

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B);

AND IN THE MATTER OF an Application by Enbridge Gas Distribution Inc. for an order granting leave to construct a natural gas distribution pipeline and related facilities in the Township of King in the Regional Municipality of York.

ARGUMENT IN CHIEF

ENBRIDGE GAS DISTRIBUTION INC.

Overview

1. The Applicant, Enbridge Gas Distribution Inc. ("**EGD**" or "**Enbridge**"), is an Ontario corporation with its head office in the City of Toronto. It carries on the business of selling, distributing, transmitting and storing natural gas within Ontario.
2. Enbridge applied on September 3, 2009 for leave to construct approximately 16.7 kilometres of Nominal Pipe Size 16 (16 inch; 406 millimetre) diameter Extra High Pressure steel pipeline ("**YEC Pipeline**"), related facilities, and the modification of the existing Schomberg Gate Station to deliver natural gas at a pressure of 3 240 kPa to the York Energy Centre LP ("**YEC**") proposed generating facility (the "**YEC Facility**"). The YEC Pipeline will commence at Enbridge's Schomberg Gate Station on the south side of

Lloydtown-Aurora Road in Pottageville at the intersection with TransCanada Pipelines Limited. A map showing the Preferred Route may be found attached as Appendix A to these submissions.

3. Enbridge has selected the route proposed herein, based upon the recommendation of Stantec Consulting Limited ("**Stantec**"), an independent Environmental Consultant, through the process outlined in the Board's "*Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario*" (Fifth Edition, 2003)(the "**Guideline**").
4. Enbridge hereby applies to the Board:
 - (i) Pursuant to section 90 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c-15, Sched. B, for an order granting leave to construct the proposed works; and,
 - (ii) Pursuant to section 97 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c-15, Sched. B, for approval of the form of easement agreement found in Exhibit D, Tab 2, Schedule 3, Attachment.

Background

5. On September 3, 2009 Enbridge filed an Application for leave to construct with the Board. On September 22, 2009 the Board issued its Letter of Direction and Notice of Application and Hearing (the "**Notice**") that required Enbridge to serve and publish the Notice. Enbridge complied with the requirements and certain parties made comments, requested observer status and intervenor status.

6. York Region District School Board (“**YRDSB**”), York Energy Centre LP (“**YEC**”) and Hunter’s Green Rate Payers Association/Harten Consulting (“**HGRA**”) were granted intervenor status. Environmental Defence and Global Energy Action Group were granted observer status. Indian and Northern Affairs Canada (“**INAC**”), Concerned Citizens of King Township (“**CCKT**”) and York Region (Water Resources business unit) filed letters of comment. These submissions respond to the evidence and comments in respect of the issues (see below) in this proceeding.
7. Enbridge did not object to any of the requests but did request certain information in respect of HGRA as the application for intervenor status did not contain all of the information required by the Board’s Rules of Procedure.
8. On January 4, 2010, Harten Consultants, the representative of HGRA, filed materials with the Board under its own name. Enbridge would like to highlight that much of the material was not evidence but statements and opinions; much of which Enbridge cannot agree is relevant to the proceeding¹. Unless expressly stated, Enbridge should not be taken to accept or agree with the comments, positions or submissions of HGRA.

Public Interest

9. The granting of leave to construct requires the Board to consider whether or not the Project is in the “public interest”. The OEB Act, Section 96, provides:

¹ For example, Enbridge asserts *inter alia*, that the HGRA comments in respect of Ms. Matera, the York Durham Sewage System, the U.S. pipelines, the marine pipelines, the requirements of the Toronto Region Conservation Authority are **not relevant** to the issues before the Board.

96.(1) If, after considering an application under Section 90, 91 or 92, the Board is of the opinion that the construction, expansion or reinforcement of the proposed work is in the public interest, it shall make an order granting leave to carry out the work.

10. The term “public interest” is not statutorily defined but rather left to the Board to determine in each instance. If the Board determines that the project is in the public interest, the statute mandates that the Board grant leave to carry out the work. Therefore, the primary issue before the Board is whether the proposed Project is in fact in the interest.
11. The Board, in considering the public interest, has traditionally examined the need for the project, the economics of the project, the environmental impact and the impact on landowners (see Appendix B, EB-2006-0305, Board Decision, page 3).
12. On November 27th, 2009, the Board issued Procedural Order No. 2, that provided the following issues for consideration in this proceeding:

Is there a need for the proposed pipeline?

Are there any undue negative rate implications for Enbridge’s rate payers caused by the construction and operation of the proposed pipeline?

What are the environmental impacts associated with construction of the proposed pipeline and are they acceptable?

Are there any outstanding landowner matters for the proposed pipeline routing and construction?

13. Enbridge’s submissions will deal with each of these items in turn. As the Board reminded participants, this leave to construct proceeding is not about the approval of the YEC Facility.

Project Need

14. Pursuant to a Ministerial Directive, the Ontario Power Authority issued a request for proposals for new gas-fired peaking generation in Northern York Region. York Energy Centre LP subsequently signed a 20-year Peaking Generation contract with the Ontario Power Authority. YEC is in the process of developing a 435MW natural gas fired generation plant at 18781 Dufferin Street in King Township. The YEC Facility requires gas delivery at 136,000 m³/hr with a delivery pressure of 3,240 kPa. YEC and Enbridge have entered a Gas Delivery Agreement which may be found at Exhibit A, Tab 3, Schedule 6.
15. Enbridge has indicated, in Exhibit A, Tab 3, Schedule 1 that the existing infrastructure does not have sufficient capacity and pressure to provide service to the YEC Facility. A review of the existing Enbridge distribution infrastructure, Exhibit H, Tab 1, Schedule 1, Attachment 1 and 2, illustrates that the existing distribution pipeline network is not sufficient to meet the volume and pressure requirements of YEC. Therefore a new pipeline is required to supply the YEC Facility.

Environmental

16. Enbridge retained the independent environmental consultant, Stantec, to complete the Environmental Assessment and Environmental Report in accordance with the Board's Guideline. The Environmental Report can be found at Exhibit B, Tab 2, Schedule 2.

The Guideline is the applicable document for reviewing potential routes for proposed pipelines. The Board has exclusive jurisdiction over decisions within its authority.²

17. The *Environmental Assessment Act*, R.S.O. 1990, c. E-18, (the “EAA”) is not applicable to the pipeline because the project and Enbridge are not captured within the language of section 3 of the EAA. However, there are many parallels between environmental assessments conducted pursuant to the EAA and the Guideline.
18. Enbridge has selected the route proposed herein, based upon the recommendation of Stantec, that would have the YEC Pipeline constructed within the existing road allowance. The route selection process has been subjected to extensive public consultation with newspaper advertisements, public information sessions, meetings, correspondence and dialogue with government, government ministries and agencies, adjacent landowners and other stakeholders. The route has been disturbed and there are residences and development along much of the route as is evident from Appendix D-1 thru D-5 of the Environmental Report, attached to this submission as Appendix C.
19. Enbridge submits the potential environmental issues have been adequately addressed as Stantec concluded:

In the opinion of Stantec, the recommended program of mitigation, monitoring, and contingency measures addresses the concerns raised to-date during the public consultation program. The ER [Environmental Report] also addresses any effects, including potential cumulative effects, identified during the detailed technical review of the Preferred Route. With the implementation of the proposed mitigation measures during the construction and operation phases of

² *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B), section 19.

the project, Stantec is of the opinion that no significant adverse environmental or socio-economic effects would be likely to occur.³

Oak Ridges Moraine Conservation Plan

20. The proposed route of the YEC Pipeline includes areas that are part of the Oak Ridges Moraine and are therefore, subject to the Oak Ridges Moraine Conservation Plan⁴ (the “ORMCP”). For the purpose of the ORMCP, natural gas pipelines are considered “transportation, infrastructure and utilities” (section 41(1)(c)) and are not considered development.
21. A map showing the segment of the YEC Pipeline within the ORMCP and the categorization of the areas for the purpose of the ORMCP is found at Appendix D of this submission⁵. The YEC Pipeline crosses or is adjacent to areas designated as Countryside Area, Natural Core Area, Natural Linkage Area and Rural Settlement.
22. The ORMCP does not prohibit the installation of pipelines such as the YEC Pipeline, but rather, regulates such infrastructure within Natural Core Areas and Natural Linkage Areas. Section 41(2) and (3) prescribes criteria the proposal must satisfy for the Natural Core and Natural Linkage Areas. No additional restrictions are imposed by the ORMCP within Countryside Areas or Rural Settlement s
23. Within a Natural Linkage Area the ORMCP establishes certain criteria in order for projects to proceed. Section 41(2) of the ORMCP is provided on the following page:

³ Environmental Report, Exhibit B, Tab 2, Schedule 2, Executive Summary, page ii.

⁴ O.Reg. 140/02.

⁵ This diagram was included in the Environmental Report, Exhibit B, Tab 2, Schedule 2, at Figure 3-3.

41. (2) An application for a transportation, infrastructure or utilities use with respect to land in a Natural Linkage Area shall not be approved unless,

(a) the need for the project has been demonstrated and there is no reasonable alternative; and

(b) the applicant demonstrates that the following requirements will be satisfied, to the extent that is possible while also meeting all applicable safety standards:

1. The area of construction disturbance will be kept to a minimum.
2. Right of way widths will be kept to the minimum that is consistent with meeting other objectives such as stormwater management and with locating as many transportation, infrastructure and utility uses within a single corridor as possible.
3. The project will allow for wildlife movement.
4. Lighting will be focused downwards and away from Natural Core Areas.
5. The planning, design and construction practices adopted will keep any adverse effects on the ecological integrity of the Plan Area to a minimum.

24. The YEC Pipeline within the Natural Linkage Areas meets the standard required in section 41(2). The need for the YEC Pipeline is demonstrated in the evidence as summarized in paragraphs 14 to 15, above, and there is no reasonable alternative.
25. Enbridge submits the proposal meets the remainder of criteria. Enbridge has proposed to locate the project within the existing road allowance and will keep the construction area to a minimum. The project will allow for wildlife movement as the pipeline will be buried and will not act as a barrier to the movement of wildlife. Lighting for the pipeline will be temporary during construction and will be focused downward towards the construction activity. As set out in the Environmental Report (Exhibit B, Tab 2, Schedule 2), Enbridge has taken steps to mitigate potential adverse effects such that the ecological integrity is not adversely affected.

26. For Natural Core Areas the ORMCP requires that the criteria in section 41(2) be satisfied plus the criteria 41(3)(b) and (c). Enbridge submits that the proposed YEC pipeline meets the applicable criteria.

41.(3) An application for a transportation, infrastructure or utilities use with respect to land in a Natural Core Area shall not be approved unless the applicant demonstrates that,

- (a) the requirements of subsection (2) have been met;
- (b) the project does not include and will not in the future require a highway interchange or a transit or railway station in a Natural Core Area; and
- (c) the project is located as close to the edge of the Natural Core Area as possible.

