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Toronto

February 25, 2025

Cole Tavener
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Montréal

Sent By Electronic Mail and Filed on RESS

Calgary

Ms. Nancy Marconi
Registrar
Ontario Energy Board
27th Floor - 2300 Yonge Street
Toronto, Ontario M4P 1E4

Ottawa

Vancouver

New York

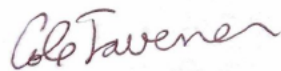
Dear Ms. Marconi,

**RE: EB-2025-0090 - SEDUM MASTER INC. – APPLICATION FOR
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

We are counsel to Sedum Master Inc. (“**Sedum**”) in the above noted matter. Further to the February 21, 2025 request of Ontario Energy Board staff, enclosed please find an updated application for a Certificate of Public Convenience and Necessity to construct works and supply gas to certain areas in the Township of Blanford-Blenheim.

Please do not hesitate to contact my office should you have any questions or wish to discuss this matter.

Sincerely,



Cole Tavener
Associate

CT

Enclosure

c: Richard J. King (Osler, Hoskin & Harcourt LLP)
Tom Watkinson (Sedum Master Inc.)

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 Sedum Master Inc. for an Order approving the terms and conditions upon which, and the periods for which, the Corporation of the Township of Blandford-Blenheim is, by by-law, to grant Sedum Master Inc. the right to construct and operate works for the distribution and transmission of natural gas in the Township of Blandford-Blenheim;

AND IN THE MATTER OF an application by Sedum Master Inc. for an Order directing and declaring that the assent of the municipal electors of the Township of Blandford-Blenheim to the by-law is not necessary; and

AND IN THE MATTER OF an application by Sedum Master Inc. for an Order issuing a Certificate of Public Convenience and Necessity to construct works and supply gas to certain areas in the Township of Blandford-Blenheim

APPLICATION OF SEDUM MASTER INC.

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APPLICATION OF SEDUM MASTER INC.

A. Overview

1. Sedum Master Inc. (“**Sedum**”) owns and operates a greenhouse facility located at 855217 Gobles Road, Princeton, Ontario (Concession 2 N Part Lot 19) (the “**Facility**”). Sedum is a three-generation, family-owned business that grows and ships plant material for use on “green roofs” for the North American building and construction industry.

2. Sedum has been a customer of Enbridge Gas Inc. (“**EGI**”) for many years. However, limitations on EGI’s capacity to supply the Facility with the required volumes of natural gas has proven problematic as Sedum has continued to expand its Facility and grow its business. In 2015, Sedum sought an additional supply of natural gas for a 7,400 square meter (80,000 square foot) addition (the “**2015 Expansion**”) and was advised no further quantities were available on a timely basis. As a result, Sedum installed propane to meet Sedum’s expanded load. Sedum commenced construction of an additional 12,200 square meter (131,000 square foot) expansion in 2021 (the “**2021 Expansion**” and, together with the 2015 Expansion, the “**Expansions**”), which was completed in 2022.

3. Heating for the 2021 Expansion has been temporarily supplied using propane. However, the continued use of propane is not appropriate to support the Expansions. As such, and as described further below, Sedum intends to construct a 4.5 km pipeline (the “**Proposed Pipeline**”) from a nearby EGI delivery station to the Facility for the transmission of natural gas to the Facility.

4. Sedum therefore applied to the Council of the Township of Blandford-Blenheim (the “**Township Council**”) for a franchise agreement permitting Sedum to construct and operate works

for the distribution and transmission of natural gas and the right to extend and add to the works in the Township of Blandford-Blenheim (the “**Township**”).

5. Sedum now applies to the Ontario Energy Board (the “**Board**” or the “**OEB**”) for:
 - (a) an Order pursuant to subsection 9(3) of the *Municipal Franchises Act* (“**MFA**”) approving the terms and conditions upon which, and the period for which, the Township is, by by-law, to grant Sedum the right to construct and operate works for the distribution and transmission of natural gas;
 - (b) an Order pursuant to subsection 9(4) of the MFA directing and declaring that the assent of the municipal electors of the Township is not necessary under the circumstances; and
 - (c) an Order pursuant to section 8 of the MFA issuing a Certificate of Public Convenience and Necessity to construct the Proposed Pipeline and supply gas to the Facility in the Township.

