

Economic and Development Services Committee – October 16, 2023

Update on Franchise Agreement Renewal with Enbridge Gas (All Wards) (File 03-05)

That the Economic and Development Services Committee recommend to City Council:

Whereas, Council approved the recommendations in Report ED-23-88 dated April 12, 2023 regarding the Municipal Consent Process and Franchise Agreement Renewal with Enbridge Gas Inc. (“Enbridge Gas”); and,

Whereas, Provincial legislation requires a Franchise Agreement between a Municipal Corporation and the gas utility company serving that Municipality; and,

Whereas in April 2001, the Ontario Energy Board issued a Model Franchise Agreement to serve as a model for such agreement; and,

Whereas on July 21, 2003, the Corporation of the City of Oshawa (“City”) entered into a Franchise Agreement with Enbridge Gas, the gas utility company serving Oshawa; and,

Whereas, the current Franchise Agreement with Enbridge Gas expired on July 21, 2023; and,

Whereas, Council authorized staff to update the current Franchise Agreement, to the satisfaction of the Commissioner, Economic and Development Services and the City Solicitor, for a term of no greater than 20 years; and,

Whereas, Council directed that the updated Franchise Agreement be executed in accordance with the City’s Delegation By-law 29-2009, as amended (“Delegation By-law”); and,

Whereas, in or around the mid-2000s, Enbridge Gas successfully obtained an order from the Ontario Energy Board declaring and directing that the assent of the Municipal electors of that municipality is not necessary pursuant to Section 9(4) of the *Municipal Franchises Act*; and,

Whereas, by way of an application from Enbridge Gas, the Ontario Energy Board has directed and declared that the assent of those Municipal electors of the City to the by-law is not necessary in the event Council passes the necessary by-law;

Therefore, be it resolved that:

1. This Council approves the form of draft by-law and franchise agreement attached hereto as Attachment 1 and authorizes the submission thereof to the Ontario Energy Board for approval pursuant to the provisions of Section 9 of the *Municipal Franchises Act*.

2. This 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 City of Oshawa is not necessary pursuant to the provisions of Section 9(4) of the *Municipal Franchises Act*.



**By-law -2023
of The Corporation of the City of Oshawa**

Being a by-law to authorize a franchise agreement between The Corporation of The City of Oshawa and Enbridge Gas Inc.

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

Whereas the Ontario Energy Board by its Order issued pursuant to the Municipal Franchises Act on the _____ day of _____, 2022 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 City of Oshawa enacts as follows:

1. That the Franchise Agreement between the Corporation of the City of Oshawa 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 City Clerk be and they are hereby authorized and instructed on behalf of the Corporation of the City of Oshawa 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 97-2003 for the Corporation of the City of Oshawa, passed in Council on the 21st day of July, 2003.
4. That this by-law shall come into force and take effect as of the final passing thereof.

By-law passed this _____ day of _____, 2023.

Mayor

City Clerk