

BY EMAIL

Writer's Direct Line: 416-544-5180

April 12, 2019

Kirsten Walli **Board Secretary** Ontario Energy Board P.O. Box 2319 27th Floor, 2300 Yonge Street Toronto ON M4P 1E4

Dear Ms. Walli:

Re: **Enbridge Gas Inc. (Enbridge Gas)**

> Application for certificates of public convenience and necessity for Norfolk County, the County of Elgin and the County of Middlesex OEB File Number EB-2017-0108

> > F 416-440-7656 OEB.ca

In accordance with Procedural Order No. 8, please find attached OEB staff's submission for the Enbridge Gas/EPCOR Natural Gas Limited Partnership certificate overlap proceeding. Enbridge Gas and all intervenors have been copied on this filing.

Yours truly,

Original signed by

Azalyn Manzano Case Manager

/ attach.



OEB STAFF SUBMISSION

Application for certificates of public convenience and necessity for Norfolk County, the County of Elgin and the County of Middlesex

Enbridge Gas Inc.

EB-2017-0108

April 12, 2019

1 INTRODUCTION

These are the submissions of Ontario Energy Board (OEB) staff on the March 29, 2019 submissions filed by Union Gas Limited (now Enbridge Gas Inc., referred to below as Enbridge Gas)¹ and EPCOR Natural Gas Limited Partnership (EPCOR), in response to the Decision and Order for this proceeding issued by the OEB on October 11, 2018 (October 11, 2018 Decision and Order).

OEB staff submits that both utilities' submissions reasonably fulfill the intent of the OEB's October 11, 2018 Decision and Order, which was to delineate the areas where Enbridge Gas and EPCOR have infrastructure, to be able to eliminate overlaps in each utility's certificates of public convenience and necessity (certificates), and grant each utility the authorizations needed to serve Norfolk County, the County of Elgin and the County of Middlesex (collectively, the Counties). OEB staff makes this submission on the assumption that EPCOR's maps accurately delineates its infrastructure in the lower-tier municipalities in the County of Elgin and the County of Middlesex.

However, OEB staff has also identified a number of areas of overlap in the draft certificates proposed by both Enbridge Gas and EPCOR, as well as discrepancies between the draft certificates and the customer density maps filed by both utilities, and requests that these issues be addressed in the reply submissions in order to ensure that all overlaps in the utilities' certificates are eliminated and that the authorizations are clear and accurate.

2 PROCESS

On February 24, 2017, under section 8 of the *Municipal Franchises Act*, Enbridge Gas applied for an order amending Enbridge Gas' and EPCOR's authorizations to construct gas works and supply gas in the Counties.

On October 11, 2018, the OEB issued a Decision and Order which directed both utilities to file draft orders for certificates for Norfolk County, as well as for each of the lower-tier municipalities in the County of Elgin and the County of Middlesex where both utilities had infrastructure. The draft orders were to include the metes and bounds information of each utility's infrastructure, described in lots and concessions, and customer density maps with boundaries delineating these areas.

¹ The application was originally filed by Union Gas Limited. Union Gas Limited and Enbridge Gas Distribution Inc. amalgamated effective January 1, 2019 to become Enbridge Gas Inc.

Given the amount of time it would take to generate and verify this information, Enbridge Gas requested that the deadline to file this information be extended to December 7, 2018. EPCOR filed a letter in support of Enbridge Gas' request and sought a further extension to file its draft orders and maps by January 15, 2019.

The OEB accepted EPCOR's request to extend the deadline for filing the draft orders and the related maps to January 15, 2019, and ordered that the dates for filing submissions and reply submissions be extended to January 29, 2019 and February 12, 2019, respectively.

On December 21, 2018, EPCOR filed a letter stating that due to unforeseen personal circumstances, it would not be in a position to file the requested draft orders and customer density maps by January 15, 2019. EPCOR requested a further extension for EPCOR (and Enbridge Gas) to deliver these materials by March 29, 2019. EPCOR also stated that it was not aware of any harm or prejudice that would result from this further extension request.

On January 8, 2019, the OEB issued Procedural Order No. 8 accepting EPCOR's request to extend the deadline for filing the draft orders and the related maps to March 29, 2019. The dates for filing submissions and reply submissions were extended to April 12, 2019 and April 26, 2019, respectively.

Enbridge and EPCOR filed their proposed draft orders and customer density maps on March 29, 2019. On April 10, 2019, EPCOR filed corrected maps for the Township of Malahide and the Municipality of Thames Centre.

3 DRAFT ORDERS AND CUSTOMER DENSITY MAPS

OEB staff retained J.D. Barnes, a third-party land surveyor, to verify that the draft orders and customer density maps filed by each of Enbridge Gas and EPCOR followed the intent of the OEB's October 11, 2018 Decision and Order. OEB staff informed parties shortly after the March 29, 2019 submissions were filed that it was retaining J.D. Barnes to verify the information provided by both utilities.

Enbridge Gas and EPCOR were ordered to provide draft certificates for each of the lower-tier municipalities in the County of Elgin and the County of Middlesex in which both utilities had infrastructure. The proposed certificate areas were to be limited to the metes and bounds of each utility's infrastructure within the municipality, with this information described in lots and concessions. Both utilities were also ordered to provide customer density maps with boundaries delineating the proposed certificate areas.

