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VIA RESS, Email and Courier

December 22, 2017

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, Ontario, M4P 1E4

Dear Ms Walli:

**Re: Enbridge Gas Distribution Inc. ("Enbridge")
Ontario Energy Board ("Board") File No.: EB-2017-0147
Fenelon Falls Pipeline Project – Leave to Construct Application
Interrogatory Responses**

Pursuant to the Board's Procedural Order No. 1 dated November 22, 2017, attached please find Enbridge Gas Distribution's Interrogatory responses.

To view the application, evidence and interrogatory responses, including the environmental report, please visit the Enbridge website at www.enbridgegas.com/fenelonfalls.

If you have any questions, please contact the undersigned.

Yours truly,

[original signed]

Lorraine Chiasson
Regulatory Coordinator

BOARD STAFF INTERROGATORY # 11

INTERROGATORY

Ref: Updated evidence dated October 19, 2017

Preamble:

Enbridge updated its evidence filed on July 26, 2017 indicating that there are additional interested parties impacted by the preferred pipeline route.

Question:

Please explain, referring to the original evidence and to the updated evidence, how the identification of the two additional interested parties changes the land use requirements and agreements that have to be acquired for construction and operation of the proposed pipeline segments.

RESPONSE

The original evidence assumed that two road crossings would be installed by open cut. It was decided that directionally drilling the two road crossing would be preferred if the Company could get the additional temporary land use. For this reason the evidence was revised to reflect the change to directional drilling for the road crossings. The agreement offered was the temporary land use document provided at Exhibit G, Tab 1, Schedule 3. Both owners have been contacted and the temporary land use secured.

BOARD STAFF INTERROGATORY # 15

INTERROGATORY

Ref: Evidence page 1, paragraph 1

Enbridge applied for leave to construct facilities under section 90(1) of the OEB Act. If Enbridge does not agree to any of the draft conditions of approval noted below, please identify the specific conditions that Enbridge disagrees with and explain why.

For conditions in respect of which Enbridge would like to recommend minor changes, please provide the proposed changes.

RESPONSE

Enbridge has reviewed the Board staff proposed draft conditions of approval and does not have any concerns or comments. All conditions as set out by the Ontario Energy Board will be adhered to by Enbridge.

SEC INTERROGATORY # 1

INTERROGATORY

[EB-2015-0179, Decision and Order (August 10 2017)]

Will Enbridge commit to providing a revised DCF calculation based on actuals after the 10-year forecast risk period is over in the event that it seeks to recover any revenue requirement shortfall, as similarly required by the Board in EB-2015-0179?

RESPONSE

Please see the Company's response to CCC Interrogatory #3 (a) found at Exhibit I.B.EGDI.CCC.3.

SEC INTERROGATORY # 2

INTERROGATORY

[EB-2015-0179]

Please explain how the key features of Enbridge's expansion proposal are the same or differ from the amended Union Gas proposal in EB-2015-0179. Please explain the rationale for any differences.

RESPONSE

Please see the Company's response to CCC Interrogatory #3 (b) found at Exhibit I.B.EGDI.CCC.3.

BOARD STAFF INTERROGATORY # 4

INTERROGATORY

Ref: Evidence Exhibit A, Tab 2, Schedule 1, page 4, paragraph 17 (v) and
Exhibit A, Tab 3, Schedule 1, page 2, paragraph 4

Preamble:

Enbridge requested an order of the Board pursuant to section 8 of the Municipal Franchise Act granting Certificate of Public Convenience and Necessity (CPCN), cancelling all CPCNs currently held by Enbridge for areas within the City of Kawartha Lakes, and issuing a single CPCN for the City of Kawartha Lakes.

Question:

Please comment on a scenario where Enbridge receives a CPCN that covers an area within the municipal boundaries of the City of Kawartha Lakes but that is limited to the area of the proposed Fenelon Falls community expansion project and the existing pipeline infrastructure within the City of Kawartha Lakes.

RESPONSE

Enbridge has requested that the Board provide it with a Certificate of Public Convenience and Necessity ("CPCN") for the City of Kawartha Lakes in its entirety for the following reasons:

1. Enbridge already has a Franchise Agreement in place with the City of Kawartha Lakes covering the entire municipality;
2. Enbridge already provides service to a significant number of customers residing within the City of Kawartha Lakes;
3. It has been the Company's intention to continue to grow its gas distribution network beyond the areas covered by its existing CPCN for a number of years including the communities of Fenelon Falls and Bobcaygeon;
4. The Company believes it reasonable to assume that there will continue to be growth in the residential and commercial sectors within the City of Kawartha Lakes which will benefit from the availability of natural gas service beyond the scope of the Fenelon Falls project.

The Company is of the view that given the points noted above it would be much more efficient and effective for the Board to issue a CPCN covering the City of Kawartha Lakes to the Company at this time rather than issuing a number of CPCNs on a piecemeal basis over an extended period of time.

BOARD STAFF INTERROGATORY # 6

INTERROGATORY

Ref: Evidence Exhibit A, Tab 2, Schedule 1, page 2, paragraph 6
Exhibit C, Tab 1, Schedule 1, pages 1-2

Preamble:

Enbridge characterized the Sunderland Segment as a system reinforcement project (NPS 6 steel) that ties into the existing Enbridge pipeline system. It is not clear if the entire incremental capacity resulting from the Sutherland Segment reinforcement will be utilized for the Fenelon Falls community expansion.

Questions:

- a) What is the incremental capacity that will be added to the system with the construction of the Sunderland Segment?
- b) How much of the incremental capacity will be used for the Fenelon Falls expansion?
- c) How will Enbridge utilize any incremental capacity added by the Sunderland System that is in excess of the capacity needed for the Fenelon Falls community expansion?
- d) Regarding the construction cost of the Sunderland Segment reinforcement, will the entire cost be recovered from Fenelon Falls customers? Please explain.

RESPONSE

- a) The Sunderland reinforcement is designed to ensure sufficient incremental capacity to serve the projected Fenelon Falls customer additions from 2019 to 2028 inclusive. The Sunderland Reinforcement will add 3000 m³/h of additional capacity to the distribution system.
- b) All of the incremental capacity added by the Sunderland Reinforcement will be utilized for the Fenelon Falls expansion.
- c) There will be no incremental capacity added to the distribution system that will be in excess of the capacity required for the Fenelon Falls community expansion. Please see response to b) above.
- d) The costs associated with the Sunderland Segment are included in the Fenelon Falls Project costs and will be recovered from customers served as a result of the completion of this project.

VECC INTERROGATORY # 1

INTERROGATORY

Reference: Exhibit A, Tab 3, Schedule 1

- a) In addition to the building of the Fenelon Falls distribution system Enbridge notes that the project requires a (Sunderland) reinforcement segment. In order to better understand Enbridge's proposal for Community Expansion Project eligibility please clarify and provide the material differences as between the terms "reinforcement pipeline", "main extension pipelines", and "distribution pipelines."

RESPONSE

Please see below for the requested clarifications.

Reinforcement Pipeline:

Is additional piping upstream of a system expansion project which is required to provide additional capacity to serve the gas demand requirements of new customers associated with that system expansion project.

Main extension pipelines:

Is the term used for a section of pipeline which is constructed to connect a new project area (or a community) with an existing gas main in order to provide gas distribution service to the new customers in that project area. These pipelines feed into the distribution pipelines laid within the new project area.

Distribution pipelines:

Are the pipelines which connect new customers in the streets encompassed in a defined project area. "Distribution pipelines" are generally fed from the "main extension pipelines" and are smaller in diameter than the latter.

BOARD STAFF INTERROGATORY # 3

INTERROGATORY

Ref: Evidence Exhibit B, Tab 1, Schedule 1, page 7, paragraphs 19 and 20

Preamble:

Enbridge stated that it would annually evaluate community expansion projects to determine if a project has reached a PI of 1 prior to the Final Year (i.e. 40 years for the Fenelon Falls Project). Enbridge stated that should the PI of 1 be reached prior to the Final Year, customers attached after that year would not be charged the System Expansion Surcharge (SES). This scenario assumes that the PI of 1 would be reached prior to the Final Year or at the Final Year. Enbridge also recognized that the Final Year and the Initial Term of the SES would be based on forecasts of customer attachments, customer attachment rates and natural gas demand.

Questions:

- a) Consider a scenario that actual customer attachments, customer attachment rates and natural gas demand are not realized in the Final Year.
- b) Would Enbridge plan to extend the duration of the Final Year and continue to charge the attached customers the SES?
- c) If not, what would be Enbridge's approach to bring the PI of the community expansion project to 1 if it is not reached in the Final Year?

RESPONSE

- a) Not applicable. This describes a scenario for parts b) and c) of the interrogatory.
- b) No, Enbridge does not plan to extend the duration of the Final Year and continue to charge the attached customers the SES. Please see the Company's response to Schools Interrogatory #3 found at Exhibit I.B.EGDI.SEC.3. In its Generic Community Expansion EB-2016-0004 Decision the Board stated; *"There is no need to modify the parameters or depart from the principles embodied in E.B.O. 188 to facilitate expansion projects."* (EB-2016-0004 Decision With Reasons, November 17, 2016, page 18.) The Company has relied upon and followed the Board's EBO 188 Guideline in the evaluation of the economic feasibility of the Fenelon Falls project, including the determination of the required SES, ITE and contribution in aid of

construction (grant funding). The EBO 188 Guideline PI calculation calls for forecast revenues to be based on a customer additions forecast spanning a period of ten years with a discounted cash flow ("DCF") analysis of up to forty years. There is no requirement in EBO 188 to retest the PI calculation at the end of the DCF period.

- c) Please see the Company's response to part b) of this interrogatory, above. The Board's EBO 188 Guideline does not contemplate, nor does it require, a retesting of the economic feasibility at the end of a project's DCF analysis period. As such, the Company has no plans to do so in respect of the Fenelon Falls project.

BOARD STAFF INTERROGATORY # 8

INTERROGATORY

Ref: Evidence Exhibit B, Schedule 1, pages 3-4 "System Expansion Surcharge & Rate Stabilization Period"; and Exhibit B, Tab 1, Schedule 1, page 17:"Tracking and Reporting"

Preamble:

Enbridge requested that the OEB approve a volumetric-based rate of \$0.23/m³ (SES rate rider) that would be applicable to all community expansion projects and small main extension projects (Community Expansion Projects). Enbridge proposed definitions for Community Expansion Projects as follows:

- Community Expansion: A natural gas system expansion project which will provide first time natural gas system access where a minimum of 50 potential customers already exist, for which economic feasibility guidelines derive a Profitability Index ("PI") of less than 1.0; or
- Small Main Extension: All other forms of distribution system expansion which provide first time natural gas system access to customers where fewer than 50 potential customers in homes and business already exist and where the PI for the project is less than 1.0; and
- A natural gas system expansion project meeting either of the two definitions above that requires the SES and potentially other financing mechanisms in order for project economics to attain a PI of 1.0. (Exhibit B, Tab 1, Schedule1, page 4, paragraph 9)

In the OEB's generic community expansion proceeding, ¹Union Gas provided a community expansion definition to which Enbridge agreed. A summary of Union's definition, which Enbridge agreed with, is found in the decision in the generic expansion proceeding:

Union Gas Limited (Union) has defined a community expansion project as a natural gas system expansion project that will provide first time natural gas system access

¹ EB-2016-0004 proceeding

where a minimum of 50 potential customers in homes and businesses already exist. Enbridge Gas Distribution Inc. (Enbridge) adopted Union's definition in its evidence.²

In the Fenelon Falls application Enbridge is proposing to include into the previously agreed upon definition "Small Main Extension" projects which would serve fewer than 50 customers and most likely would not be required to be reviewed and approved by the OEB under section 90 of the OEB Act.

Enbridge confirmed that it will provide annual reporting on its community expansion projects, including the Fenelon Falls project, at its annual stakeholder meeting and that the reporting will include budgeted and actual capital costs, cumulative actual and forecasted customer attachments and project PI.

Questions:

- a) Please explain the rationale for the newly proposed classification of Community Expansion Projects and discuss the reasons for Enbridge to depart from the definition it agreed upon in the generic community expansion proceeding.
- b) Please confirm that Enbridge plans to apply the SES for the proposed class of Small Main Extension projects which may not require leave to construct under section 90 of the OEB Act.
- c) Please explain the rationale for Enbridge's proposal not to have a competitive service process for Small Main Extension projects in light of the intent to apply the SES to these type of projects.
- d) Under the assumption that this classification be approved by the OEB, is Enbridge proposing additional annual reporting to the OEB to include evaluation of profitability of the Small Main Extension projects? If so, please discuss.
- e) Is Enbridge's annual tracking and reporting of community expansion projects going to include Small Main Extension projects? Please explain.

² The excerpt from the EB-2016-0004 Appendix C – Summary of Position of Parties, Issue 1

RESPONSE

- a) Although the Company did adopt the Union Gas definition of a community expansion project in the course of the EB-2106-0004 proceeding, the Board's Decision in that proceeding did not define a community expansion project. The Company's proposed definition of a Community Expansion Project along with the applicability of the SES Rate rider will enable the Company to offer the SES to potential customers as an alternative to a contribution in aid of construction thereby facilitating the rational expansion of the Company's gas distribution system consistent with the requirements of the Board's EBO 188 Guidelines.
- b) Yes, Enbridge confirms that it intends to offer the SES to potential customers as an alternative to a contribution in aid of construction based on the definition of a Community Expansion Project as noted in the preamble to these questions. It is anticipated that some of these projects may not require leave to construct under section 90 of the OEB Act.
- c) Enbridge has not proposed that there be no competitive process for Small Main Extension projects. If there were competitive interest in such projects it is the Company's expectation that the Board would facilitate a process to assess competing proposals.
- d) Enbridge is not proposing additional annual reporting to the OEB to include evaluation of profitability of the Small Main Extension projects where the SES has been applied.

In terms of economic feasibility these projects would be no different than a short main extension project completed today, with or without payment of a contribution in aid of construction. Such projects are required to meet the EBO 188 criteria applicable to an individual project and their costs and revenues are included in the determination of the Company's Rolling Project and Investment Portfolio PIs which are reported to the OEB.

- e) No, please see the Company's response to part (d) of this question above.

BOARD STAFF INTERROGATORY # 9

INTERROGATORY

Ref: Evidence Exhibit B, Schedule 1, page 14, paragraph 36: "Community Expansion Proposal for Fenelon Falls"; and page 15, paragraphs 38 and 39: "Incremental Tax Equivalent"; and page 15 paragraphs 40 and 41: "Government Funding"

Preamble:

Incremental Tax Equivalent (ITE) was agreed upon between Enbridge and the City of Kawartha Lakes (CKL). The ITE is a mechanism by which the CKL will contribute to the Project by foregoing the municipal taxes for the period of 10 years.

