



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

April 14, 2026

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

Dear Mr. Murray:

**Re: Enbridge Gas Inc.  
Application for Approval of Franchise Agreement  
Town of The Blue Mountains**

Attached is an application by Enbridge Gas Inc. for an Order of the Ontario Energy Board with respect to a Franchise Agreement with the Town of The Blue Mountains. An agreement has been reached between Enbridge Gas Inc. and the Town of The Blue Mountains with regards to the terms and conditions of the proposed Franchise Agreement.

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  
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(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 Town of The Blue Mountains 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 Town of The Blue Mountains.

### 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 Town of The Blue Mountains (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 7,300 customers in the Town of The Blue Mountains. Enbridge Gas and its predecessors have been providing gas distribution services within the Town of The Blue Mountains since approximately 1957.
3. The Town of The Blue Mountains is a lower-tier municipality in the County of Grey. The Municipality was formed on January 1, 1998 when the former Town of Thornbury was amalgamated with the former Township of Collingwood.
4. Enbridge Gas has an existing franchise agreement with the Town of The Blue Mountains (EB-2006-0171) effective September 11, 2006 and an associated By-law (By-law 2006-69) which are attached as Schedule "B".
5. Enbridge Gas has a Certificate of Public Convenience and Necessity for the Town of The Blue Mountains (EB-2006-0172) dated August 25, 2006 which is attached as Schedule "C". Enbridge Gas is not aware of any changes to the municipal boundaries of the Town of The Blue Mountains since the Certificate of Public Convenience and Necessity was issued.
6. On September 24, 2025, Enbridge Gas sent an email to initiate discussions with the Town of The Blue Mountains to commence the process to renew a 20-year franchise agreement using the approved Model Franchise Agreement (see Schedule D). This email was sent almost 12 months in advance of the September 11, 2026 expiry of the current franchise agreement between the Town of The Blue Mountains 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 Town of The Blue Mountains that the current Model Franchise Agreement was to be used as the model for such renewals. Enbridge Gas provided the Town of The Blue Mountains with a draft bylaw, a draft resolution and the Model Franchise Agreement to be used for the renewal process. The Town of The Blue Mountains 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 Town of The Blue Mountains in an attempt to come to an agreement with respect to the use of the Model Franchise Agreement.
9. On February 17, 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 on February 17, 2026 related to approving the form of the by-law and franchise agreement and authorizing this submission to the Ontario Energy Board as well as a copy of the referenced Staff Report ADM.26.009.
11. Attached hereto as Schedule "F" is a copy of By-law 2026-07 and the proposed franchise agreement. The Town of The Blue Mountains has enacted and passed its by-law.
12. Enbridge Gas has franchise agreements with and Certificates of Public Convenience and Necessity for the Township of Clearview, the Town of Collingwood, the Municipality of Grey Highlands and the Municipality of Meaford 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 Town of The Blue Mountains.
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 Town of The Blue Mountains is as follows:

Town of The Blue Mountains  
32 Mill Street  
Thornbury, ON N0H 2P0  
Attention: Corrina Giles, Town Clerk  
Telephone: (519) 599-3131 ext. 232  
Email: [townclerk@thebluemountains.ca](mailto:townclerk@thebluemountains.ca)

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

Enbridge Gas Inc.  
109 Commissioners Road  
London, ON N6A 4P1  
Attention: Don Beauchamp, Director, Utilization  
Email: [don.beauchamp@enbridge.com](mailto:don.beauchamp@enbridge.com)

15. Should the OEB 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 media source used by the Municipality for its notices is [www.collingwoodtoday.ca](http://www.collingwoodtoday.ca).
16. Enbridge Gas now applies to the Ontario Energy Board for an Order pursuant to Section 9(3) of the *Municipal Franchises Act* approving the terms and conditions upon which, and the period for which, the Town of The Blue Mountains 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 within the Town of The Blue Mountains.

