



DECISION AND ORDER

EB-2023-0343

ENBRIDGE GAS INC.

**Application for Leave to Construct East Gwillimbury
Community Expansion Project**

BEFORE: Robert Dodds
Presiding Commissioner

Michael Janigan
Commissioner

David Sword
Commissioner

May 14, 2026

TABLE OF CONTENTS

1	INTRODUCTION AND SUMMARY.....	1
2	THE PROCESS.....	5
3	DECISION.....	9
3.1	NEED FOR THE PROJECT.....	9
3.2	PROPOSED FACILITIES AND ALTERNATIVES	17
3.3	PROJECT COST AND ECONOMICS.....	18
3.4	ENVIRONMENTAL MATTERS.....	26
3.5	LAND MATTERS.....	29
3.6	INDIGENOUS CONSULTATION	30
3.7	CONDITIONS OF APPROVAL.....	35
4	REQUEST FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY.....	39
5	ORDER	42
	SCHEDULE A.....	44
	SCHEDULE B.....	48
	SCHEDULE C.....	50
	SCHEDULE D.....	52
	SCHEDULE E.....	54

1 INTRODUCTION AND SUMMARY

Enbridge Gas Inc. (Enbridge Gas) filed an application with the Ontario Energy Board (OEB) under section 90 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B) (OEB Act), for an order granting leave to construct approximately 36.5 kilometres of natural gas pipeline (Project) in the Town of East Gwillimbury with potential pipeline sections in the Township of King, Town of Georgina, and Town of Whitchurch-Stouffville.

The Project is comprised of nine individual pipeline facility sections within and along the borders of the Town of East Gwillimbury that have been organized into two construction phases:

Phase 1 includes:

- Section 1: Approximately 710 m of Nominal Pipe Size (NPS) 2-inch Polyethylene (PE) on Bathurst St., south of Queensville Sideroad W.
- Section 2: Approximately 90 m of NPS 4-inch PE on Yonge St. north of Doane Rd., and approximately 470 m of NPS 2-inch PE on Queens Ct.
- Section 3: Approximately 500 m of NPS 2-inch PE in Holland Landing, at the intersection of Mount Albert Rd., Queens St., and Yonge St.
- Section 4: Approximately 1.2 km of NPS 2-inch PE on 2nd Concession Rd. and Valley Trail.
- Section 5: Approximately 1.9 km of NPS 2-inch PE on Davis Dr., from Warden Ave. to Kennedy Rd.
- Section 8: Approximately 3.3 km of NPS 2-inch PE on Centre St., Queensville Sideroad E., and Orchard Ct.

Phase 2 includes:

- Section 6: Approximately 7.9 km of NPS 2-inch PE on Warden Ave., Holborn Rd., John Rye Trail, and Fairbairn Gate, and approximately 30 m of NPS 2-inch Steel (ST) to facilitate the station tie-in to the existing ST gas main.
- Section 7: Approximately 10.1 km of NPS 4-inch and 2.1 km of NPS 2-inch PE on McCowan Rd., Pelosi Way, Patson Ct., and Manor Ridge Trail,

and approximately 110 m of NPS 2-inch ST to facilitate the station tie-in to the existing ST gas main.

- Section 9: Approximately 7.9 km of NPS 2-inch PE and 110 m of NPS 4-inch PE on Ravenshoe Rd. from Warden Ave., crossing Hwy 48 and connecting Blake Ave. and York St.
- Ancillary facilities including: two pressure-reducing stations on sections 6 and 7, and customer services.

According to Enbridge Gas, the Project will supply natural gas to approximately 263 new customers who currently do not have access to natural gas services. The Project was selected as eligible to receive funding from the Government of Ontario as part of Phase 2 of the Natural Gas Expansion Program¹ (NGEP).

Enbridge Gas also applied to the OEB under section 97 of the OEB Act for approval of the form of land-use agreements it offers to landowners affected by the routing or location of the Project.

Enbridge Gas is also seeking OEB orders under section 8 of the *Municipal Franchises Act*:

- a) Cancelling and superseding the existing Certificate of Public Convenience and Necessity held by Enbridge Gas Inc. for the former Township of East Gwillimbury and replacing it with a new Certificate of Public Convenience and Necessity to construct works to supply natural gas in the Town of East Gwillimbury, to address the municipal name change and the change in municipal boundaries.
- b) Cancelling and superseding the existing Certificates of Public Convenience and Necessity held by Enbridge Gas Inc. for the Township of King and replacing it with a new Certificate of Public Convenience and Necessity to construct works to supply natural gas in the Township of King that addresses the municipal boundary changes that have occurred.

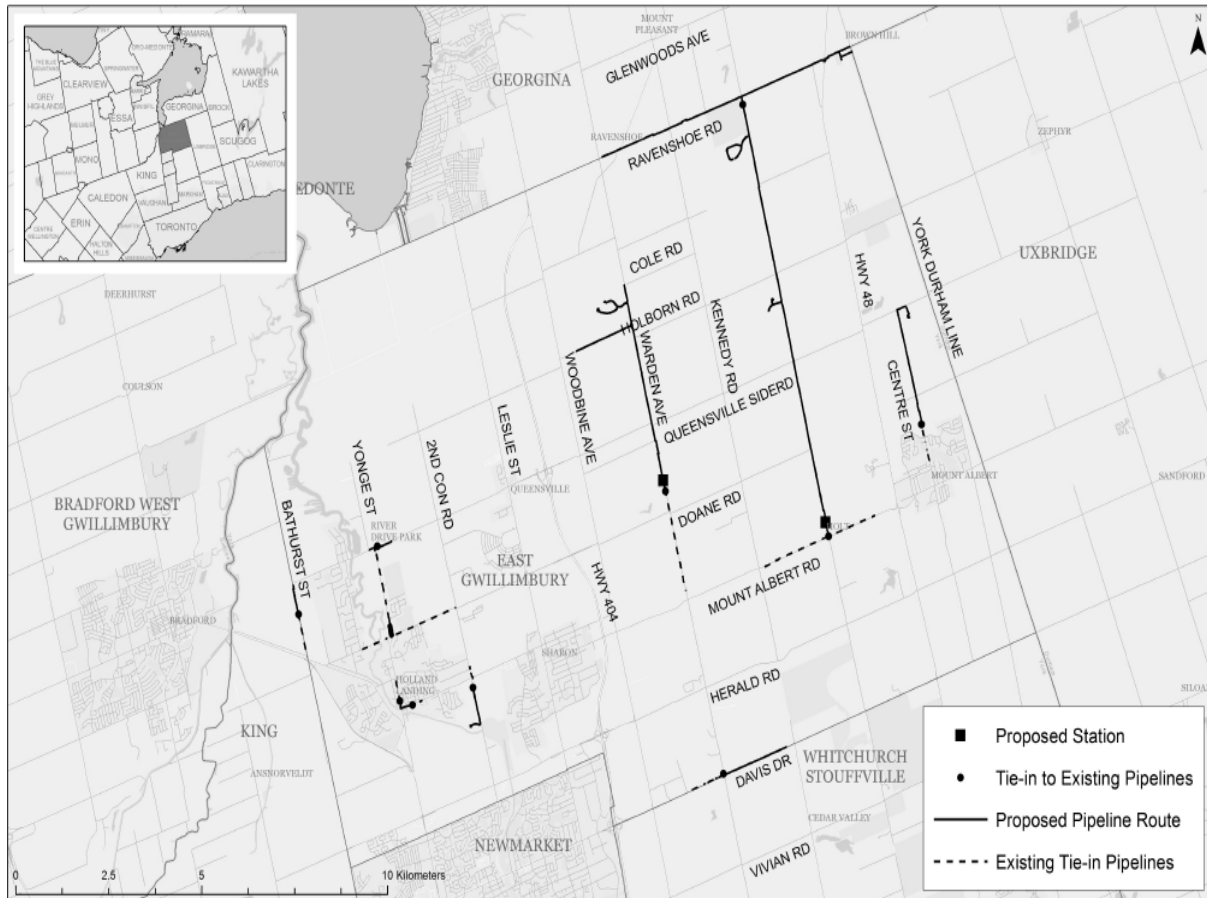
In its application, Enbridge Gas stated that construction of the Project was planned to commence in January 2025 and was expected to be in service in March 2025 for Phase 1 and November 2025 for Phase 2. Based on the construction schedule provided by

¹ <https://www.ontario.ca/page/natural-gas-expansion-program>

Enbridge Gas, Phase 2 construction will commence once Phase 1 has been placed into service.²

A general location of the Project is shown on the map below:

East Gwillimbury Community Expansion Project



The OEB approves Enbridge Gas’s leave to construct application, subject to the OEB’s standard conditions of approval contained in Schedule A of this Decision and Order.

The OEB also provides its findings with respect to the appropriate treatment of the Project during the Rate Stability Period (RSP) and at the time of the rebasing following the conclusion of the RSP.

The OEB also approves the forms of easement agreement and temporary land use agreement proposed by Enbridge Gas, as well as orders cancelling and superseding

² Cover Letter to Updated application, August 30, 2024, p.2; Updated Application, Exhibit D, Tab 2, Schedule 1, p.1

the existing Certificate of Public Convenience and Necessity held by Enbridge Gas Inc. for the former Townships of East Gwillimbury and the Township of King and replacing them with new Certificates of Public Convenience and Necessity.

2 THE PROCESS

The OEB issued a Notice of Hearing on January 11, 2024 after Enbridge Gas filed its application on November 28, 2023.

Environmental Defence, Federation of Rental-housing Providers of Ontario (FRPO) and Pollution Probe applied for intervenor status and cost eligibility and these requests were approved. In its request for intervenor status, Environmental Defence stated that it wished to file evidence in this proceeding and requested an opportunity to provide a description of its evidence and a cost estimate.

In Procedural Order No. 1, issued March 1, 2024, the OEB provided a process for Environmental Defence to file a letter with a description and cost estimate of the evidence. The OEB also provided OEB staff, intervenors and Enbridge Gas with an opportunity to file submissions on Environmental Defence's letter and for Environmental Defence to reply to the submissions. The OEB also set the schedule for the filing of interrogatories and responses on Enbridge Gas's application.

On March 8, 2024, Environmental Defence filed a letter with a description and cost estimate of the proposed evidence, relating to surveys and heat pumps. By March 15, 2024, OEB staff, Pollution Probe and Enbridge Gas filed submissions on Environmental Defence's letter describing its proposed evidence. Environmental Defence filed a response to these submissions on March 22, 2024.

OEB staff and intervenors filed interrogatories by March 19, 2024. On April 3, 2024, Enbridge Gas filed a letter advising that it was not able to proceed with the filing of its interrogatory responses and requested that the application be put into abeyance. Enbridge Gas explained that its evidence needed to be updated due to the omission of a section of pipeline from the Environmental Report that was included in the pre-filed evidence. Enbridge Gas advised that there would likely be a need to amend the evidentiary record in advance of the completion of the interrogatory phase of the proceeding.

On April 4, 2024, the OEB issued Procedural Order No. 2 granting Enbridge Gas's request by placing the application into abeyance. The OEB stated that it expected Enbridge Gas to provide its update by June 21, 2024. The OEB also cancelled the remaining procedural steps in Procedural Order No. 1.

Environmental Defence filed a letter on April 20, 2024, requesting that the OEB issue a decision on its request to submit evidence while the proceeding was in abeyance.

Environmental Defence also requested to file what it described as factual evidence on the past and anticipated efforts of community members to inform gas expansion area residents about the disadvantages of connecting to the gas system and the benefits of alternatives (Community Advocacy Evidence).

On May 21, 2024, Enbridge Gas responded, stating that the OEB should deny Environmental Defence's requests for the filing of survey and heat pump evidence and Community Advocacy Evidence.