27. As is evident from the area classification map, there are two segments of the YEC Pipeline that are within the Natural Core Area. For the reasons set out in paragraphs 24 and 25 above, Enbridge submits the YEC Pipeline meets the criteria of 41(2) as required by 41(3)(a). In addition, Enbridge can confirm the project will not require a future highway interchange or a transit or railway station. Therefore, the YEC Pipeline meets or surpasses the requirements of 41(3).

28. For utility trenches, the proponent is to ensure the disruption to the natural groundwater flow is kept to a minimum. The use of the municipal road allowance, the depth of the pipeline below grade, the prompt backfilling of the trench and the use of horizontal directional drilling will minimize the disruption of the groundwater flow as required by section 41(6).

41(6) Service and utility trenches for transportation, infrastructure and utilities shall be planned, designed and constructed so as to keep disruption of the natural groundwater flow to a minimum.

29. Enbridge would submit the proposed YEC Pipeline, complete with the proposed mitigation meet the requirements of the ORMCP.

Greenbelt Plan

30. In addition to the ORMCP, the YEC Pipeline is also located within lands subject to the Greenbelt Act. There are two areas (see map provided at Appendix D), at each end of the YEC Pipeline that are subject to the requirements of the Greenbelt Act. The Environmental Report considered the requirements of the Greenbelt Act and concluded:

Through planning and design of the preferred alternative, the proposed pipeline route conforms to the policies of the Greenbelt Act. As the preferred route is located within existing road RoWs the effects of the Project to the surrounding sensitive areas is anticipated to be minimal as these areas are already disturbed and are generally cleared of natural vegetation communities.⁶

31. Therefore, Enbridge submits the proposed YEC Pipeline meets the requirements of the Greenbelt Act.

Endangered Species

32. The environmental assessment reviewed the flora and fauna within the Study Area and found that certain endangered species may be found within a 2 km radius of the Study Area.
33. However, the YEC Pipeline is located within the road allowance and therefore is not anticipated to have an adverse effect on any endangered species. Stantec concluded:

Although suitable habitat for many of these species is present with the study area, the proposed pipeline will be located within existing road RoWs. These

⁶ Environmental Report, Exhibit B, Tab 2, Schedule 2, Section 3.3.5.2 Land Use , page 3-26.

areas are generally disturbed and lack suitable habitat for many of these species.⁷

As a result, all road RoWs are considered to provide marginal wildlife habitat.⁸

The majority of the preferred route consists of culturally impacted vegetation communities that provide limited tree cover and are dominated by non-native vegetation species...These areas are not likely providing any significant contribution to bio-diversity....⁹

34. In addition, all water crossings will be horizontally directionally drilled which will minimize the potential to impact watercourses.

Hydrogeological Assessment and Waterwells

35. Enbridge retained Stantec to analyse each of the 9 watercourse crossings for which the Lake Simcoe Region Conservation Authority (“**LSRCA**”) indicated a crossing permit is required. A purpose of the analysis was to determine the anticipated volumes of dewatering at each crossing.
36. A permit to take water (“**PTTW**”) is required pursuant to section 34 of the *Ontario Water Resources Act*, R.S.O. 1990, c.O-40 (the “**OWRA**”) when the watertaking exceeds 50,000 L/day. A copy of the Hydrogeologic Investigation (the “**Hydrogeological Assessment**”) prepared by Stantec can be found at Exhibit B, Tab 2, Schedule 5. The anticipated amount of dewatering at the watercourse crossings is approximately 10% of the threshold to apply for a PTTW.

⁷ Environmental Report, Exhibit B, Tab 2, Schedule 2, Section 3.3.5.2 Land Use, page 3-20.

⁸ Environmental Report, Exhibit B, Tab 2, Schedule 2, Section 3.3.5.2 Land Use, page 3-21.

⁹ Environmental Report, Exhibit B, Tab 2, Schedule 2, Section 3.3.5.2 Land Use, pages 3-20 and 3-21.

37. The analogy to the York Durham Sewage System (“**YDSS**”) and the dewatering of that project by HGRA is inappropriate. There is no evidence that the projects are comparable in magnitude. Further the dewatering analysis by Stantec provided in the Hydrogeological Assessment indicates that the amount of dewatering will not require a PTTW and is a fraction of the dewatering of the YDSS.
38. Enbridge had identified, from Ministry of the Environment records, water well locations along the preferred route, see Appendix C to this submission. The potential impact on groundwater was considered by Stantec in the Environmental Report, where it was stated:
- Normal pipeline excavation is shallow, approximately 1.5 m, therefore construction is not anticipated to affect groundwater; however, in wet areas dewatering may be required to lower the near-surface water table to enable excavation of a trench.
39. The conclusion of the Hydrogeological Assessment is:
- The closest wells to any of the tie-in pits are approximately 40 m away. All identified wells in the vicinity of WC1 to WTC1 are illustrated on Figures 4 to 13, respectively. The MOE Water Well Records indicates the wells in this area are drilled and range in depth from 28 m BGS to 102 m BGS. Any construction dewatering will result in local drawdown around a given tie-in pit of less than 2.26 m. Given that the construction dewatering will typically be for a period of 1 day or less, and that the closest private wells are relatively deep, the potential drawdown interference resulting from construction dewatering is not expected to have a detrimental impact on the water quantities of these private wells.¹⁰
40. Based upon the location of the YEC Pipeline, and construction techniques and the distance from to water wells, Enbridge does not anticipate that any water wells will be impacted by the proposed construction. Enbridge will test the wells both prior to and after construction if requested to do so by the homeowner.

¹⁰ Exhibit B, Tab 2, Schedule 5, Hydrogeological Assessment, pages 6.2 and 6.3.

Safety

41. The YRDSB was concerned about the traffic and access of Kettleby Public School which lies along the proposed route. YRDSB indicated that it had not received the prior notice of the consultation. In reviewing the consultation to such date, Enbridge had sent communications to the Kettleby Public School, but not the YRDSB. Enbridge has indicated that it has revised its policies to contact both the individual school and appropriate school board in the future.
42. Enbridge has acknowledged the YRDSB's concern. It is currently Enbridge's intention to install the pipeline on the opposite side of the road allowance from the school. Signing and traffic management will be done in accordance with the applicable Ministry of Transportation standards.
43. The YEC Pipeline has been designed in accordance with all applicable requirements. A summary of the design specifications (Exhibit C, Tab 1, Schedule 1) indicates the Hoop Stress is approximately 24% during normal operations.

Archaeological Assessment

44. Enbridge has conducted a Stage 1 and Stage 2 Archaeological Assessment (Exhibit B, Tab 2, Schedule 4) of the Pipeline Route. Despite the proposed route being within the existing road allowance and in areas where the land was "heavily disturbed", Enbridge directed the consultant to conduct a Stage 2 assessment. No archaeological resources

were discovered during the Stage 2 assessment and a recommendation for clearance of the archaeological was made by the consultant and requested from the Ministry of Culture.

Consultation – Public and First Nation

45. The public consultation undertaken for this project has been extensive as summarized in Chapter 4 of the Environmental Report. Consultation was undertaken and input sought as part of the Environmental Assessment with the public, local agencies and government and First Nations. The consultation included advertisements, public information sessions, meetings and communication. A summary of communication during the Environmental Assessment has been provided in Appendix A of the Environmental Report found at Exhibit B, Tab 2, Schedule 2.
46. Enbridge identified 10 First Nations, including the Métis Nation of Ontario, and forwarded information on the YEC Pipeline to each. No objections to the YEC Pipeline have been received.
47. The Ontario Pipeline Coordinating Committee also reviewed the Environmental Report and has been provided notice of this Application and has expressed no concerns.
48. Enbridge has undertaken: (i) the Environmental Report (Exhibit B, tab 2, Schedule 2) in accordance with the Board's Guidelines; (ii) Stage 1 and 2 Archaeological Assessment (Exhibit B, Tab 2, Schedule 4); and (iii) a Hydrogeological Assessment (Exhibit B, Tab 2, Schedule 5). As concluded by Stantec, the proposed YEC Pipeline, with the mitigation

proposed, is acceptable and meets the applicable requirements of the ORMCP, the Greenbelt Act and the Guidelines.

Project Feasibility

49. The overall feasibility of the project has been determined using the methodology specified in "*Ontario Energy Board Guidelines for Assessing and Reporting on Natural Gas System Expansion in Ontario*" and the "EBO 188 Report of the Board" dated January 30, 1998. The feasibility analysis (Exhibit E, Tab 1, Schedule 2) has been prepared using Enbridge's latest feasibility parameters and Rate 125 parameters.
50. The economic analysis is performed by discounting incremental cash flows over the 20-year customer revenue horizon. The Profitability Index ("PI") for the Project is 1.0 after taking into account Contribution in Aid of Construction ("CIAC") from the customer. A PI equal to 1.0 means that the project is economic over the analytical horizon. This protects other ratepayers from subsidizing YEC.
51. A PI of 1.0 also indicates that the capital and other related costs will be fully recovered over the 20-year term of the Gas Delivery Agreement. As such, there will be no residual depreciation that will be borne by other ratepayers at the end of the contract in 2031.
52. Enbridge confirms that to ensure that PI equals 1.0, a final CIAC will be determined based upon the actual costs incurred to complete such installation. Enbridge is contractually obligated to perform such an evaluation, as indicated in the Gas Delivery Agreement (Exhibit A, Tab 3, Schedule 6, Page 37 of 55).

53. In addition to the CIAC, Enbridge will have financial assurance from YEC in the form of an irrevocable Letter of Credit. The schedules for the provision of a letter of credit and CIAC are provided in Exhibit H, Tab 13, Schedule 3, page 2. Further, Enbridge has the right to adjust the timing and amount of both schedules if conditions warrant. This is specified in the Gas Delivery Agreement (Exhibit A, Tab 3, Schedule 6, pages 49-50).
54. The Gas Delivery Agreement ensures that throughout the term of the contract, Enbridge will have sufficient financial assurance in place, which will equal or exceed the "Unrecovered Investment" of Enbridge.
55. The variability of operating hours by the YEC Facility does not impact Enbridge's revenue as the revenue is determined by the Contract Demand and is not a function of the volume of natural gas delivered.
56. The evidence indicates that other ratepayers will not be exposed to risk from the construction of the Pipeline. The revenue over the term of the contract is independent of the volume of natural gas consumed. The Gas Delivery Agreement enables adjustment of the customer's CIAC to arrive at a Profitability Index 1.0. This ensures that Enbridge earns sufficient and appropriate revenue and does not create the potential for cross-subsidization. Together with adequate financial assurance throughout the contract, Enbridge submits the Project demonstrates a proper balancing of the interests of Enbridge, YEC and other ratepayers.

Land Issues

Form of Easement Agreements

57. The OEB Act, section 97, see below, requires the Board to approve the form of easement that will be offered to landowners.

97. In an application under section 90, 91 or 92, leave to construct shall not be granted until the applicant satisfies the Board that it has offered or will offer each owner of land affected by the approved route or location an agreement in the form approved by the Board.

