Evan Tomek
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Enbridge Gas Inc.
3840 Rhodes Drive
P.O. Box 700
Windsor, ON N9A 6N7
Canada

August 25, 2026

Mr. Ritchie Murray
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Mr. Murray:

Re: Enbridge Gas Inc.
Application for Approval of Franchise Agreement
Municipality of Markstay - Warren

Attached is an application by Enbridge Gas Inc. for Orders of the Ontario Energy Board with respect to a Franchise Agreement with the Municipality of Markstay - Warren. An agreement has been reached between Enbridge Gas Inc. and the Municipality of Markstay – Warren with regards to the terms and conditions of the proposed Franchise Agreement.

In accordance with the OEB's *Practice Direction on Confidential Filings,* Enbridge Gas has redacted confidential information from the following schedules. Details of the specific information and reasons for confidential treatment are set out below:

Schedule	Description of Document	Confidential Information Location	Brief Description	Basis for Confidentiality
B	Signed by-law and franchise agreement.	pp. 1 and 11.	Personal Signatures	The redactions relate to signatures of municipal officials and former Union Gas Limited employees. Enbridge Gas is requesting confidential treatment of these signatures to prevent potential unauthorized use of them in the future.
E	Signed council resolution.	p. 1.		
F	Signed by-law.	p. 1.		

Should you have any questions on this application, please do not hesitate to contact me. I look forward to the receipt of your instructions.

Yours truly,

Evan Tomek

Evan Tomek
Senior Advisor, Regulatory Applications – Leave to Construct
evan.tomek@enbridge.com
(226) 229-9598

Encl.

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Municipal Franchises Act*, R.S.O. 1990, c.M.55, as amended;

AND IN THE MATTER OF an Application by Enbridge Gas Inc. for an Order approving the terms and conditions upon which, and the period for which, the Corporation of the Municipality of Markstay-Warren is, by by-law, to grant to Enbridge Gas Inc. the right to construct and operate works for the distribution, transmission and storage of natural gas and the right to extend and add to the works within the Municipality of Markstay-Warren.

APPLICATION

1. Enbridge Gas Inc. (Enbridge Gas), a regulated public utility, is a corporation incorporated under the laws of the Province of Ontario, with its offices in the City of Toronto and the Municipality of Chatham-Kent.

2. The Corporation of the Municipality of Markstay-Warren (Municipality) is a municipal corporation incorporated under the laws of the Province of Ontario. Attached hereto and marked as Schedule "A" is a map showing the geographical location of the Municipality and a customer density representation of Enbridge Gas's service area. Enbridge Gas currently serves approximately 411 customers in the Municipality. Enbridge Gas and its predecessors have been providing gas distribution services within the Municipality of Markstay-Warren since approximately 1958.

3. The Municipality of Markstay-Warren is a single-tier municipality located within the Sudbury District. On January 1, 1999, the former Township of Ratter and Dunnett and the former Township of Hagar were amalgamated to form the Municipality of Markstay-Warren. On January 1, 1999, the former geographic township of Awrey and portions of the former geographic townships of Hawley, Henry, Loughrin and Street were annexed to the Municipality of Markstay-Warren.

4. Enbridge Gas has an existing franchise agreement with the Municipality of Markstay-Warren (EB-2006-0285) effective March 21, 2007, and an associated By-law 2006-30 which are attached as Schedule "B".

5. Enbridge Gas has a Certificate of Public Convenience and Necessity for the Municipality of Markstay-Warren (EB-2006-0286) dated February 2, 2007 which is attached as Schedule "C". Enbridge Gas is not aware of any changes to the municipal boundaries of the Municipality of Markstay-Warren since the Certificate of Public Convenience and Necessity was issued.

6. On March 12, 2026, Enbridge Gas sent an email to initiate discussions with Municipality of Markstay-Warren to commence the process to renew a 20-year franchise agreement

using the approved Model Franchise Agreement (see Schedule “D”). This email was sent approximately one year in advance of the March 21, 2027 expiry of the current franchise agreement between the Municipality of Markstay-Warren and the former Union Gas Limited. Enbridge Gas believes that this notification satisfied the conditions within paragraph 4(c) of the Model Franchise Agreement to extend the current terms and conditions until a new franchise agreement is executed.

7. At that time, Enbridge Gas informed the Municipality of Markstay-Warren that the current Model Franchise Agreement was to be used as the model for such renewals. Enbridge Gas provided the Municipality of Markstay-Warren with a draft bylaw, a draft resolution and the Model Franchise Agreement to be used for the renewal process. The Municipality of Markstay-Warren was also provided with a copy of the Gas Franchise Handbook as an explanatory supplement to the Model Franchise Agreement.

8. Discussions continued between Enbridge Gas and the Municipality of Markstay-Warren in an attempt to come to an agreement with respect to the use of the Model Franchise Agreement.

9. On June 15, 2026, the Council of the Municipality gave approval to the form of a franchise agreement in favour of Enbridge Gas and authorized Enbridge Gas to apply to the Ontario Energy Board for approval of the terms and conditions upon which and the period for which the franchise agreement is proposed to be granted.

10. Attached hereto as Schedule "E" is a copy of the Resolution passed by the Council of the Municipality approving the form of the draft by-law and franchise agreement and authorizing this submission to the Ontario Energy Board.

11. Attached hereto as Schedule “F” is a copy of By-law 2026-27 and the proposed franchise agreement. The Municipality of Markstay-Warren has provided first and second readings of its by-law.

12. Enbridge Gas has franchise agreements with and Certificates of Public Convenience and Necessity for the City of Greater Sudbury and the Municipality of West Nipissing which are immediately adjacent to the Municipality. Enbridge Gas is not aware of any other natural gas distributor within or in the areas adjacent to the Municipality of Markstay-Warren.

13. The proposed franchise agreement is in the form of the 2000 Model Franchise Agreement with no amendments and is for a term of twenty (20) years.

14. The contact information of the Municipality is as follows:

    Municipality of Markstay-Warren
    21 Main Street South
    Markstay, ON P0M 2G0

Attention: Marc Serré, Chief Administrative Officer / Clerk
Telephone: (705) 853-4536
Email: mserre@markstay-warren.ca

The contact information for Enbridge Gas's regional operations office is as follows:

Enbridge Gas Inc.
2571 Lancaster Road
Ottawa, ON K1B 4L5
Attention: David Marshall, Director, Station Operations & Customer Connections
Email: david.marshall@enbridge.com

15. Should the Ontario Energy Board determine that a Notice of Hearing is required, Enbridge Gas believes that publishing the Notice of Hearing related to this application in a local newspaper, on the OEB web site, on Enbridge Gas's web site and on the municipality's web site will provide a broad awareness of this application. The Municipality does not have a dedicated independent commercial local newspaper but publishes a monthly newsletter, the *Markstay-Warren Connection*, to share relevant municipal updates and to publish its notices.

