

May 2, 2023

Your Worship and Members of Council,

We are writing today as we've heard from many of you regarding the introduction of a locate charge, and we'd would like to provide some context and background regarding our approach. We are also seeing a lot of misinformation circulate, resulting in misunderstanding, and we'd like to correct the record.

We, along with **all** underground infrastructure owners, are required to comply with the recently released regulations related to locate delivery ([Bill 93](#)). In order to recover our compliance costs and protect the interests of our customers, we introduced a locate charge for **third party and for-profit locate requestors**. We want to reassure you that locates for private property owners and existing natural gas customers **remain at no charge**.

As we shared, the third-party locate charge is currently on pause as we continue to explore pathways and consult with our stakeholders and industry partners, including a phased approach focused on the adoption of a dedicated locator model for large infrastructure owners. Within a dedicated locator model, large excavators hire their own locators trained by infrastructure owners to locate all underground utilities on their projects, which leads to significant efficiencies in locate delivery.

In addition, misinformation is circulating that Enbridge Gas operates its infrastructure in municipal right of ways at no cost – **and this is simply not true**. Enbridge pays more than \$135 million in annual municipal taxes based upon the infrastructure we operate. We also pay additional fees where required when we install new pipe or initiate work to maintain existing assets. We deliver natural gas service to approximately 3.9 million customers in 313 municipalities across Ontario, through a network of 154,000 kilometers of pipeline. We complete approximately 1.2 million locate requests annually. And, in 2023, we will invest \$550 million to maintain and add customers to our natural gas system. We are a proud contributor to the communities in which we operate, and our commitment to the safe, reliable delivery of natural gas underpins everything we do.

We encourage you to call upon the Government of Ontario to enact a dedicated locator model for large infrastructure owners, and to support a phased approach to regulation adoption.

Please reach out should you have any questions.

Sincerely,



Murray Costello, P.Eng.
Director, Southwest Region Operations

ENBRIDGE GAS INC.
TEL: 519-885-7425 | CELL: 819-635-3984 |
murray.costello@enbridge.com
603 Kumpf Drive, Waterloo, ON N2J 4A4



Mike McGivery
Director, Distribution Protection

ENBRIDGE GAS INC.
TEL: 416-758-4330 | CELL: 416-434-7920 |
michael.mcgivery@enbridge.com
500 Consumers Road, North York, Ontario M2J 1P8

CC: Hon. Todd Smith, Minister of Energy
Hon. Kaleed Rasheed, Minister of Public and Business Service Delivery
Colin Best, President, Association of Municipalities of Ontario