In accordance with P.O. 8, both utilities filed draft orders and maps outlining the metes and bounds of their proposed certificate areas and providing customer density maps delineating the boundaries of these areas. OEB staff notes however, that each utility has taken a slightly different approach to providing this information. Enbridge Gas' customer density maps provide a more detailed view, providing street-level information of its customers' location and density, and by extension, its infrastructure. EPCOR's maps do not provide as much detail about where exactly its customers/infrastructure are located within its proposed certificate areas, and in this case did not partition sections of density like it did in its customer density map for the County of Oxford.² However, EPCOR provides a count of its customers, while Enbridge Gas indicates whether or not an area is low- or high-density.

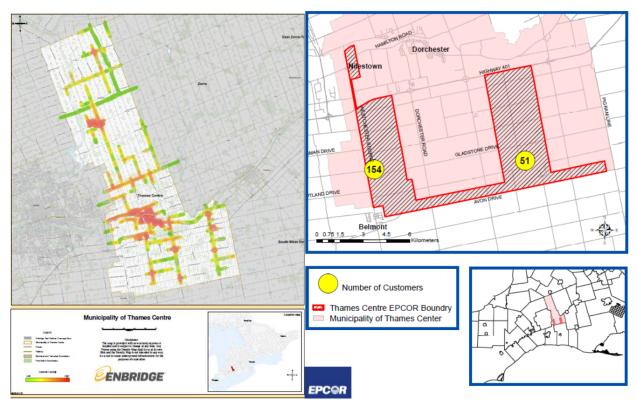


Figure 1. Enbridge Gas Customer Density Map (Left) and EPCOR Customer Density Map (Right)

OEB staff notes that EPCOR's proposed certificate boundaries in their March 29, 2019 submission are drawn according to the boundary areas of their current certificates. OEB staff understands that EPCOR has less sophisticated mapping resources at its disposal than Enbridge Gas. However, OEB staff submits that the intent of the October 11, 2018 Decision and Order was for both utilities to identify the areas where each utility has infrastructure in the lower-tier municipalities located in the County of Elgin and the County of Middlesex, and to draw their boundaries only around their respective

² EB-2017-0232

infrastructure. It is unclear to OEB staff whether EPCOR's infrastructure is situated throughout the areas contained within its proposed certificate boundaries. OEB staff submits that EPCOR should confirm that this is the case in its reply; otherwise, OEB staff submits that EPCOR has not fulfilled the intent of the October 11, 2018 Decision and Order and should file revised maps that only delineate areas where it has infrastructure. Assuming that EPCOR's infrastructure is in place throughout the entirety of its certificate areas, OEB staff has identified a number of overlapping areas in the proposed certificates.

4 OVERLAPPING AREAS

OEB staff, with assistance from J.D. Barnes, was able to identify a number of overlapping areas in the draft certificates provided by Enbridge Gas and EPCOR. At OEB staff's direction, J.D. Barnes used the descriptions provided by Enbridge Gas and EPCOR of the areas that each utility proposed to include in their new certificates, and prepared maps that identified areas of overlap. OEB staff also directed J.D. Barnes to use the customer density maps provided by the utilities to:

- identify, where possible, areas where each utility appeared to have infrastructure but had not included the area description in their proposed certificates; and
- identify, where possible, the inverse, which were areas that the utilities had included in their certificates but did not appear to have any infrastructure.

OEB staff used J.D. Barnes' mapping to interpret whether the information satisfied the OEB's direction and to make recommendations to resolve any issues. OEB staff proposes a number of amendments to the draft certificates, with the objectives of granting areas to the utility that has infrastructure in those areas; and ensuring that all overlaps in the utilities' certificates are eliminated and that the authorizations are clear and accurate.

These amendments are proposed on the basis of Enbridge Gas' customer density maps, as EPCOR has not provided sufficient detail in its maps for OEB staff to be able to judge whether there is competing infrastructure in the area. As a result, where there was overlap and it was clear that Enbridge Gas was not serving customers in an area, OEB staff has proposed to exclude the relevant area from Enbridge Gas' certificate, once EPCOR confirms that there is EPCOR infrastructure in the area. Conversely, if Enbridge Gas appeared to have customers in the area, OEB staff has proposed to exclude the relevant area from EPCOR's certificate, if EPCOR confirms that there is no EPCOR infrastructure in the area. If both utilities have infrastructure in the same area,

OEB staff requests that both utilities propose a solution to resolve the overlap in their reply submissions.

OEB staff also notes that the October 11, 2018 Decision and Order contemplated delineating the metes and bounds in terms of lots and concessions, but submits that in some cases it may be more reasonable to delineate areas by landmarks (i.e. using Catfish Creek for the Municipality of Central Elgin, as indicated below).

County of Elgin

Municipality of Bayham (see Schedule A)

OEB staff notes that Enbridge Gas' draft certificate for the Municipality of Bayham includes the following areas:

- Concession 9 The south half of Lots 17 through 19 and all of Lots 20 through 28
- Concession 8 The north half of Lots 16 through 20, those parts of Lots 21 through 24 (former Township of Bayham) lying north of Ridge Road (excluding 11319 Ridge Road), the north half of Lot 25, and all of Lots 26 through 28

EPCOR's draft certificate for the Municipality of Bayham excludes only "the southerly 200 feet of Lots 17, 18 and 19, in Concession 9" and only the "northerly 200 feet of Lots 17, 18 and 19, in Concession 8".

OEB staff notes that half of a lot in Concessions 8 and 9 in this area appears to be approximately a kilometre long (or over 3,000 feet), which would grant Enbridge Gas a much larger area than the 200 foot exclusion in EPCOR's certificate and result in an overlap. The Enbridge Gas and EPCOR areas, as well as the area of overlap, are shown in Figure 2, below.