On June 14, 2024, Enbridge Gas filed a letter requesting that the OEB continue to hold the application in abeyance until August 30, 2024, to allow for sufficient time for the Ontario Pipeline Coordination Committee (OPCC) to review and comment on the draft Environmental Report Addendum, and for Enbridge Gas to incorporate the OPCC comments and prepare updated evidence.

By letter dated June 19, 2024, the OEB extended the abeyance period until August 30, 2024.

On August 30, 2024, Enbridge Gas filed an updated application which included, among other things, a reduction in the:

- customer forecast from 369 customers to 263
- total pipeline length from 37.3 km to 36.5 km
- total capital cost from \$14.7 million to \$13.0 million.

On September 20, 2024, the OEB issued Procedural Order No. 3 setting out a process for interrogatories on the updated evidence; responses to all interrogatories filed in the proceeding (pursuant to both Procedural Order No. 1 and No. 3); and submissions on the need for a technical conference.

Additional interrogatories were filed by OEB staff and intervenors by October 8, 2024. Enbridge Gas filed its interrogatory responses on October 22, 2024.

Environmental Defence and OEB staff filed comments on the need for a technical conference by November 5, 2024. Environmental Defence requested that a technical conference be held, or alternatively, that the OEB order Enbridge Gas to provide full and adequate responses to interrogatories relating to Normalized System Reinforcement Costs and other matters identified in its letter of November 5, 2024. Environmental Defence stated that this alternative request constitutes a motion under Rule 27. OEB staff submitted that, upon review of the existing interrogatory responses on the record, further discovery through a technical conference was not required.

On January 13, 2025, the OEB issued Decision and Procedural Order No. 4 denying the requests made by Environmental Defence to submit intervenor evidence; the request for a technical conference; and the motion related to Enbridge Gas's interrogatory responses. The OEB also set a schedule for Argument-in-Chief (AIC), written submissions and reply submission. On January 23, 2025, Enbridge Gas filed its AIC. OEB staff and intervenors filed their submissions by February 3, 2025, and Enbridge Gas filed its reply submission on February 13, 2025.

On March 19, 2025, the OEB issued a letter placing the proceeding into abeyance until the Letter of Opinion from the Ministry of Energy and Mines³ (Ministry) was received. The OEB stated it would take the proceeding out of abeyance following receipt of the Ministry's Letter of Opinion.

On July 22, 2025, Enbridge Gas filed a letter informing the OEB that the Letter of Opinion might soon follow after an upcoming meeting between the Ministry and the Mississaugas of Scugog Island First Nation (MSIFN). Enbridge Gas also requested that the OEB consider how best to resume the application to mitigate risks of delaying project.

On February 13, 2026, Enbridge Gas filed an updated version of the application that included the Ministry's Letter of Opinion stating "procedural aspects of the Crown's duty to consult delegated and undertaken by Enbridge Gas for the Project in relation to its application are satisfactory".⁴ However, the Letter of Opinion noted several requests made by MSIFN to Enbridge Gas during consultation on the East Gwillimbury project. MSIFN requested that Enbridge Gas share all future project documents and plans filed with the OEB directly with them, engage in real-time adaptive environmental mitigation during construction and for 15 months afterward, and commit to ongoing, lifecycle duration consultation and engagement reflective of long term stewardship principles. The Application was taken out of abeyance the date the receipt of the Letter of Opinion was filed with the OEB.

On March 19, 2026, the OEB issued a letter to MSIFN inviting responses to several clarifying questions- in addition to any further comments on the Project, requesting that any responses be filed by April 1, 2026.

Procedural Order No. 5, issued on March 19, 2026, provided Enbridge Gas the opportunity to respond to the Ministry's Letter and MSIFN comments, if any, filed by

³ Formerly Ministry of Energy

⁴ Updated application, Exhibit H, Tab 1, Schedule 1, Attachment 5

April 8, 2026. On April 8, 2026, Enbridge Gas filed a letter, per Procedural Order No. 5, responding to each of the requests made by MSIFN as outlined in the Letter of Opinion.

On April 17, 2026, MSIFN filed a late response to the OEB's clarifying questions.

On April 24, 2026, Enbridge Gas filed a reply to MSIFN's response.

3 DECISION

The OEB's decision is structured to address the following issues:

1. Need for the Project
2. Proposed Facilities and Alternatives
3. Project Cost and Economics
4. Environmental Matters
5. Land Matters
6. Indigenous Consultation
7. Conditions of Approval

3.1 Need for the Project

In 2019, the Minister of Energy sought advice from the OEB in respect of projects that could be candidates to receive government funding under Phase 2 of the NGEF. The Project was one of 210 proposals for community expansion projects, including four economic development projects, submitted by natural gas utilities to the OEB for consideration in this regard, and included in the *OEB's Report to the Minister of Energy, Northern Development and Mines and to the Associate Minister of Energy: Potential Projects to Expand Access to Natural Gas Distribution*.⁵

The Project is one of 28 projects across 43 communities selected by the Government to be eligible to receive funding as part of Phase 2 of the NGEF, as specified in the Expansion of Natural Gas Distribution System Regulation.⁶

The NGEF provides funding to Ontario natural gas distributors to support the expansion of natural gas to communities that are not currently connected to the natural gas system. NGEF funding acts in a manner similar to a contribution in aid of construction and is designed to bring projects that would otherwise be uneconomic to a Profitability Index (PI) of 1.0 (i.e., make them economic under the OEB's test under E.B.O. 188).

The Expansion of Natural Gas Distribution Systems Regulation sets out the funding mechanism⁷ and includes the projects selected to receive the Government funding as

⁵ EB-2019-0255, *OEB's Report to the Minister of Energy, Northern Development and Mines and the Associate Minister of Energy: Potential Projects to Expand Access to Natural Gas Distribution*, December 10, 2020

⁶ Ontario Regulation 24/19 – Expansion of Natural Gas Distribution Systems, Schedule 2

⁷ The Expansion of Natural Gas Distribution Systems Regulation sets the mechanism for sourcing the funding for the eligible expansion projects by requiring that rate-regulated natural gas distributors charge each of their customers \$1 per month.

well as the amount of funding allocated to each project. Enbridge Gas noted that the Project supports the Government's efforts to help expand access to natural gas in Ontario that do not currently have access to the natural gas system.⁸

Enbridge Gas stated that the need for the Project is supported by its 10-year forecast of customer attachments as shown in Table 1 below:

Table 1
Forecasted Customer Attachments for the Project- Updated Application

East Gwillimbury Customer Additions	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total Forecasted
Residential Units (Singles)	60	36	36	23	23	12	12	12	12	12	238
Agricultural Units	0	5	1	0	0	0	0	0	0	0	6
Commercial/Industrial Units	2	8	4	3	2	0	0	0	0	0	19
Total	62	49	41	26	25	12	12	12	12	12	263

Enbridge Gas stated that Municipal Property Assessment Corporation data was used to establish the basis for the forecast and to designate property types such as commercial or industrial. Field visits were subsequently conducted to confirm addresses within the proposed Project scope and verify desktop category assumptions. Further, Enbridge Gas retained Forum Research to conduct surveys of potential customers in 2023, results of which yielded a 76% attachment rate for existing residential properties and small commercial properties. This percentage was applied to the total number of existing residential properties within the scope of the Project resulting in a forecast of 369 customers in the original application.

As noted earlier, Enbridge Gas filed an updated application which included, among other things, a reduction in the customer forecast from 369 customers to 263, representing a decrease of approximately 30% in the customer forecast. Enbridge Gas stated that the reduction in the customer forecast was to account for the particularly long services required to attach customers in this specific Project area and the associated Extra Length Charge (ELC) per meter, which has increased since the application was originally filed. Enbridge Gas stated that at the end of the ten-year period, the overall assumed capture rate for the Project is approximately 53%, to account for the ELC adjustment.⁹

⁸ Argument-in-Chief, p.2

⁹ IRR, Exhibit I, STAFF 3, pp.3,4

Enbridge Gas stated that in its rebasing application¹⁰, it proposed a harmonized service length threshold of 20 meters that would be provided free of charge for infill service connections, and an updated ELC of \$159 per additional meter across all franchise areas and requested approval of this charge. In the OEB's Decision and Order on the rebasing application¹¹, the OEB approved the proposed ELC of \$159 per meter beyond the first 20 meters for use in 2024. Enbridge Gas stated that the ELC assumed in its original application was \$32 per meter beyond the first 20 metres from the property line, based on the ELC at the time. In the updated application, the ELC assumed is \$159 per meter beyond the first 20 meters, in accordance with the OEB's decision.

Enbridge Gas asserted that higher costs could influence a potential customer's willingness to connect to natural gas. It has, therefore, decreased the customer forecast for East Gwillimbury to account for a potential reduction in attachments due to the higher total ELC costs expected in this community driven by a higher proportion of long services within the scope of the Project.¹²

Enbridge Gas stated that it began customer outreach in March 2024 and will continue throughout the Project lifecycle. Outreach activities to date include customer information sessions hosted on March 25-26, 2024, in addition to digital/social marketing campaigns, and individual one-on-one conversations at residents' homes upon request or by means of door-to-door engagement activities. Enbridge Gas expects to conduct additional customer attachment events throughout Project construction and execution in coordination with the municipality and the community.

Enbridge Gas noted that the need for the Project is supported by the Town of East Gwillimbury through its request for natural gas for its constituents.¹³

At the outset of its submissions, Environmental Defence noted that its submissions in four recent NGEP projects approved by the OEB (Bobcaygeon, Sandford, Eganville, and Neustadt¹⁴) (collectively, the 2024 OEB-approved NGEP projects) apply to this Project. Environmental Defence appended its submissions from those previous proceedings to its submissions for this Project.

Environmental Defence submitted that the survey is not sufficient to show that the revenue forecast will be achieved. Environmental Defence asserted that the East

¹⁰ EB-2022-0200

¹¹ EB-2022-0200 Decision and Order, December 21, 2023, p. 50

¹² IRR, Exhibit I, STAFF-10 b) i, p.3

¹³ Updated Application, Exhibit B, Tab 1, Schedule 1, Attachments 2, 3

¹⁴ Decision and Orders on EB-2022-0111(Bobcaygeon); EB-2023-0261(Neustadt); EB-2023-0201(Eganville); EB-2023-0200 (Sandford)

Gwillimbury survey was less informative and more misleading than the surveys in the 2024 OEB-approved NGEF projects as the survey materials contained incorrect information, stating that “gas is the most cost-effective way to heat your home” which Environmental Defence argued is not true and that electric heat pumps are more cost-effective.¹⁵

Environmental Defence also submitted that according to the OEB-approved settlement in Phase Two of the Enbridge Gas rebasing case¹⁶, Enbridge Gas is no longer allowed to provide customers or potential customers with misleading cost comparison information. Pollution Probe similarly submitted that the OEB’s Decision on the Settlement Proposal in Enbridge Gas’s Phase Two Rebasing proceeding required Enbridge Gas to cease consumer outreach using current marketing materials.¹⁷

Environmental Defence argued that while the connection forecast has been adjusted with respect to the impact of the ELC, that adjustment was made following the survey and as such, the survey results do not reflect the significant ELC charges applicable to many customers in the project area.

