

IN THE MATTER OF a generic proceeding commenced by
the Ontario Energy Board to review the natural gas Model
Franchise Agreement

DECISION ON ISSUES LIST AND PROCEDURAL ORDER NO. 2
June 16, 2026

1 INTRODUCTION AND SUMMARY

On March 26, 2026, the Ontario Energy Board issued a Notice of Hearing and commenced a proceeding on its own motion under section 19 of the *Ontario Energy Board Act, 1998*, to conduct a limited review of the Model Franchise Agreement for natural gas.

On May 14, 2026, the Ontario Energy Board issued Procedural Order No. 1 in this proceeding which, among other things, identified the parties to this proceeding and invited them to file comments on a Draft Issues List for this proceeding. The Ontario Energy Board notes that since the issuance of Procedural Order No. 1, the Township of Woolrich, identified as a party, has advised that it is withdrawing as a party but intends instead to file a letter of comment.

The Ontario Energy Board is now issuing this Decision and Procedural Order No. 2 to approve an issues list that shall define the scope of this proceeding (Issues List). The approved Issues List is attached as Schedule A to this Decision.

This Decision and Procedural Order No. 2 also approves Minogi Corporation's intervention request in this proceeding, and sets out an updated procedural schedule, as the dates set out in Procedural Order No. 1 were suspended by the Ontario Energy Board's letter dated June 11, 2026.

2 DECISION

2.1 Submissions on Draft Issues List

The following parties and Ontario Energy Board staff filed comments on the Draft Issues List:

- Community Coalition
- Town of Cobourg
- Enbridge Gas Inc. (Enbridge Gas)
- Federation of Rental-housing Providers of Ontario
- City of Guelph
- County of Middlesex and City of London
- Minogi Corporation
- Municipal Group¹
- Ontario Energy Board Staff
- City of Ottawa
- Pollution Probe
- Municipality of Temagami
- Regional Municipality of Waterloo
- Vulnerable Energy Consumers Coalition

The Ontario Energy Board observes that seven municipalities – referred to above as the Municipal Group – combined to file a single submission on the Draft Issues List, as did the County of Middlesex and the City of London. The Ontario Energy Board appreciates these parties' efforts to combine their participation in this proceeding.

The Ontario Energy Board has considered these comments in the development of the approved Issues List. Comments from parties are discussed in the section below, in relation to the Ontario Energy Board's findings on the overall scope of the proceeding and on specific issues in the Draft Issues List.

As Minogi Corporation is now being granted intervenor status, the Ontario Energy Board has also considered Minogi Corporation's comments on and proposed revisions to the Draft Issues List.

¹ Municipal Group includes the County of Essex and the municipalities therein, including the Town of Amherstburg, Town of Essex, Town of Kingsville, Municipality of Lakeshore, Town of LaSalle, Municipality of Leamington, Town of Tecumseh, as well as the neighboring Municipality of Chatham-Kent.

2.2 General Comments on the Draft Issues List

Several parties made general comments pertaining to the scope of the Draft Issues List.

Pollution Probe acknowledged the submissions of other parties and emphasized the importance of ensuring that the Model Franchise Agreement is “fit for purpose” in order to enable consideration of common elements in a generic manner while also providing flexibility for each individual municipality’s situation. Pollution Probe also recommended that the Ontario Energy Board apply a broad interpretation of each final issue on the issues list.

Ontario Energy Board staff submitted that it supports the limited scope of this proceeding and that the Draft Issues List captures the specific terms and conditions of the Model Franchise Agreement that some municipalities and other parties have challenged in recent franchise proceedings before the Ontario Energy Board. Ontario Energy Board staff also agreed with the exclusions proposed in Procedural Order No. 1 regarding O. Reg. 584/06: *Fees and Charges* and issues related to the *Drainage Act*.²

The County of Middlesex and the City of London submitted that they do not object to the Ontario Energy Board’s review of the provisions or the scope of the proceeding as identified in the Draft Issues List.

2.2.1 Substitution of “required” for appropriate”

Background

The Town of Cobourg, Community Coalition, Municipality of Temagami, and City of Guelph submitted that the word “required” as used throughout the Draft Issues List should be replaced with the word “appropriate” in each issue statement. The parties submitted that the term “appropriate” would better align with the goal of ensuring that the Model Franchise Agreement terms balance the interests of all affected parties.

Findings

The Ontario Energy Board agrees that the word “appropriate” more accurately reflects the nature of its review and better aligns with the purpose of the proceeding, which is to provide a forum for a balanced examination of generic issues within the Model Franchise Agreement. The word “required” will be replaced by the word “appropriate” in each issue statement on the approved Issues List.

² R.S.O. 1990, c. D.17

2.2.2 Standardize Naming Conventions

Background

Enbridge Gas submitted that the Draft Issues List uses the word “Section” to refer to numbered provisions of the Model Franchise Agreement, whereas the Model Franchise Agreement uses the word “Paragraph”. Enbridge Gas submitted that consistent use of the term “Paragraph” in the Issues List would eliminate potential confusion in review and ensure consistency with the underlying document.

