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BY EMAIL

August 20, 2019

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4  
[BoardSec@oeb.ca](mailto:BoardSec@oeb.ca)

Dear Ms. Walli:

**Re: Ontario Energy Board (OEB) Staff Submission  
Enbridge Gas Inc. – St. Laurent Pipeline Project Application  
OEB File Number: EB-2019-0006**

In accordance with Procedural Order No. 1, please find attached the OEB staff submission in the above proceeding. The attached document has been forwarded to Enbridge Gas Inc. and to all other registered parties to this proceeding.

Enbridge Gas Inc. is reminded that its reply submission are due by August 26, 2019.

Yours truly,

*Original Signed By*

Zora Crnojacki  
Project Advisor, Supply & Infrastructure

Encl.



# **ONTARIO ENERGY BOARD**

## **OEB Staff Submission**

**Enbridge Gas Inc.  
St. Laurent Pipeline Project**

**Application for Leave to Construct**

**EB-2019-0006**

**August 20, 2019**

## Introduction

Enbridge Gas Inc. (Enbridge Gas) applied to the Ontario Energy Board (OEB) under section 90(1) of the *Ontario Energy Board Act, 1998* for leave to construct approximately 1.7 kilometres of polyethylene (PE), 6 inch diameter (NPS 6) intermediate pressure (IP) natural gas pipeline (PE NPS 6 IP Pipeline or the Project) in the City of Ottawa.

The Project is one phase of a multi-year project to replace a 13 kilometre long extra high pressure (XHP) Steel 12 inch diameter pipeline (NPS 12 XHP pipeline or St. Laurent Pipeline). The existing NPS 12 XHP pipeline is a one-way feed from St. Laurent Control Station to Rockcliffe Station and is a critical supply to the City of Ottawa and Gatineau, supplying natural gas to more than 165,000 customers.

The Project runs on St. Laurent Boulevard between Montreal Road and Donald Street.

Enbridge Gas stated that there will be no new customer additions associated with the Project and therefore no incremental new revenues. The proposed 1.7 kilometre PE NPS 6 IP pipeline is a back-up pipeline that will allow for the transfer of all services off the existing XHP gas main supply services to an IP pipeline while the existing XHP gas pipeline is replaced. The Project will be abandoned in 2022 when the existing NPS 12 XHP pipeline is replaced with a new NPS 12 XHP pipeline in its entirety and is placed in-service.

Enbridge Gas indicated that construction of the Project must start in August 2019 due to timing constraints related to the City of Ottawa's paving work; as a result, Enbridge Gas requested that the OEB issue a decision by August 2019. Originally, the Project was scheduled for construction in 2021, but the schedule has to be advanced to 2019 in order to co-ordinate with the City of Ottawa's road paving program. The City of Ottawa has scheduled resurfacing of St. Laurent Boulevard starting in May 2020. After the 2020 resurfacing is completed, the City of Ottawa will place a 3-year moratorium on all surface works on St. Laurent Boulevard. Enbridge Gas adjusted its construction schedule for the Project accordingly. Enbridge Gas asserts that if it does not receive a decision in August of 2019, it would not be able to complete this phase of the multi-year project due to the moratorium, and would have to wait until after the moratorium has expired to complete this phase. This will defer the abandonment portion of the NPS 12 XHP pipeline.

The construction of the Project is planned to last for 5 months.

OEB staff supports the OEB granting leave to construct approval to Enbridge Gas for construction of the Project, subject to certain Conditions of Approval (see Appendix A).

## Process

The OEB issued a Notice of Hearing on June 12, 2019. Pollution Probe applied for intervenor status and cost eligibility. No objection was received from Enbridge Gas. Pollution Probe's request for intervenor status and cost eligibility was denied. Pollution Probe filed a letter of comment on July 26, 2019. Specific comments from Pollution Probe will be discussed in the relevant sections of OEB staff's submission.

Procedural Order No. 1, issued on July 22, 2019, provided for interrogatories and interrogatory responses. Interrogatories were filed by OEB staff on July 31, 2019 and responded to by Enbridge Gas on August 9, 2019. OEB staff submissions were due by August 20, 2019, and Enbridge Gas' reply submission, if any, is due by August 26, 2019. The OEB staff submission is organized as follows:

1. Project Need
2. Economics
3. Routing and Environmental Matters
4. Indigenous Consultation
5. Land Matters
6. Conditions of Approval

### 1. Project Need

The need for the Project is underpinned by the need for the overall multi-year replacement of the St. Laurent Pipeline.