Figure 2. Overlapping certificate areas in Municipality of Bayham

Enbridge Gas' customer density map appears to show that their customers are clustered within the 200 foot exclusion for Lots 17 through 19 in Concessions 8 and 9, which is the area specifically excluded in EPCOR's certificate (see Figure 3, below).



Figure 3. Enbridge Gas' customer density and proposed certificate area for the northeast corner of the Municipality of Bayham

OEB staff also notes that there appear to be Enbridge Gas customers in the southerly 200 feet of Lot 16 in Concession 9, the northerly 200 feet of Lot 16 in Concession 8, the southerly 200 feet in Lot 19 in Concession 10, the northerly 200 feet in Lot 19 Concession 9, and the north half of Lot 25 in Concession 8. OEB staff requests that Enbridge Gas advise in its reply submission as to whether these areas include Enbridge Gas infrastructure. If Enbridge Gas does have infrastructure and serve customers in these areas, OEB staff recommends that these areas be granted to Enbridge Gas and excluded from EPCOR's certificate, unless EPCOR also provides service in this area. If both utilities are providing service in these areas, OEB staff requests that both utilities identify a solution to resolve the overlap in their reply submissions.

OEB staff also identified areas that were included in Enbridge Gas' proposed certificate for the Municipality of Bayham but where Enbridge Gas does not appear to have any infrastructure, specifically Lots 15 through 18 in Concession 11 (see Figure 3, previous page). OEB staff requests that Enbridge Gas advise in its reply submission as to whether these areas include infrastructure and should therefore be included in its certificate for the Municipality of Bayham.

OEB staff also notes that both utilities specifically mention a property along Concession 8 in their certificates. Enbridge Gas excludes 11319 Ridge Road and EPCOR includes "the property of Mr. John Siemens Jr., R.R. 1, Eden, Ontario (part of Lot 23, Concession 8)". OEB staff would like both Enbridge Gas and EPCOR to confirm that 11319 Ridge Road and the property of Mr. John Siemens Jr. are one and the same.

Municipality of Central Elgin (see Schedule B)

The following areas are included in EPCOR's draft certificate for the Municipality of Central Elgin, but are not excluded from Enbridge Gas' certificate for the same municipality. OEB staff requests that EPCOR advise in its reply as to whether these areas include EPCOR infrastructure. If EPCOR does have infrastructure and serve customers in these areas, OEB staff recommends that these areas be granted to EPCOR as there does not appear to be any Enbridge Gas infrastructure in these areas:

• All those parts of Lots 69, 70, 71, 72 lying east of Catfish Creek which runs in a general northeasterly direction through such lots.

If the OEB grants these areas to EPCOR, they should be specifically excluded from Enbridge Gas' certificate, specifically the reference to the "South of Talbot Road East – All of Lots 72 and 73". If both utilities are providing service in these

areas, OEB staff requests that both utilities identify a solution to resolve the overlap in their reply submissions.

OEB staff also asks EPCOR to clarify in its reply the purpose of the excluded areas in EPCOR's proposed certificate for the Municipality of Central Elgin. In OEB staff's view, it would be clearer to simply have EPCOR's certificate be limited to certain areas, as was the case in EPCOR's certificate for the former Village of Belmont and the former Township of Yarmouth in E.B.C. 111/119, as opposed to naming the areas they are excluded from serving.

Township of Malahide

OEB staff identified Lot 24 in Concession 12 as an area that is not in Enbridge Gas' proposed certificate, but that may be served by Enbridge Gas given the customer density map provided by Enbridge Gas for the Township of Malahide. OEB staff requests that Enbridge Gas advise as to whether it has customers in this area, and to modify its certificate and density map accordingly.

County of Middlesex

Municipality of Thames Centre (in the geographic area of the Former Township of North Dorchester) (see Schedule C)

OEB staff notes that EPCOR's certificate duplicates 1(d) and 1(e) in its proposed certificate and requests that EPCOR remove one of the two references.

The following areas are included in EPCOR's draft certificate for the Municipality of Thames Centre, but are not excluded from Enbridge Gas' draft certificate for the same municipality. OEB staff requests that EPCOR advise in its reply as to whether these areas include EPCOR infrastructure. If EPCOR does have infrastructure and serve customers in these areas, OEB staff recommends that these areas be granted to EPCOR and excluded from Enbridge Gas' certificate as there does not appear to be any Enbridge Gas infrastructure in these areas:

- The north half of Lot 24 in Concession B
- Those parts of Lots 21, 22, 23, and 24 in Concession 1 South Division, lying south of Highway 401
- The south halves of Lots 1, 2, 11, 18, 19 in Concession 6 South Division
- The west half of the southerly quarter of Lot 20 in Concession 5 South Division

The following areas are also included in EPCOR's draft certificate for the Municipality of Thames Centre and are also not excluded from Enbridge Gas'

draft certificate for the same municipality, however, OEB staff notes that there appear to be Enbridge Gas customers in these areas:

- The whole of Lot 24 in Concession A
- Part of Lot 10 in Concession 1 South Division, lying south of Highway 401
- The whole of Lot 10 in Concession 2 South Division
- The whole of Lot A in Concession 4 South Division
- The whole of Lot A in Concession 5 South Division
- The south halves of Lots 3, 4, 12, 13 in Concession 6 South Division

OEB staff requests that Enbridge Gas advise in its reply submission as to whether these areas include Enbridge Gas infrastructure. If Enbridge Gas does have infrastructure and serve customers in these areas, OEB staff recommends that these areas be granted to Enbridge Gas and excluded from EPCOR's certificate, unless EPCOR also provides service in this area. If both utilities are providing service in these areas, OEB staff requests that both utilities identify a solution to resolve the overlap in their reply submissions.