Findings

The Ontario Energy Board agrees with Enbridge Gas’s submission and is of the view that consistent language across documents promotes clarity and reduces potential ambiguity in the proceedings. The term “Section” will be replaced by the term “Paragraph” throughout the approved Issues List where it is used to refer to provisions of the Model Franchise Agreement.

2.2.3 Enbridge Gas’s Request for Reply Evidence

Background

Enbridge Gas requested that the Ontario Energy Board update the process for this proceeding to allow Enbridge Gas to file responding evidence after the August 20, 2026 deadline for the filing of interrogatory responses to initial evidence.

Findings

The Ontario Energy Board considers it premature to determine the need for, and scope of, any reply evidence at this time. The Ontario Energy Board will make a determination on this matter at a later date.

2.3 Comments on Specific Issues within the Draft Issues List³

2.3.1 Paragraph 11: Alternative Easements

Background

The Municipality of Temagami supported the inclusion of paragraph 11 within the Draft Issues List specifically submitting that the phrase “if feasible” may create uncertainty regarding whether municipalities are obligated to grant easements, and that paragraph 11 unfairly shifts financial burdens onto municipalities and municipal taxpayers.

Findings

The Ontario Energy Board finds that the concerns raised by the Municipality of Temagami regarding paragraph 11 can be addressed within the current scope of the Issues List.

2.3.2 Paragraph 12: Pipeline Relocation

Background

Municipal Group requested that in its review of paragraph 15 of the Model Franchise Agreement, the Ontario Energy Board should consider the costs associated with the removal of decommissioned gas systems in accordance with paragraph 12.

Enbridge Gas submitted that in recent years questions have arisen as to whether the gas company is required to remove decommissioned pipeline following a relocation. To address this, Enbridge Gas requested that the Ontario Energy Board add a sub-bullet to the Issues List to address the question of whether the provisions of paragraph 12 of the Model Franchise Agreement should be interpreted with reference to paragraph 15 of the Model Franchise Agreement.

The Federation of Rental-housing Providers of Ontario requested that the Ontario Energy Board add a sub-bullet to the Issues List pertaining to paragraph 12(c) of the Model Franchise Agreement and the incorporation of Integrated Resource Planning considerations.

The Municipality of Temagami and the Town of Cobourg requested that the Ontario Energy Board consider the timelines and obligations for relocating infrastructure under paragraph 12(a) of the Model Franchise Agreement. The Municipality of Temagami also

³ In addition to parties' submissions addressed in this section of the decision, Minogi Corporation also made comments on specific issues within the Draft Issues List as part of its response to the Ontario Energy Board's supplementary questions. See section 3 of this decision.

requested that the Ontario Energy Board examine the current percentage under paragraph 12(c)(v) of the Model Franchise Agreement relating to engineering and administrative costs.

Municipal Group, the Town of Cobourg and the Municipality of Temagami requested that the Ontario Energy Board examine the 35/65 formula for relocations under paragraph 12(d) of the Model Franchise Agreement.

The Regional Municipality of Waterloo requested that the Model Franchise Agreement review include clarification about project engineering and project administrative costs under paragraph 12(c)(v) of the Model Franchise Agreement.

The Town of Cobourg requested that the Ontario Energy Board confirm that the Issues List include matters in respect of pipeline relocations, specifically with respect to cost sharing for infrastructure nearing end-of-life or requiring reinforcement or expansion in the near term; cost transparency and certainty during the planning stage; and more specific parameters for parties' respective responsibilities.

Findings

Upon consideration of the various issues raised by the parties regarding paragraph 12 of the Model Franchise Agreement, the Ontario Energy Board finds that the following sub-topics are within the scope of the Issues List and can be raised by parties regarding paragraph 12 of the Model Franchise Agreement:

- Relocation costs for end-of-life infrastructure, and reinforcement or expansion in the near term and cost transparency and certainty for requested pipeline relocations;
- Parameters for the timelines and obligations for relocating infrastructure under paragraph 12(a) of the Model Franchise Agreement;
- Clarification about engineering and administrative costs and the current percentage relating to engineering and administrative costs under paragraph 12(c)(v) of the Model Franchise Agreement; and
- 35/65 formula for relocations under paragraph 12(d) of the MFA.

The Ontario Energy Board also finds it appropriate to provide for a discussion of the interplay between paragraphs 12 and 15 of the Model Franchise Agreement, as raised by Enbridge Gas and Municipal Group. The Issues List is therefore updated to include as a new issue:

- Are changes appropriate to paragraph 12(a) to align the removal obligation with paragraph 15(b) which indicates that removal of decommissioned parts of the gas system is at the Gas Company's option?

The Ontario Energy Board denies the Federation of Rental-housing Providers of Ontario's request to include a sub-topic to the Issues List pertaining to paragraph 12(c) of the Model Franchise Agreement and the incorporation of Integrated Resource Planning considerations.

An Integrated Resource Plan is used by utilities to determine how best to meet future energy demand and includes an evaluation of a full range of options to meet that demand, all of which form the subject of distinct proceeding(s) before the Ontario Energy Board. As a discrete operational agreement, the Model Franchise Agreement is not the venue for such planning considerations.