Pollution Probe submitted that the Enbridge survey result was a passive survey based on poor, incomplete and biased consumer education and without information on efficient energy options available and the incentives that support them. Pollution Probe submitted that the percentage of customers choosing a different energy option than natural gas will logically increase once the consumers decide to make an equipment change and actively explore current energy options after educating themselves on options available and the incentives available (particularly relevant for the 82% currently using electricity, oil and propane given the new suite of Provincial incentives available).¹⁸

Pollution Probe noted that a total of 161 surveys were completed from a list of 460 home owners, (a 35% response rate), which Pollution Probe submitted is a low response rate. The Forum survey indicated that 32% of those surveyed are likely to replace their heating system and 78% of respondents would consider using natural gas for some application in the future. Pollution Probe submitted that applying these survey results to the full population and assuming that those that did not complete the survey were not willing to support a commitment to connecting, the resulting conversion rate to natural gas over the next 40 years would be approximately 26% or 110 customers at

¹⁵ Environmental Defence submission, Overview, p.5

¹⁶ EB-2024-0111

¹⁷ Environmental Defence submission, Overview p.6; Pollution Probe submission, p.8

¹⁸ Pollution Probe submission, p.14

best and likely much lower if customers choose the IESO offers available (alternative options such as electric air source heat pumps).¹⁹

OEB staff submitted that Enbridge Gas has established the need for the Project, noting that availability of NGEF funding to enable the provision of natural gas service in unserved communities is an important consideration in the determination of the public interest, as it is designed to make projects economic that would otherwise be uneconomic based on the OEB's test under the E.B.O. 188 guidelines. OEB staff noted that the OEB, in its decisions²⁰ on previous community expansion projects, underscored the importance of the genesis of community expansion projects in its assessment of project need, specifically noting that these proposed projects obtain their potential viability because of the passage of *Access to Natural Gas Act, 2018*.

OEB staff also submitted that the need for the Project is supported by Enbridge Gas's survey results, although OEB staff noted that there is a risk that over the ten-year customer attachment period, some of the customers that are forecast to attach may not actually do so.

In its reply submission, Enbridge Gas argued that the positions of Environmental Defence and Pollution Probe are premised on the incorrect notion that electric heat pumps are more cost effective than natural gas service in every and all customer circumstances both technically and financially and that any assertion to the contrary is an expression of bias and not fact. Enbridge Gas stated that the premise on which they rely is ill-conceived and, if accepted, requires the OEB to adopt an abstract oversimplification of energy conversion that is neither representative of the actual energy choices or energy preferences customers expressed in response to Enbridge Gas's attachment surveys²¹ Enbridge Gas submitted that the OEB should reject the submissions of Environmental Defence and Pollution Probe.²²

Enbridge Gas responded to Environmental Defence and Pollution Probe's submissions referencing the settlement proposal in Enbridge Gas's Phase Two Rebasing proceeding, stating that the settlement proposal made no determination on the accuracy

¹⁹ Ibid, Pollution Probe submission

²⁰ OEB 2023 and 2024 Decisions: EB-2022-0248 Decision, pp. 12,13; EB-2022-0156 Decision, pp. 12,13; EB-2022-0249 Decision, pp. 12,13; EB-2022-0111 Decision, pp.12,13; EB-2023-0261 Decision, p.10; EB-2023-0201 Decision, pp.11,12; EB-2023-0200 Decision, p.12

²² Reply submission, p.5,6

of Enbridge Gas's previous cost comparison information and was approved 17 months after the completion of the survey for the Project. Enbridge Gas stated that in any event, the marketing information for the Project appropriately pointed out the existence and information sources for alternative technologies such as heat pumps.²³

Enbridge Gas addressed Pollution Probe's arguments that the survey response rate and sample size were low and the results were not reliable, arguing that this is unfounded when in fact, the response rate for the Project is similar to the average for NGEF Phase 2 communities surveyed to date, yielding a +/- 6.2% margin of error at the 95% confidence level.²⁴ Enbridge Gas submitted that Pollution Probe's submissions should be rejected by the OEB.

Enbridge Gas addressed Environmental Defence's submissions regarding the ELC adjustment being made after the survey, noting that the OEB's decision in the 2024 Rebasing Phase One proceeding, which included approval for increasing the ELC to \$159 per meter beyond the first 20 meters, was issued after the completion of the survey. Enbridge Gas submitted that the ELC adjustment is appropriately supported by Enbridge Gas's analysis of historical ELC cost data to determine an ELC threshold that would deter customers from switching to natural gas.²⁵

In its reply, Enbridge Gas reiterated that the attachment forecast directly reflects the preferences of consumers based on a broad and thorough community engagement and encompasses all relevant factors, including financial and non-financial considerations relevant to their geographic location, heating need, housing and electrical standard.²⁶

Findings

The OEB finds that Enbridge Gas has established the need for the Project within the context of the NGEF program

The OEB notes that the findings on project need are similar to the findings made by the OEB in previous Decisions on community expansion projects that are supported through the NGEF program.²⁷

²³ Reply submission, p.10

²⁴ Reply submission, p.11; Exhibit I. STAFF-2 part a) and Exhibit B-1.1, Attachment 4, p.2

²⁵ Reply submission, p.12

²⁶ Reply submission, p.10

²⁷ EB-2022-0248 Decision, pp. 12,13; EB-2022-0156 Decision, pp. 12,13; EB-2022-0249 Decision, pp. 11-13; EB-2022-0111 Decision, pp. 12-14; EB-2023-0261 Decision, pp. 10-12; EB-2023-0200 Decision, pp. 12-14; EB-2023-0201 Decision, pp. 11-13; EB-2023-0261 Decision, pp 10-12,

Enbridge Gas's forecast regarding the potential percentage take-up of natural gas service in the community, which was based on the market surveys filed with this application, has assisted the OEB with its findings.

While no survey can provide an unassailable prediction of customer take up of natural gas, they provide some additional support for the OEB's conclusion regarding the need for the Project.

Of particular importance to the assessment of project need is the genesis of this community expansion project, as well as other community expansion projects that are being proposed to enable natural gas service to unserved communities. These proposed projects obtain their potential viability because of the passage of *Access to Natural Gas Act, 2018*, provisions of which are incorporated in section 36.2 of the OEB Act.

Traditional utility regulatory principles provide that costs should be allocated proportionately to customers that have caused the costs to occur. This is reflected in the OEB's decision in the Generic Proceeding on Community Expansion and, more specifically, in the rejection of a proposed approach that would result in existing customers subsidizing an uneconomic community expansion:

The chief measure proposed to enable more expansions was a subsidy from existing customers. The OEB has determined that this is not appropriate. As noted above, the economic benefits of expansion to many communities are much greater than the costs. This approach would also distort the market to the detriment of existing energy services that compete with gas, such as propane, and new gas distributors who do not have an existing customer base. Under these circumstances, it would not be appropriate to require existing customers to pay for a portion of any expansion. The communities that receive the benefit will be the ones paying the costs.

The Access to Natural Gas Act, 2018, and O. Reg. 24/19 that was promulgated following its passage, enabled funding that allowed the projected expenditures in the budget for proposed NGEF project to be met with the aim of bringing these projects to a P.I. of 1.0.

This exception advanced the goal of rate protection for customers in communities where the gas distributor has made a qualifying investment providing those customers with a rate reduction for natural gas service, which was designed to ensure that the revenues of the project would match the costs of the project (net of the grant) and thereby avoid any cross-subsidization from existing customers.

The gas distributor, in this case Enbridge Gas, would then be compensated for such rate reduction by way of a payment from the IESO in the amounts set out in O. Reg. 24/19, and funded from a surcharge to all natural gas customer accounts in the amount of \$1 per month added to the fixed monthly customer charge. The payment to the gas distributor operates in a similar manner to a contribution in aid of construction in specific project amounts administered by the IESO.

In addressing the question of need that is integral to the finding of the Project's advancement of the public interest, the OEB notes the importance assigned to the issue of the expansion of natural gas service to unserved communities that is demonstrated by the passage and promulgation of legislation²⁸ that provides the financial assistance required to meet the projected budget that would enable such expansion to occur. The question of project need is also addressed by the support of the project expressed by the governments of the municipalities to which service would be extended.

The OEB must conclude that the Ontario government has identified a public need and, provided that a project is shown to be economic within the financial parameters set out in the legislation, meets the requirements of the public interest criterion in section 96(1) of the OEB Act.

The OEB accepts Enbridge Gas's customer forecast and associated revenues and is satisfied that, with support from Natural Gas Expansion Program funding as well as the System Expansion Surcharge (SES), the project can achieve a PI of 1.0 and is economic.

However, even if the actual customer connections do not meet the forecast then as discussed in greater detail in the Project Costs and Economics section below, the ten-year RSP places the responsibility on Enbridge Gas for any shortfall in revenues needed to meet its revenue requirement.

This provides some insulation against possible under-achievement of its customer sign-up estimates or projected natural gas consumption.

Beyond the ten-year RSP period, there is no guarantee that Enbridge Gas will be permitted to recover any post-RSP revenue shortfalls. Enbridge Gas is not guaranteed total cost recovery if actual capital costs and revenues result in an actual PI below 1.0. However, in approving the Project the OEB has a clear and reasonable expectation no further subsidy from Enbridge Gas customers will be required.

²⁸ *Access to Natural Gas Act 2018* and O. Reg. 24/19

3.2 Proposed Facilities and Alternatives

Enbridge Gas stated that the Project was selected for funding by the Government of Ontario as part of Phase 2 of the NGEF based on a description of the Project (including preliminary facility design and estimated Project costs) that was reviewed and approved by the Government of Ontario and the OEB. Accordingly, Enbridge Gas did not assess other facility alternatives.²⁹

Enbridge Gas stated that it has not identified any pipeline routing alternatives that would be technically or financially feasible to meet the Project need, as the Project objective is to provide service to specific areas requested by the community and is also based on implementing Enbridge Gas's best practices, such as utilizing existing road rights-of-way and information procured through the environmental assessment and consultation process.³⁰

OEB staff submitted that as the Project is an NGEF-related community expansion project, no Integrated Resource Planning (IRP) evaluation is required, and Enbridge Gas is not required to consider alternatives to infrastructure facilities to meet the need. OEB staff also agreed with Enbridge Gas that the proposed route is appropriate.

FRPO submitted that Enbridge Gas's pre-filed evidence contained very little information on the proposed layout of the piping network, including pressures and other critical information required to assess the rightsizing of the project to the demands identified and falls short of what is prescribed in the OEB's *Natural Gas Facilities Handbook*. FRPO submitted that the process to elicit sufficient evidence to evaluate the pipe sizing proposed was onerous and inefficient, but that it has evaluated and supports the pipe sizing proposed in the application.³¹

Findings

Based on Enbridge Gas's evidence, the OEB is satisfied that the Project proposed facilities and chosen routes as proposed are appropriate to meet the need discussed elsewhere in this Decision.

²⁹ Updated Application, Exhibit C, Tab 1, Schedule 1, p.3

³⁰ Updated Application, Exhibit F, Tab 1, Schedule 1, Attachment 1, Sections 2.1.2, 5

³¹ FRPO submission, pp.1,3

3.3 Project Cost and Economics

Enbridge Gas filed an updated application on August 30, 2024, with a revised Project cost estimate of \$13.0 million (\$11.1 million total pipeline costs and \$1.9 million total ancillary costs). These costs include materials, construction and labour, external costs, contingencies and interest during construction, as shown in Table 2. The Project cost estimate includes a contingency amount that was lowered from 15% (Class 4) to 10% (Class 3) on all elements of the estimate as the Project design matured resulting in greater accuracy and validation of assumptions to reflect the risk profile of the Project.³²

Table 2: Estimated Project Costs (\$CAD)

Item No.	Description	Pipeline Costs – Phase 1	Pipeline Costs – Phase 2	Ancillary Costs ¹	Total Project costs
1.0	Material	45,213	276,596	176,033	497,842
2.0	Labour and Construction	1,511,859	4,187,564	1,455,526	7,154,949
3.0	Outside Services	1,932,810	1,059,298	67,183	3,059,290
4.0	Land, Permits, Approvals and Consultations	107,975	17,032	0	125,007
5.0	Direct Overheads	437,773	222,486	44,497	704,756
6.0	Contingency	395,363	563,952	176,200	1,135,515
7.0	Sub-Total	4,430,994	6,326,927	1,918,952	12,676,874
8.0	Interest During Construction	97,888	217,337	7,155	322,380
9.0	Total Project Costs	4,528,882	6,544,265	1,926,107	12,999,254

Enbridge Gas stated that the customer attachment forecast provided in the original project proposal approved for NGEF Phase 2 funding was adjusted based on field visits, scope refinement, market research, and more recently, the ELC calibration.