58. Subject to receiving approval from the Board, Enbridge has used and will use the forms included in the Application, Exhibit D, Tab 1, Schedule 3, Pages 1 to 13. These forms have been approved by the Board in previous leave to construct applications (EB-2006-0305, EB-2007-0913, EB-2008-0065). No landowner chose to intervene in this proceeding, raise any concerns or to make any comment regarding the documents filed.
59. The route selected for the pipeline is within the road allowance. At this stage, Enbridge does not foresee the use of private land wherein a permanent easement would be required. If either a temporary or permanent easement will become necessary Enbridge will use the proposed form of agreements approved by the Board.
60. With respect to the evidence of the HGRA, Exhibit T, about the Wisconsin landowner issues, Enbridge submits that such information is not relevant to this proceeding.

Permitting Requirements – Non-Environmental

61. Enbridge has identified that it will require permission from the Ministry of Transportation, the Region of York and the Township of King for the location of the pipeline in the road

allowance and a minor variance in respect of the modifications of the Schomberg Gate Station. Enbridge is not aware of any issues that would prevent such approvals from being granted.

Other

62. The design of the YEC Pipeline adheres to the requirements of Ontario Regulation 210/01, Oil and Gas Pipeline Systems, under the *Technical Standards and Safety Act, 2000*¹¹ and the CSA Z662-07 Oil and Gas Pipeline Systems Code. The design pressure of the YEC Pipeline can be found in Exhibit C, Tab 1, Schedule 1. The pipeline and associated facilities have been designed to accommodate the operating characteristics of the YEC Facility and local conditions.
63. The submission of HGRA in respect of legal counsel, Aird & Berlis LLP, is irrelevant to the issues to be decided by the Board in this proceeding. There is no legal conflict in this matter.
64. Certain parties have suggested that it is premature to conduct this proceeding because Enbridge has not yet received permits. The Board has traditionally required leave to construct applicants to obtain permits from third party agencies prior to construction as a condition of granting leave. Enbridge submits that this is appropriate.

¹¹ S.O. 2000, c. 16.

Conclusion

65. In conclusion, the evidence indicates that:

- (i) there is a need for the Pipeline;
- (ii) the Pipeline route and mitigation of environmental impacts are properly planned;
- (iii) the Pipeline is economically feasible and ratepayers are adequately protected; and
- (iv) no land acquisition is required and there are no known issues that would prohibit any permits from being granted or that preclude the granting of leave to construct.

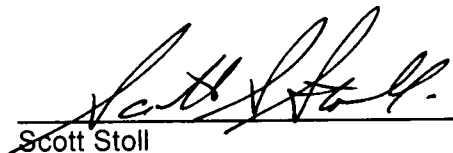
66. Enbridge submits the Pipeline is in public interest.

67. Enbridge requests the Board to determine the Pipeline is in the public interest and to issue the order(s) granting leave to construct and approval of the form of easement.

DATED February 8, 2010 at Toronto, Ontario.

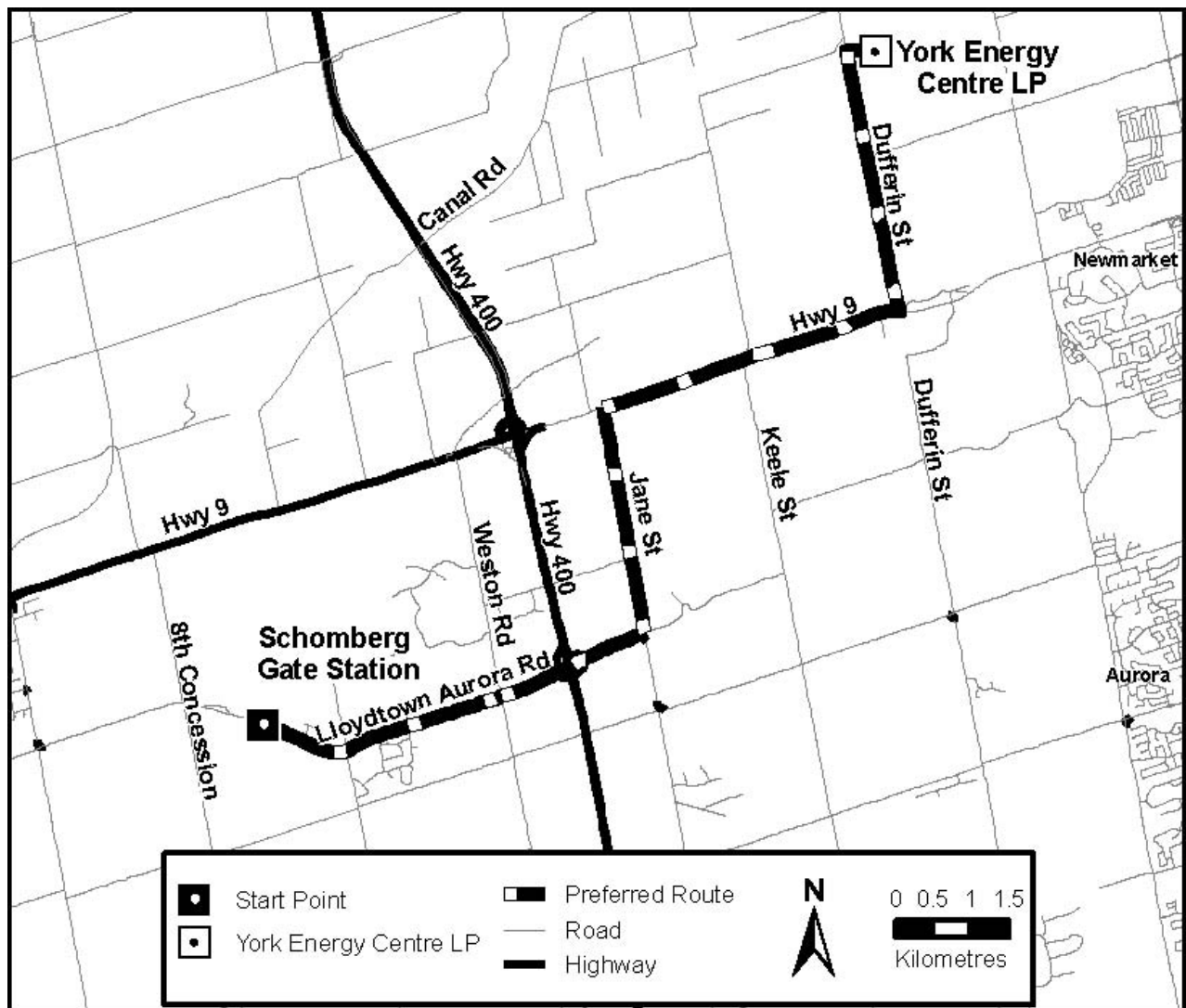
ENBRIDGE GAS DISTRIBUTION INC.
By its counsel

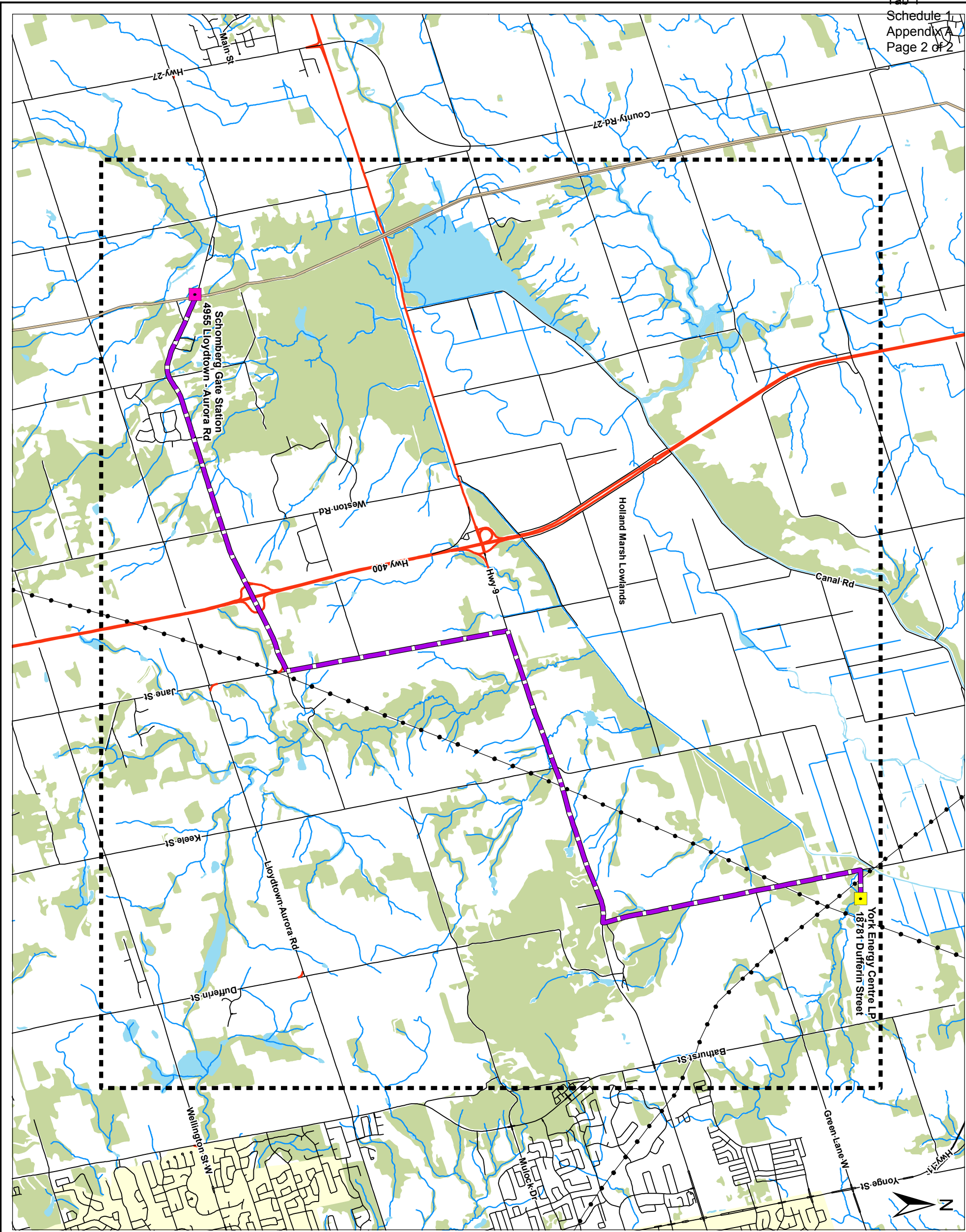
AIRD & BERLIS LLP



Scott Stoll

Map of Preferred Pipeline Route
from Schomberg Gate Station to YEC Facility





PIPELINE TO SERVE THE
YORK ENERGY CENTRE LP

Preferred Route

Produced by Jacques Mathieu under Licence with the Ontario
Ministry of Natural Resources © Queen's Printer for Ontario, 2004-2009

- Start Point
- End Point
- Preferred Route
- Road
- Highway
- Existing Pipeline
- Utility
- Watercourse
- Study Area Boundary
- Waterbody
- Wooded Area
- City/Town

0 500 1,000 1,500
Metres - 1:50,000

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PREPARED FOR

ENBRIDGE

PREPARED BY

Stantec

FIGURE NO.

