



uniongas

A Spectra Energy Company

January 28, 2013

Dennis S. Cuomo MCIP, RPP
Manager of Planning Waterloo Region District School Board
51 Ardel Ave.
Kitchener, ON N2C2R5

Dear Mr Cuomo,

Thank you for your correspondence dated, January 11, 2013 addressed to Mr. Dumouchelle of our office, providing your comments on the Environmental Report. We have reviewed your correspondence and note that you did not reference Union Gas' correspondence dated, November 7, 2012, which addressed the comments in the Waterloo Region District School Board's correspondence dated September 2, 2012 from Shaun Callon and your correspondence dated October 23, 2012. We have included a copy of Union Gas' November 7, 2012 correspondence.

Ontario Regulation 210/01 under the Technical Standards and Safety Act 2000, Oil and Gas Pipeline Systems, and CSA Z662-11 Standard Oil and gas pipeline systems, as amended, are the Ontario regulation and code documents governing the design, construction, operation and maintenance of natural gas pipelines. Compliance with these requirements is governed by the Technical Standards Safety Association in Ontario. All natural gas pipeline operators are required to comply with these documents with respect to the design, construction and operations of natural gas pipelines.

As part of Union Gas' commitment to safety, adherence to these specific requirements is paramount. Union Gas has safely operated this Owen Sound Line for over 50 years and is committed to continuing to do so. The Pipeline will be designed and constructed in compliance with Ontario regulation 210/01.

For your information the following are some of the specific safety standards contained in the Technical Standards and Safety Act 2000 that are relevant to the Pipeline, to ensure system integrity and public safety:

- CSA Z662 -11
 - o for all design requirements including designing to Class 3 location factor
 - o for all construction requirements including requirements for activities such as clearing, grading, pipe handling, backfilling, and cleanup/restoration
 - o for all operation and maintenance practices including a comprehensive integrity management system.
- TSSA code adoption document
 - o Including new requirements for identification and remediation of High Consequence areas

In your correspondence you have referenced the Rhodes Report as a document which should be considered in the determination of any setbacks of the Pipeline from a school.

We have reviewed the report and note that the report conflicts with the *Ontario Regulation 210/01 under the Technical Standards and Safety Act 2000, Oil and Gas Pipeline Systems, and CSA Z662-11 Standard Oil and gas pipeline systems, as amended*. One specific example is that the Rhodes Report clearly relies on the CSA Plus 663 standard. Section 1.4 of the CSA Plus 663 states that this standard is not intended to cover local natural gas distribution pipelines. The Pipeline along Bleams Road pipeline is a distribution pipeline.

As these conflicts exist between the Rhodes Report and the statutes, regulations and codes which specifically govern the Pipeline, Union will not be adopting the suggestions contained in the report.

In your correspondence you referenced the Ontario Provincial Policy Statement ("PPS") and the role that it has in the construction of natural gas pipelines. The Ontario Energy Board's Environmental Guidelines, which must be



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November 7th, 2012

Dennis S. Cuomo MCIP, RPP
Manager of Planning Waterloo Region District School Board
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I recently received your letters (written by Mr. Callon, Sept. 7, 2012 and Mr Cuomo, Oct. 23, 2012), from Mr. Paul Neals of Azimuth Environmental Consulting Inc.
Thank you for taking the time to express your comments on the proposal for the Union Gas Owen Sound Line Project. I would like to take this opportunity to correct some misunderstandings that were expressed and tell you about our commitment to safety.

This project involves the replacement of the existing Owen Sound Line, constructed in 1958, with a new pipeline as part of our ongoing pipeline maintenance program, which ensures we can continue to provide safe and reliable service to the area and in the future to your new school. Union Gas has operated this pipeline safely in the area for over 50 years. To ensure this outstanding safety record continues, the new pipeline will be designed and constructed in compliance with all safety codes and regulations including *Ontario Regulation 210/01 under the Technical Standards and Safety Act 2000, Oil and Gas Pipeline Systems*, which is the Ontario regulation governing the design, construction, operation and maintenance in oil and gas industry pipeline systems.

To follow are some of the specific safety standards contained in the Technical Standards and Safety Act 2000 that are relevant to the Owen Sound Pipeline, to ensure system integrity and public safety:

- Design criteria (4.3) – provides the design criteria for the pipeline including consideration for class location and pressure design for piping and components;
- Qualifications of materials (5.1) – outlines the qualification requirements for materials to be used in the pipeline system;
- Activities on pipeline right of ways (6.2) – outlines requirements for activities such as clearing, grading, pipe handling, backfilling, and cleanup/restoration;
- Pressure testing piping to be operated greater than 700 kPa (8.7) – outlines strength and leak test requirements for piping to be operated greater than 700 kPa; and
- Integrity of pipeline systems (10.3) – outlines requirements for leak detection and upgrading to higher pressures.

The proposed section of 12-inch diameter steel pipeline in the vicinity of Bleams Road is a distribution pipeline, and not a major transmission pipeline. As such, it will operate as part of a lower pressure system (hoop stress less than 40% of the specified minimum yield strength). As a lower pressure system, there are no requirements for additional setback beyond the limit of the easement or road right of way for pipelines operating at this pressure.

If you have any further concerns, or would like additional information about the project please let me know and I will arrange a meeting with you to discuss the project.

Regards,

M. D. Costello P. Eng
District Manager Waterloo/Brantford
(519) 885-7425

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 T. Martin
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 J. von Westerholt
 K. Eby
 P. Neals

followed in the preparation of the Environmental Report ("ER"), require that the ER have regard for the PPS. Azimuth Environmental in preparing the ER complied with the PPS in determining the preferred route of the pipeline and developing the mitigation measures that will be put in place for constructing the proposed facilities.

Union Gas operates and maintains a number of pipelines of similar size and operating pressures, within its franchise areas across Ontario, which are located at distances of less than 200 meters from schools and hospitals. This is a practice which complies with the above noted regulations and codes which govern the design, construction and operations of natural gas pipelines and are accepted industry practices. There are no governing requirements for additional setback beyond the limit of the easement or road right of way for distribution pipelines.

We trust that these references to the statutes, regulations and codes which govern the design, construction, operation and maintenance of natural gas industry pipeline systems in Ontario, is of assistance and answers any questions you may have regarding the safe operation of this Pipeline.

If you have any further concerns, or would like additional information about the project please let me know.

Regards,



Murray Costello, P. Eng.

District Manager - Waterloo/Brantford

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