16. Enbridge Gas now applies to the Ontario Energy Board for an Order under Section 9(3) of the *Municipal Franchises Act* approving the terms and conditions upon which, and the period for which, the Municipality of Markstay-Warren is, by by-law, to grant Enbridge Gas the right to construct and operate works for the distribution, transmission and storage of natural gas and the right to extend and add to the works.

DATED at the City of Windsor, in the Province of Ontario this 25th day of August, 2026.

ENBRIDGE GAS INC.

_____
Evan Tomek
Senior Advisor, Regulatory Applications –
Leave to Construct

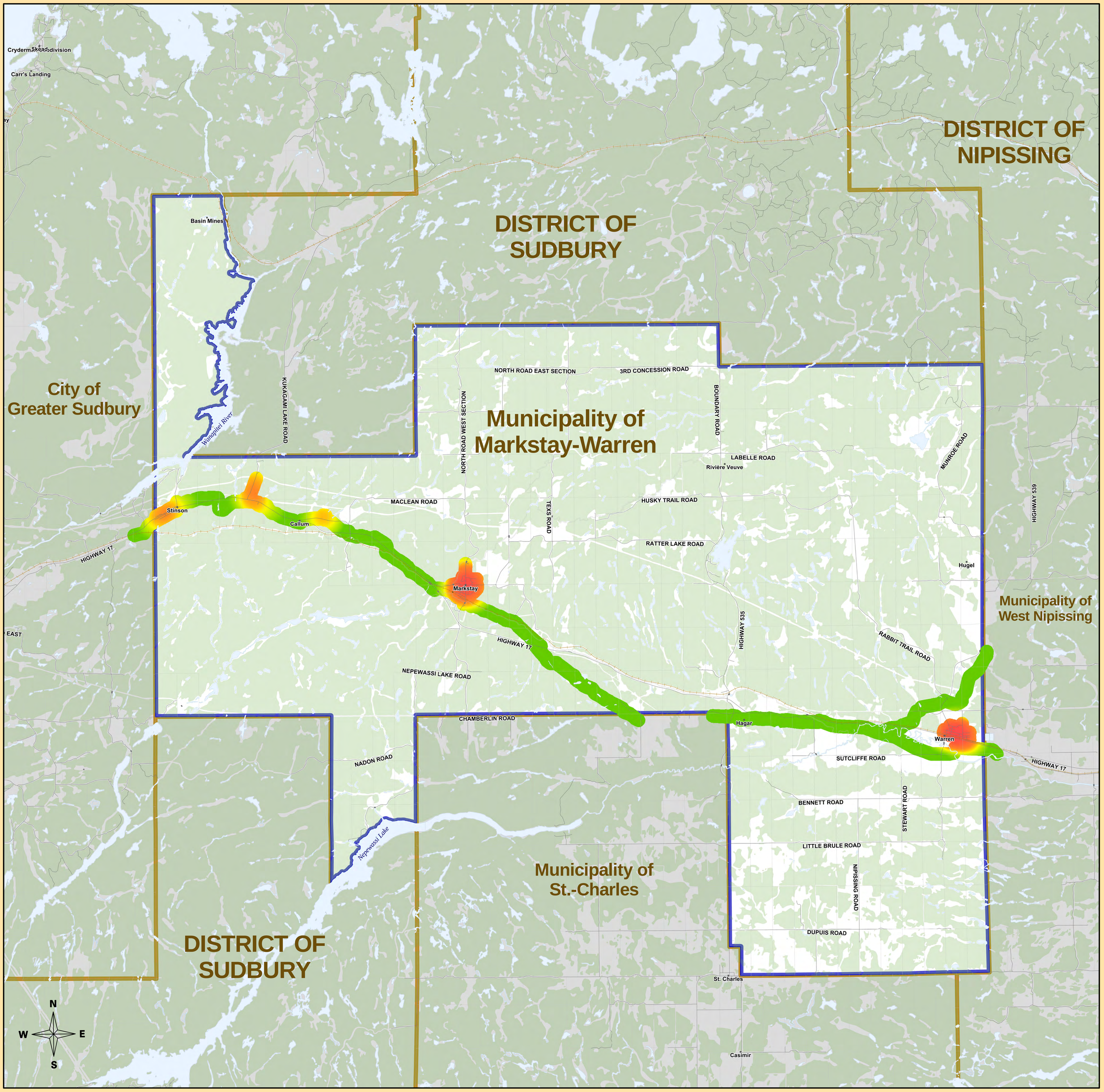
Comments respecting this Application should be directed to:

Evan Tomek
Senior Advisor, Regulatory Applications – Leave to Construct
Enbridge Gas Inc.
3840 Rhodes Drive
P.O. Box 700

Windsor, ON N9A 6N7
evan.tomek@enbridge.com
Telephone: (226) 229-9598

Schedule A

Municipality of Markstay-Warren



Legend

- Enbridge Gas Pipeline Coverage Area
- Municipality of Markstay-Warren
- Roads
- Railways
- Municipal and Township Boundaries
- Indigenous Lands
- Wooded Areas

Customer Density

Low — High

0.0 1.5 3.0 4.5 6.0 7.5

Kilometers

Disclaimer:
The map is provided with no warranty express or Implied and is subject to change at any time. Any Person using the 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 purposes of excavation

ENBRIDGE®



Location map

MA3833 CD

THE CORPORATION OF THE MUNICIPALITY OF MARKSTAY - WARREN

BY-LAW NUMBER 2006-30

A BY-LAW TO AUTHORIZE A FRANCHISE AGREEMENT BETWEEN THE CORPORATION OF THE MUNICIPALITY OF MARKSTAY - WARREN and UNION GAS LIMITED

WHEREAS the Council of the Corporation of the Municipality of Markstay-Warren deems it expedient to enter into the attached franchise agreement (the "Franchise Agreement") with Union Gas Limited;

AND WHEREAS the Ontario Energy Board by its Order issued pursuant to The Municipal Franchises Act on the 2, 19 day of FEBRUARY , 2007 has approved the terms and conditions upon which and the period for which the franchise provided in the Franchise Agreement is proposed to be granted, and has declared and directed that the assent of the municipal electors in respect of this By-Law is not necessary:

NOW THEREFORE the Council of the Corporation of the Municipality of Markstay-Warren enacts as follows:

1. **THAT** the Franchise Agreement between the Corporation of the Municipality of Markstay-Warren and Union Gas Limited, attached hereto and forming part of this by-law, is hereby authorized and the franchise provided for therein is hereby granted.

