



## **Board Staff Interrogatories**

**Union Gas Limited**

**Revised Application for Leave to Construct Natural Gas  
Pipelines Thunder Bay Project  
EB-2012-0226**

**Application for Certificate of Public Convenience and  
Necessity  
EB-2012-0227**

**January 21, 2013**

1. Reference: Revised Application, dated November 19, 2012; Prefiled Evidence/ page 4/paragraphs 20-22

The revised application stated that the project economics have not been completed because there are no new customers to provide revenue associated with the project.

Please explain how the cost of the replacement project is going to be covered and discuss how Union intends to allocate its budget for pipeline maintenance and integrity management based projects. How is that budget treated in the most recently approved rates application?

2. Prefiled Evidence/ page 4/paragraphs 20-22

Union stated in its prefiled evidence that, since 2002 it developed “an extensive pipeline maintenance and integrity management program” and that the proposed replacement is part of implementation of this program.

Please describe the integrity management program in terms of background, regulatory requirements and schedule of assessments and note any future integrity management pipeline replacement projects planned on the basis of this assessment.

Please describe specific integrity related issues along the existing pipeline that is proposed for replacement.

3. Reference: Revised Application, dated November 19, 2012

The revised application indicates that there is a need for the replacement to address the integrity of the existing pipeline and the replacement pipeline will be upgraded to NPS 12 from NPS 10 to maintain the minimum pressures as the Thunder Bay system reaches its capacity. Please discuss if new customers additions may be enabled by increased capacity of the replacement pipeline, and if so, what is the estimated potential for new customer additions.

4. Reference: Prefiled Evidence/ pages 11-12/paragraph 60; Prefiled Evidence/Schedule 9, “Pipeline Abandonment Checklist”; Prefiled Evidence/Schedule 10, “Specifications for Rock Excavation”

a) Please describe the steps in construction of the proposed replacement pipeline indicating the abandonment approach and if blasting may be required.

- b) For sections of the replaced NPS 10 pipeline that will be removed, please describe the land restoration and monitoring program along with the mitigation plan to address impacts such as soils subsidence.
  - c) For the sections of the replaced NPS 10 pipeline that will be abandoned in-place, please discuss how Union will fulfill each of the requirements outlined in the TSSA Pipeline Abandonment Checklist.
  - d) For construction of the replacement pipeline where excavation or blasting may be needed, please confirm that Union will follow the specifications set in the Schedule 10 of the prefiled evidence.
5. Reference: Revised Application, dated November 19, 2012; Prefiled Evidence/ page 18/paragraphs 90 and 95

Please provide an update on any ongoing negotiations with affected landowners along the replacement route and indicate the permanent and temporary easements acquired or to be acquired for construction of the replacement project.

What is the status of negotiations with the one landowner with whom Union did not reach an agreement at the time of filing the revised application?

6. Please comment on the attached Board staff draft conditions of approval. Please note that these conditions are standard conditions and are a draft version subject to additions or changes depending Board staff's further review of the evidence in this case.

### **Board Staff Proposed Draft**

#### **Conditions of Approval**

##### **1 General Requirements**

- 1.1 Union Gas Limited ("Union") shall construct the facilities and restore the land in accordance with its application and the evidence filed in EB-2012-0226 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, 2013, unless construction has commenced prior to that date.

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- 1.3 Union shall implement all the recommendations of the Environmental Report filed in the pre-filed evidence, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee (“OPCC”) review.
  - 1.4 Union 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.
  - 1.5 Within 15 months of the final in-service date, Union shall file with the Board Secretary a Post Construction Financial Report. The Report shall indicate:
    - a) the actual capital costs of the project and an explanation for any significant variances from the estimates filed in this proceeding.

## **2 Project and Communications Requirements**

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

- 4.1 Union 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.