These adjustments have resulted in the currently forecasted number of customers for the Project of 263 as compared to 422 customers in the original NGEF project proposal. As a result of more detailed design, pipe lengths have been updated to more accurately reflect the lengths expected to be installed, resulting in a reduction of overall pipe required of approximately 7.6 kilometres (from 44.1 kilometres to 36.5 kilometres).³³

Collectively, these updates contributed to a reduction in Project costs of approximately \$2.6 million (from \$15.6 million to \$13 million) as compared to the original NGEF project proposal.

³² IRR, Exhibit I, STAFF-11, p.4 and Application, Exhibit E, Tab 1, Schedule 1, p.1

³³ IRR, Exhibit I, STAFF-3, STAFF-11

The NGEF funding provided for the Project is approximately \$8.4 million.³⁴ The NGEF funding is treated similarly to a contribution in aid of construction. Therefore, the total capital cost of the Project, net of NGEF funding, is approximately \$4.6 million. In addition to NGEF funding, Enbridge Gas intends to charge a System Expansion Surcharge (SES) of \$0.23/m³ to the customers attaching to the Project for a term of 40 years to assist with the economic feasibility of the Project, which is consistent with Enbridge Gas's application for a harmonized SES (Harmonized SES Proceeding).³⁵

According to Enbridge Gas, the Project is economically feasible, having a Profitability Index (PI) of 1.0. Enbridge Gas indicated that without the NGEF funding and SES, the PI for the Project is 0.24, and with the inclusion of the SES the PI is 0.44.³⁶ The PI of 1.0 is based on the most up-to-date estimated capital costs and forecasted revenues and is inclusive of the NGEF funding and revenues associated with SES charges. The original PI of the Project as filed in the OEB's proceeding on Potential Projects for NGEF Funding was also 1.0 (inclusive of NGEF funding and SES revenues).³⁷

Enbridge Gas stated that, consistent with the OEB's findings in the Harmonized SES proceeding,³⁸ after the Project is placed into service, Enbridge Gas will apply a ten-year RSP during which Enbridge Gas will bear the risk of the Project customer attachment and capital expenditure forecast. In response to interrogatories, Enbridge Gas confirmed that the appropriate net capital to be included in rate base will be addressed in its next rebasing application. Enbridge Gas stated that the final capital costs to be included in rate base will be determined at the rebasing application following the end of the ten-year RSP for the Project.³⁹

As noted, earlier, Environmental Defence appended its submissions for the 2024 OEB-approved NGEF projects to its submissions for this Project, stating that these submissions apply to this Project. These included the following arguments:

Environmental Defence submitted that the ten-year RSP does not address the financial risks for existing customers arising from possible revenue shortfalls. In the first rebasing case following the conclusion of the RSP, Enbridge Gas will file the actual costs and revenues of the Project with the OEB for consideration of inclusion in rates in the rebasing application. Environmental Defence submitted that as Enbridge Gas will be seeking to recover any shortfalls in the revenue

³⁴ Ontario Regulation 24/19, Expansion of Natural Gas Distribution Systems, Schedule 2

³⁵ EB-2020-0094

³⁶ Exhibit E, Tab 1, Schedule 1, p.4

³⁷ IRR, Exhibit I STAFF-1, Attachment 1, p.14

³⁸ EB-2020-0094, Decision and Order, November 5, 2020, pp. 8,9

³⁹ IRR, Exhibit I, STAFF-5 b)

forecast that arise in the first ten years at that stage, the ten-year RSP does not insulate existing customers from revenue shortfalls arising in the first ten years but simply delays the time at which Enbridge Gas can seek to recover those costs from existing customers.⁴⁰

Environmental Defence asserted that although the OEB will have an opportunity to disallow full recovery, it will be constrained by the legal principles of energy regulation that allow recovery of investments that were prudent at the time they were made, judged without hindsight. Environmental Defence stated that if the OEB grants leave to construct now under the normal regulatory construct and accepts Enbridge Gas's evidence on the project economics, it will be difficult for a future OEB panel to disallow any costs in the future. Environmental Defence submitted that the only way to fully protect existing customers is to explicitly require that Enbridge Gas bear the revenue forecasting risk through a condition of approval.⁴¹

Environmental Defence submitted that Enbridge Gas did not conduct analysis on the possibility that customers who select natural gas would subsequently leave the natural gas system before the end of the 40-year revenue horizon. Environmental Defence asserted that failure to analyze and account for the possibility of subsequent disconnections undermines the reliability of Enbridge Gas's revenue forecast.⁴²

Environmental Defence provided a comparison of the average per-customer capital cost (\$49,427) and subsidy (\$31,838) of the Project to the 2024 OEB-approved NGEP projects per-customer capital cost (\$34,340) and subsidy (\$21,497), submitting that the per-customer capital costs and subsidies for the Project are higher than the average of 2024 OEB-approved NGEP projects. Environmental Defence also submitted that it does not support the per-customer NGEP subsidy.⁴³

Pollution Probe made submissions similar to those of Environmental Defence, arguing that it is prudent to ensure that project assumptions are supported by robust (community-specific) information, comprehensive stakeholder engagement and objective, reliable survey data that ensures consumers have the information needed to make an informed decision on their likelihood to attach to natural gas and stay on natural gas over the duration of the Project (i.e. 40 years). Pollution Probe also argued

⁴⁰ Environmental Defence submission, Appendix A, p.13

⁴¹ Ibid, Appendix A, p.14

⁴² Ibid, Overview, p.3 and Appendix A, p.12

⁴³ Ibid, Overview p. 3,4

that Enbridge Gas should retain the risk should the PI be less than 1.0, if the Project costs exceed those placed in evidence and/or revenues are less than those indicated in evidence.

Pollution Probe submitted that even if the financial Project risk remains with Enbridge Gas shareholders, there are long term stranded assets risks that will impact Ontario energy consumers. Pollution Probe further argued that information analyzing stranded asset and volume revenue risks was not included in Enbridge Gas's application and there has been no consideration of those potential impacts in the PI calculation.⁴⁴

Environmental Defence submitted that the Project is inconsistent with NGEF and should not be approved in its current form. Pollution Probe submitted that as the Project as filed is a modification from Enbridge Gas's NGEF project proposal, it is unclear how the NGEF grant amount outlined in the application will be impacted compared to the Project details included in this OEB application.⁴⁵

OEB staff submitted that the Project, with the inclusion of NGEF funding and revenues associated with SES charges, is forecast to be economically feasible with a projected PI of 1.0. OEB staff noted that Enbridge Gas's proposal to charge the SES to newly attached customers over a term of 40 years is in accordance with the OEB's findings in the Harmonized SES proceeding.⁴⁶ OEB staff also submitted that the OEB's decision on Enbridge Gas's 2024 rebasing application recognized NGEF projects as distinct from other expansion projects, acknowledging that the applicability of the 40-year revenue horizon to NGEF projects was appropriate.⁴⁷

OEB staff submitted that Enbridge Gas should bear the risk of any revenue shortfall during the 10-year RSP associated with the customer attachment and capital cost forecasts as this approach is in accordance with the OEB's findings in the Harmonized SES proceeding.⁴⁸ OEB staff noted that, after the RSP, the OEB will have the opportunity to review the actual project costs and revenues and determine what amount should be recognized in rates. OEB staff submitted that all options will be available to the OEB in the rebasing following the conclusion of the RSP with respect to the appropriate rate treatment of potential capital cost overruns and/or lower than forecast customer attachments/volumes (and associated revenues). OEB staff argued that

⁴⁴ Pollution Probe submission, pp. 7,13

⁴⁵ Environmental Defence submission, p. 3 and Pollution Probe submission, p. 5

⁴⁶ EB-2020-0094, Decision and Order, November 5, 2020

⁴⁷ EB-2022-0200, Decision and Order, December 21, 2023, pp.30,31

⁴⁸ EB-2020-0094, Decision and Order, November 5, 2020

Enbridge Gas is not guaranteed total cost recovery if actual capital costs and revenues result in an actual PI below 1.0.

OEB staff submitted that as the original capital cost of the Project is higher than the current net capital cost, it may not be appropriate to include the original capital cost of the Project that underpinned the NGEF funding proposal in its rebasing application for the year that the Project is forecast to go into service, and instead, use the updated capital cost. OEB staff stated that it reserves the right to argue which capital cost forecast (i.e., original or current) should be included in the next rebasing proceeding; and that the next rebasing proceeding is the appropriate place to make such an argument.⁴⁹

OEB staff noted that the allocation of risk, between ratepayers and Enbridge Gas, beyond the term of the RSP for the Project, has not been determined at this time. OEB staff stated that Enbridge Gas is relying on its forecast of capital costs and customer attachments to underpin the need for the Project. OEB staff commented that while the customer attachment forecast supports the need for the Project, there is a risk that the customer attachments will not materialize as forecasted.

In its reply, Enbridge Gas noted that Environmental Defence has made many of the same submissions that it made with respect to the 2024 OEB-approved NGEF projects and stated that Environmental Defence's appended submissions have been addressed by Enbridge Gas's detailed reply submissions for each of the 2024 OEB-approved NGEF projects. Enbridge Gas submitted that on the same basis as expressed by the OEB in its decision on each of the 2024 OEB-approved NGEF projects, Environmental Defence's submissions should be rejected.

Enbridge Gas responded to the submissions of Environmental Defence and Pollution Probe asserting that Enbridge Gas did not conduct analysis on the possibility that customers who select natural gas would subsequently leave the natural gas system before the end of the 40-year revenue horizon. Enbridge Gas submitted that Environmental Defence and Pollution Probe's views are narrowly focused on the absolute cost-effectiveness of electric heat pumps now and into the future which disregards the many variables and uncertainties that are at play as energy transition evolves. Enbridge Gas argued that policy changes, growing electricity costs to modernize and renew the grid and build out supply, technological change, and

⁴⁹ OEB Staff submission, p.19

economic cycles could change the economic relationship between electric heat pumps and natural gas in the future.⁵⁰

Enbridge Gas disagreed with Environmental Defence and Pollution Probe's submissions that the Project is inconsistent with the NGEF. Enbridge Gas stated that it has provided reasons for the updates made to the total potential customers, customer forecast, pipe lengths and cost as between the NGEF proposal and the LTC application which include further consideration of constructability and permitting complexities in the normal course; conflicts with highway extension plans; more accurate customer information in close proximity to existing assets; progression of cost estimates; and consideration of the increased ELC. Enbridge Gas asserted that the Project remains substantially consistent with and similar to the original NGEF proposal as the intended areas of interest to the municipality are being serviced.⁵¹

In response to Environmental Defence's submissions on the higher per-customer capital costs and subsidies for the Project as compared to the 2024 OEB-approved NGEF projects, Enbridge Gas cautioned against drawing conclusions regarding the Project using selective information from other projects. Enbridge Gas submitted that the cost and subsidies for the Project are appropriate and the OEB should not accept Environmental Defence's submissions in this regard.⁵²

Findings

Project Costs

The OEB finds that the updated total estimated cost of the Project is reasonable and in accordance with the application of the regulatory framework established for the NGEF program. In particular, the capital requirements have been adjusted to accommodate new research and information obtained by Enbridge Gas since the original proposal in Phase 2 of the NGEF process.

The provision of a 10% contingency is embedded in estimated costs. The OEB notes that other NGEF projects have set higher contingency percentages.⁵³ The OEB also accepts Enbridge Gas's submission that all Project reinforcement costs have been directly applied in the discounted cashflow analysis that has been submitted.

⁵⁰ Reply submission, p.12

⁵¹ Reply submission, p.13

⁵² Reply submission, p.14

⁵³ Glendale LTC (EB-2024-0325) has a 20% contingency and Mississauga Reinforcement Project (EB-2024-0073) has a 25% contingency

Economics

In addressing the issue of need, the OEB notes that the evidence in this proceeding has dealt with the impact of the possible installation of electric heat pumps.