2. **THAT** the Mayor and CAO/Clerk/Director, HR/Lottery Licensing Officer be and they are hereby authorized and instructed on behalf of the Corporation of the of Markstay-Warren to enter into and execute under its corporate seal and deliver the Franchise Agreement, which is hereby incorporated into and forming part of this By-Law.

3. **THAT** the following by-laws be and the same are hereby repealed:

   By-law #95-4 for the former Corporation of the Township of Ratter and Dunnett, passed in Council on the 19th day of April, 1995;

   By-law #77-7 for the former Corporation of the Township of Hagar, passed in Council on the 7th day of December, 1977;

4. **THAT** this by-law shall come into force and take effect as of the final passing thereof.

Read a first time this 20 day of SEPTEMBER , 2006.

Read a second time this 20 day of SEPTEMBER , 2006.

Read a third time and finally passed this 21 day of MARCH , 2007.

THE CORPORATION OF THE MUNICIPALITY OF MARKSTAY – WARREN

[Original Signed By Jean-Marc Chayer]

Jean-Marc Chayer, Mayor

[Original Signed By Lorraine Demore]

Lorraine Demore, CAO/Clerk/Director,
HR/Lottery Licensing Officer

2000 Model Franchise Agreement

THIS AGREEMENT effective this 21st day of MARCH , 2007

BETWEEN:

THE CORPORATION OF THE MUNICIPALITY OF MARKSTAY-WARREN

hereinafter called the "Corporation"

- and -

union

LIMITED

hereinafter called the "Gas Company"

WHEREAS the Gas Company desires to distribute, store and transmit gas in the Municipality upon the terms and conditions of this Agreement;

AND WHEREAS by by-law passed by the Council of the Corporation (the "By-law"), the duly authorized officers have been authorized and directed to execute this Agreement on behalf of the Corporation;

THEREFORE the Corporation and the Gas Company agree as follows:

Part I - Definitions

1. **In this Agreement**

   (a) "decommissioned" and "decommissions" when used in connection with parts of the gas system, mean any parts of the gas system taken out of active use and purged in accordance with the applicable CSA standards and in no way affects the use of the term 'abandoned' pipeline for the purposes of the *Assessment Act*;

(b) "Engineer/Road Superintendent" means the most senior individual employed by the Corporation with responsibilities for highways within the Municipality or the person designated by such senior employee or such other person as may from time to time be designated by the Council of the Corporation;

(c) "gas" means natural gas, manufactured gas, synthetic natural gas, liquefied petroleum gas or propane-air gas, or a mixture of any of them, but does not include a liquefied petroleum gas that is distributed by means other than a pipeline;

(d) "gas system" means such mains, plants, pipes, conduits, services, valves, regulators, curb boxes, stations, drips or such other equipment as the Gas Company may require or deem desirable for the distribution, storage and transmission of gas in or through the Municipality;

(e) "highway" means all common and public highways and shall include any bridge, viaduct or structure forming part of a highway, and any public square, road allowance or walkway and shall include not only the travelled portion of such highway, but also ditches, driveways, sidewalks, and sodded areas forming part of the road allowance now or at any time during the term hereof under the jurisdiction of the Corporation;

(f) "Model Franchise Agreement" means the form of agreement which the Ontario Energy Board uses as a standard when considering applications under the *Municipal Franchises Act*. The Model Franchise Agreement may be changed from time to time by the Ontario Energy Board;

(g) "Municipality" means the territorial limits of the Corporation on the date when this Agreement takes effect, and any territory which may thereafter be brought within the jurisdiction of the Corporation;

(h) "Plan" means the plan described in Paragraph 5 of this Agreement required to be filed by the Gas Company with the Engineer/Road Superintendent prior to commencement of work on the gas system; and

(i) whenever the singular, masculine or feminine is used in this Agreement, it shall be considered as if the plural, feminine or masculine has been used where the context of the Agreement so requires.

Part II - Rights Granted

2. **To provide gas service**

The consent of the Corporation is hereby given and granted to the Gas Company to distribute, store and transmit gas in and through the Municipality to the Corporation and to the inhabitants of the Municipality.

3. **To Use Highways**

Subject to the terms and conditions of this Agreement the consent of the Corporation is hereby given and granted to the Gas Company to enter upon all highways now or at any time hereafter under the jurisdiction of the Corporation and to lay, construct, maintain, replace, remove, operate and repair a gas system for the distribution, storage and transmission of gas in and through the Municipality.

4. **Duration of Agreement and Renewal Procedures**

(a) If the Corporation has not previously received gas distribution services, the rights hereby given and granted shall be for a term of 20 years from the date of final passing of the By-law.

or

(b) If the Corporation has previously received gas distribution services, the rights hereby given and granted shall be for a term of 20 years from the date of final passing of the By-law provided that, if during the 20 year term of this Agreement, the Model Franchise Agreement is changed, then on the 7th anniversary and on the 14th anniversary of the date of the passing of the By-law, this Agreement shall be deemed to be amended to incorporate any changes in the Model Franchise Agreement in effect on such anniversary dates. Such deemed amendments shall not apply to alter the 20 year term.

(c) At any time within two years prior to the expiration of this Agreement, either party may give notice to the other that it desires to enter into negotiations for a renewed franchise upon such terms and conditions as may be agreed upon. Until such renewal has been settled, the terms and conditions of this Agreement shall continue, notwithstanding the expiration of this Agreement. This shall not preclude either party from applying to the Ontario Energy Board for a renewal of the Agreement pursuant to section 10 of the *Municipal Franchises Act.*

Part III – Conditions

5. **Approval of Construction**

(a) The Gas Company shall not undertake any excavation, opening or work which will disturb or interfere with the surface of the travelled portion of any highway unless a permit therefore has first been obtained from the Engineer/Road Superintendent and all work done by the Gas Company shall be to his satisfaction.

(b) Prior to the commencement of work on the gas system, or any extensions or changes to it (except service laterals which do not interfere with municipal works in the highway), the Gas Company shall file with the Engineer/Road Superintendent a Plan, satisfactory to the Engineer/Road Superintendent, drawn to scale and of sufficient detail considering the complexity of the specific locations involved, showing the highways in which it proposes to lay its gas system and the particular parts thereof it proposes to occupy.

