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VIA RESS, EMAIL, & COURIER

March 11, 2011

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, ON M4P 1E4

**Re: Enbridge Gas Distribution Inc. ("Enbridge") – Reply Submission for the
Dow Moore, Corunna and Seckerton Pipeline Project
Ontario Energy Board (the "Board") No. EB-2010-0302**

Pursuant to the Board's Procedural Order No. 1 issued on February 23, 2011, please find enclosed Enbridge's reply submission regarding the Dow Moore, Corunna and Seckerton Pipeline Project.

Please contact the undersigned if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads 'Lesley Austin'.

Lesley Austin
Regulatory Coordinator

cc: Neil McKay, Manager, Natural Gas Applications, Ontario Energy Board (via email)
Zora Cronjacki, Project Advisor, Ontario Energy Board and OPCC Chair (via email)
Scott Stoll, Aird & Berlis, Counsel (via email)

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 or orders granting leave to construct natural gas pipelines in Concession 9, Lot 21 and Concession 10, Lots 19, 20 and 21 in the former Township of Moore, in the Township of St. Clair, in the County of Lambton.

REPLY SUBMISSIONS OF ENBRIDGE GAS DISTRIBUTION INC.

Overview

1. The Applicant, Enbridge Gas Distribution Inc. ("**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 December 17, 2010 for leave to construct four segments of pipe totalling approximately 3500 metres and related facilities (the "**Application**"). The four proposed pipeline segments (collectively, the "**Storage Project**", details in Table 1 below) are required to move gas to and from Seckerton, Corunna or Dow More storage reservoirs, and the Corunna Compressor Station to enable the expansion of Enbridge's Tecumseh storage. A map showing the proposed pipelines may be found in the Application at Exhibit B, Tab 2, Schedule 2, Figure No. 4.

Table 1. Pipeline Segment Details

Pipeline Segment	Length	Diameter	Maximum Operating Pressure
Interconnect Pipeline	1900 metres	NPS 20	11 730 kPa
Seckerton Gathering Line	1500 metres	NPS 20	11 730 kPa
Seckerton Pool Line Station Tie-In	50 metres	NPS 20	11 730 kPa
Corunna pool line Station Tie-In	50 metres	NPS 16	9 310 kPa

3. Enbridge has applied to the Board, 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 Storage Project.

Background

4. On December 17, 2010 Enbridge filed an Application for leave to construct with the Board. Enbridge complied with the Board's Letter of Direction and Notice of Application and Hearing (the "**Notice**") dated January 20, 2011.
5. By Procedural Order No. 1, dated February 23, 2011, the Board granted Union Gas Limited intervenor status and granted Mr. Wellington observer status. It further ordered the proceeding be conducted in writing.

Public Interest

6. 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:

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.

7. 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 public interest.
8. 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. Enbridge’s submissions will deal with each of these items in turn. Enbridge will also reply to the submissions of Board Staff.

Project Need

9. New storage services are discussed in the Board’s Natural Gas Electricity Interface Review (“NGEIR”) proceeding, EB-2005-0551. In response to NGEIR, Enbridge is now planning a series of storage enhancement projects which may culminate in an increase of storage capacity of approximately 17.5 BCF. The

first phase of this expansion is targeted for completion in 2011 and would enable Enbridge to offer approximately 4.5 BCF of incremental storage service.

10. Enbridge held open seasons in March and November 2010. Enbridge finalized contractual arrangements for the approximate 4.5 BCF of storage services in December 2010. Future open seasons will be held to support development of future capacity.

Environmental

11. Enbridge has selected the proposed route, 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**"). A copy of the Environmental Report prepared by Stantec can be found in the Application at Exhibit B, Tab 2, Schedule 2.
12. Enbridge would note that while it does not foresee changing the proposed in-service date for the Storage Project, certain activities may need to be rescheduled to comply with the requirements of the Ministry of Natural Resources. Enbridge will abide by the recommendations in the Environmental Report and the conditions in the permits.

13. Three First Nations were identified within 100 kilometres of the study area as having a potential interest in the projects: (1) Aamjiwnaang First Nation, (2) Chippewas of Kettle and Stony Point, and (3) Walpole Island First Nation. Each were contacted and provided notice of the Storage Projects. As of March 10, 2011 no concerns have been expressed from any of these First Nations.

Project Feasibility

14. Consistent with the NGEIR Decision, this storage expansion project is being funded by Enbridge's shareholders and will not become part of Enbridge's regulated rate base. All costs associated with these projects are being captured in the unregulated accounts and no costs of the project are charged to regulated utility accounts. As such, this Application does not include an economic feasibility analysis and Enbridge is not seeking a finding from the Board related to the financial feasibility of these projects. Board Staff was of the view that Enbridge's position was consistent with the NGEIR decision.

Land Issues

15. Enbridge would note the Storage Project is entirely on lands owned by Enbridge or for which Enbridge holds current and valid gas storage lease agreements and/or are subject to gas storage rights as provided by OEB Order E.B.O. 5, December 2, 1963. Thus no new easements or land acquisitions are required.

16. Enbridge has met and will continue to engage the affected landowners along the preferred route regarding the construction and operational matters related to the Storage Project.

Delta Pressuring

17. Enbridge is aware of the requirements for delta pressuring storage pools set out in Canadian Standards Association Z341 "Storage of Hydrocarbons in Underground Formations". Enbridge has reviewed the draft condition, Draft Condition 4.2, and accepts the proposed wording as reasonable.

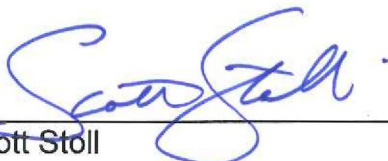
Conclusion

18. Enbridge has reviewed, and accepts as reasonable, the revised draft conditions Board Staff has included with its submissions. Enbridge submits the evidence demonstrates the Storage Project is in the public interest and requests the Board so find and issue the order(s) granting leave to construct.

DATED: March 11, 2011 at Toronto, Ontario.

ENBRIDGE GAS DISTRIBUTION INC.
By its counsel

AIRD & BERLIS LLP



Scott Stoll