5-2

USA
ON
QC
Area of Interest

Ontario Energy
Board

Commission de l'Énergie
de l'Ontario



EB-2006-0305

IN THE MATTER OF the *Ontario Energy Board Act 1998*,
S.O.1998, c.15;

AND IN THE MATTER OF an Application by Enbridge Gas
Distribution Inc. for an Order pursuant to Section 90(1) of the
Ontario Energy Board Act, 1998, granting leave to construct natural
gas pipelines in the City of Toronto.

BEFORE: Gordon Kaiser
Vice Chair and Presiding Member

Paul Vlahos
Member

Ken Quesnelle
Member

DECISION AND ORDER

Enbridge Gas Distribution Inc. ("Enbridge") filed an application with the Ontario Energy Board on December 7, 2006, under section 90 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, Schedule B, for an Order for Leave to Construct natural gas pipelines for the purpose of supplying gas to the already approved Portlands Energy Centre generating station ("Portlands") in the City of Toronto. Construction is scheduled to start in the summer of 2007, with a planned in-service date of February 2008.

For the reasons set out below, the Board finds the construction of the proposed pipelines to be in the public interest and grants the Leave to Construct on the terms and conditions set out in this Decision.

The Proposed Pipelines

The project involves the construction of two sections of pipeline. The north section consists of approximately 6.5 kilometres of pipeline parallel to a portion of Enbridge's existing Don Valley Line. The south section consists of approximately 2.9 kilometres of pipeline that would interconnect the Don Valley Line at Enbridge's station B regulator station and end at Portlands.

The north section route is located primarily on land in the former Hydro One corridor currently owned by Enbridge (north of Sheppard Avenue to the north limit of Highway 401) and the Hydro One corridor presently owned by the Ontario Realty Corporation ("ORC") (from the south limit of Highway 401 to Eglinton Avenue). The majority of the south section is on land located on road allowances with the exception of certain locations owned by the City of Toronto Economic Development Corporation, the Toronto Port Authority and Ontario Power Generation Inc.

Maps showing the location of the two proposed pipelines are attached as Appendix "A".

The Parties

Three parties requested and were granted Intervenor status: Portlands Energy Centre, Toronto Economic Development Corporation ("TEDCO") and Union Gas Limited ("Union"). A late Intervenor status was granted to Mr. Paul Beatty, a resident of Scarborough, whose residence bordered to the eastern boundary of the northern section of the pipeline project. Mr. Beatty opposed the proposed location of the pipeline. The other Intervenor generally supported the project although TEDCO had concerns with certain aspects of the form of easement agreement. Both these matters are dealt with later in this Decision.

The Board granted Observer status to the City of Toronto ("the City"), Mr. John Butler and Mr. David Elder, both local residents. The City requested undertakings from Enbridge with respect to the type of drawings to be provided. That request will be dealt with later in this Decision.

Board Staff Counsel made written submissions on the legal test to be applied in Applications for Leave to Construct under sections 90 and 91 of the Act, which were circulated to the Applicant and all Intervenor. Board Staff Counsel also submitted proposed conditions of approval.

The Board also received a letter of comment from Mr. Peter Tabuns, MPP for Toronto-Danforth and Mr. Jack Layton, MP for Toronto-Danforth and the Toronto Energy Coalition (“TEC”) and a letter of comment from Ms. Christine Becker, an affected resident. TEC requested that the Board deny the Application based upon the emissions that would be created by the generating facility. Ms. Becker commented on the public consultation and notification and on the proposed location of the pipeline.

The Public Interest Test

This is an Application under section 90 of the Ontario Energy Board Act seeking a Leave to Construct Order with respect to two natural gas pipeline projects. Section 96 of the Act provides that the Board shall make an Order granting leave if the Board finds that “the construction, expansion or reinforcement of the proposed work is in the public interest”. When determining whether a project is in the public interest, the Board typically examines the need for the project, the economics of the project, the environmental impact and the impact on land owners. Each of these factors will be considered in turn.

The Need for the Project

Portlands is in the process of constructing a new 550 Megawatt high-efficiency natural gas fired generation plant and has signed a 20 year Accelerated Clean Energy Supply agreement with the Ontario Power Authority. The anticipated construction cost is \$730 million with an initial in-service date of June 1, 2008. When fully complete, the Portlands facility will be capable of providing 25% of Central Toronto’s electricity needs (Ex. A, Tab 3, Schedule 4, p. 2 of 4).

Enbridge and Portlands have entered into a 20 year gas delivery agreement (Ex. A, Tab 3, Schedule 5) based upon the Board approved Rate 125¹. The hourly contract demand is 116 079 m³ and the daily demand for the Portlands is 2 785 885 m³. In addition, the customer requires a minimum pressure of 200 psi or 1379 kPa in order to operate its facility. The Gas Delivery Agreement requires Enbridge to deliver gas to Portlands on February 1, 2008 (Ex. A, Tab 3, Schedule 5, p. 56 of 58).

¹ *Enbridge Gas Distribution Inc.*, Decision with Reasons, EB-2005-0001, (February 9, 2006)

Enbridge's existing high pressure distribution system is supplied by the TransCanada Pipelines ("TCPL") system at the Victoria Square Gate Station. In 1971, a NPS 30 pipeline (the "Don Valley Line") was constructed from Victoria Square Gate Station to Enbridge's Station B located on Eastern Avenue (Ex. A, Tab 3, Schedule 2).

The Don Valley Line requires reinforcement, or looping to provide adequate pressure at Station B to meet Portlands' needs. In addition, the existing distribution system downstream of Station B does not have the ability to meet Portlands' requirements. Enbridge embarked on a process of developing a project that would meet the needs of Portlands in an environmentally acceptable and cost-effective manner.

The North Section: The maximum operating pressure of the Don Valley Line is 450 psi (3100 kPa). Station B has a minimum inlet pressure of 225 psi (1550 kPa). The minimum inlet pressure is required for the station to have the capability to supply natural gas in sufficient quantities and at sufficient pressures to the downstream distribution pipeline system. Without the Portlands load, the existing Don Valley Line is able to provide the required minimum inlet pressure at Station B with a Victoria Square Gate Station outlet pressure of 405 psi (2709 kPa) under Enbridge's system design conditions.

Enbridge examined the impact on pressures if the Portlands load is added and no reinforcement was undertaken. With an outlet pressure of 450 psi (3100 kPa) at Victoria Square Gate Station (the maximum operating pressure of the Don Valley Line) the pressure at Station B inlet pressure drops to 210 psi (1445 kPa) with the addition of the Portlands load. Unless reinforcement of the Don Valley Line was to occur, the Portlands load would remove any existing flexibility in the distribution system and the inlet pressure would be unacceptably low at Station B. As such, it was necessary for Enbridge to consider various alternatives to deliver gas in the required quantity and at the required pressure to Station B. Enbridge determined that the proposed North Section was the optimal choice.

After considering alternatives, Enbridge chose the North Section as the preferred alternative because the Environmental Assessment Reports identified the North Section as the preferred route. It also meets the contractual demands of Portlands and maintains the operational characteristics of the distribution system. In addition, it does not conflict with possible future use of the Hydro One corridor. It is lower in cost and it can meet the required timeline.

The South Section: Enbridge's current high pressure distribution system includes a NPS 24 pipeline approximately 3 500 m in length from Station B to the now abandoned R.L. Hearn Generating Station that was installed in 1971. This existing pipeline network downstream of Station B is not adequate to meet the requirements of Portlands as it currently operates with a maximum pressure of 125 psi (860 kPa). Portlands' minimum required delivery pressure is 200 psi (1378 kPa). Enbridge considered pressure elevating the existing piping infrastructure. The evidence (Ex. C, Tab 1, Schedule 1, pp. 4 - 6) described several issues with the pressure elevation option. In the end, the option to pressure elevate was not acceptable to Enbridge.

The evidence clearly supports a finding that there is a need for both north and south pipeline projects. The existing pipelines do not have the capacity to support Portlands' requirements. The need for new generation to meet the growing electricity requirements of Toronto is serious and well recognized.

The Proposed Routing

The routing of the northern section of pipeline was contested by Paul Beatty, a resident of the area. The proposed route as indicated in Appendix "A" is in a Hydro One transmission corridor. The current pipe is on the western side of the transmission corridor and Mr. Beatty argues that the new pipe should be in the east side of the corridor.

The Enbridge response was that Hydro One was not prepared to route the pipeline on the eastern side of the right-of-way because they wished to preserve that space for future development. Accordingly, locating the new pipe on the eastern portion of the Hydro One right-of-way was not something that was investigated further.

Mr. Beatty also argued that the proposed location was too close to properties on the western perimeter of the corridor. He noted that when the Board approved the original pipeline in 1971, it imposed a condition that the pipe be no closer than 35 feet to the property line.

With respect to the 35 ft. buffer that the Board mandated in 1971² Enbridge noted that the Technical Standards Safety Authority ("TSSA") does not provide any recommendation for set back on pipelines operating at less than 40% Specified Minimum Yield Strength ("SMYS") and therefore permits development up to edge of the

² *The Consumers' Gas Company*, Order Granting Leave to Construct, EBLO 142, (April 8, 1971)

pipeline right-of-way³. Accordingly, the proposed route which was reviewed as part of the Ontario Pipeline Coordinating Committee (“OPCC”) process was endorsed by the TSSA:

“We have reviewed the documentation related to the EB-2006-0305 Application received from Enbridge Consumers Gas and found that the design specifications for the pipeline meet or exceed the requirements of the Ontario Regulation on Oil and Gas Pipeline Systems. (O.Reg. 210/01). We also agree with the route selected, as it appears as the best alternative for the pipeline installation.” (Ex. J.1, p. 22 of 99).

The Board appreciates the submissions made by Mr. Beatty, and the time spent compiling the materials that he shared with the Board. While the Board notes the concerns expressed by Mr. Beatty, the Board is satisfied that the evidence establishes that the route selected was the best alternative for the location of the northern section of the pipeline.

No intervenor objected to the location of the southern section of the pipeline. The Board is satisfied that the evidence establishes that the route selected was the best alternative for the location of the southern section of the pipeline.

Environmental Assessment

Both the North and South Pipeline Projects meet all the environmental assessment requirements. Enbridge was required to conduct a Category B Environmental Assessment pursuant to the Class Environmental Assessment Act for Management Board Secretariat and the Ontario Realty Corporation Act (April, 2004) because of the need to require an easement from the ORC.

Enbridge retained Dillon Consulting Ltd (“Dillon”) and Stantec Consulting Ltd. (“Stantec”) to undertake an environmental and socio-economic impact assessment to select preferred routes for north and south sections respectively. The assessment was carried out in accordance with the Board’s *Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario* (May 2003) (the “Board’s Environmental Guidelines”). The results of the assessment are documented in “Toronto Portlands System Reinforcement Project: South Section”, Stantec Consulting Ltd., December 2006 (“Stantec Report”) (Ex. B, Tab 2, Schedule 4) and in “Updating Study-Environmental and Socio-economic Impact Assessment, Toronto

³ PI-98/01 “Guidelines for Locating New Oil and Gas Pipeline Facilities”, August 19, 1998.