**DATED** at the City of Windsor, in the Province of Ontario this 14<sup>th</sup> day of April, 2026.

**ENBRIDGE GAS INC.**

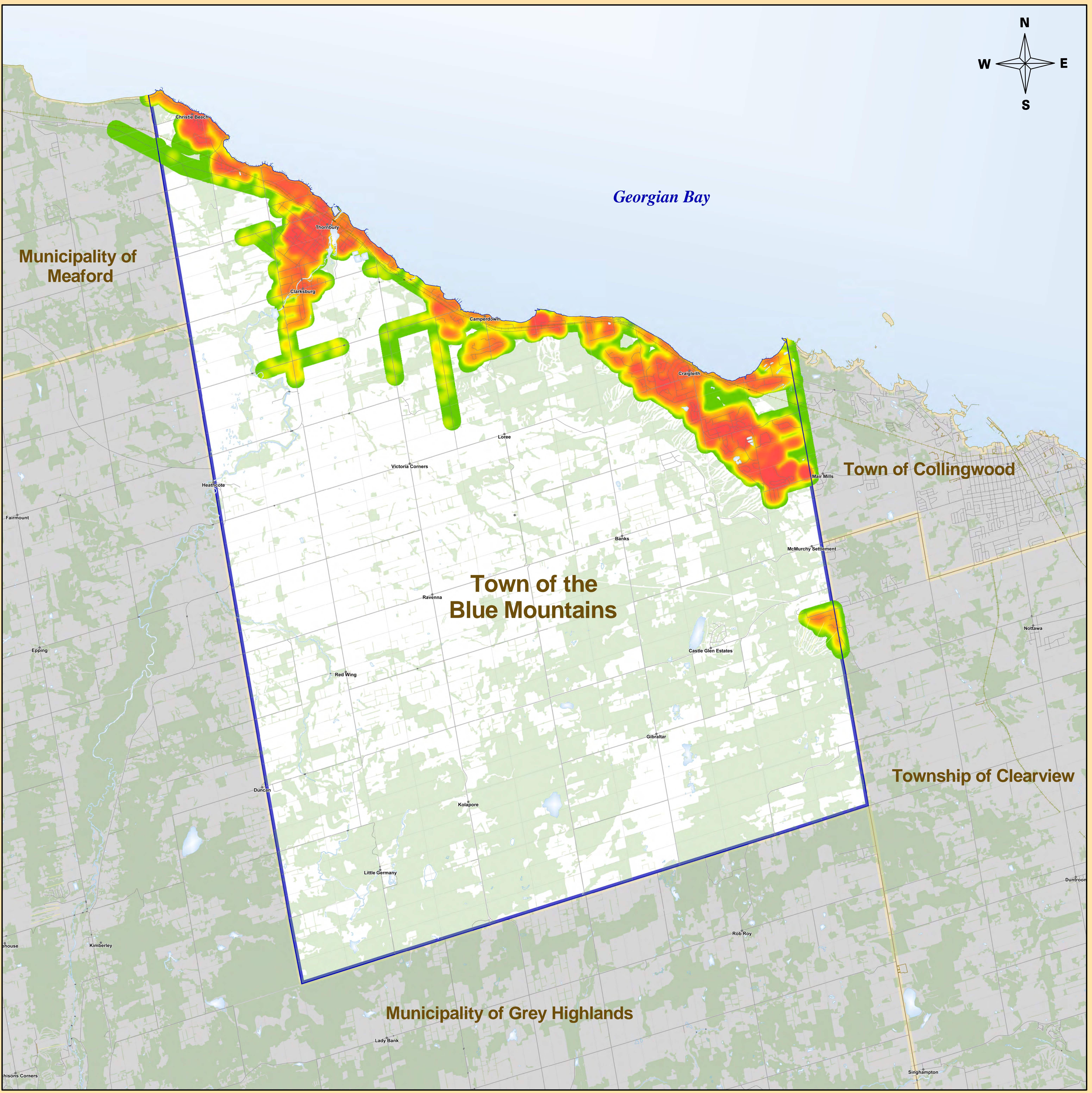
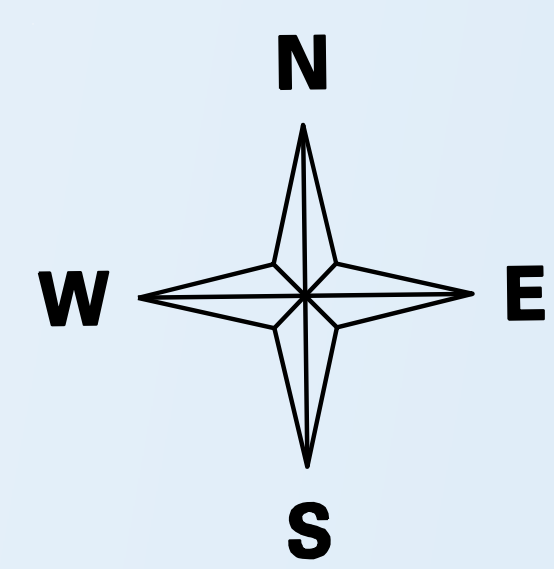
*Evan Tomek*