(c) The Plan filed by the Gas Company shall include geodetic information for a particular location:

(i) where circumstances are complex, in order to facilitate known projects, including projects which are reasonably anticipated by the Engineer/Road Superintendent, or

(ii) when requested, where the Corporation has geodetic information for its own services and all others at the same location.

(d) The Engineer/Road Superintendent may require sections of the gas system to be laid at greater depth than required by the latest CSA standard for gas pipeline systems to facilitate known projects or to correct known highway deficiencies.

(e) Prior to the commencement of work on the gas system, the Engineer/Road Superintendent must approve the location of the work as shown on the Plan filed by the Gas Company, the timing of the work and any terms and conditions relating to the installation of the work.

(f) In addition to the requirements of this Agreement, if the Gas Company proposes to affix any part of the gas system to a bridge, viaduct or other structure, if the Engineer/Road Superintendent approves this proposal, he may require the Gas Company to comply with special conditions or to enter into a separate agreement as a condition of the approval of this part of the construction of the gas system.

(g) Where the gas system may affect a municipal drain, the Gas Company shall also file a copy of the Plan with the Corporation's Drainage Superintendent for purposes of the *Drainage Act*, or such other person designated by the Corporation as responsible for the drain.

(h) The Gas Company shall not deviate from the approved location for any part of the gas system unless the prior approval of the Engineer/Road Superintendent to do so is received.

(i) The Engineer/Road Superintendent's approval, where required throughout this Paragraph, shall not be unreasonably withheld.

(j) The approval of the Engineer/Road Superintendent is not a representation or warranty as to the state of repair of the highway or the suitability of the highway for the gas system.

6. **As Built Drawings**

The Gas Company shall, within six months of completing the installation of any part of the gas system, provide two copies of "as built" drawings to the Engineer/Road Superintendent. These drawings must be sufficient to accurately establish the location, depth (measurement between the top of the gas system and the ground surface at the time of installation) and distance of the gas system. The "as built" drawings shall be of the same quality as the Plan and, if the approved pre-construction plan included elevations that were geodetically referenced, the "as built" drawings shall similarly include elevations that are geodetically referenced. Upon the request of the Engineer/Road Superintendent, the Gas Company shall provide one copy of the drawings in an electronic format and one copy as a hard copy drawing.

7. **Emergencies**

In the event of an emergency involving the gas system, the Gas Company shall proceed with the work required to deal with the emergency, and in any instance where prior approval of the Engineer/Road Superintendent is normally required for the work, the Gas Company shall use its best efforts to immediately notify the Engineer/Road Superintendent of the location and nature of the emergency and the work being done and, if it deems appropriate, notify the police force, fire or other emergency services having jurisdiction. The Gas Company shall provide the Engineer/Road Superintendent with at least one 24 hour emergency contact for the Gas Company and shall ensure the contacts are current.

8. **Restoration**

The Gas Company shall well and sufficiently restore, to the reasonable satisfaction of the Engineer/Road Superintendent, all highways, municipal works or improvements which it may excavate or interfere with in the course of laying, constructing, repairing or removing its gas system, and shall make good any settling or subsidence thereafter caused by such excavation or interference. If the Gas Company fails at any time to do any work required by this Paragraph within a reasonable period of time, the Corporation may do or cause such work to be done and the Gas Company shall, on demand, pay the Corporation's reasonably incurred costs, as certified by the Engineer/Road Superintendent.

9. **Indemnification**

The Gas Company shall, at all times, indemnify and save harmless the Corporation from and against all claims, including costs related thereto, for all damages or injuries including death to any person or persons and for damage to any property, arising out of the Gas Company operating, constructing, and maintaining its gas system in the Municipality, or utilizing its gas system for the carriage of gas owned by others. Provided that the Gas Company shall not be required to indemnify or save harmless the Corporation from and against claims, including costs related thereto, which it may incur by reason of damages or injuries including death to any person or persons and for damage to any property, resulting from the negligence or wrongful act of the Corporation, its servants, agents or employees.

10. **Insurance**

(a) The Gas Company shall maintain Comprehensive General Liability Insurance in sufficient amount and description as shall protect the Gas Company and the Corporation from claims for which the Gas Company is obliged to indemnify the Corporation under Paragraph 9. The insurance policy shall identify the Corporation as an additional named insured, but only with respect to the operation of the named insured (the Gas Company). The insurance policy shall not lapse or be cancelled without sixty (60) days' prior written notice to the Corporation by the Gas Company.

(b) The issuance of an insurance policy as provided in this Paragraph shall not be construed as relieving the Gas Company of liability not covered by such insurance or in excess of the policy limits of such insurance.

(c) Upon request by the Corporation, the Gas Company shall confirm that premiums for such insurance have been paid and that such insurance is in full force and effect.

11. **Alternative Easement**

The Corporation agrees, 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, to give the Gas Company reasonable notice of such proposed sale or closing and, if it is feasible, to provide the Gas Company with easements over that part of the highway proposed to be sold or closed sufficient to allow the Gas Company to preserve any part of the gas system in its then existing location. In the event that such easements cannot be provided, the Corporation and the Gas Company shall share the cost of relocating or altering the gas system to facilitate continuity of gas service, as provided for in Paragraph 12 of this Agreement.

12. **Pipeline Relocation**

(a) If in the course of constructing, reconstructing, changing, altering or improving any highway or any municipal works, the Corporation deems that it is necessary to take up, remove or change the location of any part of the gas system, the Gas Company shall, upon notice to do so, remove and/or relocate within a reasonable period of time such part of the gas system to a location approved by the Engineer/Road Superintendent.

(b) Where any part of the gas system relocated in accordance with this Paragraph is located on a bridge, viaduct or structure, the Gas Company shall alter or relocate that part of the gas system at its sole expense.

(c) Where any part of the gas system relocated in accordance with this Paragraph is located other than on a bridge, viaduct or structure, the costs of relocation shall be shared between the Corporation and the Gas Company on the basis of the total relocation costs, excluding the value of any upgrading of the gas system, and deducting any contribution paid to the Gas Company by others in respect to such relocation; and for these purposes, the total relocation costs shall be the aggregate of the following:

(i) the amount paid to Gas Company employees up to and including field supervisors for the hours worked on the project plus the current cost of fringe benefits for these employees,

(ii) the amount paid for rental equipment while in use on the project and an amount, charged at the unit rate, for Gas Company equipment while in use on the project,

(iii) the amount paid by the Gas Company to contractors for work related to the project,

(iv) the cost to the Gas Company for materials used in connection with the project, and

(v) a reasonable amount for project engineering and project administrative costs which shall be 22.5% of the aggregate of the amounts determined in items (i), (ii), (iii) and (iv) above.

