

May 29, 2026

BY EMAIL AND FILED VIA RESS

Ritchie Murray
Registrar
Ontario Energy Board
2300 Yonge Street
Suite 2700
Toronto, ON M4P 1E4

Dear Mr. Murray:

Re: EB-2026-0009
Generic Hearing to review the natural gas Model Franchise Agreement

We represent Enbridge Gas in this proceeding.

In accordance with Procedural Order No. 1, we write to provide Enbridge Gas's submissions on the Draft Issues List. At the same time, we also request that the OEB amend the process set out in Procedural Order No. 1, to allow for Enbridge Gas to file reply evidence.

Submissions on Draft Issues List

Enbridge Gas generally accepts the OEB's Draft Issues List.

Enbridge Gas endorses the OEB's direction that this proceeding is intended to be a "limited review of the Model Franchise Agreement". Enbridge Gas believes that while some administrative and housekeeping-type changes are appropriate to update the Model Franchise Agreement, there is no need for broader or more fundamental changes. With that context, the OEB's limited Draft Issues List is appropriate.

Enbridge Gas proposes three updates to the Draft Issues List.

(a) Naming convention

The Model Franchise Agreement references each numbered provision as a "Paragraph", whereas the Draft Issues List refers uses the term "Section". The OEB could consider updating the Draft Issues List to refer to "Paragraphs" when referring to numbered provisions of the Model Franchise Agreement.

(b) Interplay between Paragraphs 12 and 15 of the Model Franchise Agreement

In recent years, questions have arisen as to whether the provisions of Paragraph 12 of the Model Franchise Agreement ("Pipeline Relocation") should be interpreted with reference to Paragraph 15 ("Disposition of Gas System"). The question is whether the Gas Company is required to remove decommissioned pipeline following relocation or whether, as set out in Paragraph 15(b), this is at the option of the Gas Company. To enable this question to be addressed in this Generic

Proceeding, Enbridge Gas proposes that a third item be added to the Draft Issue for “Section 12” as follows (new wording underlined, using the “section” nomenclature to be consistent with the rest of the Draft Issues List):

Section 12: Pipeline Relocation

- o Are changes required to the cost sharing provisions as between municipalities and utilities in section 12 of the Model Franchise Agreement relating to the costs associated to pipeline relocations?*
- o Are changes required in relation to the notice or time requirements for the completion of relocation under section 12 (e.g. should a time be specified)? If so, what would be an appropriate amount of time?*
- o Are changes required to section 12(a) to align the removal obligation with section 15(b) which indicates that removal of decommissioned parts of the gas system is at the Gas Company’s option?*

(c) Non-substantive administrative updates to the Model Franchise Agreement

Enbridge Gas agrees with the inclusion of the Draft Issue titled “Non-substantive administrative updates to the Model Franchise Agreement”. However, Enbridge Gas suggests that the phrasing of that proposed issue should be broader.

As written, the Draft Issue asks “What terminology and nomenclature in the Model Franchise Agreement requires an update to reflect current operations?” Enbridge Gas expects that it will propose certain terminology or wording changes that reflect current circumstances. In addition, though, there are limited changes that Enbridge Gas will propose that reflect current operational realities which, while administrative in nature, go beyond “terminology or wording changes”. Examples are proposed changes to Paragraph 6 (“As Built Drawings”) to reflect that municipalities and Enbridge Gas generally prefer working with electronic copies of gas system information over hard copy drawings and organizations are moving away from hard copies completely and to Paragraph 10 (“Insurance”) to reflect the Gas Company may choose to “self-insure” for claims up to a certain level, and will provide appropriate assurances to the Corporation. Additionally, Enbridge Gas may seek to introduce wording changes to Paragraph 9 and/or 10 to confirm that the Corporation is not entitled to further financial assurances from the Gas Company beyond the indemnification and insurance provisions of the Model Franchise Agreement.

Taking the foregoing into account, Enbridge Gas proposes that the wording of this issue be updated as follows:

Non-substantive administrative updates to the Model Franchise Agreement

What terminology, ~~and~~ nomenclature and administrative provisions in the Model Franchise Agreement requires an update to reflect current operations?

Request for Reply Evidence

Procedural Order No. 1 states that the pre-filed evidence for this proceeding is the Model Franchise Agreement. It also provides that a party may request leave to file evidence and/or expert evidence by filing a letter indicating what it intends to file, why it matters to the issues being reviewed, and whether there will be collaboration with other parties on it.

Procedural Order No. 1 does not provide for any party to file “reply evidence”. As set out below, Enbridge Gas believes that adding this opportunity will be important to ensure that there is a full record for the Generic Proceeding.

Enbridge Gas will file a letter before the June 12th deadline, setting out the evidence that it plans to file. At a minimum, this evidence would identify and support the administrative changes that Enbridge Gas proposes to the Model Franchise Agreement, as well as any changes proposed to more directly align Paragraphs 12 and 15. Importantly though, Enbridge Gas will not be in a position to address the implications or merits of changes that other parties may be proposing to the Model Franchise Agreement within this initial evidence. Enbridge Gas does not know what specific issues or proposals other parties will raise in their evidence. That will be true even after other parties file letters with outlines of the contents of their proposed evidence.

This creates a problem. While Enbridge Gas is not the applicant in this Generic Proceeding, it is the party most impacted and it is also the party that has most (or at least much) of the evidence that the OEB will need to make an informed decision. For example, Enbridge Gas is uniquely positioned to provide evidence about the financial implications of proposed changes to the Model Franchise Agreement that will impact ratepayers. Enbridge Gas is also the most impacted party that can give evidence about the operational challenges and implications of proposed changes to the Model Franchise Agreement. Presumably, that evidence will be important to the OEB and to all parties. But the evidence cannot be prepared until after Enbridge Gas has reviewed intervenor evidence and received answers to interrogatories.

Taking all of this into account, Enbridge Gas requests that the OEB update the process for this Generic Proceeding, to allow for Enbridge Gas to file responding evidence after the August 20th deadline for interrogatory responses on initial evidence. Given that there may be a need to pause the procedural steps in this Generic Proceeding to accommodate the upcoming municipal elections process, this extra step may have limited impacts in terms of the timing of the completion of the proceeding.

Please let us know if you require anything further or have any questions.

Aird & Berlis LLP



David Stevens

cc. Patricia Squires and Richard Lanni, Enbridge Gas
Natalya Plummer, OEB Staff
Tobias Hobbins and Stephanie Pope, OEB Counsel