

Enbridge Gas Distribution Inc.
Leave to Construct Natural Gas Pipeline to Supply Gas to York Energy Centre
EB-2009-0187

Board Staff Interrogatories

Issue # 1: Is there a need for the proposed pipeline?

1. Ref: Exhibit A, Tab 3, Schedule 1, Paragraph 2, page 1
 - a. Please provide a map showing all Enbridge's and TransCanada's high pressure pipelines within a radius of 20 km of the plant site.
 - b. Will the proposed 16.7 km NPS 16 pipeline be exclusively dedicated to serving the York Energy Centre LP plant? Are there any plans for the future where another customer will be served through the subject pipeline? Is there sufficient capacity to serve additional customers off the proposed line? If so, please provide details.
 - c. Is gas service generally available to customers in the vicinity of the proposed pipeline?

2. Ref: Exhibit C, Tab 2, Schedule 2 paragraphs 1 and 2, page 1

According to the construction schedule proposed by Enbridge construction would start in May 2010 and pipeline commissioning is planned for April 2011. This allows 11 months for the pipeline construction.

- a. Please explain why construction can not be completed in the summer months.
- b. Please compare this timing with construction timing of similar recent pipeline construction project and comment on how is the pipeline construction schedule coordinated with the construction schedule for the plant.

Issue # 2: Are there any undue negative rate implications for Enbridge's rate payers caused by the construction and operation of the proposed pipeline?

3. Ref: Exhibit A, Tab 3, Schedule 6, "Gas Delivery Agreement", Appendix B, "Financial Assurances and Insurance" and Exhibit 1 "Terms of Letter of Credit"

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Appendix B, Exhibit 1 of the GDA provides a form of the irrevocable Letter of Credit to be posted and maintained and for the benefit of Enbridge by the York Energy Centre LP. Prior to construction the amounts and dates for drawing the funds are the estimates only and are to be adjusted based on the actual costs. The GDA set the amount of \$26,820,000 to be available in the posted Letter of Credit cumulatively by April 15, 2012 starting on August 28, 2009. . The GDA also sets the methodology to calculate “unrecovered investments” over time to be the methodology given in the EBO 188.

Please confirm that the GDA fully and adequately ensures that all risks associated with the transportation service to the York Energy Centre LP, to the Enbridge’s ratepayers at any point of time from August 28, 2009 (the date the GDA was signed) to September 30, 2031 (the termination date the GDA). Please summarize all of the financial assurances in place to ensure ratepayers are held harmless in the event that the York Energy Centre LP ceases to operate at any point before the termination date of the GDA

4. Ref: Exhibit A, Tab 3, Schedule 2, Paragraph 7, page 2

Should the pipeline approval be granted by the Board, and in the event that York Energy Centre LP ceases operation before the Gas Delivery Agreement termination date, Board Staff is proposing certain conditions for protection of Enbridge’s ratepayers.

Please comment if the conditions below would be acceptable to Enbridge:

- Enbridge shall not, without prior approval of the Board, consent to any alteration or amendment to the Gas Delivery Agreement dated and executed on August 28, 2009, where such alteration or amendment has or may have any material impact on Enbridge’s ratepayers.
- Enbridge shall file with the Board, a copy of York Energy Centre LP’s irrevocable bank letter of credit to Enbridge for an amount not less than cost estimate of the applied-for facilities; this filing shall take place not later than 14 days after the start of construction.

Issue # 3: What are the environmental impacts associated with construction of the proposed pipeline and are they acceptable?

5. Ref: Exhibit D, Tab 1, Schedule 2, pages 1 and 2

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Referring to the table entitled "Permits Required" please add information on the anticipated timing on acquiring these permits and add any other permits and approvals that were not included in the pre-filed evidence.

6. Ref: Exhibit B, Tab 2, Schedule 2, p 5-17

Please explain the rationale for selection of the proposed route. Please elaborate on considerations of potential route impacts on environmentally sensitive areas in the Oak Ridges Moraine, Greenbelt Plan Natural Heritage System and Greenbelt Countryside areas.

7. Ref: Exhibit G, Tab 1, Schedule 1

In the evidence filed on November 16, 2009, Enbridge provided a summary of the comments it received regarding the proposed project and the Environmental Review Report as well as Enbridge's response to these comments.

Please discuss and provide copies of any additional comment received since November 16, 2009. Provide any update of further communication and follow-ups on the comments received since July 2009.

Issue # 4: Are there any outstanding landowner matters for the proposed pipeline routing and construction?

8. Ref: Exhibit F, Tab 1 Schedule 1

Please provide a status update on consultations and any follow-ups with Aboriginal groups described in the pre-filed evidence.