6. **Discussions and Negotiations with EGI**

6. Sedum contacted EGI’s predecessor, Union Gas Limited (“**Union**”), in July 2018 in an effort to again obtain supply for the 2015 Expansion. Sedum became aware of the existence of a local producer pipeline in the region, and made an inquiry of the Union sales representative as to the availability of adequate natural gas supply if Sedum acquired the producer line and used it to deliver gas to the Facility. The Union representative advised that sufficient gas would be available from Union’s Toyota Station which was near the producer pipeline.

7. Sedum continued discussions with the Union representative for the next couple of years as it transitioned to EGI, but progress was (in Sedum's view) slow. By spring 2020, EGI's representative became involved, and expressed optimism that a solution could be found for Sedum.

8. Discussions and negotiations between Sedum and EGI regarding a delivery station location, delivery pressure and quantities continued, and in late January 2021, Sedum received a proposal from EGI, including an estimated capital cost.

9. Since reaching out in 2018, Sedum has amended the parameters of its natural gas needs to include the 2021 Expansion.

10. In October 2021, Sedum completed and submitted a "Get Connected" application and has since requested that EGI provide any further documentation requests needed to advance the construction and connection of the new delivery station.

11. Since then, Sedum and EGI have explored numerous alternatives for service and none have proven feasible for Sedum, with the exception of the Proposed Pipeline.

C. The Proposed Pipeline

12. The Proposed Pipeline will be constructed of NPS 3 DR 9 or DR7 PE4710 high density yellow strip ASTM D2513 API 15 LE CSA B137 approved pipe. Most of the Proposed Pipeline will be installed using directional drilling and plowing so as to keep soil disturbance to a minimum.

13. The installation of the Proposed Pipeline will be made using qualified and licenced contractors in accordance with all applicable standards and under the jurisdiction of the Technical

Standards and Safety Authority. Sedum will contract with qualified companies for the ongoing operation and maintenance, and any other items for which it does not have expertise and qualifications.

14. Sedum will operate and maintain the Proposed Pipeline for its exclusive use, and would accept a condition in any Board Order that restricts supply from the Proposed Pipeline to the Facility (and any ancillary buildings owned by Sedum).

D. Station Arrangements

15. EGI has provided Sedum with costs and specifications for a new delivery station and 160 metres of 2” high-pressure steel main pipe (the “**Station**”). The Proposed Pipeline will connect the Facility to the Station.

16. The specifics for the Station are as follows:

- (a) Sedum’s contribution in aid of construction for the Station is estimated to be \$247,000+HST.
- (b) The Station will be constructed within the road allowance of Township Road 2, adjacent to Lot 24, Concession II, Blenheim Township, approximately 200 meters (656’) from EGI’s Toyota Station.
- (c) The Station pressure to be supplied will be 883 kPa or 128 psig.
- (d) The Station will be designed with an hourly capacity exceeding 849 m³ per hour (29.9 Mcfh) and a daily capacity of 20,376 m³ (688 Mcf). Should Sedum’s needs

expand beyond the designed hourly capacity, EGI has advised a heater will be required at a cost of approximately \$100,000.

- (e) Subject to the processing of this application, Sedum would make the payment noted in (a) above to EGI by May 14, 2025, which would enable construction of the Station to be completed by October 1, 2025 in accordance with Sedum's needs.

E. The Proposed Pipeline Route

17. The Proposed Pipeline will run for 4.5 km from the Station, along Township Road 2 and then north to the Facility. A map showing the proposed location of the Station and Proposed Pipeline is attached hereto as Appendix A.

18. The Proposed Pipeline will be located entirely within the Township Road 2 road allowance between the Station and the Facility.

F. The Franchise Agreement

19. Sedum applied to the Township for a franchise agreement permitting Sedum to construct and operate works (i.e., the Proposed Pipeline) for the distribution and transmission of natural gas between the Station and the Facility in the Township.