Portlands System Reinforcement Pipeline: North End", Dillon Consulting Ltd., November 2006 ("Dillon Report") (Ex. B, Tab 2, Schedule 3).

Both the Stantec Report and the Dillon Report were reviewed by the OPCC.

Regarding the north section Mr. Guiseppe Muraca, the Environmental Consultant from Dillon, stated that the proposed route was environmentally acceptable and the environmental assessment was complete and it accords with the Board's Environmental Guidelines. Enbridge indicated that it was committed to implementing the mitigation recommended by Dillon.

With respect to the routing of the south section of the pipeline, Enbridge engaged an independent consultant, Stantec with extensive experience to develop the preferred route. Stantec undertook this work in compliance with the Board's Environmental Guidelines. As part of this process, Stantec undertook extensive consultation with government agencies and the public. Three public meetings were held to inform the public of the project and solicit input. Details of public consultation program may be found at section 4.0 of the Environmental Report prepared by Stantec. The Stantec Report indicates that nine pipeline segments were considered and in the end the route indicated in Appendix "A" was chosen because it was located in an existing roadway, minimized disruptions to socio-economic features and had public support. Mr. David Wesenger the Environmental Consultant from Stantec confirmed that the proposed route was an environmentally acceptable alternative using the proposed mitigation techniques included in the Stantec Report and rigid construction practice. Enbridge indicated that it was committed to implementing the mitigation measures in the Stantec Report.

Economics of the Project

Enbridge originally estimated that the project cost was \$41.7 million but later advised that the cost had increased by \$6.8 million due to an increase in the cost of acquiring land rights from the Ontario Realty Corporation and Hydro One. However, Enbridge advised that the economic feasibility of the project would not be impacted negatively because the increased costs would be added to the contribution in aid of construction made by Portlands.

The economic feasibility of the Project was determined in accordance with the Board's approved procedures as established in EBO 188 and the Board's approval in EB-2005-0001. The economic analysis indicated that a contribution in aid of construction is

required from Portlands in order for the net present value ("NPV") to equal zero or the profitability index ("PI") to equal one. A PI of 1.0 indicates that the Project is economic for Enbridge.

In order to ensure that the Project remains economic regardless of increases in cost, Enbridge has negotiated with Portlands a term in the Gas Delivery Agreement that provides that the "contribution in aid of construction will be re-calculated at the end of the Project based upon the actual cost of construction". Enbridge confirmed that the contribution in aid of construction will be re-calculated or increased to ensure that a PI of 1.0 is maintained. Accordingly, other ratepayers are not at risk and there is no concern with cross-subsidization. Put differently other ratepayers are not at risk for any costs overruns associated with this Project given the automatic adjustment clause that is found in the Gas Delivery Agreement (Ex. A, Tab 3, Schedule 5, p. 39 of 58, section (f)).

It is also important to note that the revenue stream from Portlands is not subject to variability because of variability in gas consumption by Portlands. The revenues to be earned by Enbridge are based on contract demand volumes, not actual consumption. This ensures Portlands' predicted revenues going forward and recovery over the 20 year horizon.

Enbridge has also secured financial assurances from Portlands in the form of guarantees from the parents of Portlands, that ensure that Enbridge is protected through to the conclusion of the Gas Delivery Agreement. In its argument, Enbridge filed a letter from Portlands responding to issues raised by the Board during a hearing. The letter confirmed the allocation of risk and Portlands' commitment to the Project.

Land Issues and Form of Easement

TEDCO is an Intervenor in this proceeding and participated in the oral hearing. Enbridge requires an easement from TEDCO with respect to three sections of land. Two sections are located immediately north and south of the shipping channel where Enbridge will be using a horizontal directional drill to cross underneath the shipping channel. The remaining easement required by Enbridge is within the Portlands generating facility where Enbridge currently has an existing distribution pipeline.

Section 97 of the OEB Act provides that a leave to construct will not be granted until the Applicant has satisfied the Board that it has offered or will offer to each owner of land affected by the approved route or location an agreement in a form approved by the Board.

TEDCO asked the Board to modify the form of agreement proposed by Enbridge with respect to two clauses. First, TEDCO took issue with the environmental cause, (clause 7) in the Standard Form Agreement whereby the landowner represents and warrants that the lands do not contain hazardous substance. Enbridge responded that the Board should not be concerned about the specific terms of the form of easement at this point stating that the form was simply “a starting point” in the negotiations.

Enbridge submits that it is not the Board’s role in a leave to construct proceedings to intervene in the negotiations between the Applicant and the landowners. In the event that the parties are unable to negotiate an agreement, then alternatives are considered which may include different routes or even expropriation. The OEB Act provides a mechanism to resolve such disputes through an expropriation proceeding. That mechanism provides for compensation under the Expropriation Act by the Ontario Municipal Board (“OMB”) and not the OEB. Accordingly, Enbridge argues that the legislation limits this Board’s role to the determination of whether expropriation of land is required, not to determine whether the amount of compensation is appropriate. Enbridge also points out that the form of easement being proposed in this proceeding was the form approved by the Board in Scarborough System Reinforcement Application EB-2006-0066⁴ as well as the Goreway Station Application in EB-2005-0539⁵.

With respect to the environmental clause, Enbridge says that the Transferor is in the best position to know the environmental condition of the property in question. Accordingly, to the extent that representation is false, the Transferor should be responsible for the removal of hazardous substances. With respect to the indemnity, Enbridge says that the landowner is free to negotiate additional terms with Enbridge and the absence of such clause in the proposed Agreement in no way prohibits TEDCO from negotiating such a clause.

Section 97 of the Ontario Energy Board Act reads:

“In an application under section 90, 91 or 92, leave to construct shall not be granted until the applicant satisfies the Board that it has offered or will offer to each owner of land affected by the approved route or location an agreement in a form approved by the Board.”

⁴ *Enbridge Gas Distribution Inc.*, Decision and Order, EB-2006-0066, (November 30, 2006)

⁵ *Enbridge Gas Distribution Inc.*, Decision and Order, EB-2005-0539, (July 10, 2006)

In the course of cross-examination, Enbridge testified that:

- The form of easement agreement filed by Enbridge is offered to all landowners (Transcript Vol. 1, p.92);
- The standard form agreement filed by Enbridge is generally the same agreement that the utility files with the Board on every leave to construct application (Transcript Vol. 1, p. 96);
- The agreement is considered a 'benchmark' and is in all respects open to negotiation between the parties (Transcript Vol. 1, p. 97);
- In most cases changes are made as a result of negotiations (Transcript Vol. 1, pp. 98-99);
- The agreement filed by Enbridge does not contain an indemnification paragraph (Transcript Vol. 1, pp. 102-103);
- The agreement filed by Enbridge contains paragraphs which permit Enbridge to select the route and obtain an indemnity from the landowner for the removal of any hazardous substances found on the land (Transcript Vol. 1, pp. 99-100).

When considering the standard form agreement to be offered to affected landowners, the Board considers the agreement anew and in the context of the application in which it has been filed. The Board approves a standard form agreement which represents the initial offering to the affected landowner. Once the Board is satisfied with the standard form agreement, and in this case the Board is satisfied with the form as filed by Enbridge, the parties are free to negotiate whatever terms they believe to be necessary to protect their specific interests. The Board does not become involved in the detailed negotiation of the clauses in the agreements between one landowner and the Applicant. It is also accepted that a review by this Board under Section 97 does not extend to the amount of compensation or the structure of compensation arrangements.⁶

At the time of the hearing Enbridge had not finalized any of the landowner easement agreements but remained optimistic that they would be concluded well in advance of the planned construction start on July 1, 2007. The only possible exception was Studios of America. Enbridge advised the Board that the Board would be updated on the status of all easement agreements.

⁶ *Union Gas Limited*, Decision and Order, EB-2005-0550, (June 12, 2006)

The Emissions Issue

The Board received a letter of public comment on February 7, 2007 from Mr. Peter Tabuns, (MPP Toronto-Danforth), Mr. Jack Layton, (MP Toronto-Danforth) and the Toronto Energy Coalition ("TEC"). TEC requested the Board to deny this Application based upon the potential environmental impacts of the Portlands generating facility. Enbridge asked the Board to disregard these comments because "a [belief] that the construction operation of a plant will result in emissions has nothing to do with the pipeline application before the Board".

A similar concern was raised in the Application by the Greenfield Energy Centre Limited in a Leave to Construct a natural gas pipeline in the Township of St. Clair, Ontario. In the Board's Decision Order dated January 6, 2006, the Board clearly separated the environmental aspects of the pipeline construction from those related to the power station itself. The Board stated:

"To be clear, only those effects that are additive or interact with the effects that have already been identified as resulting from the pipeline construction are to be considered under cumulative effects."⁷

The Board further stated that it has no jurisdiction to consider the arguments of the Intervenor in this regard:

"In the Board's view, the law is clear that the jurisdiction on environmental matters associated with the power station falls under the *Environmental Assessment Act* administered by the Ministry of the Environment, and not the Ontario Energy Board. The process under the provincial Environmental Assessment Act in relation to the GEC generating station has been concluded ." (pp. 17-18)

This Decision was upheld by the Divisional Court.⁸

The Board Staff Counsel filed as part of its argument draft conditions of approval. The last draft condition was unique to this proceeding and resulted from a request by the City of Toronto, an Observer in this case, that the condition be followed including:

⁷ *Greenfield Energy Centre Limited Partnership*, Decision and Order, RP-2005-0022/EB-2005-0441/EB-2005-0442/EB-2005-0443/EB-2005-0444, (January 6, 2006) at p.10.

⁸ *Power Workers' Union, CUPE Local 1000 v. Ontario Energy Board* (2006), 214 O.A.C. 208, [2006] O.J. No. 2997 (Div. Ct.)

“That Enbridge Gas Distribution Inc. provide, within thirty (30) days of the completion of its construction (defined for the purposes of the public highway as the backfill and temporary patch of any excavation) to the City of Toronto and the property owners over which the pipeline will be built:

- Drawings certified by an Ontario Land Surveyor accurately showing the location of the constructed pipeline; or
- A record drawing as defined by the Association of Professional Engineers of Ontario accurately showing the location of the constructed pipeline.”

Enbridge did not oppose a condition but noted that the cost of Ontario Land Surveyor would be approximately \$240,000. Under the terms of the Gas Delivery Agreement this cost would become part of the project. As a result, neither Enbridge nor the ratepayers would incur the costs. Enbridge did state that they did not support the inclusion of this condition as a standard practice in other projects. Finally, Enbridge noted that the option for surveyor drawings, rather than engineer record drawings would appear to better meet the City of Toronto’s request to tie the location of the pipeline into the property bars (Transcript Volume 1, p. 119).

