township of Guelph** – lower-tier municipality which is now part of the Township of Guelph/Eramosa which is covered by the EB-2024-0188 CPCN issued January 23, 2025. The [Decision and Order associated with the EB-2024-0188 CPCN](#) specifically cancelled the EB-2007-0021 CPCN related to the former Township of Guelph/Eramosa. The [Decision and Order associated with the EB-2007-0021 CPCN](#) had previously cancelled those parts of the F.B.C. 192 CPCN associated with the former Township of Guelph.
- **Township of West Flamborough** - lower-tier municipality that is now part of the City of Hamilton which is covered by the EB-2006-0284 CPCN issued February 6, 2007. In 1974, the former Township of West Flamborough and portions of the former Townships of Beverly and East Flamborough were absorbed into the Township of Flamborough. The Township of Flamborough became a town in 1985. In 2001, the Town of Flamborough became part of the City of Hamilton. The [Decision and Order associated with the EB-2006-0284 CPCN](#) for the City of Hamilton specifically cancelled those parts of the F.B.C. 192 CPCN associated with the former Town of Flamborough.
 - **Township of Trafalgar** - lower-tier municipality which is now part of the Town of Oakville (1962), the Town of Milton (1974), the Town of Halton Hills (1974) and the City of Mississauga (1974) which are covered by the EB-2024-0256 CPCN (issued November 28, 2024), the EB-2025-0187 CPCN (issued August 14, 2025), the EB-2008-0080 CPCN (issued May 16, 2008) and the EB-2025-0188 (issued August 14, 2025) respectively.
 - The [Decision and Order associated with the EB-2024-0256 CPCN](#) does not specifically cancel parts of the F.B.C. 192 CPCN but does state that the new CPCN supersedes Enbridge Gas' prior CPCN for the parts of the former Township of Trafalgar that were merged into the Town of Oakville.
 - The [Decision and Order associated with the EB-2025-0187 CPCN](#) cancelled the EB-2008-0078 CPCN issued June 10, 2008 to Union Gas

Limited for the Town of Milton. The [Decision and Order associated with the EB-2008-0078](#) cancelled the F.B.C. 324 CPCN issued June 24, 1959 to Union Gas Limited for 14 municipalities that existed at that time including the Township of Trafalgar. The Decision and Order associated with the F.B.C. 324 CPCN does not specifically cancel parts of the F.B.C. 192 CPCN.

- The [Decision and Order associated with the EB-2008-0080 CPCN](#) did not specifically cancel parts of the F.B.C. 192 CPCN.
 - The [Decision and Order associated with the EB-2025-0188 CPCN](#) cancelled the EB-2010-0189 CPCN issued July 8, 2010 to Enbridge Gas Distribution for the City of Mississauga. The [Decision and Order associated with the EB-2010-0189 CPCN](#) stated that the new CPCN replaced the CPCNs associated with the former Village of Streetsville (F.B.C. 7 issued December 12, 1955) and the City of Mississauga (E.B.C. 110 issued July 21, 1980 for lands annexed from the Town of Oakville). The Decisions and Orders associated with the F.B.C. 7 and E.B.C. 110 CPCNs did not specifically cancel those parts of the F.B.C. 192 CPCN associated with the former Township of Trafalgar.
- While some of these municipalities were and remain upper-tier municipalities, as is noted in the [Natural Gas Facilities Handbook](#) (page 14), the OEB will generally only grant CPCNs at the lower-tier municipal level to avoid duplication.
 - While all parts of the F.B.C. 192 CPCN have not been specifically cancelled, given the CPCNs that have been issued since the F.B.C. 192 CPCN was issued, the CPCN being requested in this current application can result in its cancellation.
 - **F.B.C. 332** was issued by the Ontario Fuel Board on November 18, 1959 to Union Gas Company of Canada Limited with respect to constructing works to supply gas in the Township of Puslinch that existed at that time. This CPCN was cancelled pursuant to the [EB-2024-0106 Decision and Order](#) dated April 25, 2024.
 - **F.B.C. 110** was issued by the Ontario Fuel Board on June 25, 1957 to Union Gas Company of Canada Limited with respect to constructing works to supply gas in the former Township of Guelph that existed at that time. This CPCN was cancelled pursuant to the [EB-2007-0021 Decision and Order](#) dated April 10, 2007.
 - **E.B.C. 209** was issued by the Ontario Energy Board on September 7, 1994 to Union Gas Limited with respect to constructing works to supply gas in the former Township of Eramosa that existed at that time. This CPCN was cancelled pursuant to the [EB-2007-0021 Decision and Order](#) dated April 10, 2007.