20. On July 6, 2022, Township Council passed (by first and second reading) By-Law Number 2306-2022 (the "**By-Law**"). The By-Law gives approval to the form of a franchise agreement between Sedum and the Corporation of the Township of Blandford-Blenheim (the "**Franchise Agreement**") in favour of Sedum and authorizing Sedum to apply to the Board for approval of the terms and conditions upon which and the period for which the Franchise Agreement is proposed to be granted. A copy of the By-Law is attached to this application as Appendix B.

21. On July 6, 2022, Township Council passed Resolution Number 19 (the “**Resolution**”) approving the form of the Franchise Agreement and By-Law authorizing this submission to the Board, and requesting an Order declaring and directing that the assent of the municipal electors to the By-Law and Franchise Agreement is not necessary. A copy of the Resolution (as certified July 8, 2022) is attached to this application as Appendix C.

22. The Franchise Agreement is in the form of the 2000 Model Franchise Agreement. A copy of the Franchise Agreement is attached to this application as Appendix D. A blackline between the Franchise Agreement and the 2000 Model Franchise Agreement is attached to this application as Appendix E.

G. Leave to Construct is not Required

23. Pursuant to subsection 90(1) of the *Ontario Energy Board Act, 1998*, Sedum is not required to seek leave to construct in order to construct the Project. In particular:

- (a) the Project will not result in the construction of a hydrocarbon line which is more than 20 kilometres in length;
- (b) the projected cost of the new facilities will not exceed \$2 million; and
- (c) the Project will have a nominal pipe size of far less than 12 inches and will have an operating pressure of less than 2,000 kilopascals.

H. Contact Information

24. The address of the Township is as follows:

Township of Blandford-Blenheim

47 Wilmot Street South
Drumbo, ON N0J 1G0
Attention: Jim Borton
Telephone: 519-463-5347 x7426
Email: jborton@blandfordblenheim.ca

25. The address of Sedum is as follows:

Sedum Master Inc.
855217 Gobles Road
Princeton, ON N0J 1V0
Attention: Tom Watkinson, Consultant
Telephone: 905-351-1712
Email: tommywatkinson@hotmail.com

26. The address of Osler, Hoskin & Harcourt LLP, counsel to Sedum, is as follows:

Osler, Hoskin & Harcourt LLP
100 King Street West, Suite 6200
Toronto, ON M5X 1B8
Attention: Richard King, Partner and Cole Tavener, Associate
Telephone: 416-862-6626
Email(s): rking@osler.com and ctavener@osler.com

