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March 7, 2013

**VIA COURIER, EMAIL, RESS**

Ms. Kirsten Walli  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 26th Floor  
Toronto, ON M4P 1E4

**Re: Enbridge Gas Distribution Inc. ("Enbridge")  
EB-2012-0382 Durham York Energy Centre Pipeline  
Reply Submission**

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In accordance with the Ontario Energy Board's Procedural Order No. 1 attached please find the Reply Submission of Enbridge.

Also attached for your convenience is an updated Exhibit List (Exhibit A, Tab 1, Schedule 1).

The submission has been filed through the RESS.

For further information about the project, please visit the Enbridge website at:  
[www.enbridgegas.com/durhamyorkpipeline](http://www.enbridgegas.com/durhamyorkpipeline).

Yours truly,

(ORIGINAL SIGNED)

Shari Lynn Spratt  
Supervisor Regulatory Proceedings

cc: Ms. Zora Crnojacki, OPPC Chair  
Mr. Neil McKay, Manager Natural Gas Applications, Ontario Energy Board

**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. under section 90 of the Act for an order or orders granting leave to construct an NPS 8 and NPS 6 natural gas distribution pipelines and ancillary facilities in the Municipality of Clarington in the Region of Durham;

**REPLY SUBMISSIONS OF  
ENBRIDGE GAS DISTRIBUTION INC.**

**Overview**

1. Enbridge Gas Distribution Inc. ("**Enbridge**" or the "**Applicant**") applied for leave to construct approximately 2 km section of Nominal Pipe Size ("**NPS**") 8 pipeline in Bowmanville (Section 1) and a 3.6 km of NPS 6 pipeline line in Courtice to the DYEC Facility (Section 2) and ancillary facilities (the "**Facilities**"). In order to meet the customer's needs Enbridge is seeking to begin construction as early as April 2013.
2. Following publication and serving of the Notice of Application as required by the Board, no intervenors came forward to participate in the proceeding and no letters of comment were filed. Only Board Staff participated in the proceeding.
3. Board Staff made submissions supporting the Application which included draft conditions of approval for which it requested comment from Enbridge. Enbridge has reviewed the

draft conditions included in Board Staff's submissions and has no objection to such conditions being included in the approval.

4. Enbridge has applied to the Board:

- (i) 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 works; and,
- (ii) Pursuant to section 97 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c-15, Sched. B, for approval of the form of easement agreement found in Exhibit D, Tab 1, Schedule 3.

**Facilities and Project Need**

- 5. Section 1, the NPS 8 pipeline, is approximately 2 km in length and begins at the intersection of Gaud Gate and Regional Road 57 in Bowmanville in the Municipality of Clarington. The route travels north along Regional Road 57 and turns west to travel along Concession Road 4, where it ends at the intersection of Concession Road 4 and Old Scugog Road.
- 6. Section 2 is approximately 3.6 km in length and begins at the intersection of Bloor Street and Solina Road in Courtice in the Municipality of Clarington. The pipeline route heads south on Solina Road, turns west along Baseline Road, turns south along McKnight, routes beneath Highway 401 to end at 72 Osbourne Road to service the Durham York Energy Center in Courtice. Section 2 is primarily NPS 6 pipeline with the segment of Section 2 traversing below Highway 401 of approximately 0.2 km being increased to a diameter of NPS 8.

7. The Facilities are required to supply natural gas to the Durham York Energy Centre (“**DYEC**”) which has entered a 20 year contract with the Ontario Power Authority to sell electricity generated from burning waste and natural gas. A copy of the agreement between DYEC and Enbridge is found at Exhibit E, Tab 1, Schedule 2 and Schedule 3.

#### **Environmental Assessment and Pipeline Design**

8. The route and location for the proposed Facilities were selected by Stantec Consulting Ltd. (“**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*” (Sixth Edition, 2011)(the “**Guideline**”).
9. The Environmental Report is found at Exhibit B, Tab 2, Schedule 2 and details the route selection process, the extensive consultation (including aboriginal consultation) efforts and includes an archaeological assessment. At page 102 of the Environmental Report, Stantec concluded:

“In the opinion of Stantec, the recommended comprehensive program of mitigation, restoration, inspection, monitoring and contingency measures addresses the concerns raised during the public consultation process, as well as potential impacts, including cumulative effects, identified during a detailed review of Preferred Routes.