This impact has centered upon potential cost savings associated with their adoption by the customers of the communities to be served by Enbridge Gas. Such take-up might occur either before or after the extension of the natural gas service to the communities. In turn, the effect of such take-up is addressed as a potential risk to project viability.

The OEB has recognized the customer interest in the installation of heat pumps to achieve energy savings and lower consumption of natural gas. The OEB notes that its Decision regarding Enbridge Gas's DSM program made Enbridge Gas, in cooperation with the federal government's Greener Homes Initiative, the principal delivery agent for an incentivized installation of heat pumps.⁵⁴

The approval of the leave to construct requested in this application does not restrict customers in these communities from obtaining heat pumps either before or after an extension of natural gas service to these communities. Nor does it remove Enbridge Gas's DSM program responsibilities in these communities.

The OEB notes Enbridge Gas's evidence supporting the economic viability of the Project includes the record of a positive response to its outreach and solicitation provided by the market survey results. The extrapolation of such results to the financial metrics of the proposed expansion is a key factor in that requisite economic assessment.

The OEB acknowledges that OEB staff noted the risk to the economic viability of the Project if the projected customer attachments do not occur and that Environmental Defence and Pollution Probe drew attention to the possible effects of DSM, fuel switching or the broader energy transition over the 40-year revenue horizon.

However, the OEB agrees with Enbridge Gas's assertion that the decisions of individual customers, now and in the future, to connect and maintain natural gas service must take into consideration more than the current cost effectiveness of electric heat pumps and factor in other variables and uncertainties associated with the evolution of any energy transition that transpires.

⁵⁴ Decision and Order, EB-2021-0002, Enbridge Gas Inc. Application for Multi-Year Natural Gas Demand Side Management Plan (2022 to 2027), November 15, 2022, page 28

Additionally, the OEB notes that at the same time, any survey is unlikely to capture all aspects of the likely take-up and continuance of natural gas service with complete accuracy in a changing environment of new energy efficient modes and programs, government policies and prices.

The government's NGEP program provides financial assistance that enables the provision of natural gas service for certain projects where it is feasible. The OEB's task is to determine project feasibility based primarily upon the cost of the project, the conformance with certain environmental requirements, the consultation and (where appropriate) accommodation of affected Indigenous communities in respect of their constitutionally protected rights, and financial viability associated with expected customer take-up of natural gas service.

The existence of potential changes in the delivery of energy and its impact on natural gas systems is expected to be well known to Enbridge Gas as well as the need to remain competitive to maintain its financial viability and service satisfaction with customers.

The OEB, in approving Enbridge Gas's application for leave to construct, must also ensure that the interests of **all** Enbridge Gas's customers are also protected. One pillar of that protection is the existence of the ten-year RSP in which Enbridge Gas is responsible for any shortfall in revenues to meet its revenue requirement. This provides some insulation against possible under achievement of its customer sign-up estimates or projected natural gas consumption.

In the first rebasing following the expiration of the RSP, the OEB will review the actual project costs and revenues and determine what amount should be recognized in rates. The subsidy or contribution to the expansion of service provided in O. Reg. 24/19 is specific and limited and does not abrogate the general principles of utility cost allocation going forward.

All options will be available to the OEB in the rebasing following the conclusion of the RSP with respect to the appropriate rate treatment of potential capital cost overruns and/or lower than forecast customer attachments/volumes (and associated revenues). Enbridge Gas does not guarantee total cost recovery if actual capital costs and revenues result in an actual PI below 1.0.

The OEB cannot bind a future panel determining that application to be made by Enbridge Gas post-RSP. However, the OEB notes that if Enbridge Gas's estimate of customers is likely to take up natural gas service is correct, existing natural gas customers will contribute approximately \$32,000 per customer (through the one dollar

per month NGEF charge) served by the Project to assist in the expansion of gas in this community. There is a clear and reasonable expectation that natural gas customers will not be called upon to provide a further subsidy to compensate for post-RSP revenue shortfalls.

The OEB does not agree with Environmental Defence's proposition that any attribution of revenue shortfalls by the OEB to Enbridge Gas after the expiration of the RSP will be constrained by the legal principles of energy regulation that allow recovery of investments that were prudent at the time they were made, judged without hindsight. The context of the OEB's decision must be recognized. The NGEF program addresses the provision of natural gas services to communities that would otherwise be uneconomic to serve.

Any OEB finding of prudence for an NGEF project proposal and its accordance with the public interest is entirely dependent on the framework of the NGEF and its implementation as set out in the legislation and the OEB decisions. This includes the acceptance of customer attachment and continuance of service projections by Enbridge Gas.

The OEB's future scrutiny of revenue shortfalls for the Project post-RSP will thus be informed by the OEB's expectations at the time of Project approval concerning any request for the provision of further subsidies by all Enbridge Gas consumers.

The OEB also notes that the NGEF funding amount of \$8.4 million included by Enbridge Gas in its economic analysis for the Project is consistent with the eligible funding amount for the Project set out in O. Reg. 24/19.

3.4 Environmental Matters

Enbridge Gas retained Dillon Consulting Ltd. to complete an Environmental Report. The Environmental Report was conducted in accordance with the OEB's *Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario* (Environmental Guidelines). The Environmental Report assessed the existing bio-physical and socio-economic environment in the study area, the alternative routes, the preferred route, conducted public consultation, conducted impacts assessment and proposed mitigation measures to minimize the impacts.

Enbridge Gas stated that the Environmental Report and Environmental Report Amendment (ER Amendment) were circulated to the Ontario Pipeline Coordinating

Committee (OPCC), Indigenous communities, municipalities and conservation authorities and Enbridge Gas filed the comments received as part of its evidence.⁵⁵

Enbridge Gas stated that it would prepare an Environmental Protection Plan (EPP) prior to construction of the Project. The EPP will incorporate the recommended mitigation measures identified in the Environmental Report and ER Amendment and received in the consultation from agencies on the environmental issues associated with the Project.

Enbridge Gas stated that using the mitigation measures and monitoring and contingency plans found within the Environmental Report, ER Amendment, EPP and additional mitigation measures provided by regulatory agencies through the permitting and approval process, construction of this Project will have negligible impacts on the environment.⁵⁶

Enbridge Gas stated that a Cultural Heritage Checklist and Cultural Heritage Screening Report was completed and recommended a Cultural Heritage Report: Existing Conditions and Preliminary Impact Assessment (Cultural Heritage Report) be completed for the Project. The Cultural Heritage Report was submitted to the Ministry of Citizenship and Multiculturalism for review on June 26, 2024.

In response to interrogatories, Enbridge Gas stated that it expects the Cultural Heritage Report will be reviewed by the Ministry of Citizenship and Multiculturalism before construction commences and will adhere to any recommendations within the report to protect cultural heritage resources. Enbridge Gas noted that the Stage 1 AA recommended the need for a Stage 2 AA in certain portions of the preferred route. The Stage 2 AA field work was completed in November 2023 and preliminary results from the Stage 2 AA fieldwork indicated that Stage 3 AA will not be required. Enbridge Gas stated that the Stage 2 AA Report will be submitted to the Ministry of Culture and Multiculturalism for review and acceptance into the Ontario Public Register of Archaeological Reports before construction commences.

The application identified potential environmental/land permits and approvals from federal, provincial and municipal agencies that Enbridge Gas requires to construct the Project.

OEB staff expressed no concerns with the environmental aspects of the Project, based on Enbridge Gas's commitment to implement the mitigation measures set out in the

⁵⁵ Updated application, Exhibit F, Tab 1, Schedule 1, p. 5 and ER, Appendix G; ER Amendment, Appendix C

⁵⁶ Updated application, Exhibit F, Tab 1, Schedule 1, p.6

Environmental Report and ER Amendment and to complete the EPP prior to the start of construction. OEB staff submitted that Enbridge Gas's compliance with the OEB's standard conditions of approval will ensure that impacts of pipeline construction are mitigated and monitored. OEB staff noted that the conditions of approval also require Enbridge Gas to obtain all necessary approvals, permits, licences, and certificates needed to construct, operate and maintain the Project.

Pollution Probe noted that there are wells located within 100 meters of the proposed route and recommended that a monitoring program be offered to all owners of these wells. Pollution Probe identified four provincially sensitive wetland complexes surrounding the proposed route, stating that the Environmental Report only assessed impacts within 30 meters of the wetland boundaries but that the Provincial Policy Statement uses a zone of 120 meters for impact assessment.⁵⁷

Enbridge Gas submitted that Pollution Probe's request should be rejected. Enbridge Gas confirmed that it will offer water well monitoring to all applicable private wells, as determined by Dillon Consulting, approximately 6-8 weeks prior to the start of construction.

Enbridge Gas contested Pollution Probe's submissions asserting that the impact assessment zone for wetlands used in the Environmental Report is less than that set out in the Provincial Policy Statement. Enbridge Gas submitted that Pollution Probe's submission is misleading, as the Provincial Planning Statement (previously the Provincial Policy Statement) does not have a guideline for wetland impact assessment, and does not consider 120 meters as a general area for natural heritage considerations when moving through an approval process under the Planning Act.

Enbridge Gas stated that the Environmental Report's study area is based on the proposed Project footprint, not on the features. Enbridge Gas stated that the Environmental Report had a desktop study area of 125 meters on each side from the centreline of the proposed routes, for a total of 250 meters and considered potential impacts to wetlands that are located within 30 meters of the Project footprint (actual field study area) based on standard guidelines provided by local conservation authorities, and regulated areas associated with watercourses, wetlands, and hazard lands.⁵⁸

⁵⁷ Pollution Probe submission, p.21,22

⁵⁸ Reply submission, p.16

Findings

The OEB finds that Enbridge Gas has completed the Environmental Report in accordance with OEB's Environmental Guidelines and notes that Enbridge Gas has committed to implementing the mitigation measures set out in the Environmental Report. Enbridge Gas will also complete the Environmental Protection Plan prior to the start of construction. As such, the OEB is satisfied with the environmental aspects of the Project.

The OEB also notes that the standard conditions of approval for leave to construct require Enbridge Gas to obtain all necessary approvals, permits, licences, and certificates needed to construct, operate and maintain the proposed Project.

3.5 Land Matters

Enbridge Gas stated that the Project will be largely located in the public road allowance. Temporary working areas may be required along the preferred route where the road allowance is too narrow or confined to facilitate construction.

Enbridge Gas filed the forms of temporary land use agreement (for temporary working space requirements) and easement agreement that it intends to provide to affected landowners. Enbridge Gas stated that these agreements are the same as those approved for use in Enbridge Gas's Selwyn Community Expansion Project.⁵⁹

OEB staff submitted that the OEB should approve the proposed forms of easement agreement and temporary working area agreement as both were previously approved by the OEB.

Findings

The OEB approves the proposed forms of permanent easement and temporary land use agreements.

The OEB notes that while it is not expected that permanent easements will be required for the Project, the approved form of permanent easement agreement provides Enbridge Gas with sufficient flexibility should a permanent easement later be required.

⁵⁹ EB-2022-0156, Decision and Order, September 21, 2023

3.6 Indigenous Consultation

In accordance with the Environmental Guidelines, Enbridge Gas contacted the Ministry in respect of the Crown's duty to consult related to the Project. The Ministry, by way of a letter, delegated the procedural aspects of the Crown's duty to consult for the Project to Enbridge Gas (Delegation Letter). In the Delegation Letter, the Ministry identified the following Indigenous communities and Nations that Enbridge Gas should consult with respect to the Project:

- Alderville First Nation
- Beausoleil First Nation
- Chippewas of Georgina Island First Nation
- Chippewas of Rama First Nation
- Curve Lake First Nation
- Hiawatha First Nation
- Mississaugas of Scugog Island First Nation (MSIFN)
- Kawartha Nishnawbe First Nation
- Huron-Wendat Nation

On July 7, 2023, Enbridge Gas provided a Project Update Letter to the Ministry that described the changes made to the Project scope since the letter dated November 1, 2022. The Ministry responded to Enbridge Gas on July 26, 2023, confirming there were no changes to the communities identified for consultation in the Delegation Letter.

