

March 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
City of Kawartha Lakes
Ontario Energy Board File No. EB-2025-0331**

Further to the questions submitted by Ontario Energy Board Staff related to the municipal staff report to council of the City of Kawartha Lakes, Enbridge Gas provides the following response.

Staff Question-1

Reference: EB-2025-0331, Application and Evidence, Schedule E1, p.2

Preamble:

Under the Rationale section in the Council Report, the City of Kawartha Lakes (Municipality) states that the entire process to get a franchise agreement approved by the Ontario Energy Board is lengthy and may take up to eight months. The Municipality also states that, ‘Staff have recommended some improvements, but these are issues that can be addressed in a subsequent agreement or Memorandum of Understanding.’

Questions:

- a) Please provide a clarification of the terms “some improvements”, “subsequent agreement” and “Memorandum of Understanding” referenced in the Council Report.
- b) Please clarify if Enbridge Gas has had any communication with the Municipality regarding “some improvements”, “subsequent agreement” and “Memorandum of Understanding” during the franchise agreement renewal negotiation process. If yes, please describe the result of these communications and provide any related documents.
- c) Has Enbridge Gas received any further communication from the Municipality to date regarding the “subsequent agreement” or “Memorandum of Understanding”? If yes, please describe the result of the communication and provide any related documents.
- d) How does Enbridge Gas anticipate these “subsequent agreement” and “Memorandum of Understanding” referenced in the Council Report will interact with the terms of the Model Franchise Agreement, currently being applied for, in the future?

Response:

- a) Based on discussions held with municipal staff between June and August 2025, the municipality had concerns related to Section 12 (Pipe Relocation) of the Model Franchise Agreement. The concerns identified by municipal staff were the following:
1. Enbridge Gas should invoice within one year for costs of relocating infrastructure. The municipality believes that this issue may be addressed by Section 5 of the franchise agreement which requires Enbridge Gas to obtain a permit before the commencement of any work.
 2. The municipality believes that Section 12 of the franchise agreement needs to outline more detail related to the cost sharing of requests by the municipality for relocating infrastructure.
 3. The municipality needs an agreement to detail a time frame for a moratorium on installation of new gas infrastructure within a 5-10 year period, once the municipality has reconstructed a road or street.

At the time of those discussions, municipal staff suggested that they needed a formal document (e.g., MOU) to address their issues.

- b) In June and July 2025, Enbridge Gas exchanged emails with the municipality's Assistant City Solicitor to address issues that the municipality had identified with respect to relocation projects. Enbridge Gas also spoke with the CAO of the municipality in August 2025 to review questions / issues that had been raised by municipal staff. Enbridge Gas explained the structure of the Model Franchise Agreement and how the OEB would only consider approving proposed amendments if they were justified by unique circumstances within the City of Kawartha Lakes. Enbridge Gas' position is that MOUs related to the franchise agreement are not appropriate since they can lead to interpretations / amendments to the intent of the franchise agreement terms and conditions beyond what is written in the franchise agreement and the Gas Franchise Handbook.

Enbridge Gas did not have any input to the wording used by municipal staff in the Staff Report LGL2025-001 dated September 23, 2025 that was submitted to City of Kawartha Lakes council.

- c) Enbridge Gas has not received any communications from the municipality since the email received on December 16, 2025 which is included in the application at Schedule E4.
- d) Enbridge Gas does not believe that any formal document will be needed to address issues raised by the municipality related to relocation projects since these involve proposed requirements that are beyond the requirements of the Model Franchise Agreement.

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

Yours truly,

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