The St. Laurent Pipeline is identified in Enbridge Gas' Utility System Plan and Asset Management Plan filed in Enbridge Gas Distribution Inc. and Union Gas Limited's 2019 Rates Application<sup>1</sup>. The in-service date for the St. Laurent Project is 2022.

The St. Laurent Pipeline is a single-fed system that was installed in 1958 and is a critical source of supply to customers in the City of Ottawa and Gatineau. Enbridge Gas stated that the need for replacing the 13 kilometres of NPS 12 XHP Pipeline is as follows:

- to improve emergency response and reduce the risk of outages for customers<sup>2</sup>

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<sup>1</sup> EB-2018-0305 Ex C1/T1/S1 and Ex C1/T2/S1

<sup>2</sup> Application Exhibit B, Tab 1, Schedule 1, paragraph 3, page 2

- to address numerous pipeline integrity issues such as the loss of cathodic protection leading to corrosion and leaks; corrosion defects due to the condition of pipe coatings; latent third party damages that have led to gouges, dents, and damaged coating, resulting in corrosion and leaks; and unrestrained live main and service stubs and compression coupling fittings.<sup>3</sup>

In response to OEB staff interrogatories<sup>4</sup>, Enbridge Gas provided a description of the Project in the context of the overall St. Laurent Project. Upon completion of all four phases of the St. Laurent Project, the entire existing NPS 12 XHP pipeline running along St. Laurent Boulevard will be replaced with a new NPS 12 XHP pipeline, which will be placed in-service in 2022. The following are the phases of the St. Laurent Project:

- Phase 1 was a pressure elevation completed in 2018
- Phases 2 and 3 involve the installation of new IP polyethylene pipelines, which are needed to service customers along the route of the existing NPS 12 XHP Pipeline during the replacement of the new NPS 12 XHP pipeline
- Phase 4 is completing the installation of all segments of the new NPS 12 XHP pipeline and the abandonment of the existing NPS 12 XHP pipeline on St. Laurent Boulevard.

The Project that is the subject of this application is part of the Phase 2 work, as shown in the table below, which Enbridge Gas filed in response to OEB staff interrogatories.<sup>5</sup>

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<sup>3</sup> Application Exhibit B, Tab 1, Schedule 1, paragraph 4, page 2

<sup>4</sup> Enbridge Gas Response to OEB staff Interrogatory No. 3

<sup>5</sup> Enbridge Gas Response to OEB staff Interrogatory No. 3 (a)

Phase	Project Name	Project Start	In-service date	Installed	Customers	Abandonment	Year Abandoned
1	Avenue O Pressure Increase from 30 psi to 45 psi	May 29/18	May 29/18	N/A	29	N/A	N/A
2	Plastic - Tremblay	July 29/19	Dec 31/19	123m - 8" PE 1282 m - 6" PE 142 m - 4" PE 1841 m - 2" PE	179	776 m - 1" & 1¼" ST 1199 m - 2" ST	2019
2	Plastic-St-Laurent (Donald to Montreal)	Sept 3/19	Dec 31/19*	1726 m - 6" PE 11 m - 2" PE	66		**
3	Plastic – Lower Section 1	May1/20	Dec 31/20	1.9 km - 4" PE	186	1.9 km - 4" SC 148.8 m - 12" SC	2020
3	Plastic – Lower Section 2	May 1/21	Dec 31/21	1.1 km - 4" PE	44	565 m - 4" SC 371 m - 12" SC	2021
3	Plastic – Coventry/Oglivie	May 1/21	Dec 31/21	1.5 km - 6" PE	14	1.5 km - 6" SC	2021
3	Plastic-St-Laurent (Donald to Hwy 417)	May 1/21	Dec 31/21	400 m - 6" PE 261 m - 2" PE	45		**
3	Plastic-St-Laurent (Donald to Rockillife)	May 1/21	Dec 31/21	3.9 km - 6" PE	133		**
4	Steel – Queen Mary	April 1/22	Dec 31/22	3.5 km - 12" ST	1	2.5 km - 12" SC	2022
4	Steel – Aviation Parkway	April 1/22	Dec 31/22	8.0 km - 12" ST		9.5 km - 12" SC	2022

\*Assuming OEB grant LTC Aug 2019

\*\* To be abandoned with Phase 4 in 2022

As shown in the above table, Phases 2 and 3 involve installation of 7 new PE pipeline segments, including the 1.7 km segment which is the subject of this application. These new PE pipelines are needed to service customers along the route of the existing NPS 12 XHP pipeline to ensure continuity of service while the new NPS 12 XHP pipeline is installed and the existing NPS 12 XHP pipeline is abandoned in 2022. The new PE pipeline segments will be temporary in nature and will not be required once the new NPS 12 XHP pipeline is in-service.