At the OEB's direction, direct notice of the application was provided by Enbridge Gas to all the above-noted Indigenous communities, and none of them sought to intervene or, except with respect to MSIFN as noted further below, otherwise participate directly in the hearing.

As part of its original application filed on November 28, 2023, Enbridge Gas filed an Indigenous Consultation Report (ICR) describing and documenting the Indigenous consultation it had been conducting with the OEB and provided the ICR to the Ministry. Enbridge Gas filed an updated ICR for its consultation activities up to and including August 1, 2024 as part of its revised application filed on August 30, 2024 and sent the updated ICR to the Ministry at the same time.

Enbridge Gas stated that the Ministry will make a determination whether consultation undertaken by Enbridge Gas is satisfactory by providing a Letter of Opinion (Letter) to Enbridge Gas. Enbridge Gas stated that upon receipt of the Ministry's Letter regarding

the sufficiency of Indigenous consultation on the Project, it will file the Letter with the OEB.⁶⁰

Enbridge Gas also stated that it would continue to engage with these communities throughout the life of the Project to ensure potential impacts on Aboriginal or treaty rights are addressed, as appropriate.⁶¹

OEB staff submitted that Enbridge Gas appears to have made efforts to engage with the potentially affected Indigenous communities and Nations identified by the Ministry. In its submissions, OEB staff recommended that the OEB should wait to make a final decision on the application until the Letter is received from the Ministry and that in case the Letter is not received prior to record close, the OEB may consider placing the proceeding in abeyance until such time that the Letter is filed.

Enbridge Gas responded to OEB staff submissions, stating that placing the proceeding in abeyance is not necessary and instead suggested that Enbridge Gas would accept the OEB imposing a requirement to file the Letter as a condition of approval for the Project, consistent with the OEB's determinations in some past proceedings.

The OEB issued a letter to Enbridge Gas on March 19, 2025, placing the application in abeyance pending the filing of Ministry's Letter, stating that it would resume processing the application upon receipt of the Ministry's Letter.

On February 12, 2026, Enbridge Gas filed with the OEB's Ministry Letter on Enbridge Gas's consultation with Indigenous communities and Nations regarding the Project.⁶² In the Letter, the Ministry expressed its opinion that the procedural requirements of the Crown's duty to consult, delegated and undertaken by Enbridge Gas for the Project proposed in its Application have been satisfactorily met. The Ministry alerted Enbridge Gas of three requests from Mississaugas of Scugog Island First Nation (MSIFN):

- i. That Enbridge Gas share all post-approval OEB filings directly with MSIFN and provide its Environmental Protection Plan for this and future projects
- ii. That Enbridge Gas use real-time mitigation and adaptive management with consulted Indigenous communities during construction and for fifteen months after in-service, and for future projects.

⁶⁰ AIC, para 31, p.13

⁶¹ Updated application, Exhibit H, Tab 1, Schedule 1, p.4

⁶² Updated application, Exhibit H, Tab 1, Schedule 1, Attachment 5

- iii. That Enbridge Gas discuss with MSIFN consultation practices and long-term, full project-lifecycle engagement for this and future projects.

In a letter of March 26, 2026, the OEB invited MSIFN to respond to several clarifying questions in addition to any further comments on the Application by April 1, 2026. MSIFN did not provide a response to the OEB's request by April 1.

On April 8, 2026, Enbridge Gas responded to each of three requests of MSIFN in the Ministry's Letter of Opinion.

- i. Enbridge Gas committed to providing MSIFN with all documents and plans filed with the OEB after Leave to Construct approval is granted, as well as the Environmental Protection Plan for the Project.
- ii. Enbridge Gas stated that its environmental protection approach combines pre-planned mitigation with flexibility to respond in real time, and such approach will evaluate the effectiveness of the pre-planned mitigation during and after construction. Enbridge Gas will also consider additional measures where warranted. Enbridge Gas invited MSIFN to participate in post-construction site visits to provide feedback on mitigation effectiveness.
- iii. Enbridge Gas advised that it met with MSIFN on February 18, 2026, to discuss overarching consultation practices and environmental mitigation. Enbridge Gas viewed the meeting as productive and has developed a plan for regularly scheduled meetings to facilitate lifecycle engagement on Enbridge Gas projects.

On April 17, 2026, MSIFN filed a late response to clarify outstanding consultation-related requests identified in the Ministry's Letter of Opinion regarding the project. MSIFN requested the following additional conditions of approval:

- i. Enbridge Gas provide all documents and plans, including updates and compliance filings, at the time they are filed with any regulatory agencies.
- ii. Enbridge Gas implement project specific adaptive management plans, in collaboration with MSIFN and other interested First Nations, that includes defined triggers and thresholds, pre-agreed response, defined roles for Indigenous monitors and links monitoring results to restoration success criteria.
- iii. Enbridge Gas be required to develop a full project lifecycle, filed with the OEB, that sets out minimum frequency of meetings, notice and engagement prior to integrity digs and intrusive maintenance and provides ongoing access to monitor data and inspection reports.

In correspondence dated April 24, 2026, Enbridge Gas reiterated that the procedural aspects of the Crown's duty to consult have been satisfactorily discharged as confirmed by the Ministry. These aspects include compliance with appropriate procedures, regulatory obligations, and standard practices to support construction, mitigation and restoration activities. Enbridge Gas stated that the consultation undertaken for this Project and specific commitments regarding Indigenous engagement, information sharing, mitigation and ongoing involvement throughout the construction and post-construction phases as outlined were also affirmed as meeting requirements by the Ministry's Letter of Opinion. Enbridge Gas stated that the additional approval conditions are not necessary or appropriate. Furthermore, Enbridge Gas submitted that the commitments it has agreed to are appropriate, reasonable and sufficient to address impacts and engagement on the Project and no additional conditions or oversight are required.

Findings

The OEB finds that both the consultation and the accommodation provided and offered in the future for this Project by Enbridge Gas meet the Crown's duty to consult and accommodate as set out in the relevant case law. Additionally, the OEB finds that the additional approval conditions requested by MSIFN in its correspondence of April 17, 2026 are not required to meet such requirements.

As set out in this proceeding, Enbridge has engaged in consultations with MSIFN and concerning the Project and provided commitments for further communications and accommodation. These include provision of information concerning Indigenous engagement, information sharing, mitigation, and ongoing involvement throughout the construction and post-construction phase.⁶³

Significant case law by courts of competent jurisdiction has developed a framework to more effectively characterize the steps that must be taken to ensure that Indigenous rights are not compromised. The Supreme Court of Canada in the Haida case⁶⁴ provided that the honour of the Crown requires that the Government consult on relevant issues with Indigenous communities when their assertion of Aboriginal or treaty rights is sufficiently strong. In appropriate circumstances, a duty to accommodate may also arise. The nature and extent of the duty will vary based on the circumstances.

In this Application, the OEB finds that the substance of the consultation and accommodation of Indigenous rights- based concerns are in accordance with the

⁶³ Enbridge letter of April 24, 2026 filed with the OEB

⁶⁴ Haida Nation v. British Columbia 204 SCC 73

requirements that have been set out or affirmed by relevant judicial decisions. A number of these requirements have been identified in those decisions. The most relevant requirements include:

- i) Consultation must have meaning and must not exclude any form of accommodation from the outset.⁶⁵
- ii) Consultation is not simply an exercise in exchanging and discussing information. There must be a substantive dimension to the duty. Consultation is talking for mutual understanding.⁶⁶
- iii) Meaningful consultation consists of two fully engaged parties and must be prepared to make timely submissions based on consideration of the provided information and evidence.⁶⁷
- iv) At all stages, both parties are required to act in good faith⁶⁸

The OEB has considered MSIFN's request of April 17, 2026 for additional undertakings by Enbridge Gas to meet its consultation and accommodation obligations for this Project and has the following determinations concerning the requested undertakings:

- i. ***Enbridge provide all documents and plans, including updates and compliance filings, at the time they are filed with any regulatory agencies.*** The OEB denies this request. The OEB finds that the commitment that Enbridge makes in its letter of April 24, 2026, satisfactorily addresses this request.
- ii. ***Enbridge implement project specific adaptive management plan, in collaboration with MSIFN and other interested First Nations, that includes defined triggers and thresholds, pre-agreed response, defined roles for Indigenous monitors and links monitoring results to restoration success criteria.*** The OEB denies this request. The OEB finds that the development of a separate Adaptive Management Plan is not necessary in light of the nature of the Project, the well-developed construction and environmental management practices for construction of such projects and the commitments already made by Enbridge Gas in its Application and during consultation with MSIFN.

The OEB notes that environmental protection for the Project is addressed through a combination of pre-planned mitigation measures that remain flexible

⁶⁵ *Mikisew Cree First Nation v. Canada (Minister of Canadian Heritage)* 2018 SCC 40 at para 54

⁶⁶ *Clyde River (Hamlet) v. Petroleum Geo-Services (2017 SCC 40)* at para 49

⁶⁷ *The Squamish Nation et al v. The Minister of Sustainable Resource Management et al, 2004 BCSC 1320* at paras 95 and 97

⁶⁸ *Haida Nation* at para 42

and responsive in real time to address potential impacts is implemented through the Project's environmental management and monitoring framework. In addition, this approach is implemented through a Project-specific EPP which is intended to be a dynamic, living document that may be updated as site conditions, regulatory requirements, or unforeseen environmental considerations evolve during construction.

- iii. ***Enbridge to develop a full project lifecycle, which is filed with the OEB, that sets out minimum frequency of meetings, notice and engagement prior to integrity digs and intrusive maintenance and provides ongoing access to monitor data and inspection reports.*** The OEB denies this request. The OEB notes the planned approach already provides for engagement and consideration of potential impacts across the full lifecycle of the Project. Also, the Ministry's Letter of Opinion expressly states the expectation that Enbridge Gas will continue its consultation or engagement activities, as appropriate, with Indigenous communities throughout the life of the Project.

In addition, Enbridge Gas is providing the opportunity for MSIFN to participate in post-construction site visits, during which MSIFN can provide feedback on the effectiveness of mitigation measures and restoration outcomes.

In conclusion, The OEB is satisfied that Enbridge Gas followed the OEB's Environmental Guidelines with respect to Indigenous Consultation and finds that the duty to consult and provide accommodation where necessary has been adequately discharged.

This finding is supported by the evidence on the record of the proceeding, as well as the Ministry's Letter of Opinion, dated February 12, 2026, stating that it is satisfied that Enbridge Gas's efforts to date are satisfactory to discharge the Crown's Duty to Consult with respect to the Project.

3.7 Conditions of Approval

The OEB has established standard conditions of approval that are typically imposed in leave to construct approvals.⁶⁹ In response to interrogatories, Enbridge Gas stated that it agrees with all of the standard conditions and has not identified any additional or revised conditions that it wishes to propose for the Project.⁷⁰

⁶⁹ Natural Gas Facilities Handbook, Appendix D

⁷⁰ IRR, Exhibit I-STAFF-9

In its submissions, Environmental Defence stated that the OEB should implement “stronger decision wording” compared to the OEB’s decisions on the 2024 OEB-approved NGEF projects. Environmental Defence submitted that while the OEB included some wording regarding risk in the decisions on the 2024 OEB-approved NGEF projects, based on its conclusions that existing customers are protected because Enbridge Gas is not guaranteed full cost recovery if actual capital costs and revenues result in an actual PI below 1.0, this is far from sufficient to protect customers. Environmental Defence argued that under EBO 188, utilities never have a guarantee of total cost recovery if the actual profitability index falls below 1.0, and therefore, the OEB’s statement that there is no guarantee of cost recovery provides no additional protection to customers.⁷¹

Environmental Defence requested that the OEB deny leave to construct, without prejudice to Enbridge Gas reapplying with better evidence and/or a redesigned project that ensures existing customers are protected. In the alternative, Environmental Defence requested a requirement that Enbridge Gas agree up-front to assume all the revenue forecast risk for the Project as a condition of approval.⁷²

Environmental Defence further requested that, if the application is approved in whole or in part, the OEB direct Enbridge Gas to provide accurate information on the annual operating costs of heat pumps versus gas before customers make irrevocable decisions to connect to the gas system. Environmental Defence argued that this is necessary to correct false information sent out to customers by Enbridge Gas in the project area.