As such, the Ontario Energy Board finds that including Integrated Resource Planning-related requirements in the Model Franchise Agreement review is not required.

2.3.3 Paragraph 15: Request to Address Legacy Gas Wells

Background

Municipal Group raised an issue pertaining to legacy gas wells, and submitted that municipalities have limited resources to locate, monitor, and remediate such wells. Municipal Group also argued that taxpayers and municipalities should not be responsible for costs associated with legacy gas wells created and mismanaged by gas utilities or their predecessors. Municipal Group thus requested that the Ontario Energy Board consider whether paragraph 15 should be amended to address legacy gas wells created by gas utilities or their predecessors, including allocating responsibilities and costs associated with locating, monitoring, and remediating.

Findings

The Ontario Energy Board finds legacy and abandoned gas wells to be out of scope and further, notes that they are addressed by another Ontario Ministry.

In Ontario, the Ontario Ministry of Natural Resources has jurisdiction over the management, regulation, and abandonment of oil and gas wells through the *Oil, Gas and Salt Resources Act*.⁴

For example, through programs such as the [Abandoned Works Program](#), wells are identified and prioritized for remedial action (e.g. plugging a well) with the assistance of the Ministry of Natural Resources, where wells have been abandoned.

⁴ R.S.O. 1990, c. P.12.

By contrast, the Model Franchise Agreement contemplates a distinct subject matter and standardizes the contractual framework governing the operational relationship between municipalities and the natural gas utilities that bring natural gas services directly to homes and businesses.

For these reasons, raising the issue of abandoned gas wells in the context of a limited generic review is out of scope.

2.4.4 Non-substantive administrative updates to the Model Franchise Agreement

Background

Enbridge Gas suggested that the issue relating to non-substantive administrative updates within the Draft Issues List should be expanded to include “administrative provisions” in addition to terminology and nomenclature. Enbridge Gas stated that it expects to propose changes that reflect its current operational realities, which, while administrative in nature, extend beyond terminology or wording changes.

Enbridge Gas provided three examples of proposed changes under this issue, relating to: (i) paragraph 6 (“As-Built Drawings”); (ii) paragraph 10 (“Insurance”) to reflect that the Gas Company may choose to “self-insure” for claims up to a certain level and will provide appropriate assurances to the Corporation; and (iii) paragraph(s) 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.

The City of Ottawa proposed that the term “Comprehensive General Liability Insurance” in paragraph 10 (“Insurance”) be defined to provide clarity and align with the coverage areas outlined in a municipality’s by-laws.

The Municipality of Temagami expressed support for non-substantive administrative updates to the Model Franchise Agreement, such as updating specific terminology to reflect current operations. To illustrate this, the Municipality of Temagami proposed three examples for consideration, including (i) updating the term “Engineer/Road Superintendent”; (ii) updating references to paper-based plans, drawings, and notices in paragraphs 5, 6, and 14; and (iii) updating terminology relating to geospatial information and decommissioned infrastructure.

The Regional Municipality of Waterloo also suggested that the municipality be provided with as-built CAD drawings in UTM NAD83 Zone 17 co-ordinate system in paragraph 6 of the Model Franchise Agreement. Several parties also proposed that paragraph 6 be amended to reflect the new digital reality.

Findings

The Ontario Energy Board agrees with Enbridge Gas's suggestion to update the wording of the issue statement to include "administrative provisions", so that administrative matters extending beyond terminology or wording changes can be included within this issue. The Ontario Energy Board does not agree that the third proposed change suggested by Enbridge Gas, which introduces wording changes to paragraph 9 and/or 10 that would limit financial assurances to municipalities beyond insurance and indemnification, is administrative in nature. Therefore, it is inappropriate to address this substantive matter within the scope of the non-substantive administrative updates issue on the Issues List.

The Ontario Energy Board finds that matters regarding the adequacy of insurance coverage, the inclusion of language regarding self-insurance, and the extent to which the Model Franchise Agreement should reference greater detail regarding the term "Comprehensive General Liability Insurance" including whether a definition is required, are largely administrative matters that can and should be examined under the topic of non-substantive administrative updates. These matters will be determined based on the submissions and evidence to be filed.

The Ontario Energy Board finds that the examples raised by the Municipality of Temagami are within the scope of administrative issues and could be addressed in this proceeding.

The Ontario Energy Board finds that the proposed issues pertaining to paragraph 6 submitted by parties also fall within the scope of non-substantive administrative updates.

The statement within the Issues List regarding non-substantive administrative updates is revised as follows:

What updates to terminology, nomenclature and administrative provisions in the Model Franchise Agreement are appropriate to reflect current operations?

2.4.5 "Highway" and Other Substantive Definitions

Background

The Regional Municipality of Waterloo proposed expanding the definition of "highway" to ensure all parts of the right-of-way are captured. The City of Guelph and City of Ottawa also suggested reviewing this definition.

Findings

The Ontario Energy Board is of the view that the definition of “highway” is not merely an administrative matter. The definition of “highway” in paragraph 1(e) of the Model Franchise Agreement serves as a threshold that determines the applicability of the cost-sharing provisions established in paragraph 12. This definition also informs the application of paragraphs 11, 15, and 16, which engage further financial responsibilities between the parties regarding easements and decommissioned pipelines.