As noted above, Enbridge Gas advises that the Project must be completed in 2019 in order to co-ordinate with the City of Ottawa's road paving in 2020. St. Laurent Boulevard is scheduled to be resurfaced in May 2020 and the City of Ottawa has requested that Enbridge Gas complete the Project prior to the commencement of road resurfacing, after which a road moratorium will be in place for 3 years. The moratorium ensures that the integrity of the pavement structure is protected, and serves to minimize the disruptions and inconvenience to the public resulting from repeated construction activity.

Construction of the Project would allow Enbridge Gas to transfer 66 customers currently served by the 1.7 km segment of NPS 12 XHP pipeline to the IP system until after the new NPS 12 XHP pipeline is installed and the existing St. Laurent Pipeline is abandoned.

According to Enbridge Gas, if the 1.7 kilometer segment that is the subject of this application is not constructed during 2019, the St. Laurent Project's 2022 in-service date will not be reached. Enbridge Gas would not be able to complete Phase 2 due to the road moratorium and would have to wait until after the moratorium has expired to complete this Phase. Because the NPS 12 XHP pipeline is a single fed system (i.e. there is no back up supply), if the Project is not constructed in 2019, there will be no back up supply of gas to service customers along the route of the existing NPS 12 XHP pipeline and so Phase 4 will be deferred. The existing NPS 12 XHP pipeline cannot be abandoned until all customers have been transferred to the new IP mains.<sup>6</sup>

Pollution Probe's letter of comment noted that the approval of the proposed Project would enable continued provision of "...large volumes of natural gas..." and that the City of Ottawa has started several energy and climate change initiatives and that it forecasts reduction in its use of natural gas. Pollution Probe suggested that the matter of the impact on natural gas throughput of future climate change initiatives should be addressed in leave to construct proceedings.

### **OEB Staff Submission**

Given the evidence provided by Enbridge Gas, OEB staff agrees that there is a need for the Project. Completion of the Project will ensure a continuity of service to existing customers during the replacement of the St. Laurent pipeline. In OEB staff's view, the 2019 construction schedule is reasonable as it accommodates road works by the City of Ottawa and ensures that the 2022 St. Laurent Project in-service date is met.

With respect to Pollution Probe's comments that the impact of natural gas throughput on future climate change initiatives should be addressed in this leave to construct proceeding, OEB staff submits that this issue is more appropriately addressed in a broader context in a future demand side management proceeding or a future rates proceeding where the Enbridge Gas Utility System Plan and Asset Management Plan are reviewed by the OEB. OEB staff notes that forecast demand is considered in leave to construct applications that add capacity to the system.

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<sup>6</sup> Enbridge Gas Response to OEB Staff IR No. 3 (c)

## 2. Economics

The total estimated cost of the Project is \$5.5 million, consisting of \$4.2 million in direct capital costs and \$1.3 million in indirect overhead costs. Enbridge Gas stated that the estimated costs are similar to the Liberty Village Project located in the City of Toronto, which was approved in 2018<sup>7</sup>.

Enbridge Gas stated that indirect overhead costs have been included in the total project cost, pursuant to Enbridge Gas' capitalization policy.

Enbridge Gas stated that there are no new customer additions associated with the Project and therefore no incremental new revenues.

In response to OEB staff interrogatories<sup>8</sup>, Enbridge Gas stated that it follows the Enbridge Harmonized Enterprise-wide Capitalization Policy<sup>9</sup> and a description of the overhead capitalization process was provided for the four overhead cost components (administrative & general overheads, departmental labour costs, allowance for interest during construction, and alliance partner overheads).

OEB staff sought confirmation regarding the cost components included in this application and the components included in a potential Incremental Capital Module (ICM) funding request.<sup>10</sup> In the Enbridge Gas 2019 rates proceeding, Enbridge Gas confirmed that indirect overheads were not typically included in leave to construct applications but are included in ICM funding requests.<sup>11</sup> In response to OEB staff interrogatory No. 1 a), Enbridge Gas responded that the issue of costs to be included in an ICM request is still a live issue before the OEB in the 2019 Rates proceeding. Enbridge Gas noted that it did not exclude any cost components from the estimated cost and that the Project does not meet the \$10 million materiality threshold for ICM funding.