While this additional cost may not be immediately borne by Enbridge or Enbridge’s other ratepayers, in the long run such costs form part of utility’s cost of service and are ultimately paid by ratepayers. There is not sufficient evidence before us to justify this additional cost. The interests of the City of Toronto can be protected through less costly means. It is significant that the City of Toronto did not appear at the hearing to support its position or present argument. In the circumstances the Board is not prepared to grant the request by the City of Toronto and directs that the last paragraph contained in the draft conditions of approval, filed by Board Staff Counsel, be removed.

Orders Granted

For the Reasons indicated, the Board finds that the two pipeline projects being proposed by Enbridge in this proceeding are in the public interest and grants the Leave to Construct subject to the conditions set out in Appendix “B”.

THE BOARD ORDERS THAT:

1. Enbridge Gas Distribution Inc. is granted leave, pursuant to subsection 90 (1) of the Act, to construct approximately 6.5 kilometres of NPS 36 pipeline to parallel a portion of Enbridge's existing NPS 30 XHP Don Valley Line and approximately 2.9 kilometres of NPS 20 XHP steel pipeline that would interconnect the Don Valley Line at Enbridge's Station B regulator station and would terminate at the Portlands Energy Centre in the City of Toronto, subject to the conditions of approval set forth in Appendix "B".
2. Eligible intervenors who seek an award of costs incurred to date shall file their cost submissions in accordance with the *Practice Direction on Cost Awards* with the Board Secretary and with Enbridge Gas Distribution Inc. within 15 days of the date of this Decision. Enbridge Gas Distribution Inc. may make submissions regarding the cost claims within 30 days of the Decision and the intervenors may reply within 45 days of the Decision. A decision and order regarding cost awards will be issued at a later date. Upon receipt of the Board's cost award decision and order, Enbridge Gas Distribution Inc. shall pay any awarded costs with dispatch.
3. Enbridge Gas Distribution Inc. shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

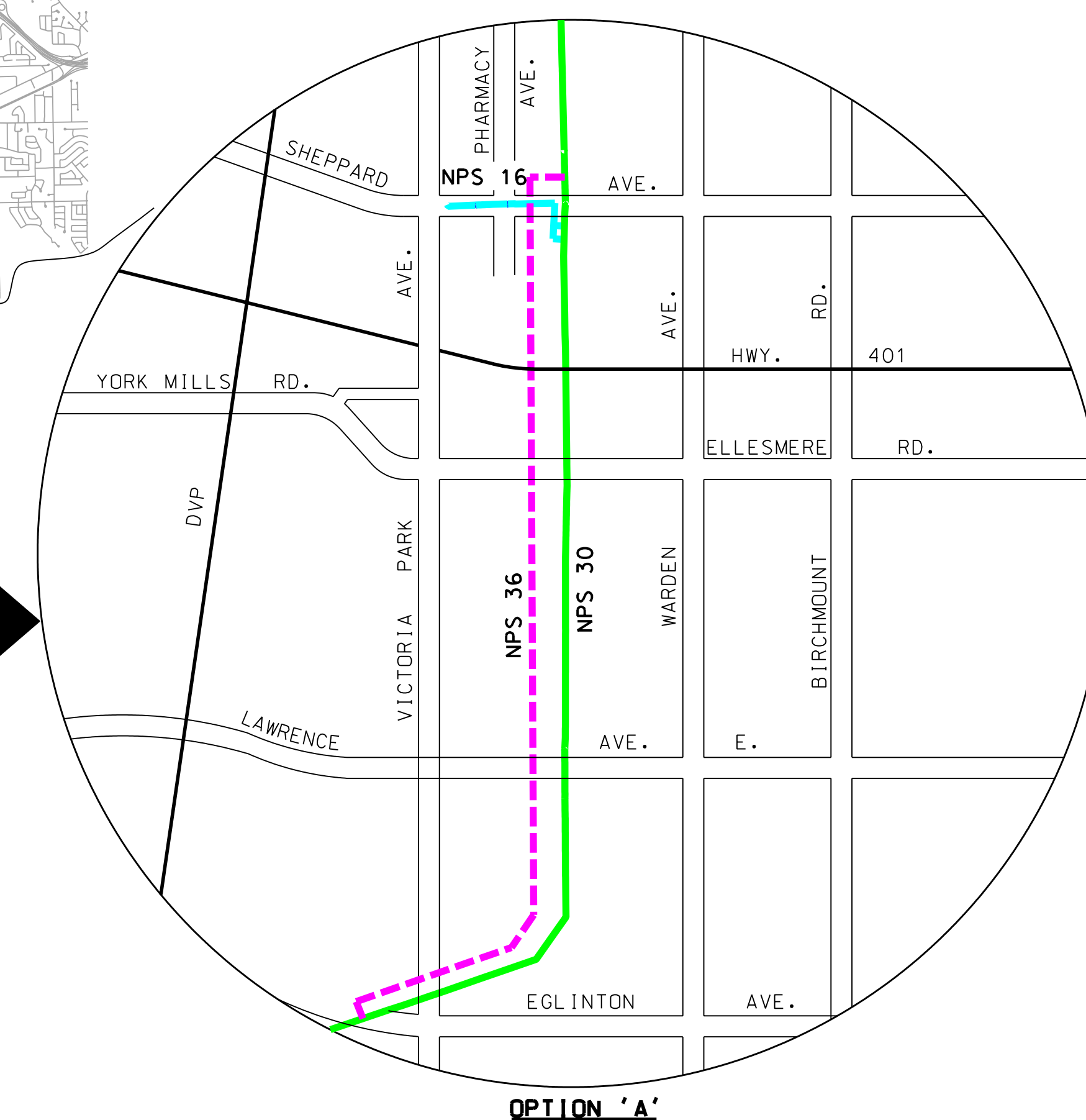
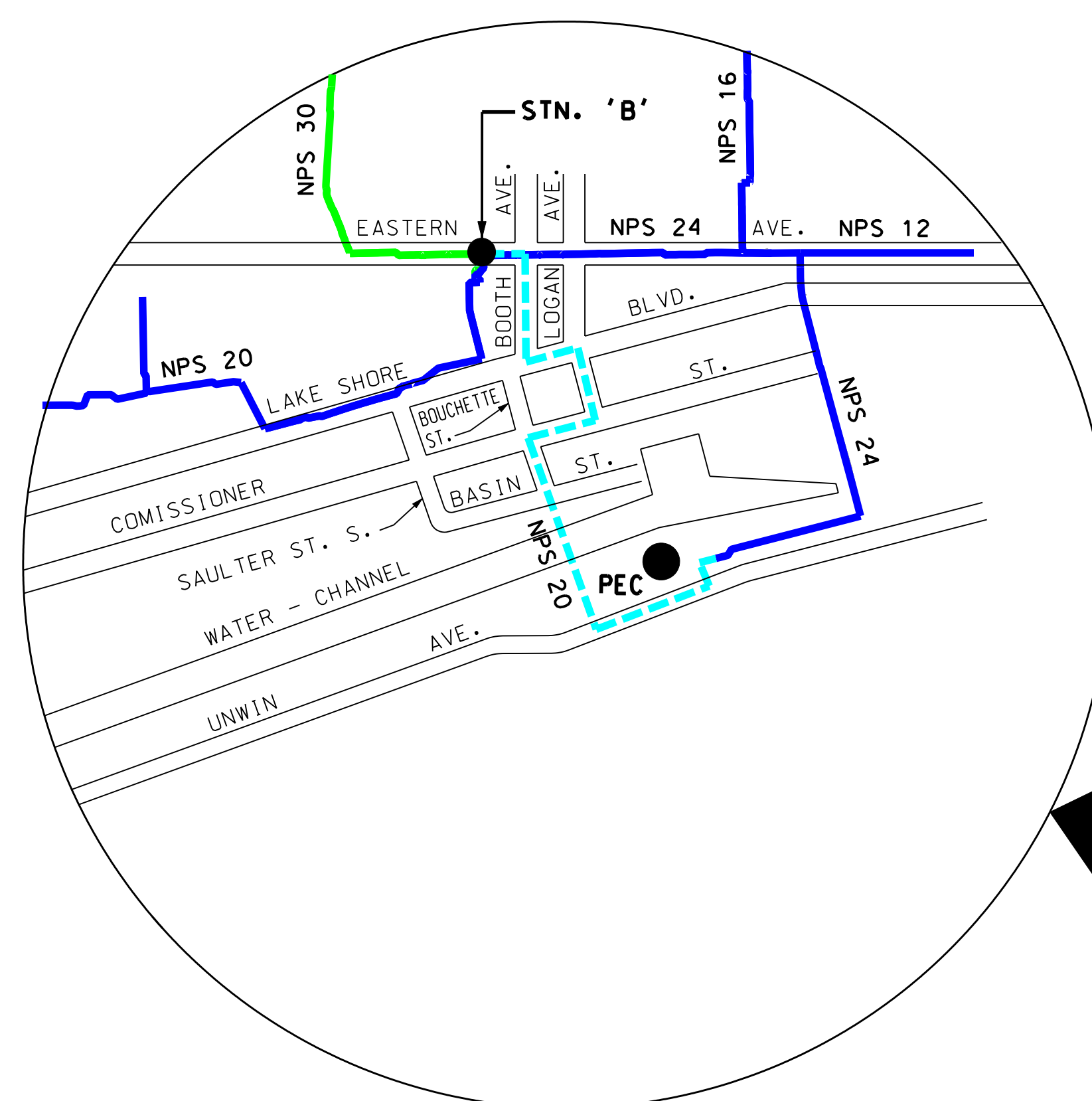
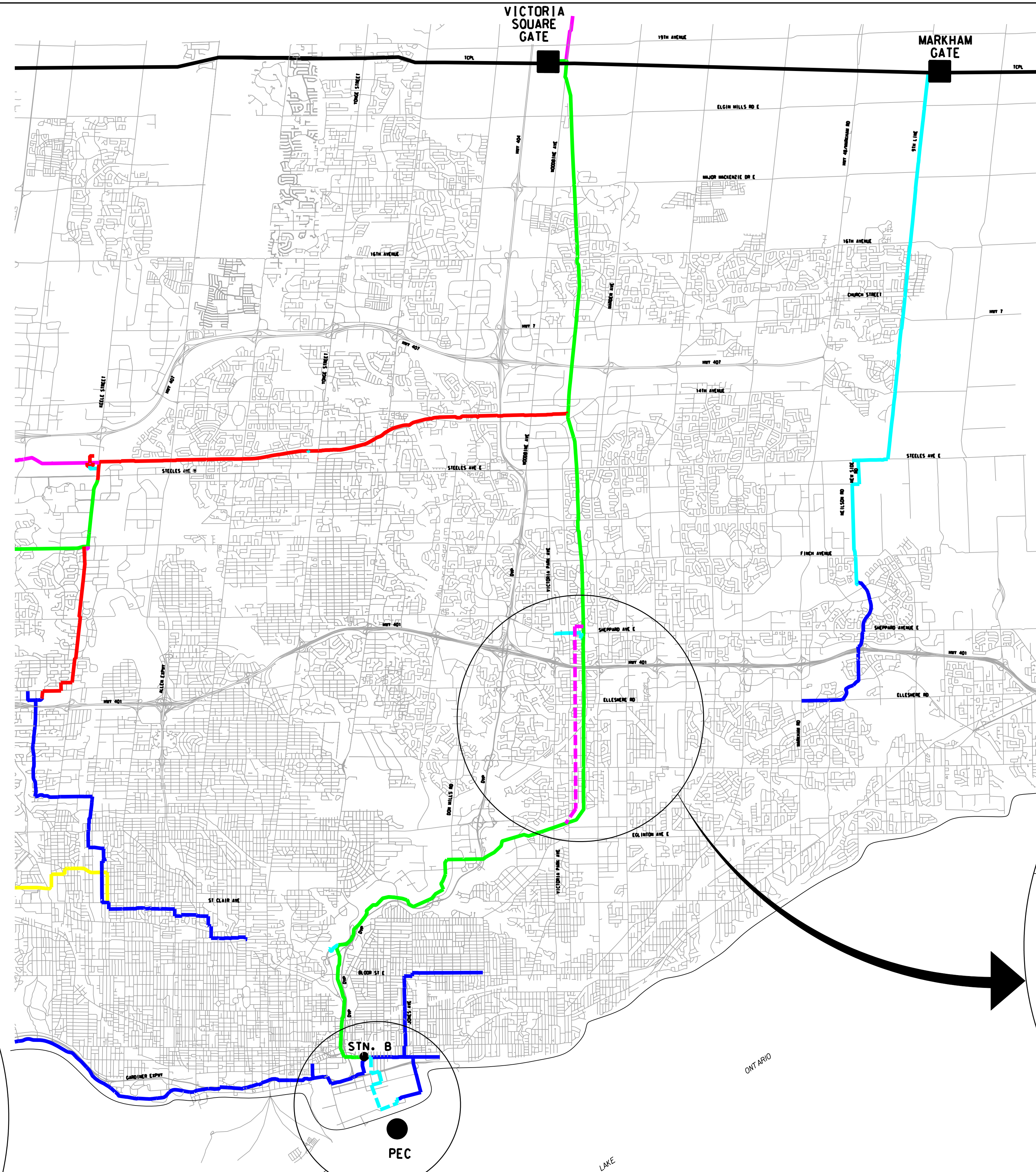
DATED at Toronto, June 1, 2007