(d) The total relocation costs as calculated above shall be paid 35% by the Corporation and 65% by the Gas Company, except where the part of the gas system required to be moved is located in an unassumed road or in an unopened road allowance and the Corporation has not approved its location, in which case the Gas Company shall pay 100% of the relocation costs.

Part IV - Procedural And Other Matters

13. Municipal By-laws of General Application

The Agreement is subject to the provisions of all regulating statutes and all municipal by-laws of general application, except by-laws which have the effect of amending this Agreement.

14. Giving Notice

Notices may be delivered to, sent by facsimile or mailed by prepaid registered post to the Gas Company at its head office or to the authorized officers of the Corporation at its municipal offices, as the case may be.

15. Disposition of Gas System

(a) If the Gas Company decommissions part of its gas system affixed to a bridge, viaduct or structure, the Gas Company shall, at its sole expense, remove the part of its gas system affixed to the bridge, viaduct or structure.

(b) If the Gas Company decommissions any other part of its gas system, it shall have the right, but is not required, to remove that part of its gas system. It may exercise its right to remove the decommissioned parts of its gas system by giving notice of its intention to do so by filing a Plan as required by Paragraph 5 of this Agreement for approval by the Engineer/Road Superintendent. If the Gas Company does not remove the part of the gas system it has decommissioned and the Corporation requires the removal of all or any part of the decommissioned gas system for the purpose of altering or improving a highway or in order to facilitate the construction of utility or other works in any highway, the Corporation may remove and dispose of so much of the decommissioned gas system as the Corporation may require for such purposes and neither party shall have recourse against the other for any

loss, cost, expense or damage occasioned thereby. If the Gas Company has not removed the part of the gas system it has decommissioned and the Corporation requires the removal of all or any part of the decommissioned gas system for the purpose of altering or improving a highway or in order to facilitate the construction of utility or other works in a highway, the Gas Company may elect to relocate the decommissioned gas system and in that event Paragraph 12 applies to the cost of relocation.

16. **Use of Decommissioned Gas System**

(a) The Gas Company shall provide promptly to the Corporation, to the extent such information is known:

(i) the names and addresses of all third parties who use decommissioned parts of the gas system for purposes other than the transmission or distribution of gas; and

(ii) the location of all proposed and existing decommissioned parts of the gas system used for purposes other than the transmission or distribution of gas.

(b) The Gas Company may allow a third party to use a decommissioned part of the gas system for purposes other than the transmission or distribution of gas and may charge a fee for that third party use, provided

(i) the third party has entered into a municipal access agreement with the Corporation; and

(ii) the Gas Company does not charge a fee for the third party's right of access to the highways.

(c) Decommissioned parts of the gas system used for purposes other than the transmission or distribution of gas are not subject to the provisions of this Agreement. For decommissioned parts of the gas system used for purposes other than the transmission and distribution of gas, issues such as relocation costs will be governed by the relevant municipal access agreement.

17. **Franchise Handbook**

The Parties acknowledge that operating decisions sometimes require a greater level of detail than that which is appropriately included in this Agreement. The Parties agree to look for guidance on such matters to the Franchise Handbook prepared by the Association of Municipalities of Ontario and the gas utility companies, as may be amended from time to time.

18. **Other Conditions**

None.

19. **Agreement Binding Parties**

This Agreement shall extend to, benefit and bind the parties thereto, their successors and assigns, respectively.

IN WITNESS WHEREOF the parties have executed this Agreement effective from the date written above.

THE CORPORATION OF THE MUNICIPALITY OF MARKSTAY-WARREN

Per: *[Original Signed By Jean-Marc Chayer]*

Jean-Marc Chayer, Mayor

Per: *[Original Signed By Lorraine Demore]*

Lorraine Demore, CAO/Clerk/Director
HR/Lottery Licensing Officer

UNION GAS LIMITED

Per: *[Original Signed By Rick Birmingham]*

Michael R. Birmingham, Vice President

Per: *[Original Signed By Curt Bernardi]*

Curt Bernardi, Assistant Secretary

Schedule C

EB-2006-0286

Certificate of Public Convenience and Necessity

The Ontario Energy Board hereby grants

Union Gas Limited

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

Municipality of Markstay - Warren

This certificate replaces the certificates of the former townships that are now within the Municipality of Markstay - Warren.

DATED at Toronto, February 2, 2007

ONTARIO ENERGY BOARD

Original signed by

Mark C. Garner
Managing Director, Market Operations

Schedule D

Attachments:

2026 03 11 - Updated Guidelines to Municipalities.docx
Draft Resolution - Municipality of Markstay-Warren.docx
Draft Bylaw - Municipality of Markstay-Warren.docx
Model Franchise Agreement - Municipality of Markstay-Warren (Lower-Tier EGI North).pdf
Bylaw and Franchise Agreement - Markstay-Warren (March 21, 2007).pdf
EB-2006-0286 - Markstay-Warren CPCN (February 2, 2007).pdf
Gas Franchise Handbook (May 2002).pdf
MA3833 - Markstay-Warren Muni Customer Density.pdf

From: Kristen Oliver <kristen.oliver@enbridge.com>
Sent: Thursday, March 12, 2026 1:23 PM
To: Marc Serré <cao@markstay-warren.ca>
Subject: Franchise Agreement Renewal – Municipality of Markstay-Warren

Hello Marc,

I am Kristen Oliver, Sr. Advisor, Municipal and Stakeholder Engagement at Enbridge Gas. Let me begin by congratulating you on your appointment as the CAO for Markstay-Warren. I have always enjoyed working with the former CAO and members of council and am pleased to continue with our strong working relationship.

I am reaching out today to advise that on March 21, 2027, the current franchise agreement between the Municipality of Markstay-Warren and the former Union Gas Limited will be up for renewal. Based on the most recent customer count report, we currently provide service to approximately 409 customers within the Municipality of Markstay-Warren. Enbridge Gas and its predecessors have been providing access to gas distribution services within the Municipality of Markstay-Warren since approximately 1958.

Provincial legislation requires a franchise agreement between the municipal corporation and the gas company serving that municipality. The Ontario Energy Board has directed that the current 2000 Model Franchise Agreement be used as the template for such agreements.

As a result, Enbridge Gas and the Municipality of Markstay-Warren need to commence the process to renew a 20-year franchise agreement using the approved Model Franchise Agreement.

To assist you in this matter, I am enclosing the following documents for discussions with the Municipality of Markstay-Warren:

1. Franchise Agreement Renewal Documents:

- Guidelines to Municipalities Respecting the Renewal of Franchise Agreements
- Draft Resolution of the municipality
- Draft By-Law of the municipality
- 2000 Model Franchise Agreement with Enbridge Gas Inc.