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Evan Tomek  
Senior Advisor, Regulatory Applications –  
Leave to Construct

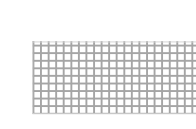
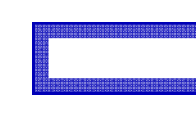

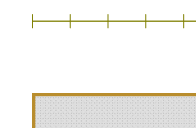


Comments respecting this Application should be directed to:

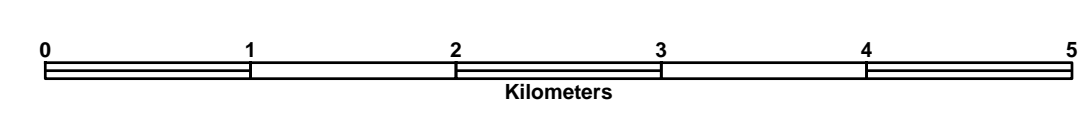
Evan Tomek  
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Enbridge Gas Inc.  
3840 Rhodes Drive  
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Windsor, ON N9A 6N7  
[evan.tomek@enbridge.com](mailto:evan.tomek@enbridge.com)  
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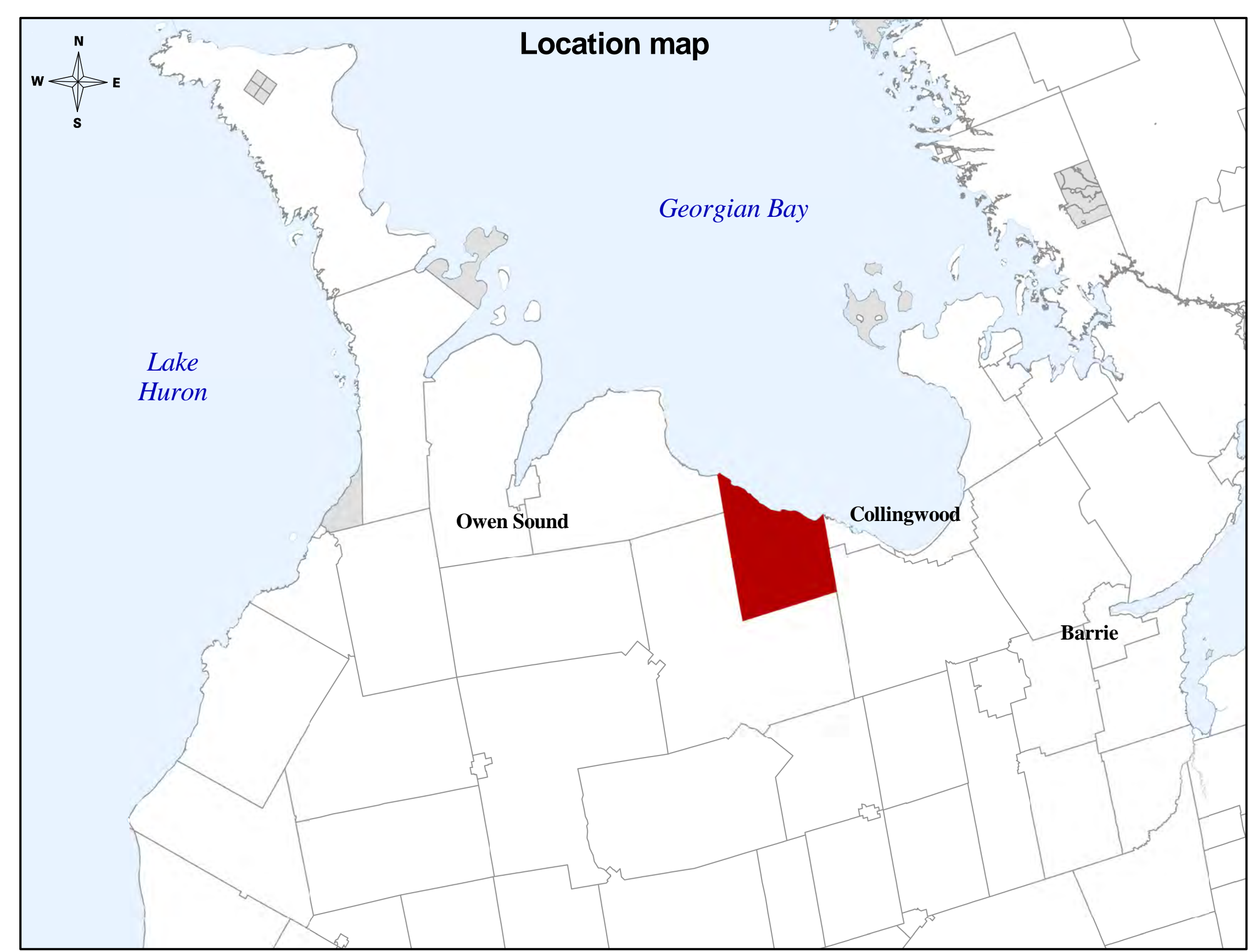
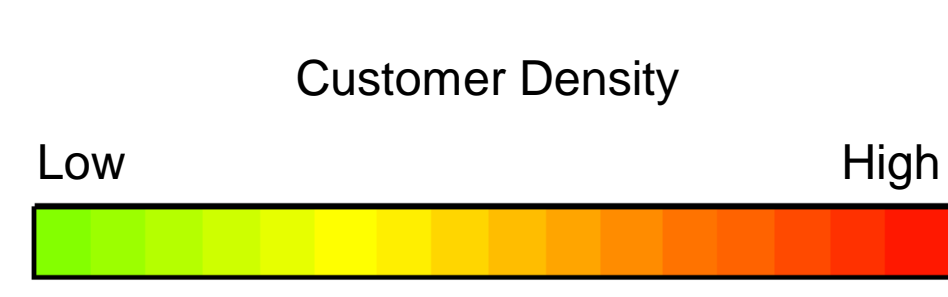
### Town of the Blue Mountains

#### Legend

-  Enbridge Gas Pipeline Coverage Area
-  Town of the Blue Mountains
-  Roads
-  Railways
-  Municipal and Township Boundaries
-  Indigenous Lands



**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



## THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

BY-LAW NUMBER 2006 - 69

A BY-LAW TO AUTHORIZE A FRANCHISE AGREEMENT BETWEEN  
THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS  
and UNION GAS LIMITED

**WHEREAS** the Council of the Corporation of the Town of The Blue Mountains 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 25th day of August, 2006 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 Town of The Blue Mountains enacts as follows:

1. **THAT** the Franchise Agreement between the Corporation of the Town of The Blue Mountains 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 attached Union Gas Limited Letter of Understanding, dated May 18, 2006, forms part of this By-law.
3. **THAT** the Mayor and Clerk be and they are hereby authorized and instructed on behalf of the Corporation of the Town of The Blue Mountains 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.
4. **THAT** the following by-laws be and the same are hereby repealed:

By-law No. 22-1989 for the former Corporation of the Town of Thornbury, passed in Council on the 4<sup>th</sup> day of March, 1991;

By-law No. 77-10 for the former Corporation of the Township of Collingwood, passed in Council on the 5<sup>th</sup> day of June, 1978;

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

Read a first and second time this 12<sup>th</sup> day of June, 2006.

Read a third time and finally passed this 11th day of September, 2006.

*[Original Signed By Duncan McKinlay]*

Duncan R. McKinlay, Deputy Mayor

*[Original Signed By Stephen Keast]*

Stephen Keast, Clerk

**CERTIFIED TO BE A  
TRUE COPY**

*[Original Signed By Stephen Keast]*

STEPHEN KEAST, TOWN CLERK

## 2000 Model Franchise Agreement

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THIS AGREEMENT effective this 11<sup>th</sup> day of September, 2006

BETWEEN:

**THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS**

hereinafter called the "Corporation"

- and -



**uniongas**

**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 7<sup>th</sup> anniversary and on the 14<sup>th</sup> 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**

Notwithstanding the cost sharing arrangements described in Paragraph 12, 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 shall alter or relocate, at its sole expense, such part of the gas system at the point specified, to a location satisfactory to the Engineer/Road Superintendent.

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 TOWN OF THE BLUE MOUNTAINS**

Per: *[Original Signed By Ellen Anderson]*

\_\_\_\_\_  
Ellen Anderson-~~Mayor~~, Mayor  
*AK*

Per: *[Original Signed By Stephen Keast]*

\_\_\_\_\_  
~~Stephen~~ Keast, Clerk

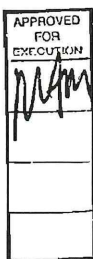
**UNION GAS LIMITED**

Per: *[Original Signed By Curt Bernardi]*

\_\_\_\_\_  
~~Christine A. Jackson, Assistant Secretary~~  
Curt Bernardi, Assistant Secretary

Per: *[Original Signed By Rick Birmingham]*

\_\_\_\_\_  
Michael R. Birmingham, Vice President



## **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

### **Town of The Blue Mountains**

This approval replaces the approval granted under F.B.C. 301 for the former municipalities of the Township of Collingwood and the Town of Thornbury that are now within the Town of The Blue Mountains.

Dated at Toronto, August 25, 2006

### **ONTARIO ENERGY BOARD**

*Original Signed By*

Peter H. O'Dell  
Assistant Board Secretary

**Attachments:** [MA3801 - Town of the Blue Mountains Customer Density.pdf](#)  
[Gas Franchise Handbook \(May 2002\).pdf](#)  
[EB-2006-0172 - Town of The Blue Mountains CPCN \(August 25 2006\).pdf](#)  
[Bylaw and Franchise Agreement - Town of The Blue Mountains \(September 11, 2006\).pdf](#)  
[Model Franchise Agreement - Town of The Blue Mountains \(Lower-Tier EGI South\).pdf](#)  
[Draft Bylaw - Town of The Blue Mountains.docx](#)  
[Draft Resolution - Town of The Blue Mountains.docx](#)  
[2025 09 23 - Updated Guidelines to Municipalities.docx](#)

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**From:** Julie Alexander <Julie.Alexander@enbridge.com>  
**Sent:** Wednesday, September 24, 2025 4:02 PM  
**To:** amatrosovs@thebluemountains.ca  
**Cc:** cao@thebluemountains.ca; townclerk@thebluemountains.ca; Julie Alexander <Julie.Alexander@enbridge.com>  
**Subject:** Enbridge - Franchise Agreement Renewal

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Good afternoon Mayor Matrosovs,

On September 11, 2026, the current franchise agreement between the Town of The Blue Mountains and the former Union Gas Limited will expire. Based on the most recent customer count report, we currently provide service to approximately 7,100 customers within the Town of The Blue Mountains. We have had gas distribution facilities in place within the Town of The Blue Mountains since approximately 1957.