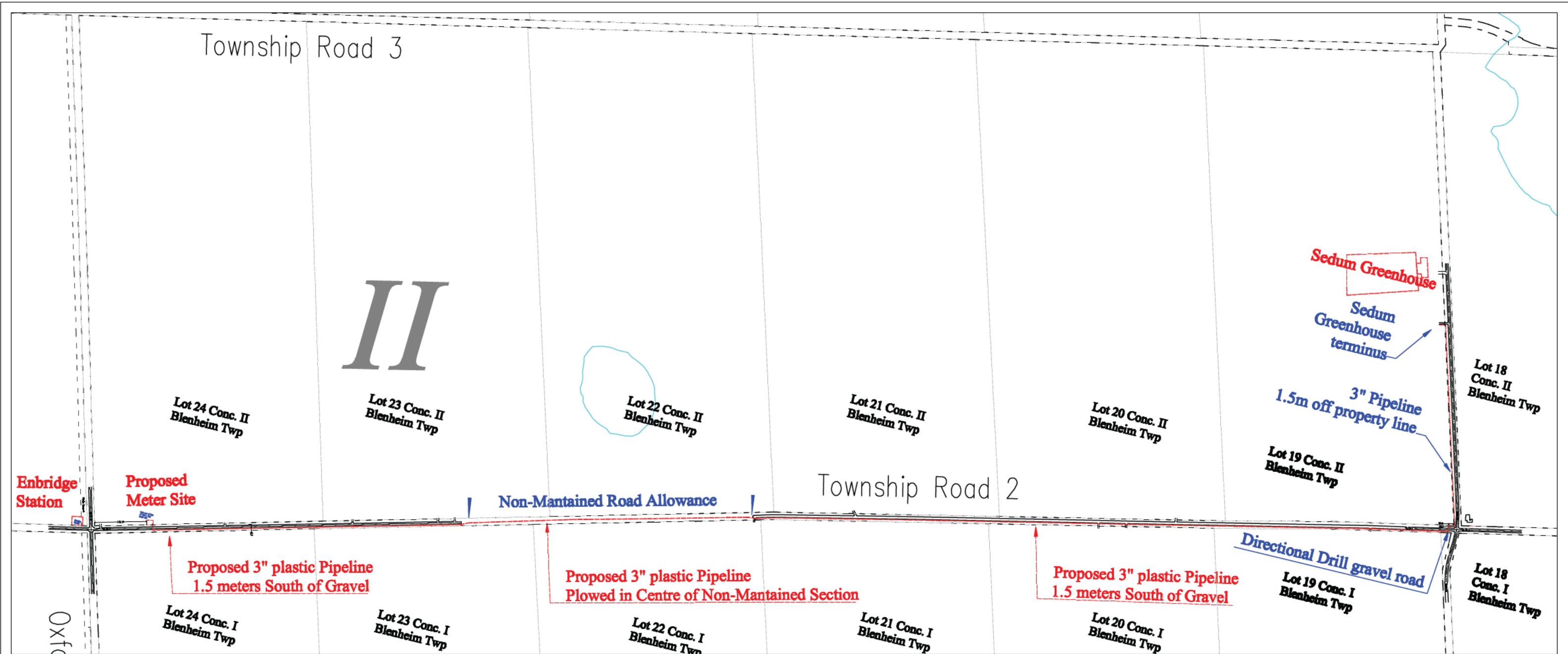
ALL OF WHICH IS RESPECTFULLY SUBMITTED.

February 14, 2025



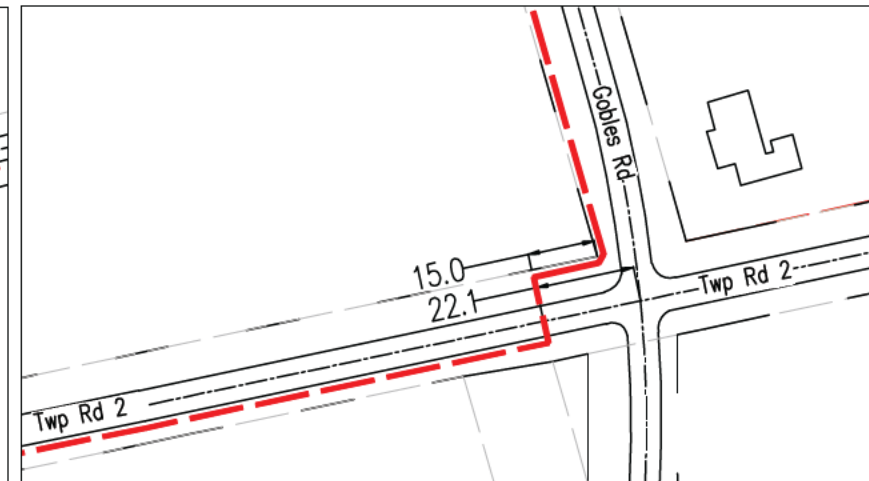
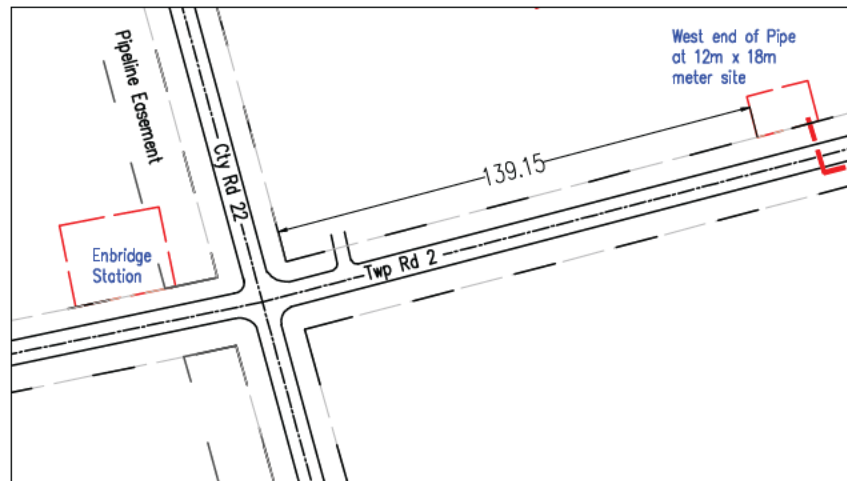
Richard King/Cole Tavener
Osler, Hoskin & Harcourt LLP
Counsel to Sedum Master Inc.