The Ontario Energy Board finds that the Draft Issues List does not capture matters involving substantive changes to defined terms in the Model Franchise Agreement. The Ontario Energy Board therefore adds a new issue to the issues list addressing non-administrative terminology and wording changes. The proposed review of the “highway” definition can be appropriately addressed under this new issue.

This Issues List is updated as follows:

Are changes appropriate to the definitions in Paragraph 1 to address terminology that has substantive implications for the rights and obligations of the parties under the Model Franchise Agreement?

2.5 Requests for Review of Additional Paragraphs of the Model Franchise Agreement

2.5.1 Paragraph 2: To Provide Gas Service and Paragraph 3: To Use Highways

Background

The City of Guelph requested that paragraphs 2 and 3 of the Model Franchise Agreement be added to the issues list. The City of Guelph submits that the provisions in paragraphs 2 and 3, which discuss consent of the municipality in relation to the distribution, storage and transmission of gas and the entering of highways are not aligned with the regulatory regime under the *Municipal Franchises Act*. The City of Guelph further submits that section 10(5) of the *Municipal Franchises Act* provides that an order of the Ontario Energy Board shall be deemed to be a by-law of the municipality which is not the same as municipal consent to a gas franchise. The City of Guelph requested that the Ontario Energy Board add this issue pertaining to municipal consent to the Issues List.

Findings

The Ontario Energy Board finds that the issues and amendments proposed by parties in relation to paragraphs 2 and 3 of the Model Franchise Agreement are not within the scope of this proceeding and are also not required.

The concern raised is that the provisions of the Model Franchise Agreement ‘deem’ municipal consent in a circumstance whereby a municipality has not voluntarily agreed to a franchise agreement. However, the *Municipal Franchises Act* provides that, where the Ontario Energy Board issues an order under section 10(5) imposing such an agreement on the municipality, that order is deemed to be a by-law of the municipality for the purposes of renewing a natural gas franchise agreement. This is the Ontario Legislature’s legal mechanism for ensuring the continuation of natural gas service to a community in circumstances where municipal consent is withheld or cannot be obtained.

An order of the Ontario Energy Board granting a natural gas franchise under section 10 constitutes and implies municipal consent. It represents the legal outcome of invoking section 10 thus ensuring the resulting order has the same legal force and effect as if it had been enacted through a consenting municipal by-law.

2.5.2 Paragraph 4: Duration of Agreement and Renewal Procedures

Background

The Town of Cobourg requested that paragraph 4 of the Model Franchise Agreement be added to the Issues List. The Town of Cobourg notes that the Model Franchise Agreement provides for a 20-year term with provisions for amendments following the 7th and 14th year of the date of signing. The Town of Cobourg submits that in the modern context of the energy transition, more flexible and timely term and amendment provisions for the Model Franchise Agreement may be appropriate. Both the Town of Cobourg and the Vulnerable Energy Consumers Coalition requested that the Ontario Energy Board add the 20-year term and amendment provisions under paragraph 4 of the Model Franchise Agreement to the issues list.

Findings

The Ontario Energy Board denies the request of the Town of Cobourg and the Vulnerable Energy Consumers Coalition to add paragraph 4 of the Model Franchise Agreement to the issues list.

The Ontario Energy Board considered the duration of the Model Franchise Agreement in the 2000 Model Franchise Agreement review (2000 Review).⁵ In the 2000 Review, gas utilities argued that they “evaluate the economic feasibility for system expansion to recover the costs of an investment in the distribution system to provide service to residential customers over a period of 40 years or more.”⁶

The Panel in the 2000 Review stated that the 20-year term of the Model Franchise Agreement forms a compromise between gas utilities and the Association of Municipalities of Ontario⁷ and that “the 20-year term will provide stability for municipalities, gas utilities, and their respective stakeholders”.⁸ In addition, the Panel noted that “[t]he 7-year and 14-year modification capability will provide the opportunity during the 20-year period to bring the terms and conditions of the franchise agreement up to new standards.”⁹

Accordingly, the Ontario Energy Board is of the view that the term and amendment provisions in the Model Franchise Agreement are outside the scope of this proceeding and shall not form part of this limited review. The OEB also notes that the 20-year duration of the Model Franchise Agreement coincides with the 20-year term of electricity distributor licensing agreements.

2.5.3 Paragraph 5: Approval of Construction

The City of Ottawa, Town of Cobourg, and Municipal Group all requested that the Ontario Energy Board add paragraph 5 of the Model Franchise Agreement to the Issues List.

The City of Ottawa states that anyone undertaking excavation work within any portion of a highway needs to first obtain a permit whether the excavation work is within or impacting a travelled portion or not. The City of Ottawa further states that the provisions under paragraph 5(a) require a permit for works that will disturb or interfere with the surface of the travelled portion of any highway and requested that the Issues List be updated to include whether changes are required to paragraph 5(a) of the Model Franchise Agreement to align with the Municipality’s By-laws.

⁵ [RP-1999-0048, Report of the Board, December 29, 2000, page 26](#)

⁶ Ibid., page 27

⁷ Ibid., page 28

⁸ Ibid.