ONTARIO ENERGY BOARD

Original signed by

Peter H. O'Dell
Assistant Board Secretary

APPENDIX "A"
TO BOARD DECISION AND ORDER
IN THE MATTER OF EB-2006-0305
DATED June 1, 2007
MAPS OF THE PIPELINE ROUTES



LEGEND

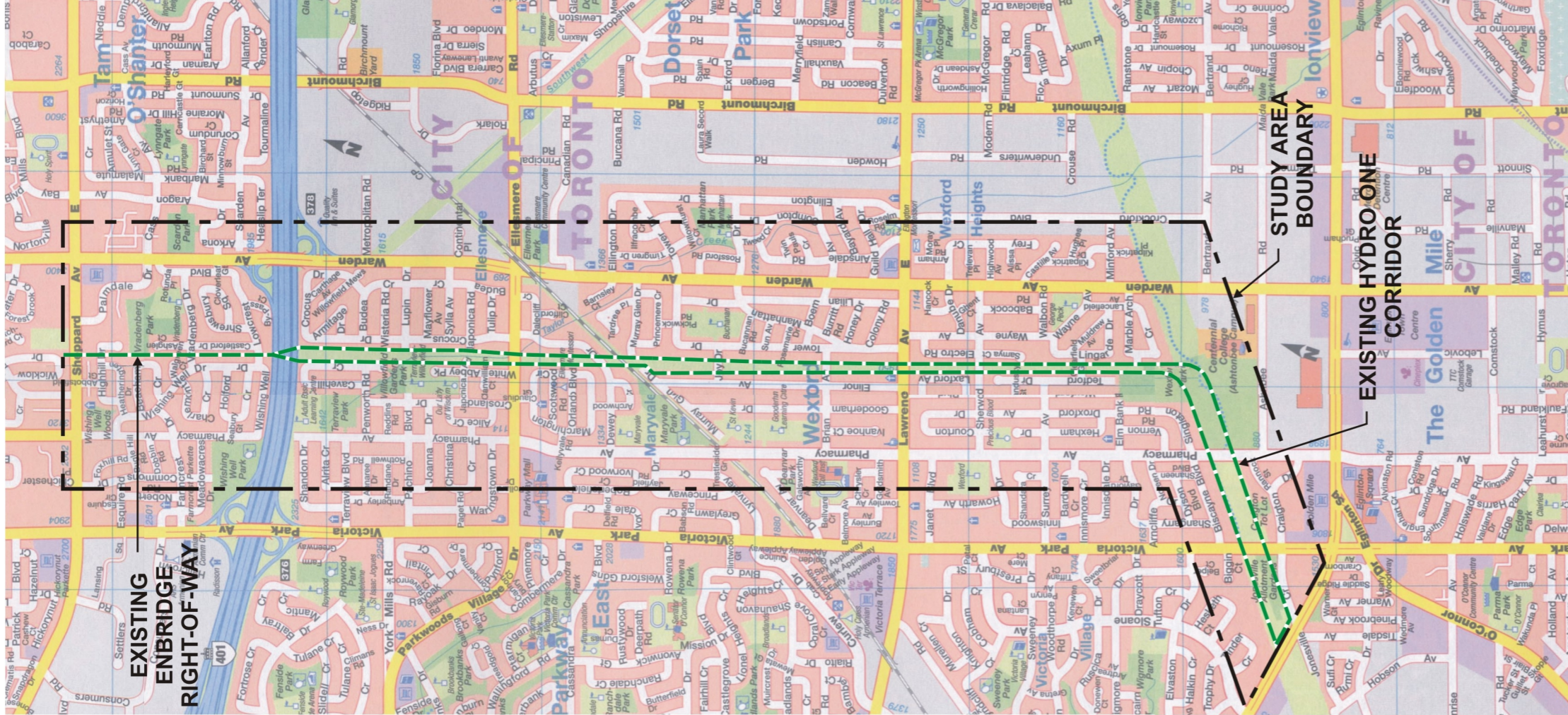
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EXIST NPS 30 XHP
EXIST NPS 24 & 26 XHP
EXIST NPS 12 TO 20 XHP
EXIST NPS 30 & LARGER HP
EXIST NPS 12 TO 24 HP
TCPL & UNION GAS
PROP NPS 36 & LARGER XHP
PROP NPS 12 TO 20 XHP

GATE STATIONS

SCALE



AREA 10	DWG NO.	0036
DRAWING: METRO OEB		



1:25,000 (Approx.)



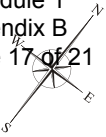
TORONTO SYSTEM
REINFORCEMENT STUDY
STUDY AREA A

Project Number
33485

SENEC Consultants



Stantec



- Study Area
- Preferred Route
- Alternate Routes



Base Map Source: Northway-Photomap Inc.

REVISION NO.	REVISION DATE	DESCRIPTION	REVISED BY:

PROJECT NAME:	ENBRIDGE NATURAL GAS PIPELINE		
CLIENT NAME:	ENBRIDGE		
DATE INITIATED:	OCTOBER, 2006	FILENAME:	60960211_05.cdr

FIGURE NO. **A-2**

PRELIMINARY PREFERRED ROUTE AND ROUTE SEGMENTS

SCALE:	1:12,000	PROJECT NO.:	160960211
REV. NO.	0	SHEET NO.	1 OF 1
CHECKED BY:	MA	APPROVED:	DPW
DRAWN BY:	CEW		

APPENDIX "B"
TO BOARD DECISION AND ORDER
IN THE MATTER OF EB-2006- 0305
DATED JUNE 1, 2007
CONDITIONS OF APPROVAL

EB-2006-0305

**Enbridge Gas Distribution Inc.
Toronto Portlands Reinforcement
Leave to Construct Application**

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 evidence filed in EB-2006-0305, 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, 2008, unless construction has commenced prior to then.
- 1.3 Except as modified by this Order, Enbridge shall implement all the recommendations of the Environmental Study Reports 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, Facilities.
- 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 fulfilment of the Conditions of Approval on the construction site. 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.

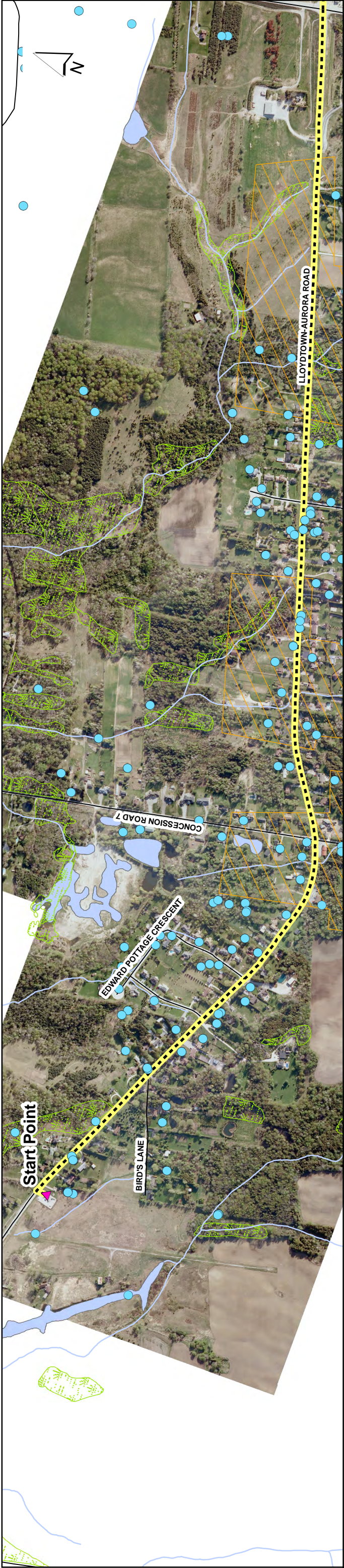
4 Easement Agreements

- 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

- 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.

Topsoil stripping adjacent to agricultural land and developed residential areas. Refer to Section 6.1.6 of the Environmental Report.



Watercourse Crossing. Inform appropriate agencies prior to commencing crossing. Refer to Section 6.2.1 of the Environmental Report.

Crossing Regional Road Concession 7. Contact road superintendent prior to crossing to discuss crossing timing and method. Refer to Section 6.3.4 of the Environmental Report.

Potential Contamination. Presence of a gasoline station. Refer to Section 6.3.5 of the Environmental Report.

Travelling within 100m of a water well.
Potential disturbance to water well.
Consult with landowner to determine the specific location and characteristics of their water well. Refer to Section 6.1.5 of the Environmental Report.

Watercourse Crossing. Inform appropriate agencies prior to commencing crossing. Refer to Section 6.2.1 of the Environmental Report.

Archaeological Resources. Complete a Stage II Archaeological assessment prior to the on-set of construction activities. Refer to Section 6.3.6 of the Environmental Report.


Travelling within 100m of residences and businesses. Contact landowners to discuss pre-construction concerns. Refer to Section 6.3.1 of the Environmental Report.