Enbridge stated that one of the components of the proposal to provide service to the community of Fenelon Falls is grant funding from the Government of Ontario's Natural Gas Grant program (Grant). Enbridge stated that if the Grant is not obtained it will prevent Enbridge from proceeding with the project. Also, Enbridge stated that it will be applying for a Grant of approximately \$12.6 million and suggested that "the Board's granting Leave to Construct the Project be contingent on receipts of these grant moneys".

Questions:

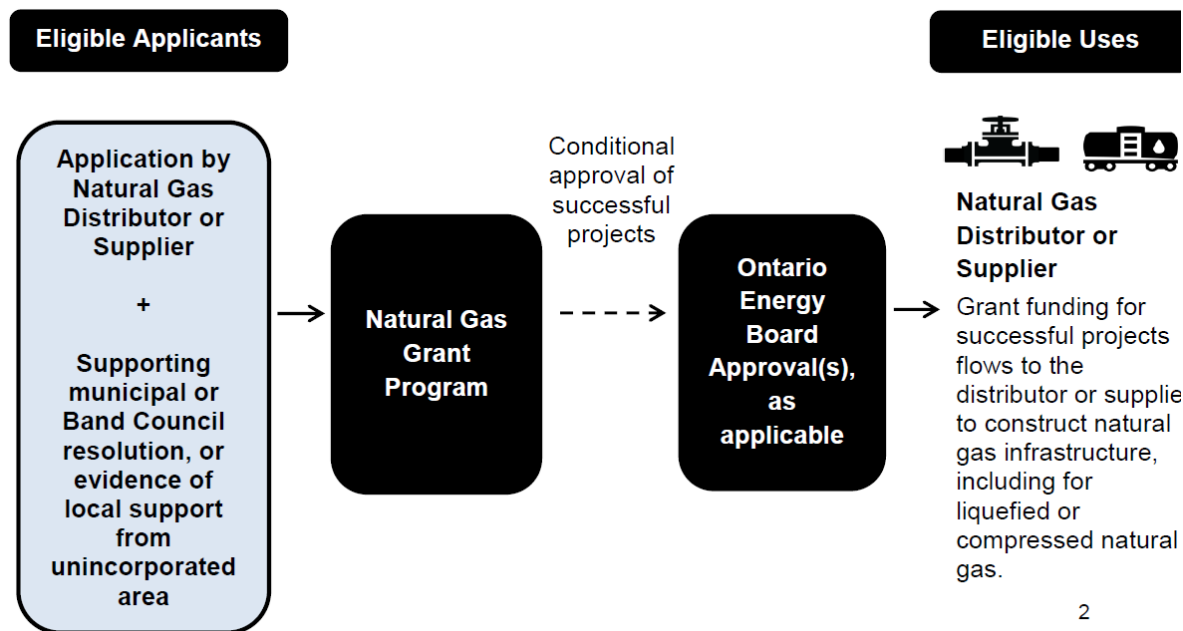
- a) Please explain the effect of ending of the 10 year ITE on the Fenelon Falls Project economics.
- b) Please provide a description of the expected process and timelines for the Grant application.
- c) What is Enbridge's anticipated action in the event that the Grant is not received?

RESPONSE

- a) The ITE serves to reduce the operating cost associated with the project over the first ten years of the discounted cash flow analysis used in the determination of the project's Profitability Index as required by the EBO 188 Guideline. Extending the ITE period beyond ten years would lower the grant funding required and / or reduce the term of the SES all else equal. Reducing the ITE period to less than ten years would do the opposite. The ten year ITE period has been accepted by the City of Kawartha Lakes. The present value of these tax savings is \$649,000. A contribution

by the municipality of this nature was also contemplated by the Ministry of Infrastructure's (the "MOI") Natural Gas Grant Program ("NGGP") (Natural Gas Grant Program, 2017 Program Guidelines, page 3).

- b) A high level outline of the MOI's NGGP process is set out in the graphic below. This graphic was taken from page 2 of the MOI's Natural Gas Grant Program, 2017 Program Guidelines document.



- c) Enbridge submitted nine community expansion grant applications, including an application for Fenelon Falls, and three economic development grant applications to the MOI in late July 2017. The Company as well as the respective municipalities in which the relevant communities are located were advised of the awarding of grant monies on December 8, 2017. The Company and the municipalities that were notified have been asked by the MOI not to disclose this information publicly until after the Ministry has formally announced the successful grant applications. The grant funding applied for matches the grant funding noted in this Leave to Construct application.
- d) In the event that grant funding is not available to support the Fenelon Falls community expansion project Enbridge will withdraw this application and reconsider the potential to move forward with this project.

BOARD STAFF INTERROGATORY # 10

INTERROGATORY

Ref: Evidence Exhibit B, Schedule 1, pages 17- 19: “Market Research”; and pages 19-20: “Growth Projection”; and page 20: Table 2” Projected Customer Additions to the Project; and Exhibit B, Tab 1, Schedule 1, Attachment 6: “Community engagement for Enbridge’s Proposed Application for Natural Gas Extension to Fenelon Falls: Engagement Summary Report, July 11,2017 (Lura Report).

Preamble:

Enbridge based its market projections on residential and commercial customers surveys to determine customer interest in natural gas distribution service. Enbridge retained Lura in April 2017 to design and implement a community engagement program to the determine the level of interest in the community of Fenelon Falls to receive natural gas service. As a result of market projections and surveys of the potential customers Enbridge determined projected customer additions by year from 2019 to 2028 for the Fenelon Falls project as presented in the Table 2 on page 20 of Exhibit B, Tab 1, Schedule 1.

Question:

Please include in the customer attachment forecast, presented in Table 2, estimated percent of market share of the community of Fenelon Falls and volumes, by customer type.

RESPONSE

Please see below for a revised Table 2 which now includes market share and volumes data by customer type. Market share for conversion markets (e.g., residential, commercial, industrial) has been derived by dividing the year-over-year cumulative customers by the total potential customers represented by existing homes or business. New construction markets on the other hand are assumed to be captured 100% upon completion because natural gas is the preferred fuel for all new builds if that is available.

Table 2: Projected Customer Additions for the Project - included market share and volumes

| Fenelon Falls Customer Additions | Potential Customers | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total |
|---|---------------------|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Conversions | | | | | | | | | | | | |
| Residential Units (Singles, Semis, Towns) | 1,370 | 110 | 274 | 274 | 137 | 55 | 41 | 41 | 41 | 27 | 27 | 1,027 |
| Residential Cumulative | | 110 | 384 | 658 | 795 | 850 | 891 | 932 | 973 | 1,000 | 1,027 | |
| Market Share Cumulative | | 8% | 28% | 48% | 58% | 62% | 65% | 68% | 71% | 73% | 75% | |
| Volumes (10 ³ m ³) | | 132 | 593 | 1,250 | 1,744 | 1,974 | 2,089 | 2,188 | 2,286 | 2,368 | 2,432 | |
| Commercial Units | 155 | 12 | 31 | 31 | 15 | 6 | 5 | 5 | 5 | 3 | 3 | 116 |
| Commercial Cumulative | | 12 | 43 | 74 | 89 | 95 | 100 | 105 | 110 | 113 | 116 | |
| Market Share Cumulative | | 8% | 28% | 48% | 57% | 61% | 65% | 68% | 71% | 73% | 75% | |
| Volumes (10 ³ m ³) | | 90 | 695 | 1,725 | 2,490 | 2,925 | 3,290 | 3,650 | 3,875 | 3,935 | 3,965 | |
| Industrial | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Industrial Cumulative | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Market Share Cumulative | | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| Volumes (10 ³ m ³) | | 385 | 770 | 770 | 770 | 770 | 770 | 770 | 770 | 770 | 770 | |
| Total | 1,526 | 123 | 305 | 305 | 152 | 61 | 46 | 46 | 46 | 30 | 30 | 1,144 |
| Total Cumulative | | 123 | 428 | 733 | 885 | 946 | 992 | 1,038 | 1,084 | 1,114 | 1,144 | |
| Market Share Cumulative | | 8% | 28% | 48% | 58% | 62% | 65% | 68% | 71% | 73% | 75% | |
| Volumes (10 ³ m ³) | | 607 | 2,058 | 3,745 | 5,004 | 5,669 | 6,149 | 6,608 | 6,931 | 7,073 | 7,167 | |
| New Construction | | | | | | | | | | | | |
| Residential Units (Singles, Semis, Towns) | | | 38 | 76 | 152 | 152 | 114 | 114 | 38 | 38 | 38 | 760 |
| Residential Cumulative | | | 38 | 114 | 266 | 418 | 532 | 646 | 684 | 722 | 760 | |
| Market Share Cumulative | | | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| Volumes (10 ³ m ³) | | | 46 | 182 | 456 | 821 | 1,140 | 1,414 | 1,596 | 1,687 | 1,778 | |
| Apartment Units (Mid-rise, High Density) | | | 1 | 2 | 3 | 3 | 2 | 2 | 1 | 1 | 1 | 16 |
| Apartment Cumulative | | | 1 | 3 | 6 | 9 | 11 | 13 | 14 | 15 | 16 | |
| Market Share Cumulative | | | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| Volumes (10 ³ m ³) | | | 0 | 200 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | |
| Total | | | 39 | 78 | 155 | 155 | 116 | 116 | 39 | 39 | 39 | 776 |
| Total Cumulative | | | 39 | 117 | 272 | 427 | 543 | 659 | 698 | 737 | 776 | |
| Market Share Cumulative | | | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| Volumes (10 ³ m ³) | | | 46 | 382 | 856 | 1,221 | 1,540 | 1,814 | 1,996 | 2,087 | 2,178 | |
| Total | | | | | | | | | | | | |
| Residential Units (Singles, Semis, Towns) | | 110 | 312 | 350 | 289 | 207 | 155 | 155 | 79 | 65 | 65 | 1,787 |
| Residential Cumulative | | 110 | 422 | 772 | 1,061 | 1,268 | 1,423 | 1,578 | 1,657 | 1,722 | 1,787 | |
| Market Share Cumulative | | 8% | 30% | 52% | 65% | 71% | 75% | 78% | 81% | 82% | 84% | |
| Volumes (10 ³ m ³) | | 132 | 638 | 1,433 | 2,200 | 2,795 | 3,229 | 3,601 | 3,882 | 4,055 | 4,211 | |
| Commercial Units | | 12 | 32 | 33 | 18 | 9 | 7 | 7 | 6 | 4 | 4 | 132 |
| Commercial Cumulative | | 12 | 44 | 77 | 95 | 104 | 111 | 118 | 124 | 128 | 132 | |
| Market Share Cumulative | | 8% | 28% | 49% | 59% | 63% | 67% | 70% | 73% | 75% | 77% | |
| Volumes (10 ³ m ³) | | 90 | 695 | 1,925 | 2,890 | 3,325 | 3,690 | 4,050 | 4,275 | 4,335 | 4,365 | |
| Industrial | | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Industrial Cumulative | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Market Share Cumulative | | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | |
| Volumes (10 ³ m ³) | | 385 | 770 | 770 | 770 | 770 | 770 | 770 | 770 | 770 | 770 | |
| Total | | 123 | 344 | 383 | 307 | 216 | 162 | 162 | 85 | 69 | 69 | 1,920 |
| Total Cumulative | | 123 | 467 | 850 | 1,157 | 1,373 | 1,535 | 1,697 | 1,782 | 1,851 | 1,920 | |
| Market Share Cumulative | | 8% | 30% | 52% | 64% | 70% | 74% | 78% | 80% | 82% | 83% | |
| Volumes (10 ³ m ³) | | 607 | 2,103 | 4,128 | 5,860 | 6,890 | 7,689 | 8,421 | 8,927 | 9,160 | 9,346 | |

CCC INTERROGATORY # 1

INTERROGATORY

RE: Ex. B/T1/S1/p. 4

The evidence describes criteria for labeling a proposed project a "Community Expansion Project".

- a) Please describe the practical effect if a proposed project does not meet the proposed definition of a Community Expansion Project?
- b) Under what circumstances would a proposed project not meet the proposed definition of a Community Expansion Project, other than circumstances where the proposed project, without additional revenue from a SES or other source, cannot meet a PI of 1.0?

RESPONSE

- a) The practical effect of a project not meeting the proposed definition of a Community Expansion Project would be that the System Expansion Surcharge would not be applicable to potential customers that would be served by such a project. In an instance where a project does not meet the proposed definition of a Community Expansion Project it will be treated in the same manner as any other expansion project. The project would have to meet the requirements of the EBO 188 guidelines and if required a contribution in aid of construction would be requested.
- b) The purpose of this definition is to stipulate under what circumstances the Company may offer the System Expansion Surcharge to potential customer(s) as an alternative to a lump sum one time contribution in aid of construction payment. In order to meet the proposed definition of a Community Expansion Project a requirement is that existing potential customers must be present.

CCC INTERROGATORY # 2

INTERROGATORY

Re: Ex. B/ T1/S1/p. 3

The evidence describes the proposed SES as a volumetric based charge.

- a) Has Enbridge performed any sensitivity analysis with respect to the use of a volumetric based SES charge, with a view to determining whether factors such as declining average use could result in material under-recovery from the SES charge even if the customer attachment forecast is met or exceeded? If so please provide that analysis. If not, please explain why Enbridge has not considered the possibility that the revenue from the proposed SES over time might be compromised by declining average use or other factors.
- b) Why does Enbridge feel it is necessary to have the OEB pre-approve a generic SES charge at 23 cents per m³ in advance for any potential Community Expansion Project, rather than applying for a project specific SES charge when seeking approval for a Community Expansion Project, which may include SES charges that are higher or lower than the one proposed in this proceeding?

RESPONSE

- a) Yes, Enbridge performed limited sensitivity analyses with respect to the application of a volumetric based System Expansion Surcharge ("SES"). The Company tested the SES of \$0.23 / m³ being applied for 40 years with average use declining by 2.5% per year for the first eight years of the analysis. With respect to the Fenelon Falls project the result was that the required contribution in aid of construction would increase by \$5.8 million from \$16.8 million. Enbridge does not believe that this presents a significant concern in that it is expected that the future potential impact of declining average use will flow through to customers, including those customers then paying the SES, through the Company's base rates.
- b) Enbridge believes it to be appropriate to have the OEB pre-approve the SES charge of 23 cents per m³ in the form of a Rate Rider with a defined applicability in order to advance potential community expansion projects without the need for expensive time consuming proceedings before the Board under Section 36 of the Ontario Energy Board Act for numerous small projects. The Board's leave to construct criteria for larger projects will mean that the Board will continue to consider and opine on the economic, environmental and aboriginal aspects of these projects.

