

**OEB Staff Interrogatories  
for  
Enbridge Gas Distribution Inc.**

1. References: Application EB-2016-0378, Application Cover Letter dated December 20, 2016 and Enbridge's Letter to the Ministry of Natural Resources and Forestry (MNRF) dated October 14, 2016

**Preamble:**

Enbridge applied for an injection/withdrawal well (I/W well) drilling licence for TC 9 (Horiz#2). This would be a second attempt to drill a horizontal leg at TC 9 surface entry point using the existing vertical wellbore and a kick-off point. In the first attempt Enbridge drilled a horizontal leg TC 9H1 but did not reach a desired porosity zone. The MNRF granted to Enbridge a licence to drill the TC 9H1 based on a favorable Report of the Ontario Energy Board to the Minister of Natural Resources and Forestry, dated March 10, 2016 (OEB Report EB-2015-0303).

In the EB-2015-0303 proceeding, Enbridge indicated that the need for the TC 9H1 was to replace 23% of Corunna Pool deliverability lost due to abandonment of two I/W wells and conversion of one I/W well into an observation well. Enbridge characterized this I/W well as a replacement well.

Enbridge, in its current application, stated that there are no changes in the evidence filed in the EB-2015-0303 proceeding and there will be no additional impacts not examined in EB-2015-0303 proceeding. Enbridge noted the following:

- the existing drilling pad and vertical wellbore and kick-off remains in place and will be used
- no additional land is required
- drilling procedures will be the same
- there will be no change in Risk Assessment
- there will be no change in Environmental Assessment
- the only directly affected landowner, Mr. Wellington, will be compensated for both the 2016 and 2017 drilling

**Questions:**

- a) Please discuss if there are any changes in the need to replace 23% of deliverability loss since the OEB's favorable Report EB-2015-0303.
- b) Please indicate if the regulated storage services or market-based services

will be made available by the replaced deliverability.

- c) What, if any, are the cost impacts of drilling TC 9(Horiz#2) for Enbridge's ratepayers? How have the costs of drilling TC 9H1 been treated?
  - d) Please explain the unforeseen circumstances that resulted in an unsuccessful attempt to obtain the desired porosity zone.
  - e) What information is available at this point that leads Enbridge to believe its second attempt will be successful?
  - f) Please confirm that there are no changes regarding landowner matters, environmental and construction impacts, Risk Assessment and Environmental Assessment since approval of TC 9H1 the Report EB-2015-0303.
  - g) With respect to the requirements of the CSA Z341 "Storage of Hydrocarbons in Underground Formations", the *Oil, Salt and Gas Resources Act* and related regulations, please confirm that all of the relevant requirements will be or have been fulfilled to the satisfaction of the MNRF.
  - h) Since filing of this application, has Enbridge communicated with the MNRF regarding the TC9 (Horiz#2)? If so, please provide copies of communication documents and logs.
  - i) Has Enbridge conducted any additional consultation regarding the TC 9(Horiz#2) I/W well?
  - j) Please discuss if Enbridge determined any Indigenous communities that may be potentially affected by drilling of the TC 9(Horiz#2).
2. Reference: EB-2016-0378 Application

**Preamble:**

Enbridge applied for a well drilling licence under section 40(1) of the OEB Act. Should the OEB find the application is in the public interest it would issue a favorable report to the Minister of Natural Resources and Forestry (Report) recommending issuance of well licence.

**Question:**

Please comment on the attached OEB staff proposed draft conditions of approval. Please note that these conditions are a draft version subject to additions or changes, and are different than the conditions of approval in EB-2015-0303.

**Enbridge Gas Distribution Inc.**  
**EB-2016-0378**  
**OEB Staff Proposed Conditions of Approval**  
**Well Drilling Licence Application**

1. Enbridge Gas Distribution Inc. ( Enbridge) shall rely on the evidence filed with the OEB in EB-2016-0378 proceeding and comply with applicable laws, regulations and codes pertaining to the construction of the proposed wells.
2. Authorization for the issuance of the drilling licence is limited to twelve months from the date of the OEB's Report to the Ministry of Natural Resources and Forestry.
3. The authority granted under this Order to Enbridge is not transferable to another party without leave of the OEB. For the purpose of this condition another party is any party except Enbridge Gas Distribution Inc.
4. Enbridge shall construct the facilities and restore the land in accordance with its Application and evidence given to the OEB, except as modified by this Order and these Conditions of Approval.
5. Enbridge shall ensure that the movement of equipment is carried out in compliance with all procedures filed with the OEB, 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.
6. 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.

7. Both during and after construction, Enbridge shall monitor the impacts of construction and shall file with the OEB 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 Enbridge's adherence to Condition 1.1;
  - 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 Enbridge, 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 Enbridge's adherence to Condition 1.1;
  - ii. describe the condition of any rehabilitated land;
  - iii. describe the effectiveness of any actions taken to prevent or mitigate any identified impacts 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 Enbridge, 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.
8. For the purposes of these conditions, conformity of Enbridge with CSA Z341 shall be to the satisfaction of the Ministry of Natural Resources and Forestry.