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BY EMAIL

June 6, 2019

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Dear Ms. Walli:

**Re: EPCOR Natural Gas Limited Partnership (ENGLP)
Southern Bruce Project (Proposed Project)
Revision to OEB Staff Submission
Ontario Energy Board File Number: EB-2018-0263**

In reviewing its submission filed with the OEB on June 3, 2019, OEB staff noted an omission that unfortunately requires a change to OEB staff's submission.

As noted at page 7 of staff's submission, there appears to be a difference of view between OEB staff and ENGLP as to the portions of the Proposed Project that require leave to construct. OEB staff remains of the view that the evidence supporting the economic tests and land matters is nevertheless sufficient to demonstrate that the Proposed Project is in the public interest (subject to the conditions noted in OEB staff's original submission). However, in light of an ENGLP interrogatory response¹ that OEB staff omitted to notice when drafting its original submission, OEB staff is concerned that the same no longer holds true for environmental issues in relation to the 178 kilometers that are not "mainlines".

In support of its application, and as required by the OEB's *Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario* (Guidelines), ENGLP filed an Environmental Report (ER) prepared by Stantec.

¹ Response to OEB staff interrogatory #16

At least parts of the ER appear to encompass the portions of the Proposed Project that are not mainlines, and on that basis OEB staff believed that the ER covers the entire 298 kilometers of the Proposed Project. However, in its interrogatory response ENGLP confirmed, without further explanation, that the ER in fact only covers the 120 kilometer mainline portion of the Proposed Project. This is the same portion that ENGLP has stated, in another brief interrogatory response, is the only part of the Proposed Project that requires leave to construct.²

As a result, while OEB staff confirms its original submission to the effect that there are no major environmental or archeological concerns with the mainline portion of the Proposed Project,³ the same assertion is no longer made in respect of the remainder of the Proposed Project.

The Guidelines are intended to assist applicants in the preparation of an ER which, broadly speaking, outlines the potential environmental impacts of a project and describes the steps taken to mitigate these impacts.⁴ The ER is filed with the OEB as part of the application, and it also forms part of the basis for the applicant's Environmental Protection Plan. The Guidelines apply to all facilities that require leave to construct:

The Guidelines are applicable to the facilities that require leave of the (*sic*) prior to construction. These include transmission pipelines, distribution, withdrawal/injection or production pipelines, as well as underground storage pool development and ancillary facilities.⁵

OEB staff is of the view that the fact that the ER does not cover the entire 298 kilometers of the Proposed Project is a material issue. In order to nevertheless allow for the timely commencement of construction of the mainline portion of the Proposed Project, in respect of which OEB staff has no environmental concerns, OEB staff is proposing that this issue be addressed through an additional condition as follows:

ENGLP is required to update its ER to include the components of the Proposed Project that are not currently covered by the ER. ENGLP may not commence construction on the elements of the Proposed Project that are not covered by the current ER until the updated ER has been filed with the OEB and the OEB is satisfied there are no material concerns.

² Response to OEB staff interrogatory #1(b)

³ OEB staff submission, page 10

⁴ Guidelines, page 1

⁵ Guidelines, page 3

OEB staff apologizes for this oversight, and does not object if ENGLP requires any additional time to respond to this amendment to OEB staff's submission its reply submissions.

Yours truly,

Original Signed By

Azalyn Manzano
Case Manager

c: All parties in EB-2018-0263