Enbridge Gas' direct capital cost estimates for the project include a 25% contingency, with the exception of a 10% contingency applied to Consultant Costs. Enbridge explains that the lower contingency for Consultant Costs is because most of this work has been completed.

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<sup>7</sup> EB-2018-0096

<sup>8</sup> Enbridge Gas Response to OEB Staff Interrogatory No. 1 (a)

<sup>9</sup> The Enbridge Enterprise Wide Capitalization Policy was filed in the 2019 Rates proceeding – EB-2018-0305 - in the response to undertaking JT1.12.

<sup>10</sup> Enbridge Gas Response to OEB Staff Interrogatory No. 1 (b)

<sup>11</sup> EB-2018-0305



In response to OEB staff questions about the rationale for 25% allocated to the contingency<sup>12</sup>, Enbridge Gas explained that this contingency cost percentage conforms to its guidelines for a project at this stage of scope development and risk profile and that the Project was at the early design stages when the estimate was prepared. Enbridge Gas noted that this contingency level is required to cover the costs of known risks in urban settings such as underground utility conflicts and subsurface conditions such as rock and soil quality, working space requirements, the possibility of delays due to weather and significant congestion with traffic and limited working hours and lane closing restrictions. Enbridge Gas stated that 25% was also used for the Liberty Village project which is also located in a similar urban setting.

Pollution Probe's letter of comment discussed the OEB's process for the assessment of the Project's capital costs in a leave to construct proceeding. Pollution Probe noted that although the St. Laurent Pipeline Project is included in Enbridge Gas' 2019-2023 Capital Portfolio<sup>13</sup> "...information in a Leave to Construct application is much more accurate and detailed than initial portfolio estimates and this provides a better opportunity to assesses the specific request and its impacts to ratepayers and related stakeholders, prior to Board approval."

### **OEB Staff Submission**

OEB staff does not have significant concerns with the estimates of the direct capital cost of the Project with the exception of the 25% contingency costs.

Regarding the treatment of \$1.3 million indirect overhead costs, the OEB will have the opportunity to examine the overall indirect overhead costs and how they were allocated to individual projects as part of Enbridge Gas' next cost based application.

With respect to the 25% contingency, OEB staff submits that although the urban setting for this Project may warrant a higher contingency to manage unanticipated risks, the Project is at an advanced stage of development given that Enbridge Gas plans to start construction shortly. Therefore, OEB staff expects that Enbridge Gas could have a more accurate assessment of risks, probabilities and impacts, as well as the potential costs of managing these risks, given the mature stage of Project development.

Enbridge Gas is reminded that draft Condition 5 states that:

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<sup>12</sup> Enbridge Gas Response to OEB Staff Interrogatory No. 2

<sup>13</sup> EB-2018-0305, Exhibit C1, Tab1, Schedule 1, page 49 , Table 6

Concurrent with the final monitoring report referred to in Condition 6(b), Enbridge Gas shall file a Post Construction Financial Report, which shall provide a variance analysis of project cost, schedule and scope compared to the estimates filed in this proceeding, including the extent to which the project contingency was utilized. Enbridge Gas shall also file a copy of the Post Construction Financial Report in the proceeding where the actual capital costs of the project are proposed to be included in rate base or any proceeding where Enbridge Gas proposes to start collecting revenues associated with the project, whichever is earlier.

Despite OEB staff's concerns regarding the level of contingency included in the estimate, OEB staff submits that Enbridge Gas' reporting under draft Condition 5 will provide the required information to be considered in a future rebasing proceeding if required.

With respect to Pollution Probe's comments regarding the assessment of project capital costs, OEB staff notes that the scope of leave to construct proceedings includes the review and assessment of a project's estimated capital costs, and appropriately, OEB staff's submission addresses these matters.

### 3. Routing and Environmental Matters

The route and location for the proposed facilities associated with the Project were selected by Dillon Consulting Ltd. (Dillon), an independent environmental consultant, in accordance with the Ontario Energy Board's "*Environmental Guidelines for the Location, Construction, and Operation of Hydrocarbon Pipelines and Facilities in Ontario*" (7<sup>th</sup> Edition, 2016) (the OEB Guidelines). Because the Project serves the customers directly along the existing St. Laurent pipeline, ensuring continuity of service while the new NPS 12 XHP pipeline is installed, no route alternatives were considered. Dillon completed an environmental assessment presented in the St. Laurent Pipeline Project Environmental Report (ER).<sup>14</sup>

Copies of the Environmental Report were submitted to the Ontario Pipeline Coordinating Committee (OPCC) for review and comment on April 11, 2019. Enbridge Gas received comments from the Ministry of Natural Resources and Forestry (MNR) and the Ministry of Environment, Conservation and Parks (MECP) both indicating they had no concerns with the Project.