9. Ref: Exhibit G, Tab 1, Schedule 1, Attachment 17

Enbridge has been in contact with York Region's "Corridor Approvals and Records, Roads, Transportation and Works Department" from the beginning of this project (early 2009). Enbridge stated it would be submitting all drawings through the standard review process for the appropriate approvals.

Please explain the process and the requirements that Enbridge is following to obtain necessary approval from York Region's "Corridor Approvals and Records, Roads, Transportation and Works Department" for locating the pipeline in the road allowance? What are the milestones and the anticipated timeline for obtaining the approval prior to construction?

10. Ref: Exhibit D, Tab 1, Schedule 1, Paragraph 1, page 1

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According to the evidence permanent easements will not be required. It is stated that temporary easements may be required in the areas along the route where the road allowance is not large enough to accommodate construction.

In the event that the temporary easements are needed, please describe the form of easements, the term and the time-line to obtain the temporary easement rights.

Conditions of Approval

11. Please review and provide any concerns and/or comments on the draft conditions of approval (if leave is granted) as set out below:

DRAFT Conditions of Approval Leave to Construct

1 General Requirements

- 1.1 Enbridge Gas Distribution Inc. ("Enbridge") shall construct the facilities and restore the land in accordance with its application and the evidence filed in EB-2009-0187 except as modified by this Order and these Conditions of Approval.
- 1.2 Unless otherwise ordered by the Board, authorization for Leave to Construct shall terminate December 31, 2010, unless construction has commenced prior to that date.
- 1.3 Except as modified by this Order, Enbridge shall implement all the recommendations of the Environmental Report filed in the pre-filed evidence, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee ("OPCC") review.
- 1.4 Enbridge shall advise the Board's designated representative of any proposed material change in construction or restoration procedures and, except in an emergency, Enbridge shall not make such change without prior approval of the Board or its designated representative. In the event of an emergency, the Board shall be informed immediately after the fact.

2 Project and Communications Requirements

- 2.1 The Board's designated representative for the purpose of these Conditions of Approval shall be the Manager, Natural Gas Applications.
- 2.2 Enbridge shall designate a person as project engineer and shall provide the name of the individual to the Board's designated representative. The project engineer will be responsible for the fulfillment of the Conditions of Approval on the construction site.

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Enbridge shall provide a copy of the Order and Conditions of Approval to the project engineer, within seven days of the Board's Order being issued.

- 2.3 Enbridge shall give the Board's designated representative and the Chair of the OPCC ten days written notice in advance of the commencement of the construction.
- 2.4 Enbridge shall furnish the Board's designated representative with all reasonable assistance for ascertaining whether the work is being or has been performed in accordance with the Board's Order.
- 2.5 Enbridge shall file with the Board's designated representative notice of the date on which the installed pipelines were tested, within one month after the final test date.
- 2.6 Enbridge shall furnish the Board's designated representative with five copies of written confirmation of the completion of construction. A copy of the confirmation shall be provided to the Chair of the OPCC.

3 Monitoring and Reporting Requirements

- 3.1 Both during and after construction, Enbridge shall monitor the impacts of construction, and shall file four copies of both an interim and a final monitoring report with the Board. The interim monitoring report shall be filed within six months of the in-service date, and the final monitoring report shall be filed within fifteen months of the in-service date. Enbridge shall attach a log of all complaints that have been received to the interim and final monitoring reports. The log shall record the times of all complaints received, the substance of each complaint, the actions taken in response, and the reasons underlying such actions.
- 3.2 The interim monitoring report shall confirm Enbridge's adherence to Condition 1.1 and shall include a description of the impacts noted during construction and the actions taken or to be taken to prevent or mitigate the long-term effects of the impacts of construction. This report shall describe any outstanding concerns identified during construction.
- 3.3 The final monitoring report shall describe the condition of any rehabilitated land and the effectiveness of any mitigation measures undertaken. The results of the monitoring programs and analysis shall be included and recommendations made as appropriate. Any deficiency in compliance with any of the Conditions of Approval shall be explained.

4 Easement Agreements

- 4.1 Enbridge shall offer the form of agreement approved by the Board to each landowner, as may be required, along the route of the proposed work.

5 Other Approvals and Agreements

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- 5.1 Enbridge shall obtain all other approvals, permits, licences, and certificates required to construct, operate and maintain the proposed project, shall provide a list thereof, and shall provide copies of all such written approvals, permits, licences, and certificates upon the Board's request.
- 5.2 Enbridge shall not, without prior approval of the Board, consent to any alteration or amendment to the Gas Delivery Agreement dated and executed on August 28, 2009 where such alteration or amendment has or may have any material impact on Enbridge's ratepayers.
- 5.3 Enbridge shall file with the Board, a copy of York Energy Centre LP's irrevocable bank letter of credit to Enbridge for an amount not less than cost estimate of the applied-for facilities; this filing shall take place not later than 14 days after the start of construction.