**APPENDIX A – MAP OF THE LOCATION OF THE PROPOSED PIPELINE AND
STATION**



Note:
4064.0 meters of 3" polyethylene pipe installed w/ tracer wire

All pipe to be plowed in at a minimum depth of 0.8m and bored under pavement at a depth of 1.2m



Sedum Master Greenhouse Inc.

Proposed 3" Gas Pipeline & Meter Site
Blandford-Blenheim Twp., Oxford Co., Ontario

**APPENDIX B – BY-LAW 2306-2022 OF THE TOWNSHIP OF BLANDFORD-
BLENHEIM, DATED JULY 6, 2022**

THE CORPORATION OF THE
TOWNSHIP OF BLANDFORD-BLENHEIM

BY-LAW NUMBER 2306-2022

Being a By-law to authorize a franchise agreement between The Corporation of the Township of Blandford-Blenheim and Sedum Master Inc.

WHEREAS the Council of the Corporation of the Township of Blandford-Blenheim deems it expedient to enter into the attached franchise agreement (the "Franchise Agreement") with Sedum Master Inc. to allow for the distribution of gas by Sedum Master Inc. to its facility at 855217 Gobles Road, Princeton, Ontario.

AND WHEREAS the Ontario Energy Board by its Order issued pursuant to The *Municipal Franchises Act, 1990, R.S.O.*, on the _____ day of _____, 20____ 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 Township of Blandford-Blenheim enacts as follows:

1. **THAT** the Franchise Agreement between the Corporation of the Township of Blandford-Blenheim and Sedum Master Inc. attached hereto and forming part of this by-law, to allow for the distribution of gas in the Township of Blandford-Blenheim to Sedum's facility at 855217 Gobles Road, Princeton, Ontario, be and the same is hereby authorized and the franchise provided for therein is hereby granted.
2. **THAT** the Mayor and Clerk be and are hereby authorized and instructed, on behalf of The Corporation of the Township of Blandford-Blenheim, 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.

By-law READ a FIRST and SECOND time this 6h day of July, 2022.

**THE CORPORATION OF THE
TOWNSHIP OF BLANDFORD-BLENHEIM**

[original signature redacted]

Mark Peterson, Mayor

[original signature redacted]

Rodger Mordue, Clerk

By-law READ a THIRD time and finally passed this ____ day of _____, ____.

**THE CORPORATION OF THE
TOWNSHIP OF BLANDFORD-BLENHEIM**

Mark Peterson, Mayor

Rodger Mordue, Clerk

**APPENDIX C – RESOLUTION 19 OF THE TOWNSHIP OF BLANDFORD-
BLLENHEIM, DATED JULY 6, 2022**

**APPENDIX D – DRAFT FRANCHISE AGREEMENT BETWEEN SEDUM MASTER
INC. AND THE CORPORATION OF THE TOWNSHIP OF BLANDFORD-
BLENHEIM**



Ontario Energy Board

Model Franchise Agreement

THIS AGREEMENT effective this _____

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF BLANDFORD-BLENHEIM

hereinafter called the "Corporation"

- and -

SEDUM MASTER INC.

hereinafter called the "Sedum"

WHEREAS Sedum 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 Sedum 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

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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 Sedum may require or deem desirable for the distribution of gas to its facility at 855217 Gobles Road, Princeton, Ontario, N0J 1V0;
- 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 Sedum 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 Sedum to transmit gas to its facility as noted in Paragraph 1.d. above in the Municipality to the Corporation.