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<sup>14</sup> Application, Exhibit C, Tab 1, Schedule 3, Attachment 1

Enbridge Gas noted that the Project is located in a highly urbanized, already disturbed area. Most adverse socio-economic and environmental impacts are expected during construction and are expected to be temporary. The Environmental Implementation Plan<sup>15</sup> will incorporate recommended mitigation measures for the environmental issues and concerns associated with the proposed activities. Because of the temporary and transitory nature of the potential impacts and the urban setting, Enbridge Gas does not anticipate an Environmental Protection Plan (EPP) will be required. However, Enbridge Gas has committed to filing an EPP prior to mobilization and construction of the Project if it should be required.

Enbridge Gas stated that the existing pipeline "...that will be decommissioned will be abandoned in accordance with Enbridge's Construction maintenance manual". The Construction & Maintenance Manual has been developed to, at a minimum, comply with the requirements of CSA Z662. Enbridge Gas confirms that the existing pipeline will be abandoned in accordance with the requirements of CSA Z662.<sup>16</sup> Enbridge Gas also stated that the 1.7 km segment of the pipeline being replaced "...will not be abandoned until 2022 when the NPS 12 St. Laurent pipeline will be replaced in its entirety".<sup>17</sup>

Pollution Probe's letter of comment suggested that replacement projects, such as the Project that is the subject of this application, need a similar level of environmental and socio-economic assessment as system expansion projects.

### **OEB Staff Submission**

OEB staff has no concerns with the preferred route, route selection methodology, or environmental aspects of the Project. OEB staff notes that Enbridge Gas agreed with the draft Conditions proposed by OEB staff that require environmental reporting and monitoring.

With respect to Pollution Probes' comments regarding the level of environmental and socio-economic assessment in leave to construction applications, OEB staff notes that the Project followed the requirements of the OEB Guidelines, and that the OEB Guidelines apply to both replacement projects and system expansion projects.

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<sup>15</sup> Application, Exhibit C, Tab 1, Schedule 3, Attachment 1

<sup>16</sup> Enbridge Gas Response to OEB Staff IR No. 3 (e)

<sup>17</sup> Application, Exhibit B, Tab 1, Schedule 1, paragraph 5, page 2; paragraph 14

## 4. Indigenous Consultation

Pursuant to the OEB Guidelines, Enbridge Gas provided the Ontario Ministry of Energy, Northern Development and Mines (MENDM) with a Project Description on January 22, 2019. The MENDM, by a letter dated March 4, 2019, delegated the procedural aspects of the Crown's duty to consult for the Project to Enbridge Gas. The March 4, 2019 letter identified two Indigenous communities that Enbridge Gas should consult in relation to the Project:

- Algonquins of Ontario
- Mohawks of Akwesasne

Enbridge filed its Indigenous Consultation Report (ICR) with the MENDM on May 15, 2019. On August 7, 2019, Enbridge Gas received MENDM's Indigenous consultation sufficiency letter stating that the MENDM is of the opinion that the procedural aspects of consultation undertaken by Enbridge Gas for the Project were satisfactory.

Enbridge Gas has offered opportunities to Algonquins of Ontario and Mohawks of Akwesasne to participate in the Stage 2 Archeological Assessment and use the information gathered from these communities in its environmental assessment. During the consultation process, the Algonquins of Ontario requested to participate in the Stage 2 Archeological Assessment field work, but later, as a result of Project-related factors that made it difficult for Enbridge Gas to provide the requested advance notice and after the Algonquins of Ontario were not able to secure a liaison to participate in the field work, they chose not to participate in the field work. The Algonquins of Ontario expressed an interest in reviewing a draft of the Stage 2 Archeological Assessment report, which was completed in June 2019. Enbridge Gas provided a draft copy of the report and offered to provide capacity funding to the Algonquins of Ontario for document review. The Stage 2 Archaeological Report is currently being reviewed by the Algonquins of Ontario. Enbridge Gas advised that it looks forward to receiving and considering comments from the Algonquins of Ontario regarding the Algonquins' Traditional Territory within a historical and cultural context.<sup>18</sup>

As part of its application, Enbridge Gas has filed a summary of Enbridge Gas' Indigenous consultation activities for the Project.<sup>19</sup> According to the evidence filed by Enbridge Gas, with the exception of the request for continuing participation in the Archeological

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<sup>18</sup> Enbridge Gas Response to OEB Staff IR No. 5(b) (f)

<sup>19</sup> Application, Schedule F, Tab 2, Schedule 2, pages 1-5

Assessment by the Algonquins of Ontario, there are no outstanding concerns raised by either the Algonquins of Ontario or the Mohawk Council of Akwesasne.