2. Historical Background:

- a copy of the current By-Law 2006-30 (passed on March 21, 2007) and the current Franchise Agreement effective March 21, 2007
- a copy of the Certificate of Public Convenience and Necessity that Enbridge Gas holds for the Municipality of Markstay-Warren (EB-2006-0286)

3. Reference Documents:

- a copy of the Gas Franchise Handbook (an explanatory supplement to the 2000 Model Franchise Agreement)
- customer density map for areas served within the Municipality of Markstay-Warren

The entire process to get a franchise agreement approved by the Ontario Energy Board can be quite lengthy and may take up to eight months. To ensure we meet the timelines, we start the process a year in advance.

Should you have any questions or concerns, I would be happy to arrange a virtual meeting. I can be reached at this email or by telephone at (807) 252-8417.

Thanks,
Kristen

Kristen Oliver
Senior Advisor, Municipal & Stakeholder Engagement,
Northern Region
—
ENBRIDGE
CELL: 807-252-8417 | Kristen.Oliver@enbridge.com
1211 Amber Dr. Thunder Bay, ON P7B 6M4

enbridge.com
Safety. Integrity. Respect. Inclusion. High Performance.

I mindfully acknowledge that I live and work on land that has been inhabited by and cared for by Indigenous Peoples since time immemorial. I recognize and respect the historic connection to this shared land and, as such, we have a responsibility to preserve and care for the land, and learn from the original inhabitants.

My working day may not be the same as yours. Please note, you are not obligated to read or respond to this email outside of your work hours.

THE CORPORATION OF THE MUNICIPALITY OF MARKSTAY-WARREN

RESOLUTION

BE IT HEREBY RESOLVED THAT:

This Council approves the form of draft by-law and franchise agreement attached hereto and authorizes the submission thereof to the Ontario Energy Board for approval pursuant to the provisions of Section 9 of the *Municipal Franchises Act*.

I HEREBY CERTIFY the foregoing to be a true copy of a Resolution passed by the Council of the Corporation of the Municipality of Markstay-Warren on the 15 day of June, 2026.

[redacted]

Marc Serré, Clerk

THE CORPORATION OF THE MUNICIPALITY OF MARKSTAY-WARREN

BY-LAW 2026-27

BEING A BY-LAW TO AUTHORIZE A FRANCHISE AGREEMENT BETWEEN THE CORPORATION OF THE MUNICIPALITY OF MARKSTAY-WARREN AND ENBRIDGE GAS INC.

WHEREAS the Council of the Corporation of the Municipality of Markstay-Warren deems it expedient to enter into the attached franchise agreement (the "Franchise Agreement") with Enbridge Gas Inc.;

AND WHEREAS the Ontario Energy Board by its Order issued pursuant to the *Municipal Franchises Act* on the day of , 2026 has approved the terms and conditions upon which and the period for which the franchise provided in the Franchise Agreement is proposed to be granted, and has declared and directed that the assent of the municipal electors in respect of this By-Law is not necessary:

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF MARKSTAY-WARREN HEREBY ENACTS AS FOLLOWS:

1. **THAT** the Franchise Agreement between the Corporation of the Municipality of Markstay-Warren and Enbridge Gas Inc. attached hereto and forming part of this by-law, is hereby authorized and the franchise provided for therein is hereby granted.

2. **THAT** the Mayor and Clerk be and they are hereby authorized and instructed on behalf of the Corporation of the Municipality of Markstay-Warren to enter into and execute under its corporate seal and deliver the Franchise Agreement, which is hereby incorporated into and forming part of this By-Law.

3. **THAT** the following by-law be hereby repealed:

   - By-law Number 2006-30 for the Corporation of the Municipality of Markstay-Warren, passed in Council on the 21st day of March, 2007.

4. **THAT** this by-law shall come into force and take effect as of the final passing thereof.

[redacted]

READ A FIRST, AND SECOND TIME

15th DAY OF JUNE, 2026

MAYOR

[redacted]

CLERK

READ A THIRD TIME AND FINALLY

PASSED THIS DAY OF ,

MAYOR

CLERK

2000 Model Franchise Agreement

THIS AGREEMENT effective this day of , 2026

BETWEEN:

THE CORPORATION OF THE MUNICIPALITY OF MARKSTAY-WARREN

hereinafter called the "Corporation"

- and -

ENBRIDGE GAS INC.

hereinafter called the "Gas Company"

WHEREAS the Gas Company desires to distribute, store and transmit gas in the Municipality upon the terms and conditions of this Agreement;

AND WHEREAS by by-law passed by the Council of the Corporation (the "By-law"), the duly authorized officers have been authorized and directed to execute this Agreement on behalf of the Corporation;

THEREFORE the Corporation and the Gas Company agree as follows:

Part I - Definitions

1. **In this Agreement**

(a) “decommissioned" and "decommissions" when used in connection with parts of the gas system, mean any parts of the gas system taken out of active use and purged in accordance with the applicable CSA standards and in no way affects the use of the term 'abandoned' pipeline for the purposes of the *Assessment Act*;

(b) “Engineer/Road Superintendent" means the most senior individual employed by the Corporation with responsibilities for highways within the Municipality or the person designated by such senior employee or such other person as may from time to time be designated by the Council of the Corporation;

(c) "gas" means natural gas, manufactured gas, synthetic natural gas, liquefied petroleum gas or propane-air gas, or a mixture of any of them, but does not include a liquefied petroleum gas that is distributed by means other than a pipeline;

(d) "gas system" means such mains, plants, pipes, conduits, services, valves, regulators, curb boxes, stations, drips or such other equipment as the Gas Company may require or deem desirable for the distribution, storage and transmission of gas in or through the Municipality;

(e) "highway" means all common and public highways and shall include any bridge, viaduct or structure forming part of a highway, and any public square, road allowance or walkway and shall include not only the travelled portion of such highway, but also ditches, driveways, sidewalks, and sodded areas forming part of the road allowance now or at any time during the term hereof under the jurisdiction of the Corporation;

(f) "Model Franchise Agreement" means the form of agreement which the Ontario Energy Board uses as a standard when considering applications under the *Municipal Franchises Act*. The Model Franchise Agreement may be changed from time to time by the Ontario Energy Board;

(g) "Municipality" means the territorial limits of the Corporation on the date when this Agreement takes effect, and any territory which may thereafter be brought within the jurisdiction of the Corporation;

(h) "Plan" means the plan described in Paragraph 5 of this Agreement required to be filed by the Gas Company with the Engineer/Road Superintendent prior to commencement of work on the gas system; and

(i) whenever the singular, masculine or feminine is used in this Agreement, it shall be considered as if the plural, feminine or masculine has been used where the context of the Agreement so requires.