OEB staff also notes that Enbridge Gas appears to include Lot 20 in Concession 2, South Division and Lot 20 in Concession 3, South Division in its proposed certificate, but that Enbridge Gas does not appear to have service in these areas (see Figure 4). OEB staff requests that Enbridge Gas advise as to whether it has infrastructure/customers in these areas, and to modify its certificate and density map accordingly.



Figure 4. Enbridge Gas' customer density and proposed certificate area for Lot 20 in Concession 2 and Lot 20 in Concession 3 in the Municipality of Thames Centre

OEB staff also suggests that the following be excluded from Enbridge Gas' certificate, as this area is not covered in Enbridge Gas' density map:

The whole of Lot B in Concession 3 South Division

Norfolk County

OEB staff notes that Enbridge Gas' proposed certificate excludes Lot 1 in each of Concessions 9, 10, 13, and 14 in the former Township of North Walsingham. Enbridge Gas has also excluded Lots 2 and 4 in Concession 7, as per the OEB's October 11, 2018 Decision and Order. However, there appears to be infrastructure in these areas according to Enbridge Gas' customer density map. OEB staff requests that Enbridge Gas advise in its reply submission as to whether these areas include Enbridge Gas infrastructure. If Enbridge Gas does have infrastructure and serve customers in these areas, OEB staff recommends that these areas be granted to Enbridge Gas and excluded from EPCOR's certificate, unless EPCOR also provides service in this area. If both utilities are providing service in these areas, OEB staff requests that both utilities identify a solution to resolve the overlap in their reply submissions.

Both utilities' maps for Norfolk County also do not appear to have accurately depicted their boundaries, particularly around their shared border in the northern area of the former Township of Houghton and the northwest boundary of the former Township of North Walsingham. OEB staff requests that both utilities file revised maps for Norfolk County to reflect their draft certificates in conjunction with their reply submissions.

5 CONCLUSION

OEB staff submits that a number of inconsistencies and overlap issues have been resolved with the filing of the draft orders. However, there appear to be overlaps in the draft certificates proposed by Enbridge Gas and EPCOR which still need to be resolved and for which OEB staff needs more information before making a recommendation. Both utilities should provide further clarity on the identified discrepancies. OEB staff requests that both utilities address these issues in their reply submissions.

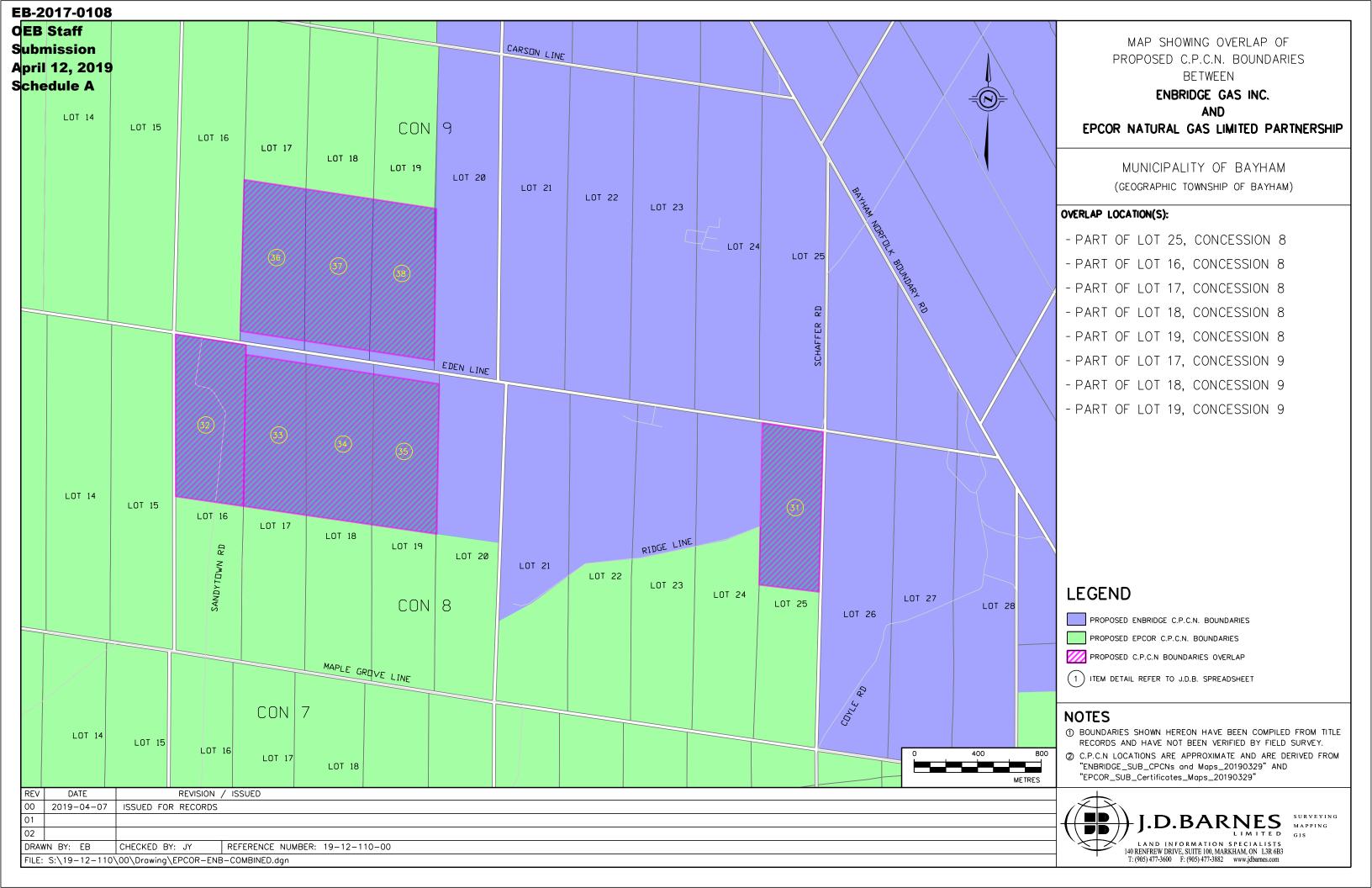
All of which is respectfully submitted.