The requirement for the Company to maintain the profitability of its Rolling Project Portfolio and Investment Portfolio will ensure that the costs of all system expansion projects are supported by their projected revenues, with or without the application of the SES. In the event that the Company finds it necessary to revise the level of the SES for a particular project it would make the appropriate submission to the Board specific to that project at that time.

CCC INTERROGATORY # 3

INTERROGATORY

Re: Ex. B/T1/S1/pp. 13-14 and EB-2015-0179, Decision and Order August 10, 2017, p. 14

The evidence describes how Enbridge's proposed 10-year Rate Stabilization Period will operate, including the proposal that after the Rate Stabilization Period Enbridge will, in the rebasing application subsequent to the Rate Stabilization Period, include the actual revenue from the proposed project, rather than the revenue that was forecast for the project as part of the approval process.

The Board's decision in EB-2015-0179 was, in part, as follows:

SEC and OEB staff have argued that should Union seek recovery for any revenue requirement shortfall after the end of the initial 10-year period, it must be supported by a revised PI calculation that uses actual capital costs and actual customer attachments. The OEB agrees with this approach and will require Union to provide a revised DCF calculation based on actuals after the 10-year forecast risk period is over in the event that Union seeks to recover any revenue requirement shortfall. The OEB will determine the appropriate revenue recovery methodology at that time. The OEB's determination in the Generic Proceeding that cross-subsidies from existing customers are inappropriate will govern that review.

- a) Does Enbridge agree that it would be appropriate for it to have to provide a revised DCF calculation based on actuals after the 10-year Rate Stabilization Period is over in the event that Enbridge seeks to build any revenue requirement shortfall into rates going forward, with the OEB to determine the appropriate revenue recovery methodology at that time? If not, please explain why Enbridge believes that it should be treated differently than Union in this regard?
- b) Please identify any other aspects of Enbridge's proposal that deviate from the approved treatment of Union's proposed projects as approved in EB-2015-0179, and advise whether Enbridge is amenable to adopting the Board's approved approach, or if not explain why Enbridge's proposal remains appropriate. Will the merged utility adopt a uniform proposal to fund future expansions? If not, why not?

RESPONSE

- a) The Company notes the Board stated in its EB-2015-0179 Decision that it would consider a revised DCF analysis for the projects in question and determine the appropriate revenue recovery methodology following the end of a ten-year period of time. An excerpt from the aforementioned Decision is provided below.

The OEB agrees with this approach and will require Union to provide a revised DCF calculation based on actuals after the 10-year forecast risk period is over in the event that Union seeks to recover any revenue requirement shortfall. The OEB will determine the appropriate revenue recovery methodology at that time.

Enbridge accepts this approach.

- b) The only other significant difference the Company is aware of in terms of the economic aspects of this application and Union Gas's EB-2015-0179 application is the Company's request to have the System Expansion Surcharge ("SES") established in the form of a Rate Rider that can be applied to future system expansion projects without making a separate application to the Board under Section 36 of the OEB Act for every instance where the SES could be employed.

CCC INTERROGATORY # 4

INTERROGATORY

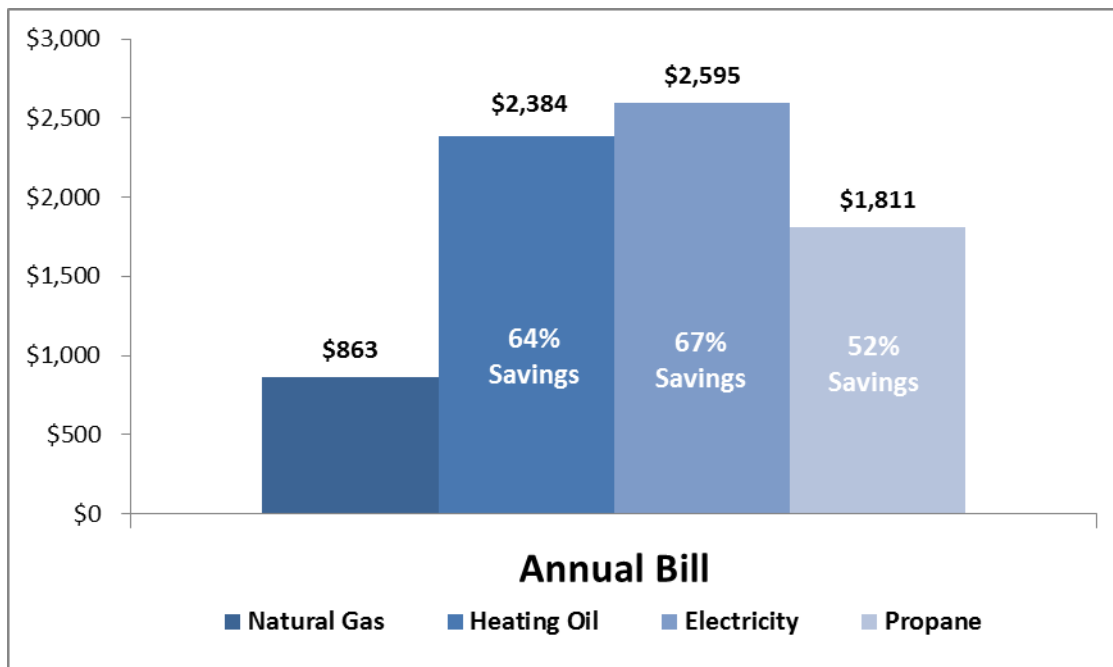
Ex. B/T1/S1/p. 10

The evidence asserts that Enbridge accounted for the impacts of Cap and Trade costs the Fair Hydro Act.

- a) Please provide a version of Figure 1 that illustrates the cost comparison between fuel types without including cap and trade costs and the impacts of the Fair Hydro Act.

RESPONSE

Please see the revised version of Figure 1 below which removes Cap and Trade costs. In order to remove the impact of the Fair Hydro Act, electricity rates effective May 2017 have been used rather than July 2017 rates which were set according to the Fair Hydro Act.



SEC INTERROGATORY # 3

INTERROGATORY

[B-1-1, p.13-14]

Please explain why the Applicant believes it is appropriate that all of its customers, and not just those in the proposed expansion community, bear the risk or benefit of variances in capital costs.

RESPONSE

For the most part Enbridge views this project as no different from any other system expansion project. The Company has evaluated the feasibility of the Fenelon Falls project on the same basis as it would any other system expansion project consistent with the Board's EBO 188 Guidelines. Based on the Company's assessment of the costs and benefits associated with the project including the System Expansion Surcharge revenues, an Incremental Tax Equivalent and a Contribution in Aid of Construction in the form of a grant assumed to be provided by the Province of Ontario the project achieves a Profitability Index ("PI") of 1.0, exceeding the minimum project PI threshold required by the EBO 188 Guideline.

If this was any other utility project undertaken by the Company, all of the Company's customers, and not just those in the proposed expansion community, would bear the risk or benefit of variances in the project's capital costs. The Board appears to have recognized this fact in its EB-2015-0179 Decision:

Since Union has proposed to use existing rates in the new communities, the rates in the expansion communities will be based on a common rate base. Union's proposed treatment of capital costs is the same as other distribution system expansion projects that form part of the common rate base. The community expansion projects are no different and the OEB agrees that consideration of Union's proposal on this basis is warranted. The OEB will determine the appropriate treatment of any capital cost overrun at the time of rebasing.

SEC INTERROGATORY # 4

INTERROGATORY

[B-1-1, p.15]

Please explain why the Applicant is not treating the annual ITE 'revenue' as a CIAC.

RESPONSE

The Incremental Tax Equivalent ("ITE") serves as a reduction to the ongoing costs of providing service to those customers to be served as a result of completing a Community Expansion Project. Treating the ITE as a contribution in aid of construction would be inappropriate as the municipality will not be paying a lump sum to the Company at the present time in support of the project but rather foregoing future incremental tax revenue for the first ten years the project is in service. For further details please see the Company's response to Board Staff Interrogatory #9 (a) found at Exhibit I.B.EGDI.STAFF.9.

SEC INTERROGATORY # 5

INTERROGATORY

[B1-1-1, p.15]

With respect to the Natural Gas Grant Program:

- a. Please provide an update on the status of the proposal and information Enbridge has on when the decision will be made by the Ministry of Infrastructure.
- b. Please provide a copy of the submitted grant application for this project.

RESPONSE

- a. Please see the Company's response to Board Staff interrogatory #9 (b) found at Exhibit I.B.EGDI.STAFF.9.
- b. The Ministry of Infrastructure's Natural Gas Grant Program ("NGGP") application requires the applicant to provide considerable detailed market information including but not limited to; existing market potential by sector, existing fuel types and consumption estimates and current estimated future greenhouse gas emissions. The Company the considers this information commercially sensitive and declines to provide the grant application submitted to the Ministry of Infrastructure's NGGP in response to this interrogatory due to the competitive nature of this information.

SEC INTERROGATORY # 6

INTERROGATORY

[B1-1-1, p.20]

Please explain the basis of the 75% customer conversion rate after 10 years.

RESPONSE

For the basis of the customer conversion rate, please refer to the response to Energy Probe Interrogatory #7 found at Exhibit S3.EGDI.EP.7 and the response to undertaking J3.11, both of which can be found on the record in the Ontario Energy Board Generic Proceeding on Community Expansion (EB-2016-0004). For ease of reference the aforementioned responses are reproduced as attachments to this interrogatory response. This information, in addition to the Fenelon Falls Community Expansion Research Survey Results found at Exhibit B, Tab 1, Schedule 1, Attachment 6, support the Company's forecast of attaining a 75% customer capture rate within the first 10 years of gas service being made available in this community.

ENBRIDGE GAS DISTRIBUTION INC. (ENBRIDGE)
RESPONSES TO INTERROGATORIES OF ENERGY PROBE (EP)

INTERROGATORY #7

Ref: Enbridge Evidence, Table 4, page 26

In Table 4, page 26, how did Enbridge calculate the forecasted number of customers?
Can it provide the evidence to support those figures?

RESPONSE

The customer forecast is based on the assumption that 75% of existing homes and business will convert to natural gas over 10 years – this assumption was made based on customer surveys conducted in Fenelon Falls and Bobcaygeon areas on behalf of Enbridge by a third party market research firm. The 75% forecast is conservative based on the survey results.

Enbridge's forecast of new customers is based on public domain municipal planning documents obtained by Enbridge for Fenelon Falls, Bobcaygeon and Scugog Island. Enbridge has assumed 100% of the planned development to translate into new customer additions over a ten year period.

ENBRIDGE GAS DISTRIBUTION RESPONSE

UNDERTAKING J3.11

UNDERTAKING

TR, page 110

With reference to BOMA 26, to provide the actual, the forecast and the potential numbers of customers for the four to five projects, and the size in dollars of the projects; to advise the current state of the projects and the forecast over the 20-year life of the assets and the past 25 years.

RESPONSE

Please see the following attachments:

Attachment 1: Compares the potential vs. forecast customers as available in referenced Ontario Energy Board filings; and

Attachment 2: Contains the variance between forecast and actual customer additions and capital investments in the first five years after the on date of System Expansion projects. This information is available in referenced OEB filings as noted against each project.

The current state of the System Expansion projects is provided in Column 12, which represents all customers added downstream of the point where these projects were connected to the Company's then existing distribution system. The actual customer additions in Column 12 may be compared with corresponding growth forecast provided in Column 7 through Column 10 of Attachment 1, depending upon the time passed after the project on date.

Potential vs. Forecast Customers - Major System Expansion Projects

| Col 1 | Project Name Col 2 | Project On date Col 3 | OEB Filing reference Col 4 | Potential Customers Col 5 | OEB Filing reference Col 6 | Forecast Customers | | | | |
|-------|--|--------------------------|---|------------------------------|---|--------------------|-------------------|-------------------|-------------------|--|
| | | | | | | Col 7 20 years | Col 8 15 years | Col 9 10 years | Col 10 5 years | |
| | 1 Russel, Cambridge & Casselman Residential Commercial | Nov. 1995 | EBLO 250/EBA 689/690/ EBC 214/215/216 Exhibit A, Tab3, Schedule 1 | 3,306 323 | EBLO 250/EBA 689/690/ EBC 214/215/216 Exhibit D, Tab2, Schedule 1 | 2,182 260 | 2,099 252 | 1,984 236 | 1,510 211 | |
| | 2 Grand Valley & Waldemar Residential Commercial | Dec. 1995 | EBA 699/EBC 224 Exhibit A, Tab3, Schedule 2 | 798 77 | EBA 699/EBC 224 Exhibit A, Tab3, Schedule 5 | 1,314 92 | 1,123 82 | 918 68 | 715 55 | |
| | 3 Dundalk & Proton Station Residential Commercial | Dec. 1995 | EBLO 254/EBA 710/711/713/715/ EBC 234/235/238 Exhibit J, Tab3, Schedule 3 | 887 107 | EBLO 254/EBA 710/711/713/715/ EBC 234/235/238 Exhibit J, Tab3, Schedule 3 | 851 103 | 783 101 | 712 97 | 610 89 | |
| | 4 Rockland & Cumberland Residential Commercial | Oct. 1996 | EBLO 255 Exhibit A, Tab3, Schedule 2 | 5,853 203 | EBLO 255 Exhibit A, Tab3, Schedule 2 | 4,563 166 | 3,842 163 | 3,123 153 | 2,239 139 | |
| | 5 Township of Tiny Ph I and II Residential Commercial | Jan 1999 & Oct 1999 | PL 102 Exhibit A, Tab3, Schedule 1 | 7,081 62 | PL 102 Exhibit A, Tab3, Schedule 4 | 4,876 50 | 4,241 46 | 3,419 43 | 2,589 35 | |
| | 6 Creemore&New Lowell Residential Commercial | Dec. 1997 | EBLO 261/EBC 266/EBA 785 Exhibit A, Tab3, Schedule 3 | 926 91 | EBLO 261/EBC 266/EBA 785 Exhibit A, Tab3, Schedule 3 | 775 69 | 751 66 | 710 62 | 601 54 | |
| | 7 Community of Carp Residential Commercial | Nov. 1997 | PL 98 Exhibit A, Tab3, Schedule 2 | 421 133 | PL 98 Exhibit A, Tab3, Schedule 3 | 421 133 | 390 122 | 348 107 | 281 89 | |
| | 8 Alfred Plantagenet Residential Commercial | Oct. 2008 | EB-2007-0745 Exhibit A, Tab3, Schedule 1 | 2,669 184 | EB-2007-0745 Exhibit A, Tab3, Schedule 1 | - - | - - | 2,231 145 | | |
| | All System Expansion Projects Residential Commercial | | | 21,941 1,180 | | 14,982 873 | 13,229 832 | 13,445 911 | 8,545 672 | |