No significant adverse effects on environmental and socio economic features are likely to occur as a result of the Enbridge pipeline project, with the implementation of the recommended environmental mitigation and related programs.”
10. Enbridge confirms it will adhere to the recommendations included in the Environmental Report.
11. The design of the Facilities adheres to the requirements of Ontario Regulation 210/01, Oil and Gas Pipeline Systems, under the *Technical Standards and Safety Act, 2000*,

S.O. 2000, c. 16 and the CSA Z662 Oil and Gas Pipeline Systems Code, current version.

### **Project Economics**

12. The overall feasibility of the project has been determined using the methodology specified in “*Ontario Energy Board Guidelines for Assessing and Reporting on Natural Gas System Expansion in Ontario*” and the EBO 188 Report of the Board” dated January 30, 1998.
13. The economic analysis is performed discounting incremental cash flows over the 20-year revenue horizon from DYEC using the feasibility parameters from EB-2011-0054. DYEC is providing a contribution in aid of construction to make the Profitability Index equal 1.0.

### **Land Issues**

14. The OEB Act, section 97, see below, requires the Board to approve the form of easement that will be offered to landowners.

97. In an application under section 90, 91 or 92, leave to construct shall not be granted until the applicant satisfies the Board that it has offered or will offer each owner of land affected by the approved route or location an agreement in the form approved by the Board.
15. Enbridge plans to install the proposed Facilities within the existing municipal road allowance and therefore does not require any permanent easements. Enbridge has included a form of easement agreement (Exhibit D, Tab 1, Schedule 3) that would be offered to the landowner in the event an easement became necessary.
16. Enbridge confirms it will obtain the necessary approvals and permits for the construction of the Facilities.

**Conclusion**

17. As such, Enbridge submits the proposed Facilities are in the public interest and that there are no outstanding issues.
18. Enbridge requests the Board grant it leave to construct the Facilities and that its proposed form of easement agreement be approved.

DATED March 7, 2013 at Toronto, Ontario.

**ENBRIDGE GAS DISTRIBUTION INC.**

By its counsel

**AIRD & BERLIS LLP**

[original signed]

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Scott Stoll

## EXHIBIT LIST

### A – GENERAL

<u>EXHIBIT</u>	<u>TAB</u>	<u>SCHEDULE</u>	<u>DESCRIPTION</u>
A	1	1	Exhibit List
		1	Application
		2	OPCC Distribution List
		3	List of Interested Parties
	3	1	Purpose, Need, Proposed Facilities and Timing
		2	Demand Forecast
		3	Letter of Support for Durham York Energy Centre
		4	Preferred Route Map

### B – ROUTING AND ENVIRONMENTAL

B	1	1	Preferred Route Description
		2	Alternative Route Descriptions
	2	1	Environmental Implementation Plan
		2	Environmental Report - Stantec Consulting Ltd.

<u>EXHIBIT</u>	<u>TAB</u>	<u>SCHEDULE</u>	<u>DESCRIPTION</u>
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C – FACILITIES AND PROJECT COSTS

C	1	1	Design Specifications - NPS 6 and NPS 8
		2	Hydrostatic Test Procedures
	2	1	Total Estimated Project Costs
		2	Proposed Construction Schedule

D – LAND ISSUES

D	1	1	Land Requirements
		2	Permits and Easements Required
		3	Negotiations to Date
		4	Affidavit Search of Title

E – ECONOMIC FEASIBILITY

E	1	1	Economic Feasibility
		2	Financial Agreement between Durham York Energy Centre and Enbridge Gas Distribution Inc. and Notice of Adjustment
		3	February 4, 2013 Notice of Adjustment of Delivery Pressure under Financial Agreement



F- OTHER MATTERS

F	1	1	Aboriginal Consultation
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G – INTERROGATORY RESPONSES

G	1	1 to 5	Enbridge Responses to Board Staff Interrogatories
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H - SUBMISSIONS

H	1	1	Board Staff Submission
	2	1	Enbridge Reply Submission