Overall Summary and Conclusion

64. Enbridge Gas' main reply submission points, discussed above, can be briefly summarized as follows:

- Under section 10 of the *MF Act*, the OEB is empowered to renew Enbridge Gas' franchise agreement with the City of Guelph. It is well-established that the OEB can do so over the objection of the municipality and does not defer to the municipality's preferences regarding appropriate renewal terms. The OEB should exercise its discretion to renew this franchise agreement for 20 years on the same terms as the existing agreement, which has been in place for the last 20 years and is consistent with the terms of the MFA. OEB staff also supports this request.
- ***No Compelling Reason to Deviate from MFA.*** The City of Guelph and eMerge Guelph have not established any compelling reasons, unique to the City of Guelph and its circumstances, to deviate from the terms of the MFA and alter the franchise agreement terms.
- ***Relocation Cost Sharing Provisions.*** There is no justified basis to amend the relocation cost sharing provisions in this franchise agreement renewal. The OEB has found in previous franchise agreement renewal proceedings that the relocation cost sharing provisions in the MFA should apply uniformly across the province. Broad based arguments raised by the City of Guelph and eMerge Guelph in support of its objections to the relocation cost sharing provisions are beyond the scope of the review of this application (and would only be appropriately considered, if at all, within the upcoming generic proceeding).
- ***Duration of Franchise Agreement.*** There is no need or justified basis to shorten the duration of the renewal term of the franchise agreement. In the event the generic proceeding subsequently results in any amendments to the MFA, there are already mechanisms for any such amendments to be incorporated in the terms of the renewal agreement with the City of Guelph, if/as the OEB may determine.
- ***Speculative Future Legislative Changes.*** In respect of eMerge Guelph's request for an amendment relating to potential future legislative changes, there is no need or justified basis for that request and the OEB already determined in Procedural Order No. 2 that issues or evidence relating to any potential future amendments to O. Reg. 584/06 are out of scope of this proceeding.
- ***Attempt to Rely on Broad Climate Concerns.*** In their submissions, the City of Guelph and eMerge Guelph both seek to rely on broad climate change concerns and policies and a general opposition to natural gas service. These concerns and issues should be disregarded as they are outside the scope of these proceedings, beyond the mandate and jurisdiction of the OEB, and fundamentally inconsistent with the *Natural Gas Policy Statement* -- which confirms the critical continued role of natural gas going forward and the importance of customer choice regarding their preferred energy source.

- ***Update to CPCN.*** The updated CPCN should be approved as requested, which OEB staff supports as well. Doing so is in accordance with the *Natural Gas Facilities Handbook*, which provides that if the boundaries of a person's existing CPCN are affected by a municipal amalgamation or annexation, and no other person holds a CPCN for any part of the newly amalgamated or annexed municipal territories, then the person should notify the OEB to have the CPCN amended to reflect the change. The OEB has a longstanding practice of issuing CPCNs aligned with municipal boundaries in these types of circumstances.
- In the event the OEB issues the requested CPCN for the current City of Guelph, F.B.C. 99, F.B.C. 109 and F.B.C. 192 can be cancelled. The remaining CPCNs on OEB staff's list (F.B.C. 110, F.B.C. 209 and F.B.C. 332) have already been cancelled by prior OEB decisions.

All of which is respectfully submitted this 4th day of February, 2026.