Forecast vs. Actual variance - Major System Expansion Projects

| Col 1 | Project Name Col 2 | Project On date Col 3 | OEB Filing Reference Col 4 | Capital Cost | | | | Col 8 Variance (%) | Customer Additions 5 years cumulative | | | | Current State of Cumulative Customers Added YTD ¹ | |
|---------|--|--------------------------|---|------------------------------|----------------------------|------------------------------|--------------------------|--------------------------|---------------------------------------|------------------|-----------------------------|------------------|--|--|
| | | | | Col 5 Forecast (\$000) | Col 6 Actual (\$000) | Col 7 Variance (\$000) | Col 8 Variance (%) | | Col 9 Forecast | Col 10 Actual | Col 11 Forecast Accuracy | Col 12 Actual | | |
| 1 | Russel Cambridge & Casselman Residential Commercial | Nov. 1995 | RP-2001-0032 Exhibit B3, Tab2, Schedule 8 | 5,503 | 5,220 | (283) | -5% | | 1,510 211 | 2,253 182 | 149% 86% | 7,777 | | |
| 2 | Grand Valley & Waldemar Residential Commercial | Dec. 1995 | RP-2001-0032 Exhibit B3, Tab2, Schedule 8 | 1,432 | 1,497 | 65 | 5% | | 715 55 | 537 26 | 75% 47% | 967 | | |
| 3 | Dundalk & Proton Station Residential Commercial | Dec. 1995 | RP-2001-0032 Exhibit B3, Tab2, Schedule 8 | 1,479 | 1,501 | 22 | 1% | | 610 89 | 454 48 | 74% 54% | 811 | | |
| 3 | Rockland & Cumberland Residential Commercial | Oct. 1996 | RP-2002-0133 Exhibit B3, Tab2, Schedule 8 | 4,721 | 3,776 | (945) | -20% | | 2,239 139 | 1,637 85 | 73% 61% | 6,927 | | |
| 4 | Township of Tiny Ph I and II Residential Commercial | Jan 1999 & Oct 1995 | EB-2005-0001 Exhibit B3, Tab2, Schedule 7 | 8,357 | 5,988 | (2,369) | -28% | | 2,589 35 | 2,359 38 | 91% 109% | 3,688 | | |
| 5 | Creemore&New Lowell Residential Commercial | Dec. 1997 | RP-2003-0203 Exhibit B3, Tab2, Schedule 7 | 1,572 | 1,604 | 32 | 2% | | 601 54 | 634 39 | 105% 72% | 895 | | |
| 6 | Community of Carp Residential Commercial | Nov. 1997 | RP-2003-0203 Exhibit B3, Tab2, Schedule 7 | 1,581 | 1,347 | (234) | -15% | | 281 89 | 288 75 | 102% 84% | 1,359 | | |
| 7 | Alfred Plantagenet Residential & Commercial | Oct. 2008 | EB-2016-0004 Exhibit S3.EGDI.BOMA.26 | 2,634 | 2,313 | (321) | -12% | | 2,376 | 1,382 | 58% | 1,382 | | |
| 8 | All System Expansion Projects Residential Commercial | | | | | | | | 10,921 672 | 9,544 493 | 87% 73% | 23,806 | | |
| Overall | | | | | | | | | 11,593 | 10,037 | 87% | 23,806 | | |

Note

1 Col 12 represent current state all customers added downstream of the point where the System Expansion projects connected to the Company's then existing distribution system

VECC INTERROGATORY # 2

INTERROGATORY

Reference: Exhibit CB, Tab 1, Schedule 1, page 4

At the above reference Enbridge has set out a proposal for the criteria that would be used to define a "Community Expansion Project".

- a) Please clarify under the current portfolio project policy of Enbridge what are the criteria for inclusion in the investment portfolio, specifically addressing:
- I. The minimum project P.I.
 - II. Whether the minimum P.I. is calculated before or after contributions
 - III. Whether the project requires an upfront capital contribution (from developer or other entity please specify);
 - IV. Whether the project is eligible or ineligible for the investment portfolio if it requires a main extension or reinforcement – as defined in response to VECC-1).

RESPONSE

When determining if a project is to be included in the Investment Portfolio ("IP") the Company follows the criteria established in EBO 188 (section 2.3.10 and 4.3.2) which are set out below.

2.3.10. The Board concludes that the Investment Portfolio should be designed to achieve a positive NPV including a safety margin (for example, corresponding to a P.I. of 1.10). The Board believes that a portfolio designed in this way will minimize the forecast risks and hence more likely achieve the desired results of no undue rate impacts.

4.3.2 The Board recognizes that Union and Centra have been applying a P.I. threshold of 0.8 for the collection of customer contributions for new community attachments. The Board also notes that the utilities proposed this level as the basis for determining the treatment of customers currently paying periodic contributions. In order to ensure fairness and equity in the application and design of contribution requirements, the Board finds that all projects must achieve a minimum threshold P.I. of 0.8 for inclusion in a utility's Rolling Project Portfolio.

Based on these criteria the requested clarifications are provided below:

- I. The minimum PI for a project to be included in the IP is 0.8.

- II. The minimum PI is established pursuant to the EBO 188 guidelines. The project PI is first calculated. Then if the minimum PI is not attained the capital contribution amount is determined by calculating the capital contribution amount needed to bring the project PI up to the minimum Project PI. If the capital contribution is paid the project would proceed with an effective lower capital cost based on the minimum acceptable PI.
- III. For projects requiring a capital contribution the Company requires that this contribution be paid prior to the project being built either by the customer or developer.
- IV. All relevant costs are considered in evaluating a project feasibility including main extension and/or reinforcement costs and the project is included in the investment portfolio as per the prescribed EBO 188 criteria.

VECC INTERROGATORY # 3

INTERROGATORY

Reference: Exhibit B, Tab 1, schedule 1, page 4

- a) Please explain how eligibility for a Community Expansion Project differs from eligibility to be considered part of the ongoing investment portfolio of projects.
- b) Specifically explain why this project fails to meet Enbridge's current policy for inclusion in the investment portfolio.

RESPONSE

- a) Other than the requirement that a Community Expansion Project meet a project profitability index of 1.0, eligibility for inclusion of a Community Expansion Project in the investment portfolio is no different than any other expansion project.
- b) This project does not fail to meet Enbridge's current policy for inclusion in the investment portfolio. Absent the additional financing mechanisms (the SES, ITE and grant monies) the project would not achieve a PI of 0.8 as required by the Board's EBO 188 Guideline and as such fail to meet the current policy for inclusion in the investment portfolio.

VECC INTERROGATORY # 4

INTERROGATORY

Reference: Exhibit B, Tab 1, schedule 1, pages 3-7

- a) Would a similar project, such as a large subdivision with a main extension, which was eligible for the inclusion in the investment portfolio, require a developer to make an upfront contribution in aid of construction to a P.I. to the level of making the project P.I. 1.0 or 0.8 or to some other different net present value level?

RESPONSE

Yes should the customer want to attach and a feasibility analysis indicates a contribution in aid of construction is required. However a large subdivision project differs from a Community Expansion Project in that the developer is a single large customer. In the case of a large subdivision project a contribution is assessed based on feasibility criteria as prescribed in EBO 188 and, if needed, developers are required to make an upfront contribution to achieve a project PI as required by EBO 188.

VECC INTERROGATORY # 5

INTERROGATORY

Reference: Exhibit B, Tab 1, Schedule 1, page 6-7 / pg. 17

- a) Enbridge proposes that Community Expansion Projects ("CEP") not requiring a specific leave of the Board be included in its annual rate applications. Please clarify whether this reporting will include past CEP projects.
- b) Is this reporting the same as that explained at page 17 and to be provided at the annual Stakeholder Day?

RESPONSE

- a) All Community Expansion Projects will be included in the determination of the Company's annual Profitability Indices ("PIs") of the Rolling Project and Investment Portfolios. Community Expansion project PIs will be monitored annually for the purpose of determining if the System Expansion Surcharge ("SES") can be discontinued for specific projects. In addition to the information noted at Exhibit B, Tab 1, Schedule 1, page 17, Enbridge proposes to report Community Expansion Projects where the SES has been discontinued each year.
- b) Yes, the reporting will be the same as that explained at Exhibit B, Tab 1, Schedule 1, page 17 or any other future reporting process as required by the Board.

VECC INTERROGATORY # 6

INTERROGATORY

Reference: Exhibit B, Tab 1, Schedule 1, page 15

- a) Please provide the expected timing of the Ontario Natural Gas Grant for this project?

RESPONSE

- a) Please see the Company's response to Board Staff interrogatory #9 b) found at Exhibit I.B.EGDI.STAFF.9.

VECC INTERROGATORY # 7

INTERROGATORY

Reference: Exhibit B, Tab 1, Schedule 1, page 14

- a) Enbridge management approval is noted as being outstanding. Please explain what conditions other than acquisition of an Ontario Natural Gas Grant are required for management approval of this project.
- b) Is the full grant amount of \$12.6 million required for management approval to proceed? If a lesser amount is provided would it be Enbridge's intention to abandon the project or to attempt other adjustments, for example increasing the SES surcharge?

RESPONSE

- a) In addition to the Province's Natural Gas Grant Program funding Enbridge management is considering the implications with respect to this project and others potentially impacted by the OEB's EB-2016-0004 Decision.
- b) Yes, the full grant amount of \$12.6 million is required for management approval of the Fenelon Falls community expansion project. The Company has not considered adjustments to the System Expansion Surcharge or other rate related aspects of this proposal.

VECC INTERROGATORY # 8

INTERROGATORY

Reference:

- a) Does Enbridge have any plans/programs to encourage the adoption of natural gas or acquisition of gas appliances in the Community Expansion area? If yes, please explain these initiatives.
- b) How will Enbridge be promoting any ongoing natural gas DSM incentives (e.g. thermostats etc.) in the new expansion region?
- c) Generally, has Enbridge any strategies to encourage early adoption in order to improve the economic value of the expansion?
- d) Please explain any specific incentives targeted at low-income households.

RESPONSE

- a) Yes, Enbridge will coordinate marketing and sales efforts with local HVAC contractors operating in the Fenelon Falls area and leverage its DSM, Green Investment Fund programs and other government programs to the greatest extent possible to assist potential customers in this community make the conversion of their heating systems, water heating systems and other appliances to natural gas as inexpensively as possible.
- b) In addition to the Company's ongoing DSM sales and marketing activities, the Company plans to undertake special community events and participate in regularly scheduled community activities such as home shows to showcase the advantages of switching to natural gas and educate potential customers as how to do so.
- c) As noted above, Enbridge will be working cooperatively with local HVAC contractors to canvas the Fenelon Falls service area such that the installation of gas services can be coordinated as effectively as possible with the installation of heating systems, water heating systems and other appliances. The Company's goal will be to install as many services as possible in conjunction with the installation of gas mains. This strategy is expected to improve project economics by encouraging early adoption of gas service and is also expected to result in reduced construction costs.

- d) Apart from offering the Company's low income DSM and GIF programs in this community the Company has not identified a specific strategy to promote natural gas conversions for low-income households at this time. However, the Company will be working with social agencies operating in the Fenelon Falls area in an effort to implement programs that will assist families in need in converting their heating systems, water heating systems and other appliances to natural gas.

BOARD STAFF INTERROGATORY # 2

INTERROGATORY

Ref: Evidence Exhibit C, Tab 1, Schedule 1, Attachment 1, page 1, Map: "Proposed Natural Gas Pipelines to Serve the Community of Fenelon Falls"

Preamble:

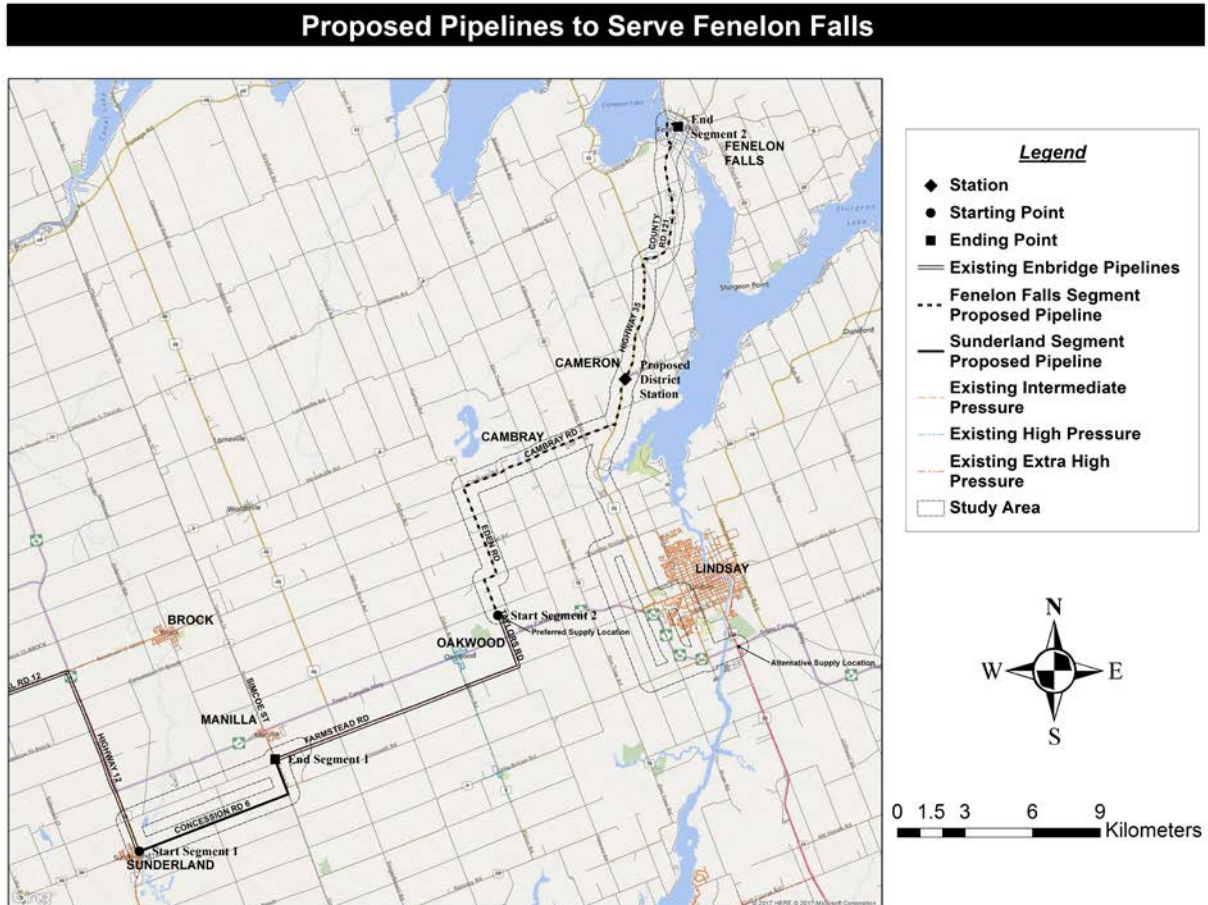
The map Enbridge included in the evidence depicts the proposed routes of the Sunderland Segment and the Fenelon Falls Segment, as well as the study area. The map does not provide details of the existing Enbridge pipeline system in Enbridge's Franchise areas in the Municipality of Durham and the City of Kawartha Lakes.