- 3. To Use Highways.

Subject to the terms and conditions of this Agreement the consent of the Corporation is hereby given and granted to Sedum 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 of gas to its facility as noted in Paragraph 1.d. above 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 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. Sedum 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 Sedum 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), Sedum 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 Sedum 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

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- 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 Sedum, 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 Sedum 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 Sedum 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, Sedum 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. Sedum 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.

Sedum 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, Sedum 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, Sedum 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, Sedum 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. Sedum shall provide the Engineer/Road Superintendent with at least one 24 hour emergency contact for Sedum and shall ensure the contacts are current.

8. Restoration

Sedum 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 Sedum 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 Sedum shall, on demand, pay the Corporation's reasonably incurred costs, as certified by the Engineer/Road Superintendent.

9. Indemnification

Sedum 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 Sedum 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 Sedum 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. Sedum shall maintain Comprehensive General Liability Insurance in sufficient amount and description as shall protect Sedum and the Corporation from claims for which Sedum 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 (Sedum). The insurance policy shall not lapse or be cancelled without sixty (60) days' prior written notice to the Corporation by Sedum.
- b. The issuance of an insurance policy as provided in this Paragraph shall not be construed as relieving Sedum of liability not covered by such insurance or in excess of the policy limits of such insurance.

- c. Upon request by the Corporation, Sedum 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 Sedum reasonable notice of such proposed sale or closing and, if is feasible, to provide Sedum with easements over that part of the highway proposed to be sold or closed sufficient to allow Sedum 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 Sedum 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, Sedum 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, Sedum 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 Sedum on the basis of the total relocation costs, excluding the value of any upgrading of the gas system, and deducting any contribution paid to Sedum 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 Sedum 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 Sedum equipment while in use on the project,
 - iii. the amount paid by Sedum to contractors for work related to the project,
 - iv. the cost to Sedum 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 Sedum, 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 Sedum 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 bylaws 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 Sedum 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 Sedum decommissions part of its gas system affixed to a bridge, viaduct or structure, Sedum shall, at its sole expense, remove the part of its gas system affixed to the bridge, viaduct or structure.
- b. If Sedum 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 Sedum 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 Sedum 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, Sedum 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. Sedum 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. Sedum 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. Sedum 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

The following paragraph shall be inserted as a special condition in the old Union Gas franchise area, which is understood to be the franchise area of Union Gas in southwestern Ontario prior to its merger with Centra Gas.

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 TOWNSHIP OF BLANDFORD-
BLENHEIM

By: _____

Duly Authorized Officer

SEDUM MASTER INC.

By: Name

Signature _____

I have the authority to bind the Corporation.

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**APPENDIX E – BLACKLINE BETWEEN 2000 MODEL FRANCHISE AGREEMENT
AND DRAFT FRANCHISE AGREEMENT BETWEEN SEDUM MASTER INC.
AND THE CORPORATION OF THE TOWNSHIP OF BLANDFORD-
BLENHEIM**



Ontario Energy Board

Model Franchise Agreement

THIS AGREEMENT effective this ~~day of 20~~ _____

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF BLANDFORD-BLENHEIM

hereinafter called the "Corporation"

- and -

SEDUM MASTER INC.

hereinafter called the "~~Gas Company~~Sedum"

WHEREAS ~~the Gas Company~~Sedum 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~~Sedum 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

