

NOVA Chemicals (Canada) Ltd.
Response to OEB Staff Interrogatory 1

Reference: Application, Exhibit 3, Tab G, pages 2 and 3, paragraphs 8 and 9

Please provide updates and timing for finalizing a road crossing agreement and abandonment plans with the Township of St. Clair.

Response:

NOVA Chemicals presented its Abandonment Plan to St. Clair Township personnel on June 25, 2015. Since then, NOVA Chemicals has responded to a few questions from the Township about the Abandonment Plan.

Based on its recent interactions with the Township, NOVA Chemicals continues to estimate that the Road Crossing Agreement (and the related Abandonment Plan) will be finalized before the end of 2015 (see Exhibit 3, Tab G, paragraph 11).

NOVA Chemicals (Canada) Ltd.
Response to OEB Staff Interrogatory 2

Reference: Application, Exhibit 3, Tab B, pages 1- 6

- a) Please provide updates on issues and concerns identified by stakeholders, including the Aboriginal communities, affected by the proposed project.
 - b) How is NOVA planning to mitigate and address these issues and concerns?
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Response:

- a) On May 26, 2015, NOVA Chemicals received a telephone inquiry from a resident who lives adjacent to the access road at the east end of the pipeline right of way. The caller indicated that she had approached Stantec Consulting personnel who were conducting an amphibian survey the previous evening, in order to determine what they were doing. The caller requested advance notification of any future survey work near her residence.

NOVA Chemicals has received no other inquiries or concerns about the proposed project.

- b) Since the May telephone call, NOVA Chemicals has arranged for the resident to be notified in advance of any survey activity in the vicinity of her residence and there have been no issues.

NOVA Chemicals (Canada) Ltd.
Response to OEB Staff Interrogatory 3

Reference: Application, Exhibit 2, page 2, paragraph 6

Typically, the OEB's order for leave to construct requires that construction starts within 12 months from the date issued.

The planned construction start is on or about June 2017. Assuming the OEB approves the application in November 2015, NOVA's planned construction start would fall within about 20 months from the date of approval. NOVA asked that the order, if granted, expire within 36 months from the date issued.

- a) Please identify and discuss the circumstances that may cause the construction to be delayed beyond June 2017.
 - b) Please explain the reasons for requesting a 36 month term.
 - c) Assuming that construction does not start within the 12 month term, which aspects of NOVA's application and evidence are anticipated to change and may have to be updated?
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Response:

- a) The proposed Project's construction schedule is closely aligned with the schedule for Kinder Morgan's Utopia East project (UTOPIA). As detailed in Exhibit 3, Tab A, paragraph 10, UTOPIA is one of the projects that will complete the transportation path for NGLs to be delivered from Ohio to the Corunna Site. UTOPIA is a larger and more complex project, which involves the construction of approximately 380 km of new pipeline in Ohio. UTOPIA's current schedule calls for construction to begin in November 2016, after completion of regulatory and survey activities. UTOPIA's targeted full in-service date is currently January, 2018. NOVA Chemicals' objective is to complete its proposed Project shortly before UTOPIA is completed, primarily for commercial reasons (e.g. cash flow optimization). Consequently, a significant delay in UTOPIA's schedule would likely lead to a corresponding delay in the Project's schedule.

- b) The 36 month term requested is based on the following considerations:
 - (i) NOVA Chemicals has filed its Application now, in order to obtain approval early in the UTOPIA project schedule. This will provide a higher degree of certainty to Kinder Morgan and NOVA Chemicals' ethane suppliers that NOVA Chemicals will be able to perform its obligations to receive ethane.
 - (ii) The June 2017 start date for construction was selected to ensure that:
 - A. construction is completed in late summer/early fall, which is optimal from an environmental perspective (see Exhibit 3, Tab E, paragraph 2); and
 - B. the Proposed Pipeline is ready to receive ethane before the completion of the UTOPIA pipeline.
 - (iii) The remaining period of the 36 month term would allow for the Project to be constructed during the next optimal construction period - in the summer of 2018 - if UTOPIA is delayed significantly.
- c) No changes to NOVA Chemicals' Application or Evidence are anticipated.

NOVA Chemicals (Canada) Ltd.
Response to OEB Staff Interrogatory 4

Please comment on the attached draft conditions of approval that are proposed by OEB staff.

Please note that these conditions are draft version and may be subject to additions or changes by the Board.

Leave to Construct Conditions of Approval
Application under Section 90 of the *OEB Act*

NOVA Chemicals (Canada) Ltd.

EB-2015-0212

1. NOVA Chemicals (Canada) Ltd. (NOVA) shall construct the facilities and restore the land in accordance with the Board's Decision and Order in EB-2015-0212 and these Conditions of Approval.
2.
 - (a) Authorization for leave to construct shall terminate 12 months after the decision is issued, unless construction has commenced prior to that date.
 - (b) NOVA shall give the Board notice in writing:
 - i. of the commencement of construction, at least ten days prior to the date construction commences;
 - ii. of the planned in-service date, at least ten days prior to the date the facilities go into service;
 - iii. of the date on which construction was completed, no later than 10 days following the completion of construction; and
 - iv. of the in-service date, no later than 10 days after the facilities go into service.
3. NOVA shall implement all the recommendations of the Environmental Report filed in the proceeding, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee review.

4. NOVA shall advise the Board of any proposed change to Board-approved construction or restoration procedures. Except in an emergency, NOVA shall not make any such change without prior notice to and written approval of the Board. In the event of an emergency, the Board shall be informed immediately after the fact.
5. Both during and after construction, NOVA shall monitor the impacts of construction, and shall file with the Board one paper copy and one electronic (searchable PDF) version of each of the following reports:
 - (a) a post construction report, within three months of the in-service date, which shall:
 - i. provide a certification, by a senior executive of the company, of NOVA's adherence to Condition 1;
 - ii. describe any impacts and outstanding concerns identified during construction;
 - iii. describe the actions taken or planned to be taken to prevent or mitigate any identified impacts of construction;
 - iv. include a log of all complaints received by NOVA, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions; and
 - v. provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licences, and certificates required to construct, operate and maintain the proposed project.
 - (b) a final monitoring report, no later than fifteen months after the in-service date, or, where the deadline falls between December 1 and May 31, the following June 1, which shall:
 - i. provide a certification, by a senior executive of the company, of NOVA's adherence to Condition 3;
 - ii. describe the condition of any rehabilitated land;
 - iii. describe the effectiveness of any actions taken to prevent or mitigate any identified impacts of construction;
 - iv. include the results of analyses and monitoring programs and any recommendations arising therefrom; and
 - v. include a log of all complaints received by NOVA, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions.

Response:

NOVA Chemicals' only proposed change to the draft conditions is to request that the reference to 12 months in Condition 2(a) be changed to 36 months, so that the revised Condition 2(a) would read as follows:

"Authorization for leave to construct shall terminate 36 months after the decision is issued, unless construction has commenced prior to that date."