Questions:

- a) Please provide a pipeline system map that depicts the regional system as context for the proposed project.
- b) Referring to the pipeline system map provided in response to question a), please identify any alternatives to the proposed project, particularly with respect to the supply points and related potential connection routes to supply the community of Fenelon Falls. Please explain reasons why any alternative supply point was rejected.

RESPONSE

a) Please see map below.



b) All alternatives to the proposed project are detailed in the Environmental Report ("ER"). In the map provided in response to question a) above, the study area is shown, as is the alternative supply location that was considered. The Alternative Supply Location (also referred to as DPFF5 in the ER) was rejected due to reasons outlined in Section 2.5 of the Environmental Report. The Alternative Supply Location was not selected as the preferred supply location, because this alternative would have caused the Project to impact more residents/businesses, prime agricultural land, watercourses, roads, wetlands, significant woodlots, Conservation Authority regulated areas and Environmentally Sensitive Areas and would have had more water wells within 100 meters of the route, relative to the preferred supply point and pipeline route.

BOARD STAFF INTERROGATORY # 5

INTERROGATORY

Ref: Evidence Exhibit C, Tab 1, Schedule 1, page 4, paragraph 11;
Exhibit E, Tab 1, Schedule 1, page 1, paragraph 2 and
Exhibit E, Tab 1, Schedule 1, page 2, paragraph 6

Preamble:

Enbridge requested the LTC approval no later than December 2017 in order to adhere to its construction schedule and meet the in-service date of October 2018.

Questions:

- a) Please discuss a possible delay of the in-service date may affect the forecast customer attachments and the economic feasibility and construction costs of the proposed project.
- b) Please comment on the impact of a delay of the LTC approval on the planned construction schedule and in-service date of October 2018.

RESPONSE

a-b) Enbridge requested a December 2017 approval to allow enough lead time to secure materials and resources for an anticipated spring 2018 construction start. Enbridge has since identified a vendor and contractor that can shorten the lead time for materials acquisition, allowing Enbridge to continue with the current schedule, cost, and customer capture if approval is received no later than February 2018.

A decision on LTC approval beyond February 2018 would impact the construction schedule, economics, and customer capture forecast. The extent of this impact would have to be evaluated based on the LTC approval date.

VECC INTERROGATORY # 9

INTERROGATORY

Reference: Exhibit C, Tab 1, Schedule 1, page 4 / Exhibit E, Tab 1, Schedule 1

- a) What is the latest date for start of construction in order for the project to be in service for the winter of 2018?
- b) What is the latest date that Enbridge would need to notify suppliers and contractors to meet this construction start date?

RESPONSE

- a) In order for the Project to be in service for the winter of 2018 the latest start date for construction is the as-filed construction start date of April 2018.
- b) Please see the response to Board Staff interrogatory #5 found at Exhibit I.C.EGDI.STAFF.5.

VECC INTERROGATORY # 11

INTERROGATORY

Reference: Exhibit C, Tab 1, Schedule 1, Attachment 1
Exhibit D, Tab 1, Schedule 1, Attachment 1
Exhibit H, Tab 1, Schedule 1, Attachment 2

- a) We are unable to locate in the application any maps which show the location of current Enbridge infrastructure and the proposed (preferred) pipeline routing and station locations. Please provide a detailed map showing the connection point(s) of the current infrastructure (described by NPS) to the CKL (or if this is included in the application a reference).
- b) Please provide a separate detailed map showing the proposed main builds in the City of Kawartha Lakes (or reference).

RESPONSE

Please refer to the response to Board Staff Interrogatory #2 found at Exhibit I.C.EGDI.STAFF.2.

BOARD STAFF INTERROGATORY # 12

INTERROGATORY

Ref: Evidence Exhibit D, Schedule 1, page 1, paragraph 1: "Route Selection" and Evidence Exhibit B, Schedule 1, pages 3-4 "System Expansion Surcharge & Rate Stabilization Period"

Preamble:

Enbridge noted that the preferred route would allow Enbridge to offer gas distribution service to communities along the route. Examples included the communities of Cameron and Cambray.

In its evidence Enbridge suggested a definition of Community Expansion Projects and requested that the OEB approve a volumetric-based rate of \$0.23/m³ (SES rate rider) that would be applicable to all community expansion projects and small main extension projects (Community Expansion Projects).

Questions:

- a) Please explain if it is the Sunderland Segment that will allow Enbridge to serve the communities of Cameron and Cambray.
- b) Referring to Enbridge's proposed definition of Community Expansion Projects, please indicate how the potential service offer (projects) to Cameron and Cambray communities would be classified with respect to Enbridge's proposed definition.
- c) What is the anticipated time-line for the service offers to Cameron and Cambray and how is Enbridge planning to obtain the funding for these potential expansion projects?
- d) Is there any impact on the Fenelon Falls project if Enbridge does not end up offering service to Cameron and Cambray or other community expansion projects such as providing service to Scugog and Bobcaygeon?
- e) Is the Fenelon Falls Project predicated on future community expansion projects in the area? Please explain.

RESPONSE

- a) The Sunderland segment provides the incremental capacity needed to service the Fenelon Falls project, which includes the communities of Cameron and Cambray.
- b) The pipeline route from west of Lindsay to the town of Fenelon Falls traverses right through the communities of Cameron and Cambray. As a result, the economics and customer capture of the Fenelon Falls project includes these two communities.
- c) The pipeline to Fenelon Falls traverses the communities of Cameron and Cambray. Enbridge expects to be able to provide gas distribution service to these communities beginning in October 2018. The cost associated with providing gas distribution service to these communities has been included in the economics of the Fenelon Falls project and was also included in the natural gas grant applications submitted by the Company to the Ministry of Energy.
- d) Cameron and Cambray are included in the Fenelon Falls economics, including revenues from anticipated customer additions. If Enbridge were to not serve these communities, anticipated revenues from the Project would be reduced as would the anticipated costs of the Project. The reduction in revenues would be greater than the reduction in costs and the PI associated with the project would be reduced. The provision of gas distribution service to Fenelon Falls is independent of the provision of gas distribution service for other community expansion projects such as Scugog Island and Bobcaygeon.
- e) No, the Fenelon Falls project is independent of other community expansion projects in the area.

BOARD STAFF INTERROGATORY # 13

INTERROGATORY

Ref: Evidence Exhibit D, Schedule 1, pages 1-8: "Route Selection" and Exhibit D, Tab 1, Schedule 1, Attachment 1,

Questions:

- a) Please confirm that the proposed preferred route for the Sunderland Reinforcement Segment and for the Fenelon Falls Segment in the application have been finalized and that Enbridge is seeking the approval of the routes filed as preferred routes.
- b) Please explain the rationale for reducing the original length of the Sunderland Reinforcement Segment by 2 kilometres.

RESPONSE

- a) Confirmed.
- b) The portion of pipe along Farmstead Road between Simcoe Street and Station Road was identified as being required to facilitate the addition of an industrial customer as part of the Fenelon Falls project. However, this customer declined to move forward with the Fenelon Falls project and consequently the Sunderland Reinforcement was reduced in length by 2 kilometers.

BOARD STAFF INTERROGATORY # 14

INTERROGATORY

Ref: Evidence Exhibit D, Tab 1 Schedule 3, page 1: "Environmental Report"

Preamble:

Stantec was retained to prepare the Environmental Report which was submitted to the Ontario Pipeline Coordinating Committee (OPCC) for review on May 9, 2017.

Question:

Please file an update of the comments (in tabular format) that Enbridge received as part of the OPCC review and in any public consultation. Include the dates of communication, the issues and concerns identified by the parties, as well as Enbridge's responses and actions to address these issues and concerns.

RESPONSE

The attached table sets out an updated consultation log which incorporates comments (including OPCC comments) received by the Company and consultation activities undertaken by the Company after completion of the Environmental Report. The table is current as of December 1, 2017.

Pipeline to Serve Fenelon Falls - NON-INDIGENOUS POST-EA CONSULTATION

*** This table includes all non-indigenous consultation after final open house (April 2016) and following completion of Environmental Report (as of December 1, 2017)

| Item | Name | Organization | Title/Address | Date of Resident /Organization Contact | Resident/Organization Comments | Date of Enbridge Contact | Enbridge Comments | Followup Required? |
|------|------------|--------------|---------------|--|---|--------------------------|--|--------------------|
| 1 | [REDACTED] | [REDACTED] | [REDACTED] | 24-May-16 | Resident was wondering if her home would be serviced by NG as it is on the route from Cambray to Fenelon Falls. | 24-May-16 | Enbridge responded that NG services will be completed by Customer Connections as soon as the pipeline to Fenelon Falls is complete. Based on the OEB application and approval, pre-construction activities will start in late 2016 or 2017. | No |
| 2 | [REDACTED] | [REDACTED] | [REDACTED] | 6-Jun-16 | Resident left a voice message for Enbridge on June, 6, 2016. | 7-Jun-16 | Enbridge spoke with Resident and determined that she is potentially purchasing 238 CR 8 in Fenelon Falls and would like to know if the property would likely be receiving natural gas. Enbridge confirmed that the project is still in the preliminary planning phase and the determination on the distribution network in Fenelon Falls is dependent on many factors (OEB project approval, resident interest on street, etc.) and that it was still too early to give her a definitive answer. | No |
| 3 | [REDACTED] | [REDACTED] | [REDACTED] | 23-Jul-16 | Resident wanted to confirmation if NG would be available to their home. | 8-Aug-16 | Enbridge responded to the resident that their property was south from the proposed transmission line on Cambray/CR 9, and that there are no plan currently to service this area. Enbridge suggested that they contact the customer connections number for costing/feasibility once the transmission lines are constructed. See Item 5. | No |
| 4 | [REDACTED] | [REDACTED] | [REDACTED] | 28-Jul-16 | Resident wanted to know if Princess' SW in Fenelon Falls would be serviced with NG. | 8-Aug-16 | Enbridge responded to the resident and clarified that the distribution lines in Fenelon Falls will be determined once the transmission lines are constructed and based on interest on resident roads in Fenelon Falls. | No |
| 5 | [REDACTED] | [REDACTED] | [REDACTED] | 8-Aug-16 | On August 8, 2016, Resident responded to Enbridge and requested additional information. | 9-Aug-16 | On August 9, 2016, Enbridge responded that their property is not on the proposed pipeline route and that they can request cost for service from Customer Connections once the FF pipeline goes to construction. | No |
| 6 | [REDACTED] | [REDACTED] | [REDACTED] | 10-Aug-16 | Resident sent a thank you email. | NA | See Item 6. | No |
| 7 | [REDACTED] | [REDACTED] | [REDACTED] | 7-Sep-16 | Resident wanted to know if Kennebec Park Road was still included on the preferred pipeline route. | 22-Sep-16 | Enbridge responded to Resident's email and confirmed that her property is now far from the preferred pipeline route, so service will not be provided as part of the Fenelon Falls project. | No |
| 8 | [REDACTED] | [REDACTED] | [REDACTED] | 12-Sep-16 | Resident wanted to know if their property would still be receiving natural gas service as part of the FF project. | 13-Sep-16 | Enbridge responded to Resident's email and confirmed that her property is now far from the preferred pipeline route, so service will not be provided as part of the Fenelon Falls project. | No |
| 9 | [REDACTED] | [REDACTED] | [REDACTED] | 13-Sep-16 | Resident wanted to know when residents in downtown Fenelon Falls would like receive service connections | 22-Sep-16 | Enbridge responded to Resident's email and noted that Enbridge is awaiting OEB approval and pre-construction work will likely commence in 2017 (but is tentative). Service connections will not like occur until 2018 (tentative). | No |
| 10 | [REDACTED] | [REDACTED] | [REDACTED] | 27-Oct-16 | Resident wants to know the status of the project and if it is still coming to Bobcaygeon. | 10-Nov-16 | Enbridge responded and noted that the Fenelon Falls and Bobcaygeon projects are now separate projects now, and that there is no timeline for the Bobcaygeon project at this time. Enbridge will add Resident to the project distribution list. | No |
| 11 | [REDACTED] | [REDACTED] | [REDACTED] | 7-Nov-16 | Resident wants to know the status of the project. | 10-Nov-16 | Enbridge responded and noted that the Fenelon Falls project will proceed if/when the OEB application and approval are received. Tentative for 2018. | No |
| 12 | [REDACTED] | [REDACTED] | [REDACTED] | 10-Nov-16 | Resident sent a Thank You email. | NA | See Item 12. | No |
| 13 | [REDACTED] | [REDACTED] | [REDACTED] | 10-Nov-16 | Resident stated that she would like to be included on the Bobcaygeon distribution list. | NA | Added to distribution list. | No |
| 14 | [REDACTED] | [REDACTED] | [REDACTED] | 10-Jan-17 | Wondering when access to pipeline would be available. | 27-Feb-17 | Enbridge replied and apologized for the late response. Stated that if approved by the OEB, construction would likely start Spring 2018 and that distribution piping would be required to access his property since it would not be off the main line. The timing of the distribution pipelines is yet to be determined. | No |