⁹ Ibid

Municipal Group submitted that gas utilities are prohibited by paragraph 5(h) of the Model Franchise Agreement from deviating from the approved location for any part of the gas system without prior approval but that there are no consequences to gas utilities that fail to comply with paragraph 5(h). Municipal Group requested that the Ontario Energy Board add whether there should be consequences for gas utilities that fail or refuse to comply under paragraph 5(h) of the Model Franchise Agreement to the Issues List.

The Town of Cobourg requested, as an addition to the Issues List, the issue of whether there are appropriate additions to paragraph 5 of the Model Franchise Agreement pertaining to project planning and coordination as between municipalities and utilities.

Findings

The City of Ottawa recommendation:

The Ontario Energy Board notes that, under the Model Franchise Agreement, a natural gas utility is required to obtain a permit from the municipality that will disturb or interfere with the surface of the travelled portion of a highway. This requirement reflects the balance established in the Model Franchise Agreement between the utility's right to construct and maintain its system and the municipality's responsibility for the management of its highways.

The Ontario Energy Board further notes, that pursuant to paragraph 13 of the Model Franchise Agreement, the gas utilities are subject to all applicable statutes and municipal by-laws of general application, except for by-laws that would have the effect of amending the Agreement. As such, natural gas utilities are required to comply with municipal by-laws of general application, including those governing excavation and permitting, to the extent that such by-laws do not conflict with or alter the rights and obligations of both parties set out in the Model Franchise Agreement.

In the Ontario Energy Board's view, paragraph 5(a), read together with paragraph 13, appropriately establishes the framework governing permit requirements. To the extent that a municipality's by-laws impose broader permitting requirements, those by-laws may apply as by-laws of general application, provided they do not have the effect of amending the agreement.

On this basis, the Ontario Energy Board finds that it is not necessary to amend paragraph 5(a) or to add this matter to the Issues List.

The Municipal Group recommendation:

The Ontario Energy Board has considered the submission of Municipal Group regarding paragraph 5(h) of the Model Franchise Agreement and the question of whether the consequences for non-compliance should be added to the Issues List.

The Ontario Energy Board is committed to the effective functioning of the Model Franchise Agreement and recognizes that disputes may arise between the parties during the course of its 20-year term.

In this context, the Ontario Energy Board considers that questions relating to non-compliance including dispute resolution mechanisms, and any associated consequences for non-compliance warrant further examination during this proceeding. Accordingly, this issue shall be added to the Issues List under the heading “Dispute Resolution Processes”.

Town of Cobourg recommendation:

The Ontario Energy Board has considered the submission of the Town of Cobourg requesting that the Issues List include consideration of additions to the Model Franchise Agreement related to planning and coordination between municipalities and utilities.

The Ontario Energy Board recognizes the importance of effective planning and coordination among municipalities and utilities operating within the municipal roadway. It encourages ongoing collaboration at the local level to support the efficient organization and coordination of construction and maintenance activities undertaken by owners and operators of underground infrastructure, including, but not limited to, natural gas pipelines.

In this regard, the Ontario Energy Board acknowledges the value of local Public Utility Coordinating Committees, and/or similar forums, which serve to facilitate information sharing, scheduling, and coordination among the infrastructure community, thereby helping to minimize disruption, improve public safety, save on costs and enhance overall efficiency of road work activity.

The Ontario Energy Board also notes that municipal permitting processes provide an established mechanism through which planning and coordination can occur. Such processes enable municipalities to review proposed works, coordinate timing among multiple parties, and ensure alignment with local infrastructure considerations.

In the Ontario Energy Board's view, these existing mechanisms – namely local coordination bodies and municipal permitting processes – provide appropriate and effective avenues to support planning and coordination between municipalities and utilities.

As such, the Ontario Energy Board finds that further consideration of amendments to paragraph 5 of the Model Franchise Agreement for this purpose is not warranted and declines to add this matter to the Issues List.

2.5.4 Paragraph 17: Franchise Handbook

Background

Vulnerable Energy Consumers Coalition submitted that the Ontario Energy Board should initiate a review of the Franchise Handbook (Handbook).

Findings

The Handbook plays an important role as a practical, field-level guide used by municipalities and gas distributors in the on-the-ground administration and practical implementation of franchise agreements. Ensuring it remains accurate, current and aligned with the Model Franchise Agreement is key.

While a review of the Handbook may be appropriate, the Ontario Energy Board finds that such a review should only be initiated after the conclusion of the current Model Franchise Agreement proceeding. At that time, the Ontario Energy Board may take appropriate steps to ensure that the Handbook accurately reflects any approved updates to the Model Franchise Agreement and continues to serve as a clear and practical resource for municipalities and natural gas utilities.

2.5.5 Paragraph 18: Other Conditions

The Regional Municipality of Waterloo requested that the Ontario Energy Board add paragraph 18 of the Model Franchise Agreement to the Issues List. Under paragraph 18, if any part of the gas system altered or relocated in accordance with paragraph 12 was constructed or installed prior to January 1, 1981, the gas company is responsible for altering or relocating it at its own expense. The Regional Municipality of Waterloo submitted that the “trigger date” of January 1, 1981 should be adjusted by 20 years to reflect the passage of time.