SCHEDULE A

EB-2018-0108

DATED: APRIL 12, 2019

OVERLAPPING AREAS IN THE MUNICIPALITY OF BAYHAM

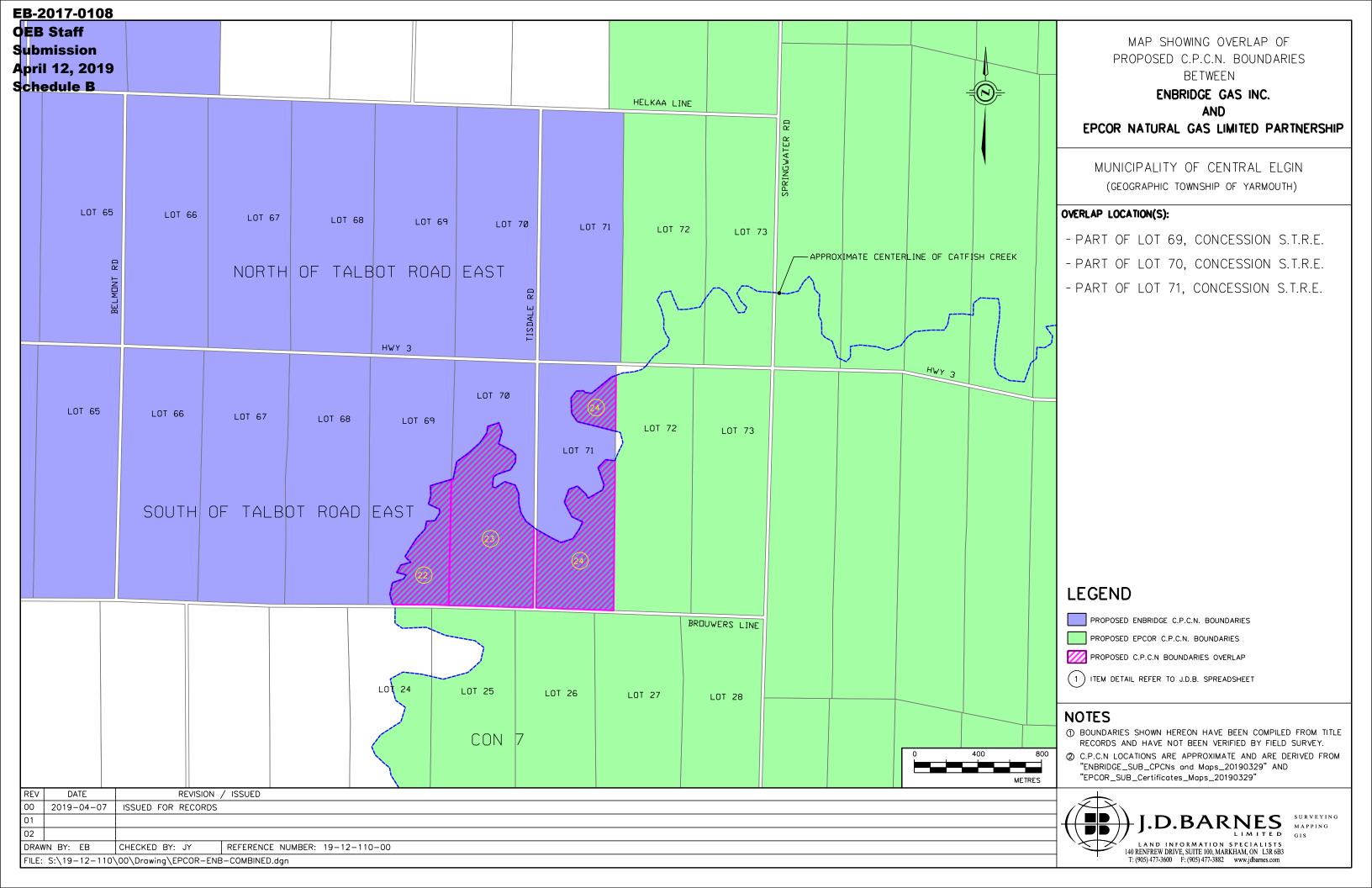


SCHEDULE B

EB-2018-0108

DATED: APRIL 12, 2019

OVERLAPPING AREAS IN THE MUNICIPALITY OF CENTRAL ELGIN

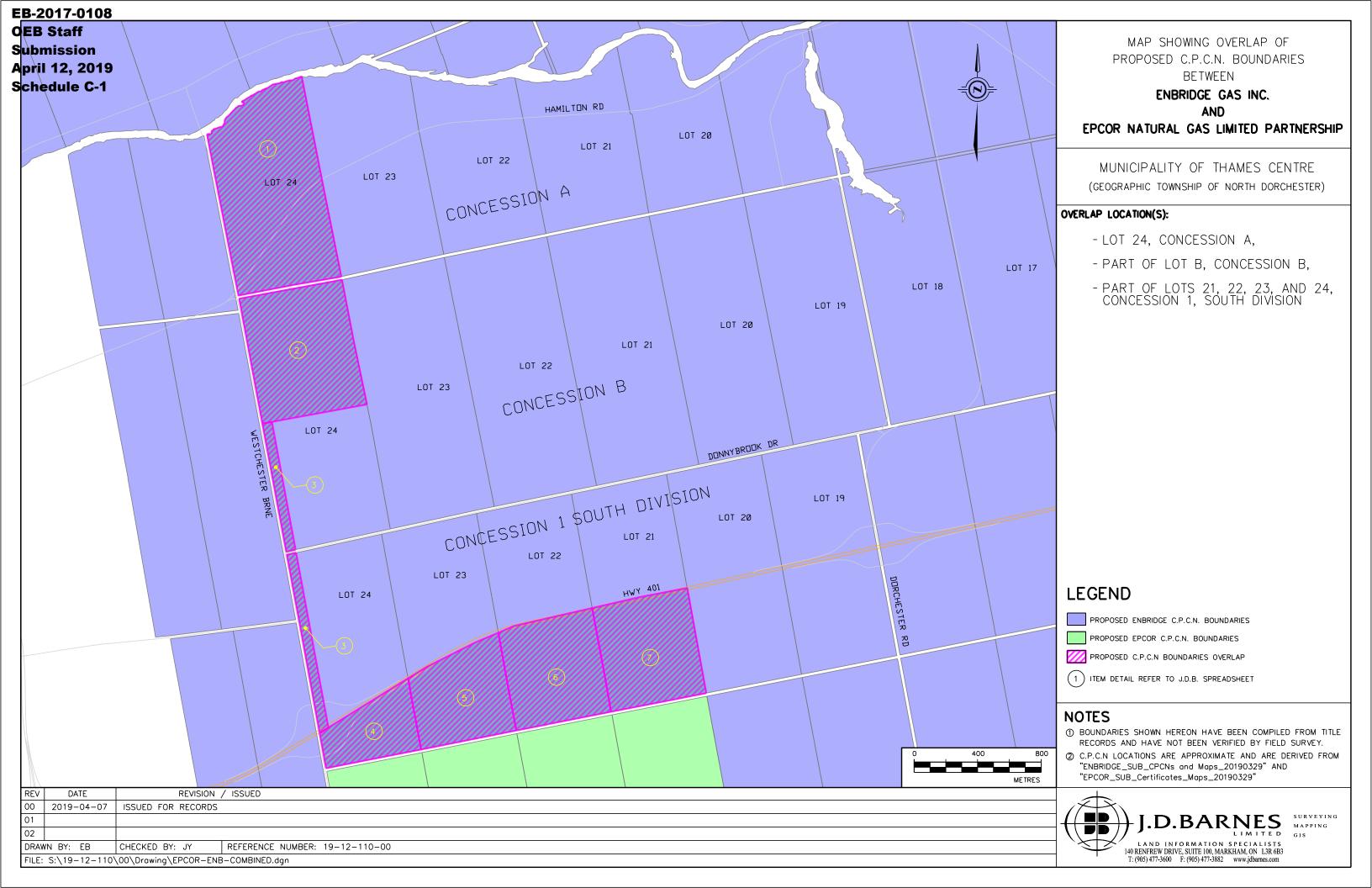


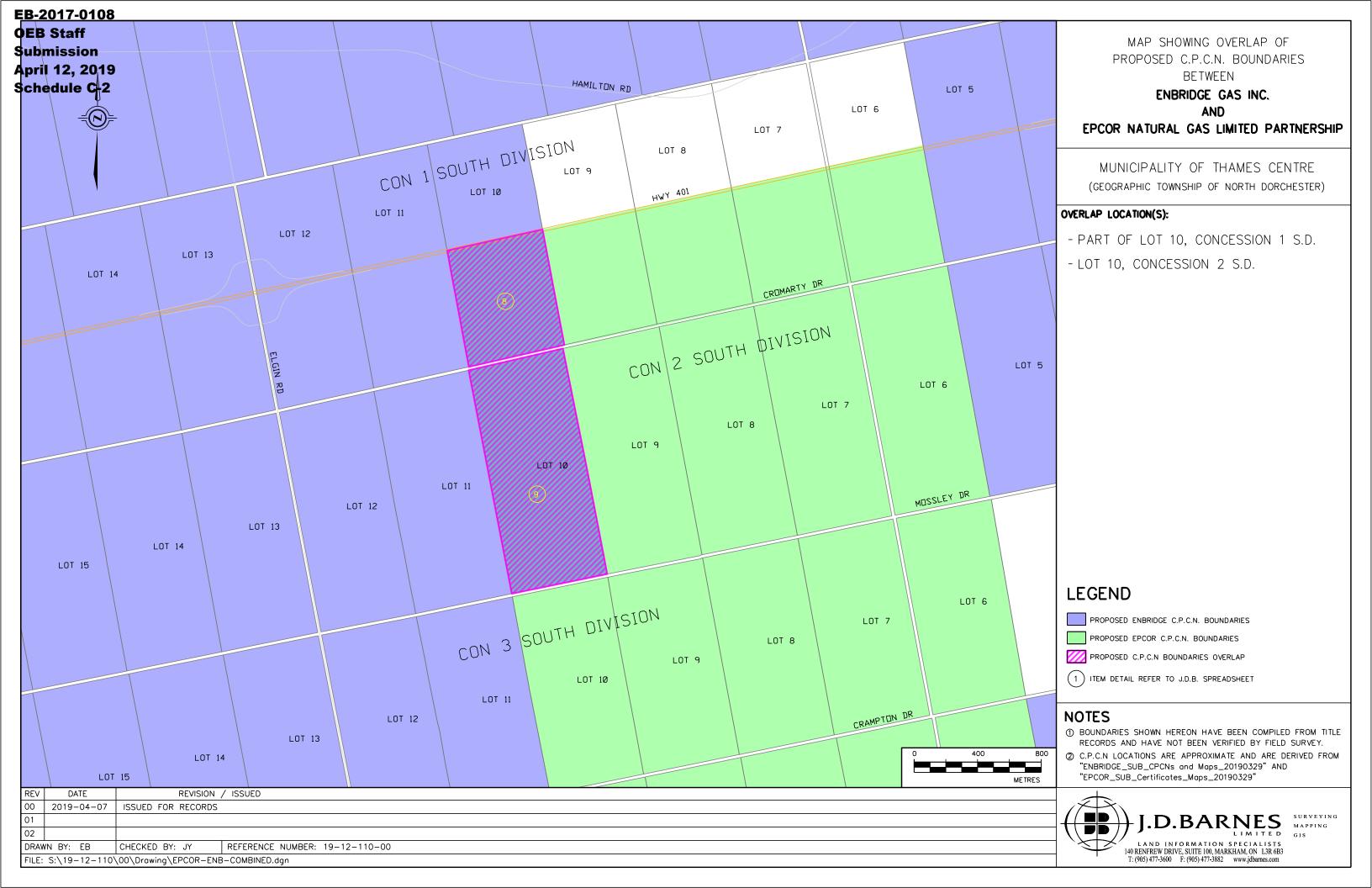
SCHEDULE C

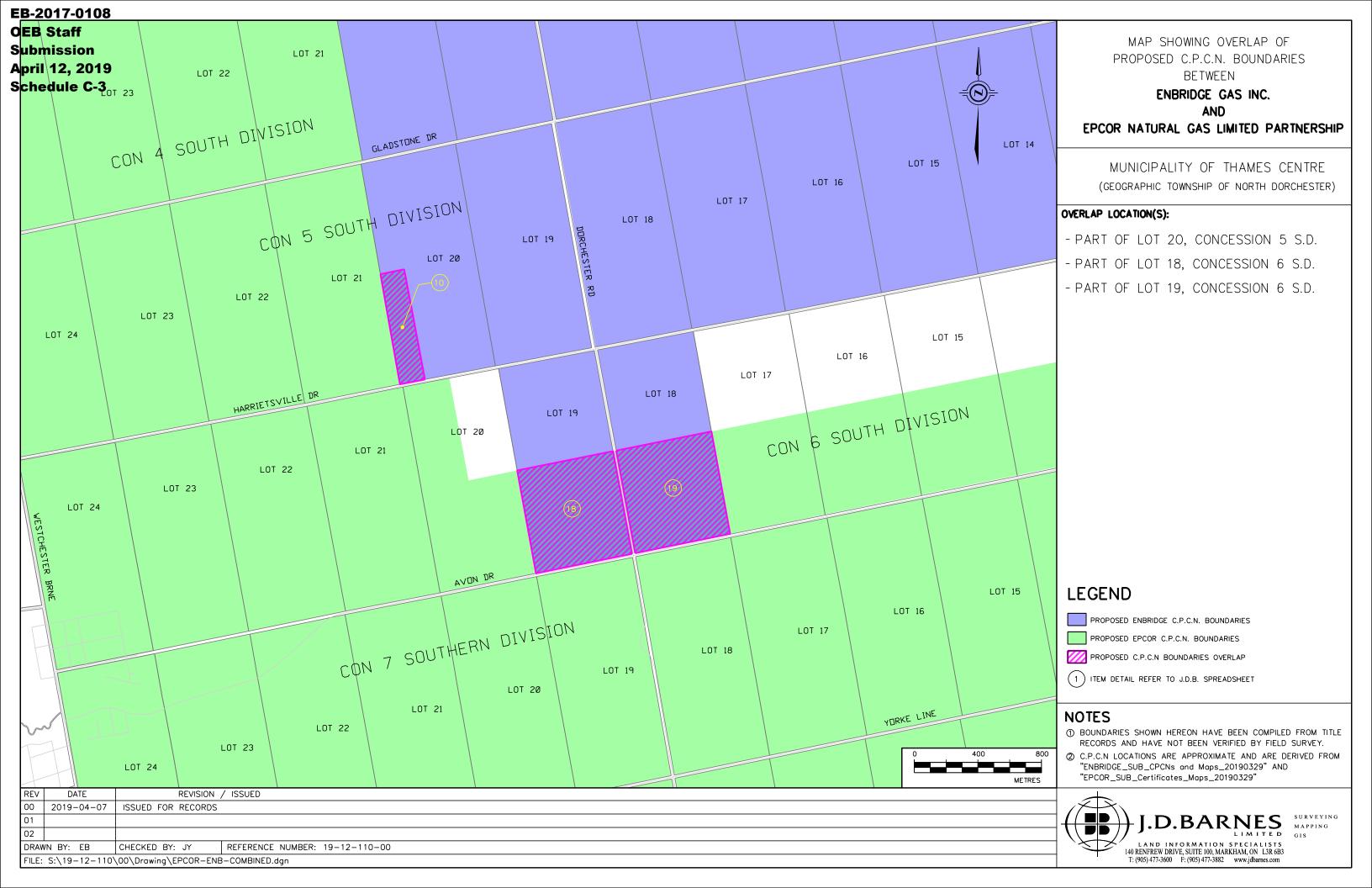
EB-2018-0108

DATED: APRIL 12, 2019

OVERLAPPING AREAS IN THE MUNICIPALITY OF THAMES CENTRE







EB-2017-0108 **OEB Staff** MAP SHOWING OVERLAP OF Submission PROPOSED C.P.C.N. BOUNDARIES April 12, 2019 LOT 8 BETWEEN Schedule C-4 GLADSTONE DR LOT 9 ENBRIDGE GAS INC. ELGIN RD AND LOT 10 EPCOR NATURAL GAS LIMITED PARTNERSHIP LOT 11 LOT 12 MUNICIPALITY OF THAMES CENTRE LOT 13 CON 5 SOUTH DIVISION (GEOGRAPHIC TOWNSHIP OF NORTH DORCHESTER) LOT 14 