Adjacent to Wetland. Include specific erosion control measures. Refer to Section 6.2.3 of the Environmental Report.


- 

Start / End Point
- 

Primary Road
- 


Transmission Line
- 

Railway
- 

Cemetery
- 

Archaeological Potential
- 

MOE Wellwater Record
- 

Wetland
- 

Waterbody
- 

Watercourse



Client: Enbridge Gas Distribution Inc.
YORK ENERGY CENTRE LP PIPELINE

Appendix D-1

Topsoil stripping adjacent to agricultural land and developed residential areas. Refer to Section 6.1.6 of the Environmental Report.



Adjacent to Wetland. Include specific erosion control measures. Refer to Section 6.2.3 of the Environmental Report.

Regional Road Crossing. Contact road superintendent prior to crossing to discuss crossing timing and method. Refer to Section 6.3.4 of the Environmental Report.

Travelling within 100m of residences and businesses. Contact landowners to discuss pre-construction concerns. Refer to Section 6.3.1 of the Environmental Report.

Travelling within 100m of a water well. Potential disturbance to water well. Consult with landowner to determine the specific location and characteristics of their water well. Refer to Section 6.1.5 of the Environmental Report.

Provincial Highway 400 Crossing. Contact MTO road superintendent prior to crossing to discuss crossing timing and method. Refer to Section 6.3.4 of the Environmental Report.

Potential Contamination. Presence of a gasoline station. Refer to Section 6.3.5 of the Environmental Report.

Travelling within 100m of residences and businesses. Contact landowners to discuss pre-construction concerns. Refer to Section 6.3.1 of the Environmental Report.

Travelling within 100m of a water well. Potential disturbance to water well. Consult with landowner to determine the specific location and characteristics of their water well. Refer to Section 6.1.5 of the Environmental Report.

Archaeological Resources. Complete a Stage II Archaeological assessment prior to the on-set of construction activities. Refer to Section 6.3.6 of the Environmental Report.

Regional Road Crossing. Contact road superintendent prior to crossing to discuss crossing timing and method. Refer to Section 6.3.4 of the Environmental Report.

- ▲ Start / End Point

— Primary Road

● Transmission Line

⊕ Railway
- ▨ Cemetary

▨ Archaeological Potential

● MOE Wellwater Record
- ▨ Wetland

▨ Waterbody

— Watercourse

Date: July 16, 2009

Scale: 1:10,000 NAD 83 UTM Zone 17N



Client: Enbridge Gas Distribution Inc.
YORK ENERGY CENTRE LP PIPELINE

Appendix D-2

Topsoil stripping adjacent to agricultural land and developed residential areas. Refer to Section 6.1.6 of the Environmental Report.



Regional Road Crossing. Contact road superintendent prior to crossing to discuss crossing timing and method. Refer to Section 6.3.4 of the Environmental Report.

Watercourse Crossing. Inform appropriate agencies prior to commencing crossing. Refer to Section 6.2.1 of the Environmental Report.

Archaeological Resources. Complete a Stage II Archaeological assessment prior to the on-set of construction activities. Refer to Section 6.3.6 of the Environmental Report.

Travelling within 100m of residences and businesses. Contact landowners to discuss pre-construction concerns. Refer to Section 6.3.1 of the Environmental Report.

Travelling within 100m of a water well. Potential disturbance to water well. Consult with landowner to determine the specific location and characteristics of their water well. Refer to Section 6.1.5 of the Environmental Report.

- ▲

Start / End Point
- Primary Road
- Transmission Line
- +—

Railway
- ▨

Cemetery
- ▨

Archaeological Potential
- MOE Wellwater Record
- ▨

Wetland
- Waterbody
- Watercourse



Client: Enbridge Gas Distribution Inc.
YORK ENERGY CENTRE LP PIPELINE

Appendix D-3

Topsoil stripping adjacent to agricultural land and developed residential areas. Refer to Section 6.1.6 of the Environmental Report.



Watercourse Crossing. Inform appropriate agencies prior to commencing crossing. Refer to Section 6.2.1 of the Environmental Report.



Cemetary



Archaeological Potential



MOE Wellwater Record



Wetland



Waterbody



Watercourse



Crossing under Electric Transmission Line. Contact Hydro One to discuss safety and distance requirements. Refer to Section 6.3.4 of the Environmental Report.



Regional Road Crossing. Contact road superintendent prior to crossing to discuss crossing timing and method. Refer to Section 6.3.4 of the Environmental Report.



Watercourse Crossing. Inform appropriate agencies prior to commencing crossing. Refer to Section 6.2.1 of the Environmental Report.



Vegetation Removal. Refer to Section 6.2.2 of the Environmental Report.



Regional Road Crossing. Contact road superintendent prior to crossing to discuss crossing timing and method. Refer to Section 6.3.4 of the Environmental Report.



Travelling within 100m of residences and businesses. Contact landowners to discuss pre-construction concerns. Refer to Section 6.3.1 of the Environmental Report.



Area of Steep Slopes. Refer to Section 6.1.1 of the Environmental Report.



Archaeological Resources. Complete a Stage II Archaeological assessment prior to the on-set of construction activities. Refer to Section 6.3.6 of the Environmental Report.



Travelling within 100m of a water well. Potential disturbance to water well. Consult with landowner to determine the specific location and characteristics of their water well. Refer to Section 6.1.5 of the Environmental Report.

Start / End Point

Primary Road

Transmission Line

Railway

Cemetary

Archaeological Potential

MOE Wellwater Record

Wetland

Waterbody

Watercourse

Date: July 16, 2009

Scale: 1:10,000 NAD 83 UTM Zone 17N

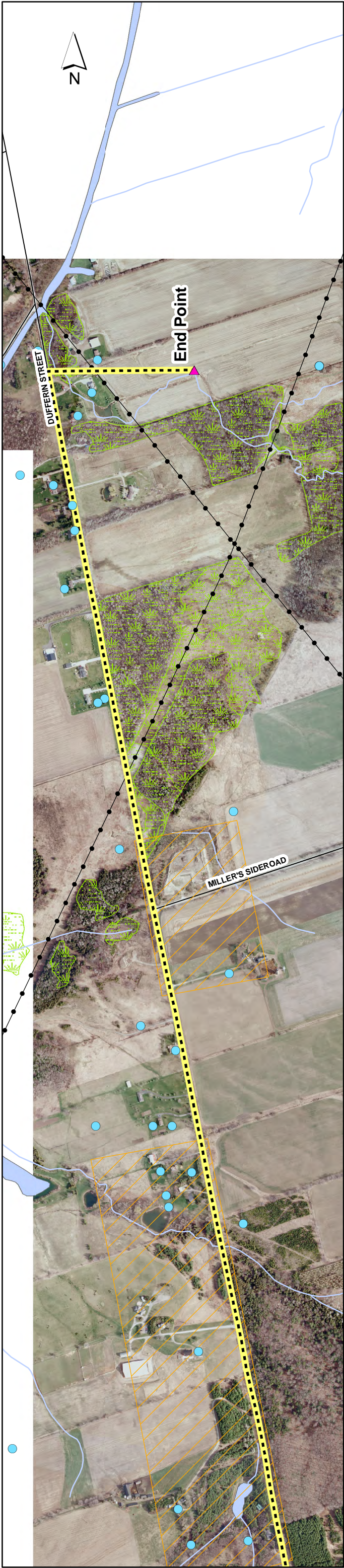


Client: Enbridge Gas Distribution Inc.

YORK ENERGY CENTRE LP PIPELINE

Appendix D-4

Topsoil stripping adjacent to agricultural land and developed residential areas. Refer to Section 6.1.6 of the Environmental Report.



Watercourse Crossing. Inform appropriate agencies prior to commencing crossing. Refer to Section 6.2.1 of the Environmental Report.

Vegetation Removal. Refer to Section 6.2.2 of the Environmental Report.

Travelling within 100m of a water well. Potential disturbance to water well. Consult with landowner to determine the specific location and characteristics of their water well. Refer to Section 6.1.5 of the Environmental Report.

Area of Steep Slopes. Refer to Section 6.1.1 of the Environmental Report.

Municipal Road Crossing. Contact road superintendent prior to crossing to discuss crossing timing and method. Refer to Section 6.3.4 of the Environmental Report.

Potential Contamination.
Presence of an active landfill site.
Refer to Section 6.3.5 of the Environmental Report.

Adjacent to Provincially Significant Wetland.
Include recommended specific erosion control measures. Refer to Section 6.2.3 of the Environmental Report.

Crossing under Electric Transmission Line.
Contact Hydro One to discuss safety and distance requirements. Refer to Section 6.3.4 of the Environmental Report

Watercourse Crossing. Inform appropriate agencies prior to commencing crossing. Refer to Section 6.2.1 of the Environmental Report.

Travelling within 100m of a water well.
Potential disturbance to water well.
Consult with landowner to determine the specific location and characteristics of their water well. Refer to Section 6.1.5 of the Environmental Report.

Archaeological Resources. Complete a Stage II Archaeological assessment prior to the on-set of construction activities. Refer to Section 6.3.6 of the Environmental Report.

Travelling within 100m of residences and businesses. Contact landowners to discuss pre-construction concerns. Refer to Section 6.3.1 of the Environmental Report.

- ▲

Start / End Point
- Primary Road
- Transmission Line
- +—

Railway
- ▨

Cemetery
- ▨

Archaeological Potential
- MOE Wellwater Record
- ▨

Wetland
- ▨

Waterbody
- Watercourse

Date: July 16, 2009

Scale: 1:10,000 NAD 83 UTM Zone 17N



Client: Enbridge Gas Distribution Inc.
YORK ENERGY CENTRE LP PIPELINE

Appendix D-5

PIPELINE TO SERVE THE
PRISTINE YORK ENERGY CENTRE

Special Land Use Policy Areas

Produced by Jacques Whitford under Licence with the Ontario
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Start Point

End Point

Preliminary Preferred Route

Road

Highway

Existing Pipeline

Utility

Watercourse

Study Area Boundary

Oak Ridges Moraine Boundary

Greenbelt Countryside Area Boundary

Greenbelt Natural Heritage System

Waterbody

Wooded Area

Oak Ridges Moraine Landuse

Countryside Area

Natural Core Area

Natural Linkage Area

Palgrave Estates Residential Community

Rural Settlement


Settlement Area

050010001500

Metres - 1:50,000

1049283-025

PREPARED FOR



ENBRIDGE

The map displays the Preliminary Preferred Route (purple line) for a pipeline serving the Pristine York Energy Centre. The route starts at the Schomberg Gate Station (pink square) and ends at the York Energy Centre LP (yellow square). The map includes various land use designations, roads, and water features. Key roads shown include Yonge St, Hwy 27, Green Lane W, Bathurst St, Dufferin St, Keele St, Jane St, Weston Rd, Main St, and Hwy 27. Water features include the Holland Marsh Lowlands, Greenbelt Countryside Area, and various waterbodies. The map also shows the Oak Ridges Moraine Landuse and the Greenbelt Natural Heritage System. The map is oriented with North at the top.