Part II - Rights Granted

2. **To provide gas service**

The consent of the Corporation is hereby given and granted to the Gas Company to distribute, store and transmit gas in and through the Municipality to the Corporation and to the inhabitants of the Municipality.

3. **To Use Highways**

Subject to the terms and conditions of this Agreement the consent of the Corporation is hereby given and granted to the Gas Company to enter upon all highways now or at any time hereafter under the jurisdiction of the Corporation and to lay, construct, maintain, replace, remove, operate and repair a gas system for the distribution, storage and transmission of gas in and through the Municipality.

4. **Duration of Agreement and Renewal Procedures**

(a) If the Corporation has not previously received gas distribution services, the rights hereby given and granted shall be for a term of 20 years from the date of final passing of the By-law.

or

(b) If the Corporation has previously received gas distribution services, the rights hereby given and granted shall be for a term of 20 years from the date of final passing of the By-law provided that, if during the 20 year term of this Agreement, the Model Franchise Agreement is changed, then on the 7th anniversary and on the 14th anniversary of the date of the passing of the By-law, this Agreement shall be deemed to be amended to incorporate any changes in the Model Franchise Agreement in effect on such anniversary dates. Such deemed amendments shall not apply to alter the 20 year term.

(c) At any time within two years prior to the expiration of this Agreement, either party may give notice to the other that it desires to enter into negotiations for a renewed franchise upon such terms and conditions as may be agreed upon. Until such renewal has been settled, the terms and conditions of this Agreement shall continue, notwithstanding the expiration of this Agreement. This shall not preclude either party from applying to the Ontario Energy Board for a renewal of the Agreement pursuant to section 10 of the *Municipal Franchises Act*.

Part III – Conditions

5. **Approval of Construction**

(a) The Gas Company shall not undertake any excavation, opening or work which will disturb or interfere with the surface of the travelled portion of any highway unless a permit therefor has first been obtained from the Engineer/Road Superintendent and all work done by the Gas Company shall be to his satisfaction.

(b) Prior to the commencement of work on the gas system, or any extensions or changes to it (except service laterals which do not interfere with municipal works in the highway), the Gas Company shall file with the Engineer/Road Superintendent a Plan, satisfactory to the Engineer/Road Superintendent, drawn to scale and of sufficient detail considering the complexity of the specific locations involved, showing the highways in which it proposes to lay its gas system and the particular parts thereof it proposes to occupy.

(c) The Plan filed by the Gas Company shall include geodetic information for a particular location:

(i) where circumstances are complex, in order to facilitate known projects, including projects which are reasonably anticipated by the Engineer/Road Superintendent, or

(ii) when requested, where the Corporation has geodetic information for its own services and all others at the same location.

(d) The Engineer/Road Superintendent may require sections of the gas system to be laid at greater depth than required by the latest CSA standard for gas pipeline systems to facilitate known projects or to correct known highway deficiencies.

(e) Prior to the commencement of work on the gas system, the Engineer/Road Superintendent must approve the location of the work as shown on the Plan filed by the Gas Company, the timing of the work and any terms and conditions relating to the installation of the work.

(f) In addition to the requirements of this Agreement, if the Gas Company proposes to affix any part of the gas system to a bridge, viaduct or other structure, if the Engineer/Road Superintendent approves this proposal, he may require the Gas Company to comply with special conditions or to enter into a separate agreement as a condition of the approval of this part of the construction of the gas system.

(g) Where the gas system may affect a municipal drain, the Gas Company shall also file a copy of the Plan with the Corporation's Drainage Superintendent for purposes of the *Drainage Act*, or such other person designated by the Corporation as responsible for the drain.

(h) The Gas Company shall not deviate from the approved location for any part of the gas system unless the prior approval of the Engineer/Road Superintendent to do so is received.

(i) The Engineer/Road Superintendent's approval, where required throughout this Paragraph, shall not be unreasonably withheld.

(j) The approval of the Engineer/Road Superintendent is not a representation or warranty as to the state of repair of the highway or the suitability of the highway for the gas system.

6. **As Built Drawings**

The Gas Company shall, within six months of completing the installation of any part of the gas system, provide two copies of "as built" drawings to the Engineer/Road Superintendent. These drawings must be sufficient to accurately establish the location, depth (measurement between the top of the gas system and the ground surface at the time of installation) and distance of the gas system. The "as built" drawings shall be of the same quality as the Plan and, if the approved pre-construction plan included elevations that were geodetically referenced, the "as built" drawings shall similarly include elevations that are geodetically referenced. Upon the request of the Engineer/Road Superintendent, the Gas Company shall provide one copy of the drawings in an electronic format and one copy as a hard copy drawing.

7. **Emergencies**

In the event of an emergency involving the gas system, the Gas Company shall proceed with the work required to deal with the emergency, and in any instance where prior approval of the Engineer/Road Superintendent is normally required for the work, the Gas Company shall use its best efforts to immediately notify the Engineer/Road Superintendent of the location and nature of the emergency and the work being done and, if it deems appropriate, notify the police force, fire or other emergency services having jurisdiction. The Gas Company shall provide the Engineer/Road Superintendent with at least one 24 hour emergency contact for the Gas Company and shall ensure the contacts are current.

8. **Restoration**

The Gas Company shall well and sufficiently restore, to the reasonable satisfaction of the Engineer/Road Superintendent, all highways, municipal works or improvements which it may excavate or interfere with in the course of laying, constructing, repairing or removing its gas system, and shall make good any settling or subsidence thereafter caused by such excavation or interference. If the Gas Company fails at any time to do any work required by this Paragraph within a reasonable period of time, the Corporation may do or cause such work to be done and the Gas Company shall, on demand, pay the Corporation's reasonably incurred costs, as certified by the Engineer/Road Superintendent.

9. **Indemnification**

The Gas Company shall, at all times, indemnify and save harmless the Corporation from and against all claims, including costs related thereto, for all damages or injuries including death to any person or persons and for damage to any property, arising out of the Gas Company operating, constructing, and maintaining its gas system in the Municipality, or utilizing its gas system for the carriage of gas owned by others. Provided that the Gas Company shall not be required to indemnify or save harmless the Corporation from and against claims, including costs related thereto, which it may incur by reason of damages or injuries including death to any person or persons and for damage to any property, resulting from the negligence or wrongful act of the Corporation, its servants, agents or employees.