LOT 15 OVERLAP LOCATION(S): LOT 16 - PART OF LOT 11, CONCESSION 6 S.D. LOT 8 - PART OF LOT 12, CONCESSION 6 S.D. LOT 9 LOT 10 - PART OF LOT 13, CONCESSION 6 S.D. LOT 11 HARRIETSVILLE DR LOT 12 CON 6 SOUTH DIVISION LOT 13 LOT 14 AVON DR LOT 15 LOT 16 LOT 17 LOT 8 LOT 9 LOT 10 LOT 11 CON 7 SOUTHERN DIVISION **LEGEND** LOT 13 PROPOSED ENBRIDGE C.P.C.N. BOUNDARIES LOT 14 PROPOSED EPCOR C.P.C.N. BOUNDARIES LOT 15 PROPOSED C.P.C.N BOUNDARIES OVERLAP LOT 16 YORKE LINE (1) ITEM DETAIL REFER TO J.D.B. SPREADSHEET LOT 17 NOTES ① BOUNDARIES SHOWN HEREON HAVE BEEN COMPILED FROM TITLE RECORDS AND HAVE NOT BEEN VERIFIED BY FIELD SURVEY. ② C.P.C.N LOCATIONS ARE APPROXIMATE AND ARE DERIVED FROM "ENBRIDGE_SUB_CPCNs and Maps_20190329" AND "EPCOR_SUB_Certificates_Maps_20190329" REV DATE REVISION / ISSUED 00 2019-04-07 ISSUED FOR RECORDS 