

EB-2011-0076 EB-2011-0077 EB-2011-0078 EB-2011-0285

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B; and in particular sections 36.1(1), 38(1), 40(1), 90(1), thereof;

**AND IN THE MATTER OF** an application by Tribute Resources Inc. for an Order designating the areas known as the Stanley 4-7-XI Pool and the Bayfield Pool, in the County of Huron, as gas storage areas;

AND IN THE MATTER OF an application by Tribute Resources Inc. for authority to inject gas into, store gas in and remove gas from the areas designated as the Stanley 4-7-XI Pool and the Bayfield Pool and to enter into and upon the lands in the said areas and use the land for such purposes;

**AND IN THE MATTER OF** an application by Tribute Resources Inc. to the Ministry of Natural Resources for a license to drill wells in the said areas:

AND IN THE MATTER OF an application by Tribute Resources Inc. for an Order granting leave to construct natural gas pipelines in the County of Huron and in the County of Middlesex;

**AND IN THE MATTER OF** an application by Tribute Resources Inc. for a determination in respect of the compensation payable under Section 38 of the *Ontario Energy Board Act, 1998*.

PROCEDURAL ORDER NO.2 May 8, 2012 Tribute Resources Inc. and Bayfield Resources Inc., on behalf of Huron Bayfield Limited Partnership and Bayfield Pipeline Corp. ("Tribute") have filed applications with the Ontario Energy Board (the "Board"), dated April 20, 2011, and amended August 4, 2011. The applications were filed under sections 36.1(1), 38(3), 40(1) and 90(1) of the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B (the "Act"). The applications, if granted, would allow Tribute to develop natural gas storage pools located in the geographic area of the County of Huron and in the County of Middlesex Ontario (the "Project").

The Project includes the designation and development of two proposed gas storage pools in Huron County, the Stanley 4-7-XI Pool and the Bayfield Pool and the construction and operation of a transmission pipeline to connect these proposed storage pools with Union Gas Limited's pipeline system.

The applications are organized into four Board Files as follows:

- a. Development of Stanley Pool (Board File No. EB-2011-0076)
- b. Development of the Bayfield Pool (Board File No. EB-2011-0077)
- c. Leave to Construct a Natural Gas Pipeline (Board File No. EB-2011-0078)
- d. Request for Determination of Compensation (Board File No. EB-2011-0258)

On April 30, 2012 the Board issued Procedural Order No.1 ("PO 1"). In PO 1 the Board provided a Draft Issues List and made provision for written submissions on the Draft Issues List. The Board stated that it would, upon considering any comments on the Draft Issues List, release a Board approved Issues List.

On April 30, 2012, the Board received a letter from Mr. Chinneck, counsel for McKinley Farms Ltd., indicating that his client has not yet received the applications and all the related material. He requested an extension of time to file comments on the Draft Issues List in order that his client may have an opportunity to review the updated and complete applications in their entirety. Huron County Federation of Agriculture, a registered intervenor in the proceeding, also contacted the Board by e-mail indicating that it not been served the amended application materials.

In light of the above, the Board has determined that is appropriate that the timeline for the written process, set in the PO 1 be extended. The Board understands that Tribute will have delivered the complete application and evidence to all intervenors by Wednesday, May 9, 2012. The Board will provide parties with four weeks to review this material and make submissions on the Draft Issues List.

This Procedural Order sets the adjusted timeline for filing the following: submissions on the Draft Issues List, interrogatories, responses to interrogatories, intervenor evidence, and interrogatories and responses on intervenor evidence.

The Board considers it necessary to make provision for the following procedural matters. The Board may issue further procedural orders from time to time. The Board will determine next steps in the proceeding at the later date.

#### THE BOARD ORDERS THAT:

- 1. Tribute, Intervenors and Board staff shall file comments, if any, on the Draft Issues List attached as Appendix A to this Procedural Order, no later than **June 6, 2012.**
- 2. Intervenor and Board staff written interrogatories on Tribute's pre-filed evidence shall be filed with the Board and copies delivered to Tribute and all intervenors on or before **June 20**, **2012**. All interrogatories must reference the specific evidence on which the interrogatory is based and indicate the issue number according to the Board approved Issues List.
- 3. Responses to the interrogatories shall be filed with the Board and delivered to intervenors on or before **July 4, 2012**.
- 4. Intervenors or Board Staff who wish to file evidence shall file it with the Board and deliver copies to Tribute and all other parties on or before **July 18, 2012.**

- 5. Written interrogatories on intervenor evidence, shall be filed with the Board and copies delivered to Tribute and all other parties on or before **August 8, 2012.** All interrogatories must reference the specific evidence on which the interrogatory is based and indicate the issue number according to the Board approved Issues List.
- 6. Responses to the interrogatories on intervenor evidence shall be filed with the Board and delivered to Tribute and intervenors on or before **August 22, 2012**.

All filings to the Board must quote file numbers **EB-2011-0076/0077/0078** be made through the Board's web portal at <a href="www.errr.ontarioenergyboard.ca">www.errr.ontarioenergyboard.ca</a> and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address.

Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <a href="www.ontarioenergyboard.ca">www.ontarioenergyboard.ca</a>. If the web portal is not available you may email your document to the <a href="mailto:BoardSec@ontarioenergyboard.ca">BoardSec@ontarioenergyboard.ca</a>. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file seven paper copies. If you have submitted through the Board's web portal an e-mail is not required.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

**DATED** at Toronto May 8, 2012

#### **ONTARIO ENERGY BOARD**

Original signed by

Kirsten Walli Board Secretary

# **APPENDIX A**

# **Draft Issues List**

EB-2011-0076 EB-2011-0077 EB-2011-0078

May 8, 2012

### EB-2011-0076, EB-2011-0077, EB-2011-0078 Draft Issues List

### 1. Designation of the Gas Storage Pool

- 1.1. Is the underlying geological formation appropriate for storage operations?
- 1.2. Is the tract of land to be designated appropriately bound and sized to provide for safe operation of the storage pool?
- 1.3. Is there a need for this incremental storage capacity in Ontario?

### 2. Authorization to Inject, Store and Withdraw

- 2.1. Is the applicant a capable prospective storage operator in terms of technical and financial capabilities to develop and operate the proposed storage facilities?
- 2.2. Will the appropriate safety requirements for proposed injection/withdrawal activities be ensured in accordance with all relevant codes and standards?
- 2.3. Is the proposed maximum operating pressure safe?
- 2.4. What are the potential impacts of injection/withdrawal activities on the integrity of the gas storage pool?
- 2.5. Is the applicant appropriately accountable and for losses or damages caused by its activities? In particular, will the appropriate insurance coverage be in effect prior to construction/operation commencement?

#### 3. Well Drilling Licence

- 3.1 Does the geological evidence support the proposed well locations and drilling programs?
- 3.2 Are the proposed storage wells appropriately designed? Are construction and maintenance plans in order?
- 3.3 Does the applicant have the technical capability to conduct the drilling in accordance with applicable standards and codes?
- 3.4 Does the applicant propose an appropriate program to mitigate the environmental impacts and impacts on directly affected properties?

### 4. Leave to Construct

- 4.1 Is there a need for the proposed pipelines?
- 4.2 What are the environmental impacts associated with construction of the proposed pipelines and are they acceptable?
- 4.3 Are there any outstanding landowner matters for the proposed pipelines routing and construction?
- 4.4 Are the pipelines designed in accordance with the current technical and safety requirements?