Findings

The date of January 1, 1981, in the Municipal Franchise Agreement was included as a transition provision and was included specifically to protect certain municipalities in the former Union Gas service area in Southwestern Ontario from being charged relocation fees that they have not been previously required to pay.¹⁰

Before 1981, municipalities in that region did not bear relocation costs, and thus the clause ensured continuity during the transition to the 1987 Model Franchise Agreement. This clause is fixed in time and is not a floating marker meant to shift with the passage of time. The intent of the 1981 provision was to preserve historical municipal protections – not to impose an ongoing, age-based cost responsibility on the gas utilities.

2.6 Requests for Additional Clauses in the Model Franchise Agreement

2.6.1 Termination Clause

Background

The Community Coalition and the Municipality of Temagami requested that as part of the Model Franchise Agreement review, the Ontario Energy Board consider adding a Termination clause to the Model Franchise Agreement.

The Community Coalition submits that termination clauses are standard in many contracts and may have an important role in the Model Franchise Agreement due to the public interests at stake. The Community Coalition further states that a termination and/or renegotiation clause may increase municipal confidence in entering into a 20-year term where there are concerns over specific agreement terms, and that the energy transition could give rise to legitimate reasons for either party to terminate or renegotiate certain terms. The Municipality of Temagami submitted that it supports the Community Coalition's request and that such a clause would provide participants with an opportunity to address issues that may affect municipalities and utilities over the term of the franchise agreement.

Findings

The Ontario Energy Board does not support the inclusion of a termination clause as an issue on the Issues List. In addition to the reasons outlined in section 2.5.2 of this

¹⁰ [EB0 125, Report of the Board, May 21, 1986](#)

Decision, the Ontario Energy Board finds that a termination clause is not appropriate as it would undermine the very stability that a 20-year agreement is meant to provide.

2.6.2 Future Reviews

Background

Municipal Group submits that it has been 26 years since the Ontario Energy Board last reviewed the Model Franchise Agreement and that as part of this review, the Ontario Energy Board should consider whether to establish a timeline or mechanism for initiating future reviews of the Model Franchise Agreement.

Findings

The Ontario Energy Board finds this matter is already captured in the Issues List for the proceeding. In particular, the Issues List includes the question of how any changes to the Model Franchise Agreement, if approved, should be integrated into existing agreements.

For clarity, and to account for changes to the Model Franchise Agreement itself (separate and apart from existing agreements), the Ontario Energy Board has added an issue to the Issues List regarding the process for future changes to the Model Franchise Agreement.

2.6.3 Infrastructure locates

Background

The Regional Municipality of Waterloo proposed to add a new provision to the Model Franchise Agreement to standardize the timing and number of gas company infrastructure locates and exposures required for a municipal project, accompanied by a fair and equitable cost-sharing mechanism to reflect the timing and nature of the municipal works.

Findings

The Ontario Energy Board notes that the provision of underground infrastructure and locates for natural gas distribution assets governed by the *Ontario Underground Infrastructure Notification System Act, 2012*.

Under this legislation, all owners and operators of underground infrastructure, including natural gas distributors, are required to participate in and respond to locate requests issued through Ontario “One Call”. The Ontario Energy Board finds that the “One Call” approach establishes the appropriate framework for locates and that a separate bilateral

clause in the Model Franchise Agreement as proposed by the Regional Municipality of Waterloo is not appropriate.

2.6.4 The Rights of First Nations and Indigenous Communities

Background

Minogi Corporation proposed that the Draft Issues List should be expanded to permit consideration of whether the Model Franchise Agreement should address notice, engagement, consultation, and other mechanisms as they relate to potentially affected First Nation rightsholders. Minogi Corporation noted that the Draft Issues List does not expressly consider the interests of First Nations whose Treaty and Traditional Territories that may be affected by activities undertaken pursuant to franchise agreements based on the Model Franchise Agreement.

Findings

The Ontario Energy Board finds that the issues raised by Minogi Corporation warrant further examination and discussion. As such, matters pertaining to the rights of First Nations and Indigenous communities will be added to the Issues List for consideration by the parties in this proceeding. While this issue will be framed as a single general issue on the Issues List, its inclusion shall reflect the Ontario Energy Board's view that it provides sufficient latitude for Minogi Corporation to raise matters related to the specific issues outlined in its submissions on the Draft Issues List.

3 Minogi Corporation's Request for Intervenor Status

On May 1, 2026, Minogi Corporation, representing the Mississaugas of Scugog Island First Nation, requested intervenor status. On May 26, 2026, the Ontario Energy Board wrote to Minogi Corporation, asking two questions to assist the Ontario Energy Board in making a determination on the intervention request. Minogi Corporation filed its response which included proposed revisions to the Draft Issues List, on June 5, 2026.

The Ontario Energy Board's letter and Minogi's response are on the public record of this proceeding.

In its response, Minogi Corporation advised that natural gas is currently provided to the Mississaugas of Scugog Island First Nation pursuant to a franchise agreement entered into with Enbridge Gas on August 25, 2021, following the Ontario Energy Board's Decision and Order in EB-2017-0261.