01 02 DRAWN BY: EB CHECKED BY: JY REFERENCE NUMBER: 19-12-110-00 140 RENFREW DRIVE, SUITE 100, MARKHAM, ON L3R 6B3 T: (905) 477-3600 F: (905) 477-3882 www.jdbarnes.com FILE: S:\19-12-110\00\Drawing\EPCOR-ENB-COMBINED.dgn

EB-2017-0108 **OEB Staff** MAP SHOWING OVERLAP OF Submission LOT 4 PROPOSED C.P.C.N. BOUNDARIES **April 12, 2019** LOT 5 CON 4 SOUTH DIVISION BETWEEN Schedule C-5 LOT 6 GLADSTONE DR ENBRIDGE GAS INC. **AND** EPCOR NATURAL GAS LIMITED PARTNERSHIP CON 5 SOUTH DIVISION MUNICIPALITY OF THAMES CENTRE LOT A (GEOGRAPHIC TOWNSHIP OF NORTH DORCHESTER) LOT B LOT 1 OVERLAP LOCATION(S): LOT 2 - LOT A, CONCESSION 5 S.D. LOT 3 - PART OF LOT 1, CONCESSION 6 S.D. LOT 4 - PART OF LOT 2, CONCESSION 6 S.D. LOT 5 DOAN DR LOT 6 - PART OF LOT 3, CONCESSION 6 S.D. LOT 7 - PART OF LOT 4, CONCESSION 6 S.D. LOT A LOT B LOT 