Pipeline to Serve Fenelon Falls - NON-INDIGENOUS POST-EA CONSULTATION

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|------|------|--------------|---------------|--|---|--------------------------|--|--------------------|
| 15 | █ | █ | █ | 10-Jan-17 | Had a few questions: 1. When will construction begin? 2. Being on the Hwy, will we be able to connect into the main line? 3. Are there any special requirements that could prevent us from being hooked up once the line is ready? They are looking forward to the benefits of hooking up to natural gas. | 18-Apr-17 | Forwarded email to Enbridge employees on February 23, 2017. Forwarded to Stantec March 2, 2017. Enbridge responded stating timelines of construction (spring 2018) and customer hookup (fall 2018) and also stated that propane heating can be readily converted to natural gas and that this should be reviewed with an HVAC contractor. | No |
| 16 | █ | █ | █ | 13-Jan-17 | Interested to know when and if gas will be coming to Fenelon Falls. They are very interested in getting gas service. | 27-Feb-17 | Enbridge replied and apologized for the late response. Stated that if approved by the OEB, construction would likely start Spring 2018. Enbridge asked if Resident could provide the name of the restaurant so that it could be determined if this restaurant is within the scope of the project. See Item 20. | No |
| 17 | █ | █ | █ | 23-Jan-17 | Wondering about the expected completion date of the pipeline to Fenelon Falls and once installed, how long it will take to run services to houses. | 20-Mar-17 | Forwarded e-mail to Stantec and Enbridge employees on March 15, 2017. Enbridge responded and provided expected project completion date and residential hookup dates. See Item 25. | No |
| 18 | █ | █ | █ | 24-Feb-17 | Inquired If natural gas would be available in Fenelon Falls in 2017. | 27-Feb-17 | Enbridge responded stating that an application will be filed with the OEB in June 2017 and if approved, construction of the project would hopefully begin Spring of 2018. Enbridge asked her address so that they could confirm if her location is in the scope of the project. See Item 19. | No |
| 19 | █ | █ | █ | NA | Resident provided address. | 27-Feb-17 | Enbridge confirmed that her address is within the scope of this project but that customer connections wouldn't happen until after the mainline is installed. | No |
| 20 | █ | █ | █ | 27-Feb-17 | Mr. Lees replied back with a thank-you email. | NA | NA | No |
| 21 | █ | █ | █ | 1-Mar-17 | Inquiring as to whether Westlake Court in the town of Cameron will have access to natural gas when the project is completed | 7-Mar-17 | Forwarded e-mail to Stantec and Enbridge employees on March 2, 2017. Enbridge responded stating that Westlake Court was not included in the distribution network due to housing density relative to the location of the gas main; however, once the main line is built, residents outside the network will have the opportunity to contact Enbridge to see what would be required to extend gas to their residence. | No |
| 22 | █ | █ | █ | 2-Mar-17 | Inquiring about providing natural gas service to Gilson's Point/Algonquin Road area. | 18-Apr-17 | Forwarded e-mail to Stantec and Enbridge employees on March 2, 2017. Enbridge forwarded email to Customer Connections Manager on April 18, 2017. Enbridge provided response stating their email was sent to the Customer Connections Manager. | No |
| 23 | █ | █ | █ | 2-Mar-17 | Inquiring about providing natural gas service to Ramsey Road, Fingerboard Road, Gilson's Point/Algonquin Road area. | 18-Apr-17 | Forwarded e-mail to Stantec and Enbridge employees on March 3, 2017. Enbridge needs to respond. Enbridge forwarded email to Customer Connections Manager on April 18, 2017. Enbridge provided response to inquiry stating their email was sent to the Customer Connections Manager. | No |

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| 24 | | | | 16-Mar-17 | Inquired if the project was still on track and if the pipeline was still going to end at Bond Street and Colborne Street. | 20-Mar-17 | Forwarded e-mail Enbridge employees and Stantec on March 20, 2017. Enbridge responded stating that the project was set to be filed with the OEB sometime in June and pending OEB approval, a spring 2018 construction date is proposed. See Item 26. | No |
| 25 | | | | 21-Mar-17 | Received thank-you e-mail from resident. | NA | NA | No |
| 26 | | | | 23-Mar-17 | Received thank-you email from resident. | NA | Forwarded e-mail to Enbridge employees and Stantec on March 31, 2017. | No |
| 27 | | | | 31-Mar-17 | Inquiring if there were any plans to install natural gas on Scugog Island in Port Perry, Ontario. | 3-Apr-17 | Enbridge stated that Scugog Island had to be further evaluated into the feasibility of the project and if deemed feasible, then Enbridge would proceed with an application to the OEB. | No |
| 28 | | | | 6-Apr-17 | Inquiring as to whether or not natural gas will be brought to Bobcaygeon. Resident is interested in natural gas service. | 18-Apr-17 | Forwarded e-mail to Enbridge employees and Stantec on April 6, 2017. Enbridge responded stating that Bobcaygeon still needs to undergo a feasibility assessment and if feasible, a separate EA would be completed for Bobcaygeon and would be submitted to the OEB late 2017 or early 2018. Also explained the grant funding available through the Ministry of Infrastructure. | No |
| 29 | | | | 12-Apr-17 | Resident is located on Stronson's Bay Road just south of County Road 8, Fenelon Falls and is inquiring if natural gas will be accessible to her in the future. | 18-Apr-17 | Forwarded email to Stantec and Enbridge employees on April 13, 2017. Enbridge responded stating that her area is not covered by the Fenelon Falls Pipeline Project but pending feasibility assessments for Bobcaygeon, her area could be included in that project if it moved forward for OEB approval. | No |
| 30 | | | | 18-Apr-17 | Resident thanked Enbridge for the response and was glad to hear that Bobcaygeon is still being looked at as possible expansion for natural gas. | NA | NA | No |
| 31 | | | | 20-Apr-17 | Inquired as to the timeline for the Fenelon Falls pipeline project. | 21-Apr-17 | Enbridge responded and provided current timelines. | No |
| 32 | | | | 21-Apr-17 | Resident thanked Enbridge for the response. | NA | NA | No |
| 33 | | | | 25-Apr-17 | Inquiring if the pipeline is going to be constructed soon since locate flags are along the route. | 26-Apr-17 | Enbridge stated that the locate flags are for Stage 2 Archaeology taking work along the pipeline route and that this is required as part of our OEB LTC submission. Stated on April 26, 2017. | No |
| 34 | Brigid Aytotte | Township of Cavan Monaghan | Economic & Community Development Co-ordinator 988 County Road 10, Millbrook, ON L0A 1G0 | 25-Apr-17 | Inquiring about the natural gas incentive program through Infrastructure Ontario. Stated that there is interest in natural gas service at many agricultural farms within his township (not within City of Kawartha Lakes or Fenelon Falls). | 26-Apr-17 | Forwarded email to Enbridge employees and Sue Williams on April 26, 2017. Enbridge responded and stated that their email has been forwarded to their Customer Connections Manager. | No |
| 35 | | | | 26-Apr-17 | Resident thanked Enbridge for the response. | NA | NA | No |
| 36 | Michelle Schiag Anne-Laure Bouviere | Ministry of Energy | Senior Advisor, Indigenous Energy Policy | 1-May-17 | NA | 1-May-17 | Enbridge met with the Ministry of Energy to discuss the Duty to Consult letter received by Enbridge as well as the Ministry of Energy's Duty to Consult process. Meeting minutes are available. | No |
| 37 | | | | 30-Apr-17 | Inquired if the Fenelon Falls Pipeline Project is going to happen and if so, what the timeline is. | 2-May-17 | Enbridge responded and provided current timelines. | No |
| 38 | | | | 8-Dec-15 | Commented through completion of Open House Questionnaire. Looking to find contractors to get quotes for conversion of wood to natural gas and also wondering if there will be incentives from Enbridge or the Government to switch to Natural Gas. | 4-May-17 | Stated that Bobcaygeon is no longer part of the Fenelon Falls Pipeline Project and that a separate Environmental Assessment will take place for Bobcaygeon. There is no definitive timeline yet for the Bobcaygeon pipeline but feasibility assessments and funding need to be determined. Provided resident with information on HVAC contractors. | No |

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| 39 | [REDACTED] | [REDACTED] | [REDACTED] | 9-Dec-15 | Commented through completion of Open House Questionnaire. Inquiring as to what side of the road the pipe would be on Beers Road. | 3-May-17 | Stated that routing of the pipeline has changed and no longer includes Beers Road. Provided the project website so resident could check in on project updates. | No |
| 40 | [REDACTED] | [REDACTED] | [REDACTED] | 4-May-17 | Thanked Enbridge for the reply. | NA | NA | No |
| 41 | Michelle Schlag | Ministry of Energy | Senior Advisor, Indigenous Energy Policy | 5-May-17 | Ministry of Energy responded to Huron Wendat First Nation stating that they do not have the information they are requesting and to contact Enbridge who was Cc'd on the email. | NA | NA | No |
| 42 | OEB | | | 9-May-17 | Enbridge filed the Environmental Report with the OPCC. | | | |
| 43 | [REDACTED] | [REDACTED] | [REDACTED] | 13-May-17 | Inquired as to when they could anticipate being hooked up to gas in Fenelon Falls. | 15-May-17 | Stated that customers would be hooked up to natural gas once construction of the main natural gas pipeline was complete. Construction of the main natural gas pipeline may occur around Spring 2018, if approved by the Ontario Energy Board. Also, in a separate email sent the same day, Enbridge provided the resident with the project website as well as a website for them to submit their interest in natural gas service. | No |
| 44 | [REDACTED] | [REDACTED] | [REDACTED] | 16-May-17 | Asking if Enbridge has considered extending the line from the Sunderland Cooperative, Oakwood Branch at 361 Taylor Road south to Taylors Corners and then east along Highway 7 to have the opportunity to service the houses along Highway 7 and also the Chase Place subdivision | 31-May-17 | Forwarded e-mail to Enbridge employees on May 17, 2017. Enbridge responded stating that a number of routes were considered but based on stakeholder input and the environmental assessment process, the preferred route up Taylor's Road was finalized. Also provided project website. | No |
| 45 | Cheryl Tolles | Ministry of Transportation | 1355 John Counter Blvd. Kingston, ON, K7L 5A3 | 17-May-17 | Stated that MTO has no concerns or comments in respect to the specific route modification in the town of Fenelon Falls. This was a follow-up comment from the OPCC circulation. | NA | NA | No |
| 46 | Brooke Hertzog | Ministry of Tourism, Culture and Sport | 401 Bay Street, Suite 1700, Toronto, ON, M7A 0A7 | 17-May-17 | Inquiring as to the current status of the Stage 2 Archaeological Assessment and Cultural Heritage Evaluation Report. This was a follow-up comment from the OPCC circulation. | 18-May-17 | Provided Ministry of Tourism, Culture and Sport with the current Stage 2 Archaeological and Cultural Heritage Evaluation Report schedule. | No |
| 47 | Brooke Hertzog | Ministry of Tourism, Culture and Sport | 401 Bay Street, Suite 1700, Toronto, ON, M7A 0A7 | 19-May-17 | Ministry of Tourism, Culture and Sport called Enbridge to clarify timeline of Stage 2 Archaeology and Cultural Heritage Evaluation Report and to also clarify the minor deviation that will be requested by Enbridge from the OEB. Asked Enbridge to send follow-up email with details for their records. This was a follow-up comment from the OPCC circulation. | 19-May-17 | Enbridge clarified Stage 2 Archaeological Assessment and Cultural Heritage Evaluation Report timelines and also clarified the minor deviation over the phone. Enbridge also sent follow-up email with details, as requested. | No |
| 48 | [REDACTED] | [REDACTED] | [REDACTED] | 19-May-17 | Thanked Enbridge for the quick response and stated they looked forward to the future. | NA | NA | No |
| 49 | Michelle Schlag Morgan Owen | Ministry of Energy | Senior Advisor, Indigenous Energy Policy | 26-May-17 | NA | 26-May-17 | Enbridge met with the Ministry of Energy via Skype to discuss the Duty to Consult letter received by Enbridge as well as the Ministry of Energy's Duty to Consult process. Followed up with action items from last meeting (item 36). Discussed concerns about Huron Wendat First Nation's letter that was sent to Senior person at Enbridge due to Ministry of Energy's contact with Huron Wendat prior to Enbridge. Meeting minutes are available. | No |
| 50 | [REDACTED] | [REDACTED] | [REDACTED] | 3-Jun-17 | Requested higher resolution map of route as well as short explanation of the Trent Severn crossing. | 6-Jun-17 | Provided resident with maps from the Environmental Report and also stated that the preferred method is to use Horizontal Direction Drill (HDD) to cross the Trent Severn Waterway in Fenelon Falls. Provided links to the Environmental Report and a link to a video showing Enbridge's construction process. | No |
| 51 | [REDACTED] | [REDACTED] | [REDACTED] | 7-Jun-17 | Stated the information provided to him was complete and exactly what he needed. He thanked Enbridge for the quick response. | NA | NA | No |
| 52 | Laura Starr | Windcorp Developments | NA | 27-Jun-17 | Left a voicemail with Enbridge rep regarding the status of the Fenelon Falls Pipeline Project. | 27-Jun-17 | Enbridge returned call but no answer so a voicemail was left. | No |
| 53 | Laura Starr | Windcorp Developments | NA | 30-Jun-17 | Left a voicemail with Enbridge rep regarding the status of the Fenelon Falls Pipeline Project. | 10-Jul-17 | Enbridge returned call but no answer so a voicemail was left. | No |