Minogi Corporation advised that the First Nation has requested that the agreement remain confidential, but Minogi Corporation noted that its agreement incorporates provisions that are “based upon, or substantially similar to” those of the Model Franchise Agreement, and submitted that there is a connection between this proceeding and the provision of natural gas service to First Nation communities.

Minogi Corporation also submitted that constitutionally protected Aboriginal and treaty rights could be affected by the outcome of the proceeding, although at this early stage, the precise impacts of any proposed amendments to the Model Franchise Agreement could not be determined. Minogi Corporation noted the contractual provisions governing construction, reconstruction, alteration, relocation, improvement, operational maintenance or decommissioning of natural gas infrastructure have the potential to affect Aboriginal and treaty rights related to land and water use, hunting, harvesting, cultural practices, archaeological resources, and sites of traditional and spiritual significance.

Minogi Corporation further noted that, while existing rights-of-way, easements, and pipeline corridors may already have experienced disturbance, the relocation or decommissioning of natural gas infrastructure may require new ground disturbance in areas where intact stratigraphy remains present. Such areas may contain archaeological features, deposits, and cultural heritage patrimony that are significant to First Nations and Indigenous Peoples.

Findings

The Ontario Energy Board appreciates the additional comments provided by Minogi Corporation in their letter of June 5, 2026. For the reasons set out below, the Ontario Energy Board grants Minogi Corporation intervenor status and cost eligibility in this proceeding.

In considering Minogi Corporation’s request for intervenor status, the Ontario Energy Board has carefully assessed the nature and scope of this proceeding; the submissions of Minogi Corporation; and the provisions of Rule 22.02 of the Ontario Energy Board’s *Rules of Practice and Procedure*, cited by Minogi Corporation in its correspondence.

For the convenience of the reader, the Ontario Energy Board has reproduced Rule 22.02 below:

- 22.02 The person applying for intervenor status must satisfy the OEB that they have a substantial interest and intend to participate responsibly in the proceeding. Examples of participation include participating in discovery, making submissions, and filing evidence. A person has

a substantial interest if they have a material interest that is within the scope of the proceeding; for example: (i) primarily representing the direct interests of consumers (e.g., ratepayers) in relation to services that are regulated by the OEB; (ii) primarily representing an interest or policy perspective relevant to the OEB's mandate and to the proceeding; (iii) having an interest in land that may be affected by the outcome of the proceeding; or (iv) having constitutionally protected Aboriginal or treaty rights that may be affected by the outcome of the proceeding.

Minogi Corporation asserts that the Mississaugas of Scugog Island First Nation has a sufficiently substantial interest in the proceeding, in that it "(i) has a constitutionally recognized interest in lands within its Treaty and Traditional Territories that may be affected by activities undertaken pursuant to franchise agreements based on the [Model Franchise Agreement]; and (ii) may possess constitutionally protected Aboriginal and treaty rights that could be affected by the outcome of the Proceeding." These assertions correspond to clauses (iii) and (iv) of Rule 22.02.

The Ontario Energy Board also notes that Minogi Corporation is raising interest and policy perspectives that may be relevant to the Ontario Energy Board's mandate and to the proceeding.

The Ontario Energy Board is therefore satisfied that Minogi Corporation has an interest that meets the criteria of Rule 22.02.

Updated Procedural Schedule

On June 8, 2026, Community Coalition filed a letter with the Ontario Energy Board requesting the modification of the procedural timeline to allow additional time following the issuance of the Issues List for intervenors to consult and coordinate on proposals for intervenor evidence.

The Ontario Energy Board agrees that this would support the development of focused, non-duplicative, and relevant evidentiary requests, and has incorporated additional time into the updated procedural schedule.

By letter dated June 11, 2026, the Ontario Energy Board suspended the current procedural schedule in this proceeding until the issuance of the decision on the Issues List, and advised that revised dates will be issued along with the issuance of the decision on the Issues List.

The revised procedural schedule is set out below. The Ontario Energy Board has allowed two weeks from the date of this Decision and Procedural Order for parties to advise on their intentions to file evidence.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The approved Issues List is attached to this Decision as Schedule A.

2. **Filing of Evidence**

In accordance with the Issues List attached to this Decision and Procedural Order No. 2, parties may request leave of the Ontario Energy Board to file evidence, including expert evidence, in this proceeding, by **June 30, 2026**.

Parties shall make their requests by letter filed with the Ontario Energy Board and copied to all parties, and shall address the matters set out in Rule 13 of the Ontario Energy Board's *Rules of Practice and Procedure* in their requests. The Ontario Energy Board will then decide on the requests.

Any evidence that is approved, including any expert evidence, shall be filed with the Ontario Energy Board, and copied to all parties, by **July 28, 2026**.

3. **Interrogatories**

Parties may file written interrogatories to obtain further information from one another regarding matters on the OEB-approved Issues List and/or any evidence that is approved by the OEB and filed on the record. All written interrogatories must be filed with the Ontario Energy Board and copied to all parties, by **August 7, 2026**.