Environmental Defence submitted that this information is needed to protect the interests of new customers and to ensure that they are provided the information they need to make fully informed decisions before spending considerable sums to connect to the methane gas system and convert their heating equipment to methane gas.⁷³

Pollution Probe submitted that if the application is approved, Enbridge Gas should be required to provide information (via handouts, electronic communication and/or community education sessions) to consumers in the community on the full range of energy incentives and options available including Demand Side Management.⁷⁴

⁷¹ Environmental Defence submission, Overview, p.7

⁷² Environmental Defence submission, Overview, p.3

⁷³ Ibid, p. 5

⁷⁴ Pollution Probe submissions, p.10

Pollution Probe submitted that the following additional conditions of approval be included, if the application is approved:

- Require Enbridge Gas to include details in the Project post-construction report on the specific DSM and consumer marketing provided during the Project, plus analysis of the results of providing those materials (e.g. uptake results)
- Require Enbridge Gas to file the completed Environmental Protection Plan (EPP) prior to the commencement of construction

OEB staff submitted that the OEB should approve the Project subject to the OEB's standard conditions of approval.

In its reply, Enbridge Gas submitted that the OEB should reject Environmental Defence's and Pollution Probe's submissions that require Enbridge Gas to agree up-front to assume all of the revenue forecast risk for the Project as a condition of approval as it is premised on an incorrect perception as to the scope of a leave to construct application and a rebasing proceeding and contradicts the principle that the OEB panel cannot bind a future panel adjudicating a future Enbridge Gas application post-RSP.⁷⁵

Enbridge Gas objected to the assertions of Environmental Defence and Pollution Probe regarding its engagement in false marketing and the proposed conditions regarding the filing of marketing materials.

Enbridge Gas noted that both Environmental Defence and Pollution Probe were parties in the Enbridge Gas's Phase Two Settlement Proposal, which requires Enbridge Gas, in relation to the issue of energy comparison information, to exclude heating cost comparisons from marketing materials unless the comparison also includes electric cold climate heat pumps, and to file updated materials in Phase Three of Rebasing or a subsequent proceeding.

Enbridge Gas submitted that given the scope of settlement on that issue, it is neither necessary nor efficient to impose further conditions on Enbridge Gas in an NGEP project-specific LTC proceeding, following a recently approved settlement and before Enbridge Gas has had a chance to file any updates with the OEB related to same.⁷⁶

With respect to Pollution Probe's submissions requesting that Enbridge Gas be required to file a completed EPP prior to the commencement of construction, Enbridge Gas

⁷⁵ Reply submission, p.18

⁷⁶ Reply submission, p.20

responded that the EPP functions as a living document, evolving throughout the construction of the Project as needed. Enbridge Gas stated that filing the EPP would not provide any additional useful information and is not something the OEB typically requires to be filed.

Findings

The OEB approves the project, subject to Enbridge Gas's compliance with the updated standard conditions of approval attached as Schedule A to this decision.

The OEB remains satisfied that the interests of Enbridge Gas's customers should be protected by the review of the project costs and revenues that will take place at the first rebasing following the expiration of the RSP, and as such, does not require any further conditions of approval regarding the project's finances in this Decision. The OEB also notes its expectations concerning any further subsidy of the project beyond that approved herein.

The onus remains upon Enbridge Gas to ensure the accuracy of its customer information. However, this differs from mandating Enbridge Gas the provision of information concerning alternative energy services in preference of their own offering.

The OEB is not convinced that the marketplace requires such a mandate as part of the conditions of approval at this time, and therefore the OEB will not require any further surveys or information campaigns of Enbridge Gas for this project.

4 REQUEST FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

Enbridge Gas has a franchise agreement with the Town of East Gwillimbury and a Certificate of Public Convenience and Necessity (certificate) for the former Township of East Gwillimbury (FBC 108 dated June 24, 1957).⁷⁷ The current Town of East Gwillimbury was formed in 1977 by the amalgamation of the former Township of East Gwillimbury with all the previously incorporated villages and hamlets within the township (including the villages of Holland Landing, Queensville, Sharon, and Mount Albert).

Enbridge Gas is seeking an order cancelling the existing certificate held by Enbridge Gas Inc. for the former Township of East Gwillimbury and replacing it with a new certificate to construct works to supply natural gas in the Town of East Gwillimbury, to address the municipal name change and the change in municipal boundaries.

Enbridge Gas has a franchise agreement with the Township of King and a certificate for the Township of King (FBC 84 dated November 19, 1956).⁷⁸ In 1971, with the formation of the Regional Municipality of York and dissolution of York County, the Township of King's boundaries were changed, shifting west by one concession from Yonge Street to Bathurst Street, and north by one lot from the King-Vaughan town line pursuant to the Regional Municipality of York Act.

Enbridge Gas is also seeking an order cancelling the existing certificate held by Enbridge Gas Inc. for the Township of King and replacing it with a new certificate to construct works to supply natural gas in the Township of King that addresses the municipal boundary changes that have occurred.

In its application, Enbridge Gas noted that the OEB's *Natural Gas Facilities Handbook* states the following:

3.6.1 Municipal Name Changes

If the name of the municipality changes after the OEB has issued a certificate, then the certificate holder should notify the OEB within 90 days of the date that the new name takes effect to have the certificate amended to reflect the new name of the municipality.

⁷⁷ EB-2017-0340

⁷⁸ EB-2016-0307

3.6.2 Municipal Changes that do not affect another Person's Certificate Rights

If the boundaries of a person's existing certificate are affected by a municipal amalgamation or annexation, and no other person holds a certificate for any part of the newly amalgamated or annexed municipal territories, then the person should notify the OEB within 90 days of the date that the change takes effect to have the certificate amended to reflect the change. The OEB will not as a matter of course amend the territory covered by the person's existing certificate to include any additional service area that was added to the municipality through the amalgamation or annexation. The certificate would be amended to include the metes and bounds of the person's existing certificate. However, the certificate holder could also apply for a new certificate that would include any additional service area within the newly amalgamated territories.

Enbridge Gas has franchise agreements with and certificates for the Town of Bradford West Gwillimbury, the Town of Georgina, the Town of Newmarket, the Township of Uxbridge, the Town of Whitchurch-Stouffville, the Town of Aurora, the Town of Caledon, the Town of New Tecumseth, the City of Richmond Hill and the City of Vaughan which are immediately adjacent to the Town of East Gwillimbury and the Township of King. There is no other natural gas distributor near the Town of East Gwillimbury and the Township of King.

OEB staff submitted that it supports the granting of Enbridge Gas's requests for OEB orders:

- a) Cancelling and superseding the existing certificate held by Enbridge Gas Inc. for the former Township of East Gwillimbury with a new certificate to construct works to supply natural gas in the Town of East Gwillimbury, to address the municipal name change and the change in municipal boundaries.
- b) Cancelling and superseding the existing certificate held by Enbridge Gas Inc. for the Township of King with a new certificate to construct works to supply natural gas in the Township of King that addresses the municipal boundary changes that have occurred.

OEB staff noted that granting these new certificates does not affect the certificate rights of any other natural gas distributor.

No intervenor provided submissions on Enbridge Gas's request for a certificate of public convenience and necessity.

Findings

The OEB approves the orders cancelling the existing Certificate of Public Convenience and Necessity held by Enbridge Gas Inc. for the former Township of East Gwillimbury and the Township of King and replacing them with new Certificates of Public Convenience and Necessity as proposed.

5 ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Enbridge Gas Inc. is granted leave, pursuant to section 90(1) of the OEB Act, to construct the Project in the Town of East Gwillimbury as described in its application as updated on February 13, 2026.
2. Pursuant to section 97 of the OEB Act, the OEB approves the form of Easement Agreement and Form of Temporary Land Use Agreement that Enbridge Gas Inc. has offered or will offer to each owner of land affected by the Project.
3. Leave to construct is subject to Enbridge Gas Inc. complying with the Conditions of Approval set out in Schedule A.
4. Parties in receipt of confidential information shall either return the subject information to the Registrar and communicate to Enbridge Gas Inc. that they have done so; or destroy and/or expunge the information and execute a Certificate of Destruction, following the end of this proceeding, in accordance with the OEB's *Practice Direction on Confidential Filings*. The Certificate must be filed with the Registrar and a copy sent to Enbridge Gas Inc.
5. A certificate of public convenience and necessity is granted to Enbridge Gas Inc. to construct works or supply natural gas in the Town of East Gwillimbury (attached at Schedule B). This certificate of public convenience and necessity cancels and supersedes the existing certificate held by Enbridge Gas Inc. for the former Township of East Gwillimbury. The current map of the Town of East Gwillimbury is attached as Schedule C.
6. A certificate of public convenience and necessity is granted to Enbridge Gas Inc. to construct works or supply natural gas in the Township of King (attached at Schedule D). This certificate of public convenience and necessity cancels and supersedes the existing certificate held by Enbridge Gas Inc. for the Township of King. The current map of the Township of King is attached as Schedule E.
7. Eligible intervenors shall file with the OEB and forward to Enbridge Gas Inc. their respective cost claims in accordance with the OEB's *Practice Direction on Cost Awards* on or before **May 28, 2026**.

8. Enbridge Gas Inc. shall file with the OEB and forward to intervenors any objections to the claimed costs of the intervenors on or before **June 11, 2026**.
9. If Enbridge Gas Inc. objects to any intervenor costs, those intervenors shall file with the OEB and forward to Enbridge Gas Inc. their responses, if any, to the objections to cost claims on or before **June 25, 2026**.
10. Enbridge Gas Inc. shall pay the OEB's costs of and incidental to this proceeding upon receipt of the OEB's invoice.

DATED at Toronto May 14, 2026

ONTARIO ENERGY BOARD

Ritchie Murray
Registrar

SCHEDULE A
DECISION AND ORDER
ENBRIDGE GAS INC.
EB-2023-0343
MAY 14, 2026

**Leave to Construct Application under
Section 90 of the OEB Act**

**Enbridge Gas Inc.
EB-2023-0343**

Standard Conditions of Approval

1. Enbridge Gas Inc. shall construct the facilities and restore the land in accordance with the OEB's Decision and Order in EB-2023-0343 and these Conditions of Approval.
2. (a) Authorization for leave to construct shall terminate 12 months after the decision is issued unless construction has commenced prior to that date.

(b) Enbridge Gas Inc. shall give the OEB notice in writing:
 - i. of the commencement of construction, at least 10 days prior to the date construction commences
 - ii. of the planned in-service start date, at least 10 days prior to the date the facilities begin to go into service
 - iii. of the date on which construction was completed, no later than 10 days following the completion of construction
 - iv. of the full project in-service date, no later than 10 days after all the facilities go into service
3. Enbridge Gas Inc. shall obtain all necessary approvals, permits, licences, certificates, agreements and rights required to construct, operate and maintain the Project.
4. Enbridge Gas Inc. shall implement all the recommendations of the Environmental Report filed in the proceeding, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee review.
5. Enbridge Gas Inc. shall advise the OEB of any proposed change to OEB-approved construction or restoration procedures. Except in an emergency, Enbridge Gas Inc. shall not make any such change without prior notice to and written approval of the OEB. In the event of an emergency, the OEB shall be informed immediately after the fact.
6. Concurrent with the final monitoring report referred to in Condition 7(b), Enbridge Gas shall file a Post Construction Financial Report, which shall provide a variance analysis of project cost, schedule and scope compared to the estimates filed in this

proceeding, including the extent to which the project contingency was utilized. Enbridge Gas shall also file a copy of the Post Construction Financial Report in the proceeding where the actual capital costs of the project are proposed to be included in rate base or any proceeding where Enbridge Gas proposes to start collecting revenues associated with the Project, whichever is earlier.