10. **Insurance**

(a) The Gas Company shall maintain Comprehensive General Liability Insurance in sufficient amount and description as shall protect the Gas Company and the Corporation from claims for which the Gas Company is obliged to indemnify the Corporation under Paragraph 9. The insurance policy shall identify the Corporation as an additional named insured, but only with respect to the operation of the named insured (the Gas Company). The insurance policy shall not lapse or be cancelled without sixty (60) days' prior written notice to the Corporation by the Gas Company.

(b) The issuance of an insurance policy as provided in this Paragraph shall not be construed as relieving the Gas Company of liability not covered by such insurance or in excess of the policy limits of such insurance.

(c) Upon request by the Corporation, the Gas Company shall confirm that premiums for such insurance have been paid and that such insurance is in full force and effect.

11. **Alternative Easement**

The Corporation agrees, 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, to give the Gas Company reasonable notice of such proposed sale or closing and, if it is feasible, to provide the Gas Company with easements over that part of the highway proposed to be sold or closed sufficient to allow the Gas Company to preserve any part of the gas system in its then existing location. In the event that such easements cannot be provided, the Corporation and the Gas Company shall share the cost of relocating or altering the gas system to facilitate continuity of gas service, as provided for in Paragraph 12 of this Agreement.

12. **Pipeline Relocation**

(a) If in the course of constructing, reconstructing, changing, altering or improving any highway or any municipal works, the Corporation deems that it is necessary to take up, remove or change the location of any part of the gas system, the Gas Company shall, upon notice to do so, remove and/or relocate within a reasonable period of time such part of the gas system to a location approved by the Engineer/Road Superintendent.

(b) Where any part of the gas system relocated in accordance with this Paragraph is located on a bridge, viaduct or structure, the Gas Company shall alter or relocate that part of the gas system at its sole expense.

(c) Where any part of the gas system relocated in accordance with this Paragraph is located other than on a bridge, viaduct or structure, the costs of relocation shall be shared between the Corporation and the Gas Company on the basis of the total relocation costs, excluding the value of any upgrading of the gas system, and deducting any contribution paid to the Gas Company by others in respect to such relocation; and for these purposes, the total relocation costs shall be the aggregate of the following:

(i) the amount paid to Gas Company employees up to and including field supervisors for the hours worked on the project plus the current cost of fringe benefits for these employees,

(ii) the amount paid for rental equipment while in use on the project and an amount, charged at the unit rate, for Gas Company equipment while in use on the project,

(iii) the amount paid by the Gas Company to contractors for work related to the project,

(iv) the cost to the Gas Company for materials used in connection with the project, and

(v) a reasonable amount for project engineering and project administrative costs which shall be 22.5% of the aggregate of the amounts determined in items (i), (ii), (iii) and (iv) above.

(d) The total relocation costs as calculated above shall be paid 35% by the Corporation and 65% by the Gas Company, except where the part of the gas system required to be moved is located in an unassumed road or in an unopened road allowance and the Corporation has not approved its location, in which case the Gas Company shall pay 100% of the relocation costs.

Part IV - Procedural And Other Matters

13. **Municipal By-laws of General Application**

The Agreement is subject to the provisions of all regulating statutes and all municipal by-laws of general application, except by-laws which have the effect of amending this Agreement.

14. **Giving Notice**

Notices may be delivered to, sent by facsimile or mailed by prepaid registered post to the Gas Company at its head office or to the authorized officers of the Corporation at its municipal offices, as the case may be.

15. **Disposition of Gas System**

(a) If the Gas Company decommissions part of its gas system affixed to a bridge, viaduct or structure, the Gas Company shall, at its sole expense, remove the part of its gas system affixed to the bridge, viaduct or structure.

(b) If the Gas Company decommissions any other part of its gas system, it shall have the right, but is not required, to remove that part of its gas system. It may exercise its right to remove the decommissioned parts of its gas system by giving notice of its intention to do so by filing a Plan as required by Paragraph 5 of this Agreement for approval by the Engineer/Road Superintendent. If the Gas Company does not remove the part of the gas system it has decommissioned and the Corporation requires the removal of all or any part of the decommissioned gas system for the purpose of altering or improving a highway or in order to facilitate the construction of utility or other works in any highway, the Corporation may remove and dispose of so much of the decommissioned gas system

as the Corporation may require for such purposes and neither party shall have recourse against the other for any loss, cost, expense or damage occasioned thereby. If the Gas Company has not removed the part of the gas system it has decommissioned and the Corporation requires the removal of all or any part of the decommissioned gas system for the purpose of altering or improving a highway or in order to facilitate the construction of utility or other works in a highway, the Gas Company may elect to relocate the decommissioned gas system and in that event Paragraph 12 applies to the cost of relocation.

16. **Use of Decommissioned Gas System**

(a) The Gas Company shall provide promptly to the Corporation, to the extent such information is known:

(i) the names and addresses of all third parties who use decommissioned parts of the gas system for purposes other than the transmission or distribution of gas; and

(ii) the location of all proposed and existing decommissioned parts of the gas system used for purposes other than the transmission or distribution of gas.

(b) The Gas Company may allow a third party to use a decommissioned part of the gas system for purposes other than the transmission or distribution of gas and may charge a fee for that third party use, provided

(i) the third party has entered into a municipal access agreement with the Corporation; and

(ii) the Gas Company does not charge a fee for the third party's right of access to the highways.

(c) Decommissioned parts of the gas system used for purposes other than the transmission or distribution of gas are not subject to the provisions of this Agreement. For decommissioned parts of the gas system used for purposes other than the transmission and distribution of gas, issues such as relocation costs will be governed by the relevant municipal access agreement.

17. **Franchise Handbook**

The Parties acknowledge that operating decisions sometimes require a greater level of detail than that which is appropriately included in this Agreement. The Parties agree to look for guidance on such matters to the Franchise Handbook prepared by the Association of Municipalities of Ontario and the gas utility companies, as may be amended from time to time.

18. **Other Conditions**

None.

19. **Agreement Binding Parties**

This Agreement shall extend to, benefit and bind the parties thereto, their successors and assigns, respectively.

IN WITNESS WHEREOF the parties have executed this Agreement effective from the date written above.

THE CORPORATION OF THE MUNICIPALITY OF MARKSTAY-WARREN

Per:

_____
Steve Olsen, Mayor

Per:

_____
Marc Serré, Clerk

ENBRIDGE GAS INC.

Per:

_____
, Director, Regulatory Affairs

Per:

_____
David Marshall, Director, Station Operations & Customer Connections