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 model for such agreements.

As a result, Enbridge Gas and the Town of The Blue Mountains need to commence the process to renew a 20-year franchise agreement using the approved model.

To assist you in this matter, I am enclosing the following documents for discussions with the Town of The Blue Mountains:

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 2006-69 (passed on September 11, 2006) and the current Franchise Agreement effective September 11, 2006
- a copy of the Certificate of Public Convenience and Necessity that Enbridge Gas holds for the Town of The Blue Mountains (EB-2006-0172)

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 Town of The Blue Mountains

Please note: This entire process to get a franchise agreement approved by the Ontario Energy Board can be quite lengthy and may take up to eight months. Therefore, we would ask that the municipality review the *Guidelines to Municipalities Respecting the Renewal of Franchise Agreements* and arrange to have a Resolution passed by Council in a timely manner so that the regulatory approval process can commence.

I will follow up in a few weeks to book a meeting once the municipality has had the opportunity to review the documents.

Kind regards,  
Julie

**The Town of The Blue Mountains  
Council Meeting**



**Title:**

B.4.1 Enbridge Franchise Agreement Renewal, ADM.26.009

**Date:**

Tuesday, February 17, 2026

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**Moved by:** Councillor McKinlay

**Seconded by:** Councillor Porter

THAT Council receive Staff Report ADM.26.009, entitled "Enbridge Franchise Agreement Renewal";

AND THAT 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*

**The motion is Carried**

**CERTIFIED TO BE A  
TRUE COPY**

[Original Signed by Carrie Fairley]

CARRIE FAIRLEY, ACTING DEPUTY CLERK



# Staff Report

## Administration – Chief Administrative Officer

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**Report To:** COW- Admin, Corp and Finance, SI, Comm. Services  
**Meeting Date:** February 2, 2026  
**Report Number:** ADM.26.009  
**Title:** Enbridge Franchise Agreement Renewal  
**Prepared by:** Adam Smith, Chief Administrative Officer

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### A. Recommendations

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THAT Council receive Staff Report ADM.26.009, entitled “Enbridge Franchise Agreement Renewal”;

AND THAT 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*;

AND THAT Council requests that the Ontario Energy Board make an Order declaring and directing that the assent of the municipal electors to the attached draft by-law and franchise agreement pertaining to the Corporation of the Town of The Blue Mountains is not necessary pursuant to the provisions of Section 9(4) of the *Municipal Franchises Act*.

### B. Overview

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The intent of this report is to receive Council direction with respect to the renewal of the franchise agreement with Enbridge Gas anticipated to expire on September 11, 2026. The agreement must be in a form approved by the Ontario Energy Board and is standard across all municipalities in Ontario that have natural gas services.

### C. Background

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Enbridge Gas provides natural gas to approximately 7,100 customers in the Town of the Blue Mountains. The Franchise Agreement is an agreement that allows Enbridge Gas to distribute, store and transmit gas in and through the municipality to the Corporation and to the inhabitants of the municipality. The current agreement with the Town is set to expire this year and as such, a renewal is required to proceed to facilitate the provision of natural gas in the community. Importantly, the Ontario Energy Board regulates the form and content of these agreements to support consistency in the delivery of the service across Ontario.

## **D. Analysis**

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Essentially, the agreement sets forth the terms in which natural gas is provided in the Town including certain rights that will enable reliable supply and distribution. The agreement does not exempt Enbridge Gas from abiding by relevant Town by-laws and paying fees with respect to permits to carry out works related to the service. In addition, the agreement does not obligate residents to access natural gas.

