

**Ontario Energy  
Board**

P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto ON M4P 1E4  
Telephone: 416- 481-1967  
Facsimile: 416- 440-7656  
Toll free: 1-888-632-6273

**Commission de l'énergie  
de l'Ontario**

C.P. 2319  
27<sup>e</sup> étage  
2300, rue Yonge  
Toronto ON M4P 1E4  
Téléphone: 416- 481-1967  
Télécopieur: 416- 440-7656  
Numéro sans frais: 1-888-632-6273



**BY EMAIL**

May 30, 2012

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, Suite 2700  
Toronto ON M4P 1E4

Dear Ms. Walli:

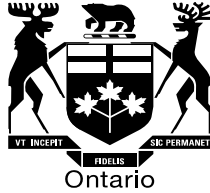
**Re: Application for Enbridge Gas Distribution Inc for Drilling Wells within  
Kimball-Colinville Designated Storage Area  
Board File No.: EB-2012-0060**

Pursuant to Procedural Order No. 1 dated May 3, 2012, please find attached Board Staff's submissions for the above proceeding.

Yours truly,

*Originally Signed By*

Sunny Swatch  
Analyst, Applications & Regulatory Audit



**ONTARIO ENERGY BOARD**

**STAFF SUBMISSIONS**

**Enbridge Gas Distribution  
Application for  
Well Drilling Licences (EB-2012-0060)**

**May 30, 2012**

## The Application

Enbridge Gas Distribution Inc (the “Applicant” or “Enbridge”) filed an application dated February 14, 2012 with the Ministry of Natural Resources (“MNR”) for four well drilling licences to drill observation wells in the Kimball-Colinville designated storage area. The application, if granted, would help Enbridge in monitoring the gas content and pressure in the underground storage area. The application was referred to the Ontario Energy Board (the “Board”) by MNR on February 28, 2012, pursuant to section 40 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (schedule B) (the “Act”).

Specifically, Enbridge is applying for the following four observation wells in the Kimball-Colinville designated storage area;

- TKC #63, Moore 6-18-VIII
- TKC #64, Moore 1-20-VI
- TKC #65, Moore 1-14-IV
- TKC #66, Moore 1-16-VIII

This application was assigned Board File No. EB-2012-0060.

One of the proposed observation wells will be a replacement for a well abandoned in 2010 for integrity reasons. The three other proposed observation wells will help Enbridge gather information to resolve some differences in the A-1 Carbonate geological mapping, found in geological modeling performed in 2011.<sup>1</sup> The geological mapping and proposed observation well locations were reviewed with MNR personnel at a meeting on July 21, 2011 at the Enbridge office. The Board did not attend this meeting.

## Proceedings to Date

On March 12, 2012 the Board issued a Notice of Application (“Notice”) and Letter of Direction with respect to this application. The Notice was served and published as directed by the Board.

---

<sup>1</sup> Interrogatory Responses dated May 22, 2012, Exh.1/Tab1/Sch.1/ Pg.1-2

The Board granted intervenor status to the MNR and Union Gas Limited ("Union") on April 18, 2012.

On May 3, 2012 the Board issued Procedural Order No. 1 which set the schedule for a written proceeding including dates to file interrogatories, interrogatory responses, submissions, and a reply submission from the Applicant.

In accordance with the schedule, written interrogatories were filed by Board staff on May 11, 2012. The intervenors did not file any interrogatories. Enbridge responded to all the interrogatories on May 22, 2012.

### **Board Staff Submissions**

Board staff supports the approval of this application and notes that it has no outstanding issues or concerns regarding Enbridge's application to drill four observation wells in the Kimball-Colinville designated storage area. Board staff further submits that Enbridge adequately addressed the need for the wells as well as satisfying landowner, construction and environmental issues in its pre-filed evidence and interrogatory responses.

In response to Board Staff IR # 3, Enbridge filed Environmental Screening Reports, dated January 2012, prepared by Stantec Consulting Ltd. for each of the four proposed wells. The Environmental Screening Reports addressed potential environmental impacts of drilling and construction and include mitigation measures for those impacts.

Board staff submits that the public interest would be served if the Board were to approve Enbridge's application, subject to the proposed conditions that are attached as Appendix A to these submissions. Board Staff expects Enbridge to comment on the proposed conditions and indicate if they are acceptable in the event that the Board approves this application.

Board staff respectfully submits that a favourable report of the Board, under subsection 40(1) of the Act, be provided to the MNR to whom the Applicant has applied for licences to drill these four proposed observation wells in the Kimball-

Colinville designated storage area, subject to Board staff proposed conditions attached to Appendix A of these submissions.

All of which is respectfully submitted.

**APPENDIX A**

**BOARD STAFF PROPOSED CONDITIONS OF APPROVAL**

**LICENCES TO DRILL FOUR OBSERVATION WELLS IN KIMBALL-  
COLINVILLE DESIGNATED STORAGE AREA**

**EB-2012-0060**

**Enbridge Gas Distribution Inc.  
EB-2012-0060****Board Staff Proposed Conditions of Approval****Well Drilling Licences Application****1. General Requirements**

- 1.1. Enbridge Gas Distribution Inc. ("Enbridge") shall rely on the evidence filed with the Board in EB-2012-0060 proceeding and comply with applicable laws, regulations and codes pertaining to the construction of the proposed wells.
- 1.2. Authorization for the issuance of the drilling licences is limited to twelve months from the date of the Board's Report to the Ministry of Natural Resources.
- 1.3. The authority granted under this Order to Enbridge is not transferable to another party without leave of the Board. For the purpose of this condition another party is any party except Enbridge Gas Distribution Inc.

**2. Construction Requirements**

- 2.1 Enbridge shall construct the facilities and restore the land in accordance with its Application and evidence given to the Board, except as modified by this Order and these Conditions of Approval.
- 2.2 Enbridge shall ensure that the movement of equipment is carried out in compliance with all procedures filed with the Board, and as follows:
  - i) Enbridge shall make reasonable efforts to keep the affected landowner as well as adjacent landowners and their respective tenant farmers, or their designated representatives, informed of its plans and construction activities; and
  - ii) the installation of facilities and construction shall be coordinated so as to minimize disruption of agricultural land and agricultural activities.
- 2.3 Enbridge shall, subject to the recommendation by an independent tile contractor and subject to the landowners approval, construct upstream

and downstream drainage headers adjacent to the drilling area and access roads that cross existing systematic drainage tiles, prior to the delivery of heavy equipment, so that continual drainage will be maintained.

### **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 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 the rehabilitated land and the effectiveness of the 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. Project and Communication Requirements**

- 4.1 For the purposes of these conditions, conformity of the Applicant with CSA Z341-10, shall be to the satisfaction of the Ministry of Natural Resources.
- 4.2 Enbridge shall designate one of its employees as project manager who will be responsible for the fulfilment of these conditions, and shall provide the employee's name to the Ministry of Natural Resources, the Board and to all appropriate landowners.
- 4.3 The Board's designated representative for the purpose of these Conditions of Approval shall be the Manager, Natural Gas Applications.