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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~~ Sedum may require or deem desirable for the distribution, ~~storage and transmission~~ of gas ~~in or through the Municipality~~ to its facility at 855217 Gobles Road, Princeton, Ontario, N0J 1V0;
- 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~~ Sedum 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~~ Sedum to transmit gas to its facility as noted in Paragraph 1.d. above ~~in and through~~ the Municipality to the Corporation ~~and to the inhabitants of the Municipality.~~

~~or~~

~~The consent of the Corporation is hereby given and granted to the Gas Company to distribute, store and transmit gas in and through the Corporation and to the inhabitants of those local or lower tier municipalities within the Municipality from which the Gas Company has a valid franchise agreement for that purpose.~~

~~* Footnote: Choose one only.~~

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~~Sedum 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 to its facility as noted in Paragraph 1.d. above 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 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~~Sedum 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~~Sedum 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~~Sedum 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

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particular parts thereof it proposes to occupy.

- c. The Plan filed by ~~the Gas Company~~ Sedum 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~~ Sedum, 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~~ Sedum 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~~ Sedum 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~~ Sedum 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~~ Sedum 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~~ Sedum 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~~Sedum 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~~Sedum 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~~Sedum 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~~Sedum shall provide the Engineer/Road Superintendent with at least one 24 hour emergency contact for ~~the Gas Company~~Sedum and shall ensure the contacts are current.

8. Restoration

~~The Gas Company~~Sedum 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~~Sedum 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~~Sedum shall, on demand, pay the Corporation's reasonably incurred costs, as certified by the Engineer/Road Superintendent.

9. Indemnification

~~The Gas Company~~Sedum 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~~Sedum 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~~Sedum 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~~Sedum shall maintain Comprehensive General Liability Insurance in sufficient amount and description as shall protect ~~the Gas~~

CompanySedum and the Corporation from claims for which ~~the Gas~~
~~CompanySedum~~ 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 CompanySedum~~). The insurance policy shall not lapse or be cancelled without sixty (60) days' prior written notice to the Corporation by ~~the Gas CompanySedum~~.

- b. The issuance of an insurance policy as provided in this Paragraph shall not be construed as relieving ~~the Gas CompanySedum~~ 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 CompanySedum~~ 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~~
~~CompanySedum~~ reasonable notice of such proposed sale or closing and, if is feasible, to provide ~~the Gas CompanySedum~~ with easements over that part of the highway proposed to be sold or closed sufficient to allow ~~the Gas CompanySedum~~ 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 CompanySedum~~ 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~~
~~CompanySedum~~ 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 CompanySedum~~ 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 CompanySedum~~ 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 CompanySedum~~ 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~~Sedum 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~~Sedum equipment while in use on the project,
- iii. the amount paid by ~~the Gas Company~~Sedum to contractors for work related to the project,
- iv. the cost to ~~the Gas Company~~Sedum 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~~Sedum, 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~~Sedum 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~~Sedum 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~~Sedum decommissions part of its gas system affixed to a bridge, viaduct or structure, ~~the Gas Company~~Sedum shall, at its sole expense, remove the part of its gas system affixed to the bridge, viaduct or structure.
- b. If ~~the Gas Company~~Sedum 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 Sedum 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~~ Sedum 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~~ Sedum 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~~ Sedum 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~~ Sedum 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
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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 TOWNSHIP OF
BLANDFORD- BLENHEIM

By: _____

Duly Authorized Officer

~~{Insert name of Gas Company}~~

SEDUM MASTER INC.

Draft

|
|
|
By: Name

Signature _____

I have the authority to bind the Corporation.

**APPENDIX F – DRAFT CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY**

Certificate of Public Convenience and Necessity

Ontario Energy Board grants

Sedum Master Inc.

approval under section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M55, as amended, to construct works to supply gas in the

Township of Blandford-Blenheim

As it is constituted on the date of this Decision and Order in the area of:

1. Lot 24, Concession II, Blenheim Township and east along Blenheim Township Road 2 for approximately 4.5 km to Lot 19, Concession II, Blenheim Township, bordered to the west by Gobles Road.

DATED at Toronto, _____, 2025

ONTARIO ENERGY BOARD

Original Signed by

Christine Long
Board Secretary

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