1 LOT 2 LOT 3 LOT 4 LOT 5 LOT 6 LOT 7 CON 6 SOUTH DIVISION AVON DR **LEGEND** LOT A PROPOSED ENBRIDGE C.P.C.N. BOUNDARIES LOT B PROPOSED EPCOR C.P.C.N. BOUNDARIES LOT 1 PROPOSED C.P.C.N BOUNDARIES OVERLAP LOT 2 CON 7 SOUTHERN DIVISION (1) ITEM DETAIL REFER TO J.D.B. SPREADSHEET LOT 4 **NOTES** LOT 5 ① BOUNDARIES SHOWN HEREON HAVE BEEN COMPILED FROM TITLE YORKE LINE RECORDS AND HAVE NOT BEEN VERIFIED BY FIELD SURVEY. ② C.P.C.N LOCATIONS ARE APPROXIMATE AND ARE DERIVED FROM "ENBRIDGE_SUB_CPCNs and Maps_20190329" AND "EPCOR_SUB_Certificates_Maps_20190329" REV DATE REVISION / ISSUED 00 2019-04-07 ISSUED FOR RECORDS 01 02 REFERENCE NUMBER: 19-12-110-00 CHECKED BY: JY 140 RENFREW DRIVE, SUITE 100, MARKHAM, ON L3R 6B3 T: (905) 477-3600 F: (905) 477-3882 www.jdbarnes.com FILE: S:\19-12-110\00\Drawing\EPCOR-ENB-COMBINED.dgn