Once the resolution is passed by Council, the by-law and agreement attached to this report are not automatically executed. The resolution will be submitted by Enbridge Gas to the Ontario Energy Board and a review of the franchise agreement approval application will occur. The Ontario Energy Board will publish a Notice of Hearing related to the application in a local newspaper and/or online. The Town will then be provided with a copy of the application and the Notice of Hearing. Following this step, the Ontario Energy Board will issue a decision and formal execution of the by-law and agreement can take place.

## **E. Strategic Priorities**

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### **1. Communication and Engagement**

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

### **2. Organizational Excellence**

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

### **3. Community**

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

### **4. Quality of Life**

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

## **F. Environmental Impacts**

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N/A

## **G. Financial Impacts**

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N/A

## H. In Consultation With

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N/A

## I. Public Engagement

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The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Adam Smith, Chief Administrative Officer [cao@thebluemountains.ca](mailto:cao@thebluemountains.ca).

## J. Attached

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1. 2000 Model Franchise Agreement
2. Draft Enbridge Gas Inc. Franchise Agreement By-law

Respectfully submitted,

Adam Smith  
Chief Administrative Officer

For more information, please contact:  
Adam Smith, Chief Administrative Officer  
[cao@thebluemountains.ca](mailto:cao@thebluemountains.ca)  
519-599-3131 extension 234

## Report Approval Details

Document Title:	ADM.26.009 Enbridge Franchise Agreement Renewal.docx
Attachments:	- Attachment-1-2000-Model-Franchise-Agreement.pdf - Attachment-2-Draft-Enbridge-Gas-Inc-Franchise-Agreement-By-law.pdf
Final Approval Date:	Jan 26, 2026

This report and all of its attachments were approved and signed as outlined below:

**Adam Smith - Jan 26, 2026 - 10:51 AM**

## The Corporation of the Town of The Blue Mountains

### By-Law Number 2026 – 07

**Being a By-law to Authorize a Franchise Agreement Between The Corporation of the Town of The Blue Mountains and Enbridge Gas Inc.**

Whereas the Council of the Corporation of the Town of The Blue Mountains deems it expedient to enter into the attached franchise agreement (the "Franchise Agreement") with Enbridge Gas Inc.;

Now Therefore Council of The Corporation of the Town of The Blue Mountains hereby enacts as follows:

1. **THAT** the Franchise Agreement between the Corporation of the Town of The Blue Mountains 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 Town Clerk be and they are hereby authorized and instructed on behalf of the Corporation of the Town of The Blue Mountains 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 2006-69 for the Corporation of the Town of The Blue Mountains, passed in Council on the 11<sup>th</sup> day of September 2006.

And Further that this By-law shall come into force and take effect upon the enactment thereof.

Enacted and passed this 17<sup>th</sup> day of February 2026

*[Original Signed By Peter Bordignon]*

Peter Bordignon, Deputy Mayor

*[Original Signed By Corrina Giles]*

Corrina Giles, Town Clerk

**CERTIFIED TO BE A  
TRUE COPY**

*[Original Signed By Corrina Giles]*

CORRINA GILES, TOWN CLERK

# 2000 Model Franchise Agreement

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THIS AGREEMENT effective this            day of            , 2026

BETWEEN:

**THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS**

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 7<sup>th</sup> anniversary and on the 14<sup>th</sup> 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**

Notwithstanding the cost sharing arrangements described in Paragraph 12, 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 shall alter or relocate, at its sole expense, such part of the gas system at the point specified, to a location satisfactory to the Engineer/Road Superintendent.

**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 TOWN OF THE BLUE MOUNTAINS**

Per: \_\_\_\_\_  
Andrea Matrosovs, Mayor

Per: \_\_\_\_\_  
Corrina Giles, Town Clerk

**ENBRIDGE GAS INC.**

Per: \_\_\_\_\_  
, Director, Regulatory Affairs

Per: \_\_\_\_\_  
Don Beauchamp, Director, Utilization