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|------|-------------|------------------------------|---------------|--|--|--------------------------|---|---|
| 54 | Laura Starr | Windcorp Developments | NA | 10-Jul-17 | Windcorp Developments called and inquired as to the timeline of the project. She also expressed interest in hooking up to gas as they are proposing residential and commercial developments in the area. | 10-Jul-17 | Enbridge stated that the Environmental Report was circulated to the OPCC and will be submitted to the OEB within the next couple weeks for approval. Also stated that Stage 2 Archaeology was being completed along the route. If approved by the OEB, the project would begin construction in Spring of 2018. | No |
| 55 | | | | 7-Jul-17 | Inquiring as to the status of Fenelon Falls and Bobcaygeon Projects and inquiring as to the location of the proposed Bobcaygeon Pipeline. | 10-Jul-17 | Enbridge stated to keep checking the project website for updates but to contact project lead if she required more specific information. | No |
| 56 | | | | 25-Jul-17 | Inquired as to whether there would be a cost to hook up to the main. Also inquired as to when the main line would be installed and in use. | 25-Jul-17 | Enbridge responded stating that since the resident along the main line route, there would be no costs to hook-up. Also stated that if approved, construction of the main line would begin Spring of 2018 with customer hookup being Spring of 2019 or earlier, if possible. | No |
| 57 | | | | 25-Jul-17 | Wanted to confirm that the hook-up to natural gas to their residence would be free of charge. | 25-Jul-17 | Enbridge stated that there would be no upfront costs, but that the hook-up cost is built in to the surcharge applied to bills. Even with the surcharge there would still be cost savings compared to other heating sources, including propane. | No |
| 58 | | | | 25-Jul-17 | Inquired as to how much the surcharge is and how long it would be applied. | 25-Jul-17 | Enbridge provided resident with information requested (0.23cents/m3 over 40 years) | No |
| 59 | | | | 25-Jul-17 | Inquired if this project was moving forward. | 25-Jul-17 | Enbridge stated that they are currently preparing the LTC application to the OEB and if approved, construction would hopefully start in Spring of 2018. | No |
| 60 | | | | 25-Jul-17 | Inquired when the pipeline would be operational and ready for customer hookup. | 25-Jul-17 | Enbridge stated the pipeline should be operational Spring of 2019 and that customer hookup would begin at that time, with the possibility of hooking up customer's directly on the route at the time of main line construction, but that has not been confirmed internally. | No |
| 61 | | | | 25-Jul-17 | Stated that natural gas was critical for their brewery. | NA | NA | No |
| 62 | | Canadian Propane Association | | 31-Jul-17 | Filed Request for Intervenor Status in the proceeding | | | Yes - Once the OEB confirms the intervenors in the proceeding Enbridge (Regulatory Affairs) will provide further communications |
| 63 | | | | 3-Aug-17 | Resident called Stantec to inquire if Joyvita Estates would be serviced by the pipeline. | 10-Aug-17 | Stantec informed Resident that the Joy Vista Community would not be serviced with natural gas from the Fenelon Falls Pipeline project. Resident indicated that he believed that there was significant interest in the community for natural gas and that the community itself is not a seasonal one. He requested a contact at Enbridge to follow-up with. Stantec provide Mike Miller's email address. Resident indicated that he will approach the community members to see how many are interested in natural gas and will pass this information onto Enbridge when he has collected it. | No |
| 64 | | | | 17-Aug-17 | Resident stated that natural gas sounded good and that they had it when they previously lived in London. | NA | NA | No |
| 65 | OEB | | | 18-Aug-17 | OEB issued the Notice of Application | | | |
| 66 | | | | 22-Aug-17 | Resident inquired as to if the Fenelon Falls Pipeline Project has been approved yet in order for her to make a decision on whether or not to upgrade her furnace. | 23-Aug-17 | Enbridge stated that the project was submitted to the OEB in July 2017 and a response from the OEB regarding approval isn't expected until the end of the year. If approved by the OEB, construction would start Spring of 2018. Enbridge provided the OEB's website and case number for resident to see the Letter of Direction and Notices of Hearing and also provided Enbridge's website where the same information would be posted. | No |
| 67 | | | | 23-Aug-17 | Resident thanked Enbridge for the response. | NA | NA | No |

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| 68 | Various Contacts | | | 24-Aug-17 | | 24-Aug-17 | Enbridge issued the OEB's Notice of Application and Enbridge's Application on the Interested Parties list (Ex. A-2-3), OPCC List (Ex. A-2-2), Permits and agreements (Ex. G-1-2) and Affidavit Search of Title (Ex. G-1-4). Please contact Bonnie Adams (Regulatory Affairs) for further information regarding the distribution. | No - any correspondence received as a result of the Notice will be documented separately |
| 69 | Judith Kennedy | Migratory Birds Conservation Unit - Canadian Wildlife Service - Environment and Climate Change Canada | Head | 24-Aug-17 | Provide more information as to what role the Migratory Birds Conservation program of Environment and Climate Change Canada would play in reviewing this application? The unit is not involved in this type of issue- should correspondence be directed to the Environmental Assessment Unit or the Ontario Region of Canadian Wildlife Service? | 25-Aug-17 | This project has already undergone an Environmental Assessment in which Environment Canada was consulted with (see attached). This project is not considered a designated project and therefore, CEAA/Environment Canada should have been removed from the list of interested parties. | No |
| 70 | Stephanie Rocca | Ministry of Northern Development and Mines (MNDM) | Regional Initiative Coordinator | 25-Aug-17 | Wanted to know if the MNDM was to provide comments | 25-Aug-17 | Wanted to know if the MNDM had to provide comments or if there was any action required from the MNDM regarding the notice. Enbridge's Environmental Advisor stated that the MNDM already provided comments back in 2015 regarding the project as part of our Environmental Assessment process and that the OEB's notice is more just to let interested parties know where we are in the process and also to let them know if they have any concerns, they can become an intervenor. | NO |
| 71 | Roman Dorfman | Hydro One | Sr. Real Estate Coordinator | 25-Aug-17 | Based on your (Enbridge) submission, the proposed pipeline is planned within Eden Rd (Part of Lots 21 & 20, Con 13, Mariposa Twp). Please provide details on the planned location of the pipe as there is a double circuit 230kV high voltage transmission line corridor located north of Black School Rd which may be impacted by this proposed installation (permanent and/or temporary) | 25-Aug-17 | Currently, we have draft design, which is being circulated internally for approval. Once this internal review and approval is complete, we will be circulating to authorities (including Hydro One) if there is possibility of impacts, so that authorities can review and approve the design. Enbridge requested for further contact if anything further is needed. | |
| 72 | Beth McEachern | | Strategic Advisor | 25-Aug-17 | Thank you for the update on the Fenelon Falls Pipeline Project. Just a reminder that a Trent-Severn Waterway (TSW) In-Water and Shoreline Work Permit will be required for the pipeline crossing on Cameron Lake. In addition, a Licence of Occupation will be necessary between Her Majesty (TSW) and Enbridge upon the completion of installation of the pipe. I noticed that you have also addressed your email to Eileen Nolan, Environmental Assessment Officer (Trent-Severn Waterway). Eileen has retired and Jane Tymoshuk is now in this position. Jane can be reached at: jane.tymoshuk@pc.gc.ca | NA | NA | No |
| 73 | Karla Barboza | Ministry of Tourism, Culture and Sport | Team Lead | 28-Aug-17 | Requested an electronic copy of the EA Report and asked about the status of the Cultural Heritage Evaluation Report (CHER) and Stage 2 archaeological assessment | 28-Aug-17 | Enbridge provided the Environmental Assessment Report and the following response: To answer your question on the Cultural Heritage and Stage 2 Archaeological assessments, Enbridge has completed the field work and we were just issued draft reports from our environmental consultant that we have to review. Once reviewed and approved internally, we will be providing the reports to the MTCS for their review and acceptance into their registry. | Yes - Provide the cultural Heritage and Stage 2 Archaeological assessments to the MTCS once they are completed |

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| 74 | Kelly Thompson | Navigation Protection Program - Transport Canada | Inspection Office | 29-Aug-17 | The Navigation Protection Program is responsible for the administration of the Navigation Protection Act, which prohibits the construction or placement of any "works" in a navigable waterway listed in the Schedule to the Act that may interfere with the public right to navigation without first obtaining authorization from this office. The Navigation Protection program also maintains responsibility for provisions of the Private Buoy Regulations and Receiver of Wreck under the Canada Shipping Act. The work you are describing in the attached may require a Notice of Works be submitted to the Minister for review and approval under the Navigation Protection Act. Please see https://www.tc.gc.ca/eng/programs-632.html for more information on the Act and its requirements. You will also find forms and guidance material for your convenience. | NA | Enbridge is aware of the requirements and is working with Statenee to have them addressed | No |
| 75 | | School Energy Coalition (SEC) | | 7-Sep-17 | Filed Request for Intervenor Status in the proceeding | | | Yes - Once the OEB confirms the Intervenor in the proceeding Enbridge (Regulatory Affairs) will provide further communications |
| 76 | | Consumers Council of Canada (CCC) | | 8-Sep-17 | Filed Request for Intervenor Status in the proceeding | | | Yes - Once the OEB confirms the Intervenor in the proceeding Enbridge (Regulatory Affairs) will provide further communications |
| 77 | | Transport Canada | | 15-Sep-17 | Filed an email of comment | | | Yes - If the project will interact with a federal property and/or waterway or will require approval and/or authorization under any Acts administered by Transport Canada See Item 94, Transport Canada confirmed that a permit for this |
| 78 | | VECC | | 15-Sep-17 | Filed Request for Intervenor Status in the proceeding | | | Yes - Once the OEB confirms the Intervenor in the proceeding Enbridge (Regulatory Affairs) will provide further communications |
| 79 | | | | 9-Oct-17 | Inquiring if gas would be available along Stinson's Bay Road off County Road 8, which is in between Fenelon Falls and Bobcaygeon. | 10-Oct-17 | Enbridge replied and stated that for Fenelon Falls, the pipeline will be coming from Oakwood and there would be no natural gas pipeline along County Road 8 in the near future. | No |
| 80 | | | | 10-Oct-17 | Thanked Enbridge for the reply. | NA | NA | No |

Pipeline to Serve Fenelon Falls - NON-INDIGENOUS POST-EA CONSULTATION

*** This table includes all non-indigenous consultation after final open house (April 2016) and following completion of Environmental Report (as of December 1, 2017)

| Item | Name | Organization | Title/Address | Date of Resident /Organization Contact | Resident/Organization Comments | Date of Enbridge Contact | Enbridge Comments | Followup Required? |
|------|----------------|--|--|--|---|--------------------------|--|--------------------|
| 81 | Roman Dorfman | Hydro One Networks | Sr. Real Estate Coordinator, [REDACTED] | 2-Nov-17 | I believe that the proposed Fenelon Falls Pipeline will either effect Hydro One 230kV facilities in Part of Lots 20-21, Con. 13, Mariposa Twp (shown on the attached). Please note that the proposed project may also effect a variety of Hydro One distribution facilities located within road allowances along the route. Please ensure that Hydro One is circulated for all proposed Hydro One easement & Bill 58 land occupations (permanent and temporary) Thank you | 2-Nov-17 | Response from Enbridge's Land Department: Hello Roman, Thank you for your comments. A Land Agent will be in contact with you for Agreements, as required. | No |
| 82 | [REDACTED] | [REDACTED] | [REDACTED] | 1-Nov-17 | Inquired as to whether 11 Ripple Street in Fenelon Falls would be serviced by natural gas. Very interested in hooking up and becoming a customer. | 3-Nov-17 | Enbridge stated that the construction manager would follow-up with her inquiry. Enbridge followed up on November 6 and stated that the resident's location is currently not covered under the current project scope, however, their location could be evaluated through our customer connections group, if enough interest was available in the area. This would be done under a separate project. | No |
| 83 | [REDACTED] | [REDACTED] | [REDACTED] | 3-Nov-17 | Inquired as to whether 11 Ripple Street in Fenelon Falls would be serviced by natural gas. Very interested in hooking up and becoming a customer. | 3-Nov-17 | Enbridge stated that the construction manager would follow-up with her inquiry. Enbridge followed up on November 6 and stated that the resident's location is currently not covered under the current project scope, however, their location could be evaluated through our customer connections group, if enough interest was available in the area. This would be done under a separate project. | No |
| 84 | [REDACTED] | [REDACTED] | [REDACTED] | 6-Nov-17 | Thank you for the information. If I may be so bold to say that the Victoria Rail Trail may/would be a possibility to reach others that are interested. As for sufficient interest, I have a number of home owners that are very interested in becoming a customer with Enbridge. Would you have a contact within customer connections so that we may pursue our future opportunity? | 6-Nov-17 | The rail trail is certainly something that can be considered. I would suggest hanging onto that list for now. At this point since we don't yet have government funding or Ontario Energy Board approval for Fenelon Falls we haven't established our Customer Connections group for that specific project which has some uniqueness. If we receive approvals, will be sure to reach out to you. | No |
| 85 | [REDACTED] | [REDACTED] | [REDACTED] | 6-Nov-17 | Thanked Enbridge for the assistance. | NA | NA | NA |
| 86 | Brooke Hertzog | Ministry of Tourism, Culture and Sport | 401 Bay Street, Suite 1700, Toronto, ON, M7A 0A7 | 17-May-17 | Inquired as to the status of the Stage 2 Archaeological Assessment and Cultural Heritage Evaluation Report. | 9-Nov-17 | Regulatory forwarded me your email and I thought I'd provide an update. We completed a Stage 2 Archaeological Assessment as well as the CHER, however, there were recent minor changes in the pipeline routing, which we've evaluated as requiring Stage 2 AA and also, based on these changes, our CHER needs updated. We are hoping to have this additional field work for the Stage 2 completed and submitted to the MTCS before the end of the year, but it will for sure be completed prior to construction. Let me know if you have any additional questions. | No |
| 87 | Cheryl Tollies | Ministry of Transportation | Corridor Management Planner | 17-Nov-17 | MTO has concerns with routing of pipeline. MTO has requested a meeting with Enbridge. | 13-Dec-17 | Enbridge has set up a meeting with MTO planned for December 13, 2017 | No |
| 88 | [REDACTED] | [REDACTED] | [REDACTED] | 20-Nov-17 | Please contact me as I would like a gas connection to my home at 81 Concession Road in Fenelon Falls | 21-Nov-17 | Enbridge stated they made note of customer's interest in natural gas hookup. Enbridge stated that the project has a tentative start date of Spring 2018 with an in-service date of Winter 2018, however, the project cannot move forward without OEB approval and MOI grant funding. | No |
| 89 | [REDACTED] | [REDACTED] | [REDACTED] | 20-Nov-17 | My Property is located at 133 Cambray Road. My insurance company wants me to replace the furnace oil tank in the near future. So I am looking into the feasibility of switching to natural gas. I would like to know how soon gas will be available along the Cambray Road. | 21-Nov-17 | Enbridge stated that the project has a tentative start date of Spring 2018 with an in-service date of Winter 2018, however, the project cannot move forward without OEB approval and MOI grant funding. | No |