7. Both during and after construction, Enbridge Gas Inc. shall monitor the impacts of construction, and shall file with the OEB one electronic (searchable PDF) version of each of the following reports:

(a) A post construction report, within three months of the full project in-service date, which shall:

- i. provide a certification, by a senior executive of the company, of Enbridge Gas Inc.'s adherence to Condition 1
- ii. describe any impacts and outstanding concerns identified during construction
- iii. describe the actions taken or planned to be taken to prevent or mitigate any identified impacts of construction
- iv. include a log of all complaints received by Enbridge Gas Inc., including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions
- v. provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licenses, and certificates required to construct, operate, and maintain the proposed project

(b) A final monitoring report, no later than fifteen months after the full project in-service date, or, where the deadline falls between December 1 and May 31, the following June 1, which shall:

- i. provide a certification, by a senior executive of the company, of Enbridge Gas Inc.'s adherence to Condition 4
- ii. describe the condition of any rehabilitated land
- iii. describe the effectiveness of any actions taken to prevent or mitigate any identified impacts of construction
- iv. include the results of analyses and monitoring programs and any recommendations arising therefrom
- v. include a log of all complaints received by Enbridge Gas Inc., including the date/time the complaint was received; a description of the complaint; any actions taken to address the complaint; and the rationale for taking such actions

8. Enbridge Gas Inc. shall designate one of their employees as project manager who will be the point of contact for these conditions, and shall provide the employee's name and contact information to the OEB and to all affected landowners, and shall clearly post the project manager's contact information in a prominent place at the construction site.

SCHEDULE B
DECISION AND ORDER
ENBRIDGE GAS INC.
EB-2023-0343
MAY 14, 2026

Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

Enbridge Gas Inc.

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, to construct works to supply natural gas in the

Town of East Gwillimbury

as it is constituted on the date of this Decision and Order.

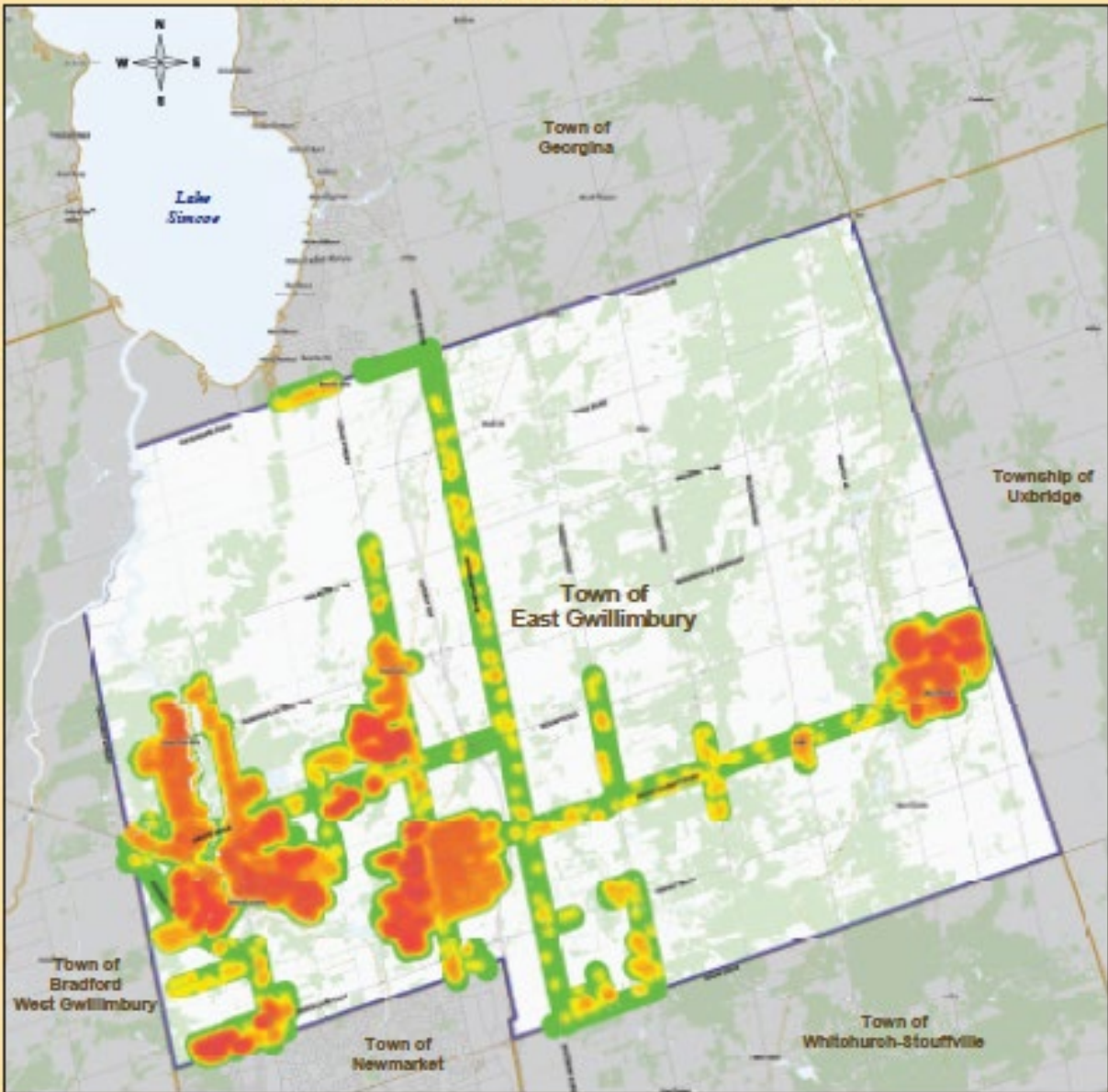
This certificate of public convenience and necessity cancels and supersedes: FBC 108.

DATED at Toronto, May 14, 2026

ONTARIO ENERGY BOARD

Ritchie Murray
Registrar

SCHEDULE C
DECISION AND ORDER
ENBRIDGE GAS INC.
EB-2023-0343
MAY 14, 2026



Town of East Gwillimbury

- Legend**
- Orange line Hydro linkage line
 - Town of East Gwillimbury
 - Road
 - Waterway
 - Municipal or Township boundaries
 - Provincial boundaries



Disclaimer
 This map is provided with no warranty, express or implied, and is subject to change at any time. Any person using this Density Map shall do so at its own risk and the Density Map is not intended in any way as a tool to locate underground infrastructure for the purpose of excavation.



SCHEDULE D
DECISION AND ORDER
ENBRIDGE GAS INC.
EB-2023-0343
MAY 14, 2026

**SCHEDULE D
EB-2023-0343**

Certificate of Public Convenience and Necessity

The Ontario Energy Board grants

Enbridge Gas Inc.

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M.55, as amended, to construct works to supply natural gas in the

Township of King

as it is constituted on the date of this Decision and Order.

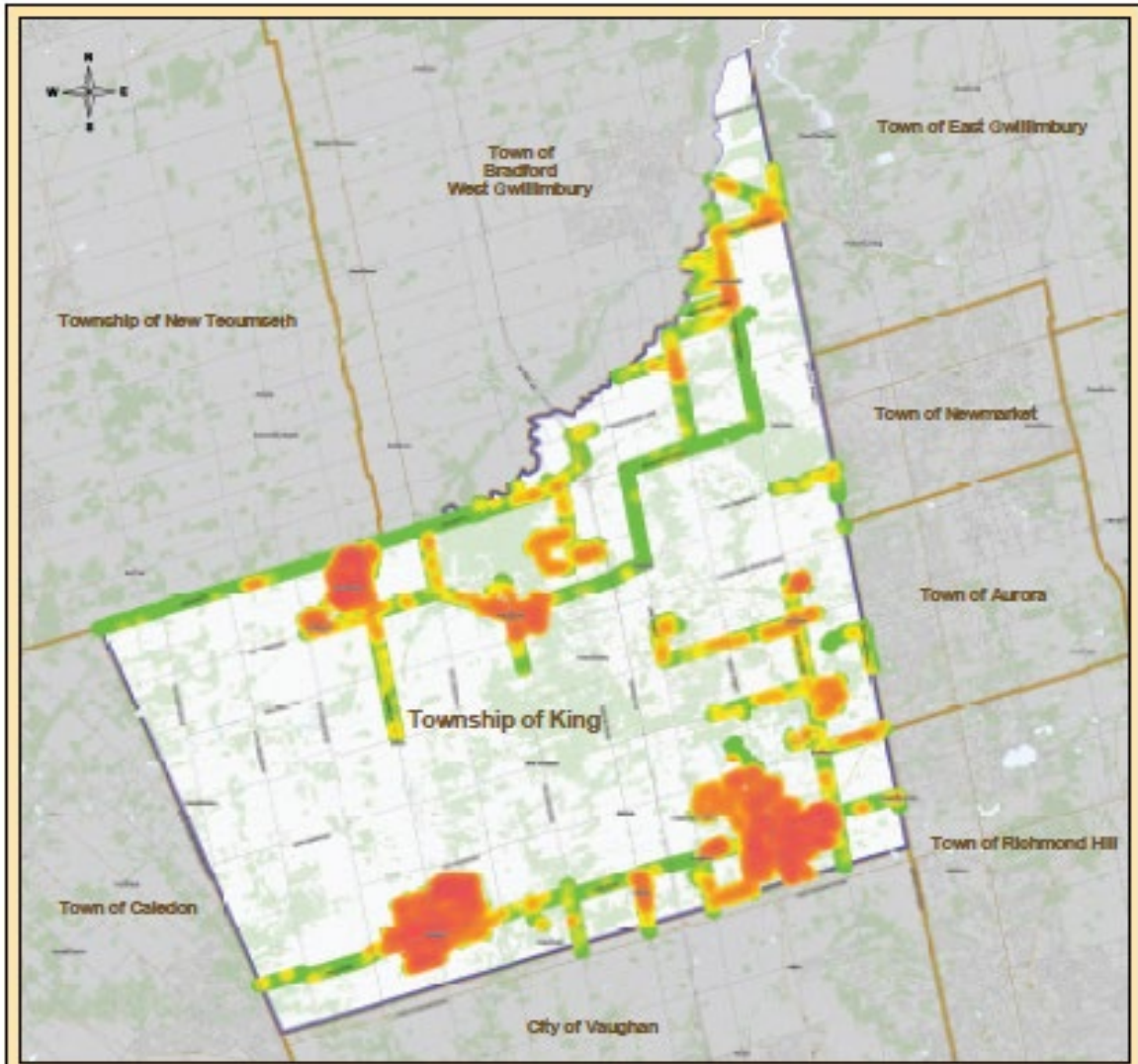
This certificate of public convenience and necessity cancels and supersedes: FBC 84.

DATED at Toronto, May 14, 2026

ONTARIO ENERGY BOARD

Ritchie Murray
Registrar

SCHEDULE E
DECISION AND ORDER
ENBRIDGE GAS INC.
EB-2023-0343
MAY 14, 2026



Legend

- Storage and Transfer Coverage Area
- Township of King
- Roads
- Railways
- Municipal and Township Boundaries
- Provincial Boundaries

Color Scale

Low High

Township of King

Disclaimer:
 This map is provided with no warranty, express or implied, and is subject to change at any time. Any person using this Density Map shall do so at its own risk and the Density Map is not intended in any way to be used as a basis for engineering or other professional information for the purposes of construction.

Location map