

VIA RESS, EMAIL and Courier

October 3, 2018

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

Dear Ms. Walli:

**Re: EB-2017-0261 Scugog Island Community Expansion Project
Ontario Energy Board - Decision and Order**

On May 31, 2018 the Ontario Energy Board (the “Board”) issued a Decision and Order for the Scugog Island Community Expansion Project (the “Project”). In that Decision and Order the Board granted Enbridge Gas Distribution Inc. (“Enbridge”) leave to construct the Project subject to several conditions. One of those conditions related to Indigenous Consultation and the procedural aspects of duty to consult that were delegated to Enbridge for the Project. Specifically the Board stated:

“The OEB notes that considerable effort has been undertaken to satisfy the procedural aspects of the Crown’s duty to consult. However, to date the MOE has not confirmed that it believes Enbridge’s consultation activities are complete. Although the OEB is the decision maker with respect to the adequacy of consultation, it is not prepared to make that decision until it receives the MOE’s views. Therefore, the OEB finds that the duty to consult has not yet been met for the purposes of this application. The OEB’s approval of this application will therefore be conditional on the OEB receiving the MOE’s letter of sufficiency, and any additional process the OEB finds necessary after reviewing that letter. If the letter of sufficiency is not filed within 18 months of the date on this Decision and Order, then leave to construct shall expire.”¹

Attached please find a letter from the Ministry of Energy, Northern Development and Mines (“MOENDM”) in which the MOENDM indicates that, in its opinion, the procedural aspects of consultation undertaken by Enbridge to date for the

¹ EB-2017-0261 Scugog Island Pipeline Project Decision and Order, May 31, 2018, page 6.

Ms. Walli
Page 2 of 2

purposes of the Project is satisfactory. Enbridge is providing this letter to the Board in order to satisfy the above noted condition.

As referenced in the MOENDM letter, Enbridge also received a letter from the Ministry of Infrastructure (“MOI”) indicating that it will continue to honour the Transfer Payment Agreement that has been executed for the Fenelon Falls project but will not be providing any grant funding for the Scugog Island project, the Cornwall Island project and the Hiawatha First Nation project (“Unfunded Projects”). The MOI further notes that the Province has introduced Bill 32, the *Access to Natural Gas Act, 2018* (the “ANGA”) that would enable the creation of a Natural Gas Expansion Support Program if passed. Enbridge is monitoring closely the status of the ANGA and has suspended significant expenditures in relation to work on the Unfunded Projects pending further developments.

Should you have any questions, please contact the undersigned.

Yours truly,

[Original Signed]

Joel Denomy
Technical Manager

Encl: Attachment

Ministry of Energy, Northern
Development and Mines

77 Grenville Street
6th Floor
Toronto ON M7A 2C1

Tel: (416) 325-6544

Ministère de l'Énergie, du
Développement du Nord et des
Mines

77, rue Grenville
6^e étage
Toronto ON M7A 2C1

Tél: (416) 325-6544



Indigenous Energy Policy

VIA EMAIL

October 1, 2018

Joel Denomy
Technical Manager, Regulatory Applications
Enbridge Gas Distribution
500 Consumers Road
North York, ON M2J 1P8

Re: Scugog Island Pipeline Project

Dear Mr. Denomy,

The Ontario Ministry of the Energy, Northern Development and Mines has completed its review of Enbridge's Indigenous consultation report for the Scugog Island Pipeline project. I understand that the Ministry of Infrastructure has informed Enbridge Gas Distribution Inc. that funding for this project will not be provided. Nevertheless, you have asked for an assessment of the sufficiency of consultation for this project. This letter is to notify you that based on the information provided and through contacting the communities directly, the Ministry is of the opinion that the procedural aspects of consultation undertaken by Enbridge to date for the purposes of the Ontario Energy Board's Leave to Construct for the Scugog Island Pipeline project is satisfactory.

It is expected that Enbridge will continue its consultation activities with the communities throughout the life of the project, and that Enbridge will notify the Ministry should any additional rights-based concerns/issues arise.

If you have any questions about this letter or require any additional information, please contact Shereen Smithanik at 416-326-0513 or shereen.smithanik@ontario.ca.

Sincerely,

A handwritten signature in black ink, appearing to read "Morgan Owen", written over a circular stamp or seal.

Morgan Owen

A/Manager
Indigenous Energy Policy

c: Ontario Energy Board
Ontario Pipeline Coordinating Committee
Sonia Fazari, Enbridge