Parties shall file with the Ontario Energy Board complete written responses to all interrogatories posed to them and serve them on all parties by **August 21, 2026**.

4. **After August 21, 2026**

Additional details will be provided in due course.

Next steps are expected to include an oral hearing, followed by written submissions from the parties, with the parties having the opportunity to provide final reply arguments.

Direction for preparing materials

- Parties must avoid the use of acronyms. Not everyone knows what an acronym means, even if it is common within a specific sector. Avoiding acronyms removes guesswork and ensures the meaning is immediately clear.
- Parties are responsible for ensuring that any documents they file with the Ontario Energy Board, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the Ontario Energy Board's [Rules of Practice and Procedure](#).
- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Other than for applications or as otherwise required or directed by the Ontario Energy Board, parties are not required to submit a cover letter for materials that are self-evident (e.g., interrogatories, submissions) unless the cover letter includes a request or additional information not included in the materials themselves.
- Parties are strongly encouraged to use bookmarks in their filings to aid in navigation.
- Parties should not append to their evidence entire Ontario Energy Board documents (e.g., decisions, policy documents, guidelines). Rather, parties should provide citations to the documents and a clear and concise summary of the relevant part(s) of the document. Parties are encouraged to use hyperlinks for complete, permanent, and publicly available versions of the documents, when possible.
- Parties should refrain from quoting material from documents unless it is essential to support their interrogatories or arguments.
- Parties are not required to provide a summary of the procedural history of a proceeding but may refer to that history where and to the extent needed for context to orient an issue or discussion.

- Pursuant to rule 9.03 of the Ontario Energy Board's [Rules of Practice and Procedure](#), parties must: (a) disclose where generative artificial intelligence was used to generate content included in a filing and (b) confirm that the accuracy of the portion of the filing generated by generative artificial intelligence has been verified by the party or its representative without the assistance of generative artificial intelligence.

How to file documents with the ONTARIO ENERGY BOARD

- Parties are required to quote file number (i.e., **EB-2026-0009**) for all materials filed and submit them in **searchable/unrestricted PDF format** (i.e., no printing or copying restrictions) with a digital signature through the [Ontario Energy Board's online filing portal](#).
- Parties must use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the Ontario Energy Board's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@OEB.ca for assistance.
- Cost claims are filed through the Ontario Energy Board's online filing portal. Parties are encouraged to visit the [File documents online page](#) of the Ontario Energy Board's website for more information. Parties that are eligible for a cost award and that do not currently have an account in the cost claim portal should create an account as soon as their cost award eligibility has been confirmed. All parties shall download a copy of their submitted cost claim for the purposes of service on the party(ies) paying cost awards as per the [Practice Direction on Cost Awards](#).
- All communications should be directed to the attention of the Registrar and be received by **4:45 p.m.**, on the required date.

- With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Natalya Plummer at Natalya.plummer@OEB.ca and Board Counsel, Tobias Hobbins at Tobias.Hobbins@OEB.ca and Stephanie Pope at Stephanie.Pope@OEB.ca.

Email: registrar@OEB.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, **June 16, 2026**

ONTARIO ENERGY BOARD

Ritchie
Murray

Digitally signed by Ritchie
Murray
Date: 2026.06.16
16:20:17 -04'00'

Ritchie Murray
Registrar

Schedule A
Approved Issues List
EB-2026-0009
The Ontario Energy Board

A. Paragraph 1: Substantive Definitions

1. Are changes to the definitions in paragraph 1 to address terminology that has substantive implications for the rights and obligations of the parties under the Model Franchise Agreement appropriate?

B. Paragraph 11: Alternative Easement

2. Are changes to the provisions in paragraph 11 of the Model Franchise Agreement pertaining to notice, the availability of easements and cost sharing in the event of the proposed sale or closing of any highway or any part of a highway where there is a gas line in existence appropriate?

C. Paragraph 12: Pipeline Relocation

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

D. Paragraph 15: Disposition of the Gas System & Paragraph 16: Use of Decommissioned Gas System

6. Are changes in relation to paragraph 15 and paragraph 16 of the Model Franchise Agreement relating to the removal of decommissioned pipelines appropriate?

E. Non-substantive administrative updates to the Model Franchise Agreement

7. What updates, if any, to terminology, nomenclature and administrative provisions in the Model Franchise Agreement are appropriate to reflect current operations?

F. Implementation of possible updates to the Model Franchise Agreement

8. If changes to the Model Franchise Agreement are made in this proceeding, how should the updated terms affect existing gas franchise agreements and applications currently before the Ontario Energy Board (e.g. how and when any changes be integrated into existing agreements)?
9. What process should the Ontario Energy Board adopt for future changes to the Model Franchise Agreement, should the need arise?

G. Dispute Resolution Process

10. Are changes appropriate to more clearly define dispute resolution mechanisms and address potential instances of non-compliance with the terms of the Model Franchise Agreement by either the gas utility or the municipality?

H. The Rights of First Nations and Indigenous Communities

11. Are the interests of First Nations and Indigenous communities adequately addressed where municipal actions, utility activities, or the exercise of rights under the Model Franchise Agreement may affect those communities? If not, how might they best be addressed?