Pipeline to Serve Fenelon Falls - NON-INDIGENOUS POST-EA CONSULTATION

*** This table includes all non-indigenous consultation after final open house (April 2016) and following completion of Environmental Report (as of December 1, 2017)

| Item | Name | Organization | Title/Address | Date of Resident /Organization Contact | Resident/Organization Comments | Date of Enbridge Contact | Enbridge Comments | Followup Required? |
|------|-------------------------------|----------------------------|----------------------------------|--|---|--------------------------|---|--------------------|
| 90 | [REDACTED] | [REDACTED] | [REDACTED] | 21-Nov-17 | Thanked Enbridge for the reply. Inquired as to whether or not there is a cost to hook up to gas (driveway is 200m long). Also asked if there were any incentives for converting to natural gas. | 21-Nov-17 | Enbridge stated that at this time, there would be no connection cost but customer is responsible for converting appliances/heating system. Enbridge provided website for current conversion incentives. | No |
| 91 | Cheryl Tolles | Ministry of Transportation | Corridor Management Planner | 21-Nov-17 | MTO reached out again regarding a meeting with Enbridge in mid-December about routing/design issues. | 13-Dec-17 | Enbridge has set up a meeting with MTO planned for December 13, 2017 | No |
| 92 | Jane Tymoshuk | Parks Canada | Environmental Assessment Officer | 30-Nov-17 | Email from Parks Canada stating: I am so sorry that we haven't responded. It has been so busy here that I never had a chance to reply. I did chat with Peter about this project and he indicated that he had discussed it with the Williams Treaties First Nations and they indicated no concerns. I am in the office today if you want to chat. | 30-Nov-17 | Left voicemail for Parks Canada requesting an in-person meeting to discuss Parks Canada Indigenous consultation requirements to ensure Enbridge understands and meets requirements for this project as well as future projects. Spoke to Parks Canada: - Parks Canada has no formal delegation of their duty to consult (no formal process) o They stated that low risk jobs (i.e. directional drilling) have low impact and Parks Canada would bring up these types of jobs at their monthly meetings with indigenous communities to see if they have any concerns (Parks Canada did this and no concerns were raised regarding Fenelon Falls) - Include the ER indigenous consultation as part of the BIA permit application (DONE; it is included as an appendix) o Enbridge plans to also include any additional indigenous consultation (after the ER was complete) by duplicating what was provided as part of the Indigenous Consultation Report in the OEB application | No |
| 93 | [REDACTED] | [REDACTED] | [REDACTED] | 4-Dec-17 | Inquired as to the status of the Fenelon Falls pipeline project and as to whether or not his address would be serviced. | 12-Dec-17 | Enbridge stated they have applied to the Ontario Energy Board for approval for the project and are still awaiting for the OEB's response and are expecting a response by the end of the year or just into the new year. As for whether or not Sugarbush Trail will be included in the project, as of this point, it is not. This is due to the environmental considerations near the water, however, there may be potential for extension in the future, once the main pipeline into Fenelon Falls is constructed. | No |
| 94 | Navigation Protection Program | Transport Canada | 100 Front Street, Sarnia, ON | 28-Nov-17 | Transport Canada reviewed project information provided by Enbridge and has determined that the project falls outside the mandate of the Navigation Protection Program as it is not considered a work under the Navigation Protection Act. | NA | NA | NA |

SEC INTERROGATORY # 7

INTERROGATORY

[F1-1-1, 7]

Please provide a copy of the DCF Analysis in excel format with all formulas intact.

RESPONSE

The Company declines to provide an electronic version of the Excel models as they are considered proprietary, intellectual property. Further, the models which were used in the production of the evidence are linked to various other sources, working and reference files which contain extensive data and calculations. Provision of this model to a third party for the purpose of recalculating DCF results would be counterproductive as the Company would have no means by which to verify that the third party had completed their calculations correctly.

VECC INTERROGATORY # 10

INTERROGATORY

Reference: Exhibit F, Tab 1, Schedule 1, page 5

- a) Please explain how the discount rate of 5.41% was derived.
- b) Please explain how the annual volume of 9,438,800 m³ was derived.
- c) Please explain how the annual OM&A expenses are derived.

RESPONSE

- a) The discount rate of 5.41% is the Company's Weighted Average Cost of Capital ("WACC") and was derived based on the OEB-approved cost of capital (e.g., debt, common equity and preferred shares) and the capital structure in EB-2016-0215.
- b) 9,438,800 m³ reflects the total annual steady state volume of all projected customers by the end of 10 years of attachment horizon. In calculating the total volume, average consumption of various customer types (e.g., residential, commercial, industrial and apartment) has been multiplied with the corresponding customer growth.
- c) Annual O&M expenses represent the ongoing incremental costs to serve new customers by each rate class and are derived based on the Company's cost allocation study. This annual study is used to allocate the Company's forecast of O&M expenses to different customer types based on cost causality.

BOARD STAFF INTERROGATORY # 7

INTERROGATORY

Ref: Evidence Exhibit G, Tab 1, Schedules 1-4

Preamble:

Enbridge requires permanent easement agreements and temporary land rights to complete the Fenelon Falls project. According to section 97 of the *Ontario Energy Board Act, 1998* (OEB Act), "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 to each owner of land affected by the approved route or location an agreement in a form approved by the Board." Enbridge will therefore require the OEB's approval of the form of easement agreement that it has offered or will offer to the affected landowners.

Questions:

- a) What is the current status and prospect of communication and negotiations with all the landowners of properties where permanent easements and temporary land use rights are needed?
- b) What is the status of acquiring the crossing permits and other approvals Enbridge needs to complete the construction of the Project?
- c) Has the form of easement agreement Enbridge has offered or will offer to all directly affected landowners previously approved by the OEB, and if so, in which proceeding?

RESPONSE

- a) Enbridge has negotiated terms with two landowners of properties where temporary land use rights are required. The agreements are in the process of being executed. The owners of the permanent easement sites have not been contacted. Contact will be made in January 2018.
- b) The City of Kawartha Lakes municipal consent permits for work in road allowances were applied for in November 2017. As per correspondence in December 2017, Transport Canada has indicated that their approval is not required for the Fenelon River crossing. The Ministry of Transportation has reviewed drawings for the Project during a December 13, 2017 meeting and minor depth and alignment revisions were

requested. The drawings will be revised and resubmitted to the Ministry of Transportation in January 2018. The remaining permit applications have not been applied for. This is anticipated to occur in January 2018.

- c) Yes. The form of easement agreement was approved by the OEB in the proceeding for the Seaton pipeline project. The docket number for this proceeding is EB-2016-0054.

BOARD STAFF INTERROGATORY # 1

INTERROGATORY

Ref: Evidence Exhibit H, Schedule 1, pages 1-11 and attachments "Indigenous Consultation Report"

Preamble:

Enbridge filed an Indigenous Consultation Report (ICR) as part of its evidence. The evidence does not include an ICR review letter by the Ministry of Energy or a letter of comment from the Ministry advising whether, in its opinion, the consultation and any accommodation has been adequate. Enbridge stated that the ICR reflects the Indigenous consultation activities up to June 30, 2017.

Questions:

- a) Please provide an update on Indigenous consultation activities since June 30, 2017. Identify any concerns and issues raised in the consultation process and steps that Enbridge is committed to undertake to address any concerns or issues.
- b) Please update the evidence with any documentation between the Ministry and Enbridge after July 21, 2017 regarding the Ministry's review of the ICR.
- c) Please provide any updates to the ICR in response to any comments received from the Ministry.

RESPONSE

- a-c) Subsequent to filing the immediate application and ICR for the Project, Enbridge met with staff from both the Ontario Energy Board and the Ministry of Energy to discuss and clarify requirements for the ICR. Enbridge did receive a request from the Ministry of Energy ("MOE") to update the ICR to include additional information for its review. This request can be found at Attachment 1 to this response. As a result of these meetings and at the request of the Ministry of Energy, Enbridge filed with the Board, on December 21, 2017 an updated ICR. This update to the ICR can be found at Exhibit H, Tab 1, Schedule 1, Attachment 13. Enbridge also provided a copy of this updated evidence directly to the MOE via email. The updated ICR includes the Indigenous consultation activities up to and including December 1, 2017 in addition to the additional information requested by the MOE.

To date, the identified Indigenous groups have not expressed any project-specific concerns. Enbridge has no reason to believe, at this time, that its proposed mitigation measures and contingency plans, as described in the Environmental Report, are inadequate to address any future concerns expressed by the First Nations. That said, Enbridge will continue its efforts to solicit information and concerns from all the Indigenous groups by inquiring via email and, depending on the response, offering to continue to meet with the First Nations.

-----Original Message-----

From: Owen, Morgan (ENERGY) [mailto:Morgan.Owen@ontario.ca]
Sent: Monday, November 27, 2017 8:31 AM
To: Joel Denomy
Subject: [External] Re: pipelines

Thanks Joel,
Being newer to this the context is helpful. I'm sure we'll get it all ironed out!
Morgan

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Joel Denomy
Sent: Monday, November 27, 2017 8:23 AM
To: Owen, Morgan (ENERGY)
Cc: Zora Crnojacki; Nancy Marconi; Sharkey, Emma (ENERGY); McCabe, Shannon (ENERGY); Sonia Fazari; Sarah Kingdon-Benson
Subject: RE: pipelines

Morgan,

Thanks for this note. The materials you have identified can be provided. The Fenelon application was completed and submitted to the OEB in July of this year, prior to the communication we received which outlined the type of materials to be included in a consultation report. A question of timing I suppose. That said we will work on getting the information package you requested for the Fenelon Falls project. I expect to be able to provide this information by the end of this week. For Bobcaygeon and Scugog Island we will ensure that the information package you requested is included with the consultation report which will be a part of the LTC application filed with the Board. As we work through this I'll give you a call if we have any questions,

Joel

From: Owen, Morgan (ENERGY) [mailto:Morgan.Owen@ontario.ca]
Sent: Friday, November 24, 2017 12:12 PM
To: Joel Denomy
Cc: Zora Crnojacki; Nancy Marconi; Sharkey, Emma (ENERGY); McCabe, Shannon (ENERGY)
Subject: [External] RE: pipelines

Thanks Joel,

Let me start by saying that your consultation record leaves me with little doubt that you have in fact made solid attempts to reach out to all of the identified communities to inform them of the project and respond to their concerns where appropriate.

As I look this over, however, it seems that there are some supplementary supporting materials missing from the report that we would expect to see included, most notably: copies of Enbridge's written correspondence with the communities (both initiating contact as well as sending them copies of the EA materials and offering technical briefings), any written records provided to Enbridge, including emails, letters and BCRs where appropriate, materials presented at the community meeting, notes of what questions were raised at that meeting, and any materials responding to the questions raised. It is possible that some of this material would be in your EA, however, it is my understanding that the consultation report submitted at LTC is meant to serve as a consolidated and complete record of all Indigenous consultation activity undertaken, and so it may be necessary to duplicate materials that are provided elsewhere.

As I continue to review this and follow up with the communities to ensure they are satisfied with how their questions and concerns have been addressed, if you could consider following up with a package of materials to support this consultation report it would be much appreciated. I would highlight that this request is consistent with the theme of the message I sent regarding the Scugog and Bobcaygeon projects. That email also included a list of the type of material that we expect to see in all consultation reports.

It may also be helpful for future projects, for Enbridge to actively seek written confirmation from communities indicating their specific concerns, or indicating their support for the project moving forward.

I'm happy to discuss further if needed.

Morgan

From: Joel Denomy [mailto:Joel.Denomy@enbridge.com]
Sent: November 23, 2017 12:35 PM
To: Owen, Morgan (ENERGY) <Morgan.Owen@ontario.ca<mailto:Morgan.Owen@ontario.ca>>
Cc: Zora Crnojacki <Zora.Crnojacki@oeb.ca<mailto:Zora.Crnojacki@oeb.ca>>; Nancy Marconi <Nancy.Marconi@oeb.ca<mailto:Nancy.Marconi@oeb.ca>>; Sharkey, Emma (ENERGY) <Emma.Sharkey@ontario.ca<mailto:Emma.Sharkey@ontario.ca>>
Subject: RE: pipelines

Hi Morgan,

A copy of the Consultation Report for the Fenelon Falls Project can be found at the following link:

http://secure-web.cisco.com/1bBdqgbzrjPSTP6-gw7NEuPoC8y5U5t8LYDbHyu5m7hYFOejhOs30kdfSLYvt5Z9dp5wygR-bGzsw19Ebgli8d0tZpjVt708KuyXPAO8dzxcb0amD1V4K8PamdRH-4b6hTIASTBGWVGZ8kN8xBRjd81bPMayyE_e3l3m1954qntN__2br97qwHColMvRVv4lu5BbP71HzLd6LWZK2xzBIEA1XEJemfBC9GwdMrvIMytrIQyrbEODVBAFVINoYEvMBFkqeOb3eGk8gJ4NP5p1u8Ig_uKZ54fPPDsDmC5QbNBiMj21Q44rM9i6YS MJU6pwSHF93SOILJTTCoiwVTiFQ/http%3A%2F%2Fwww.rds.oeb.ca%2FHPECMWebDrawer%2FRecord%2F587280%2FFile%2Fdocument

The consultation report for Fenelon is found in the "H" series of Exhibits.

As things currently stand we had intended and currently still plan to file the Bobcaygeon and Scugog Island LTC applications by December of this year. However, this may not occur as another proponent has indicated an interest in serving these communities. The Board's process for these applications will dictate when we file. I'll keep you posted on these LTCs and provide links to the related evidence once posted on the Board's website which will contain the Consultation Reports for both.

Please give me a shout or send me a note if you have any further questions or need some clarification (my office number is 416 495 5676).

Joel

From: Owen, Morgan (ENERGY) [mailto:Morgan.Owen@ontario.ca]
Sent: Thursday, November 23, 2017 12:12 PM
To: Joel Denomy
Cc: Zora Crnojacki; Nancy Marconi; Sharkey, Emma (ENERGY)
Subject: [External] pipelines

Hi Joel,

As the holidays approach and I'm anticipating taking a little bit of time off, I just wanted to check in re: timing on a few projects that are on my radar. I know we're all learning and adjusting to the new process so I want to make sure that I'm being responsive to request and fulfilling ENERGY's role- within established timelines to the extent possible!

First, the Fenelon Falls project. I have a re-issued Notice of Application. I don't, however, believe that we've received a copy of the Consultation Report for this project. Can you clarify the timelines for this project and re-send the consultation report if needed?

Second, the Scugog and Bobcaygeon projects, which seem to be proceeding in tandem. I did review the Environmental Reports for these ones, and provided comments that you responded to. I wanted to check in on the timelines to understand when you'll be seeking Leave to Construct and to confirm that we are still expecting to receive final Consultation Reports for these. Please correct me if I misunderstand though.

Thanks,

Morgan Owen

Senior Policy Advisor
Indigenous Energy Policy
Ministry of Energy

Tel: 416-327-7158
Cell: 416-526-2963