Enbridge Gas confirmed in response to OEB staff interrogatories<sup>20</sup> that it will continue to engage with the Algonquins of Ontario and the Mohawk Council of Akwesasne to address, as appropriate, any Project-related concerns that may arise.

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<sup>20</sup> Enbridge Gas Response to OEB Staff IR No. 5

## OEB Staff Submission

In OEB staff's view, Enbridge Gas appears to have made adequate efforts to engage with affected Indigenous groups and no concerns that could materially affect the Project have been raised through its consultation. In addition, OEB staff notes that MENDM was of the opinion that the procedural aspects of consultation undertaken by Enbridge Gas for the Project to date were satisfactory.

OEB staff notes that none of the Indigenous groups identified by MENDM intervened or otherwise directly participated in the proceeding. OEB staff is not aware of any concerns that the duty to consult has not been adequately discharged, and there is no evidence on the record of this proceeding that points to concerns in this regard.

OEB staff notes that Enbridge Gas is committed to involving Algonquins of Ontario in the archeological assessment and that it has offered capacity funding to accommodate their participation.

Based on the above, OEB staff submits that the procedural aspects of the duty to consult have been sufficiently discharged for the Project.

## 5. Land Matters

The Project route will be located entirely within the public road allowance. Enbridge does not require any permanent easements or temporary easements. Enbridge Gas will be required to obtain road occupancy permits from the City of Ottawa as well as other permits, such as a Noise Exemption Permission; a tree removal permit from the City of Ottawa; and a Permit to Take Water, from the Ministry of the Environment, Conservation and Parks<sup>21</sup>.

Enbridge Gas stated that it will acquire all required permits before the construction start.

## OEB Staff Submission

OEB staff notes that draft Condition 6 (a) v. (see Appendix A) requires that Enbridge Gas shall, 3 months after in-service date, deliver to the OEB a certification by a senior

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<sup>21</sup> Application, Exhibit F, Tab 1, Schedule 2, pages 1-2

executive, that it has acquired all other approvals, permits, licences, and certificates required to construct, operate and maintain the Project. In fulfilling this condition Enbridge Gas is expected to report the acquisition of the road occupancy permit from the City of Ottawa and all other required permits and approvals.

## 6. Conditions of Approval

Enbridge Gas has reviewed draft Conditions of Approval proposed by OEB staff in its interrogatories. Enbridge Gas agrees with all of the draft Conditions of Approval with the exception of condition 2(b) i., which currently reads:

2. (b) i. of the commencement of construction, at least ten days prior to the date construction commences;

Enbridge Gas explained that given the requirement to have the Project constructed prior to the City of Ottawa's road moratorium, Enbridge Gas intends to begin construction on the Project as soon as possible. Enbridge Gas therefore suggested the following change:<sup>22</sup>

2. (b) i. of the commencement of construction, at least five ~~ten~~ days prior to the date construction commences;

### OEB Staff Submission

Section 23 of the OEB Act permits the OEB, when making an order, to "impose such conditions as it considers proper". Enbridge Gas' proposal to change condition 2 (b) i. is, in staff's view, reasonable and acceptable as it accommodates an earlier start of construction. OEB staff submits that the OEB should approve Enbridge Gas' Project subject to the Conditions of Approval attached as Appendix A to this submission.

All of which is respectfully submitted.

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<sup>22</sup> Enbridge Gas Response to OEB staff interrogatory no. 6

## **Appendix A**



**Leave to Construct Application under  
Section 90 of the OEB Act**

**Enbridge Gas Inc.  
EB-2019-0006**

**Conditions of Approval**

1. Enbridge Gas Inc. (Enbridge Gas) shall construct the facilities and restore the land in accordance with the OEB's Decision and Order in EB-2019-0006 and these Conditions of Approval.
2. (a) Authorization for leave to construct shall terminate 18 months after the decision is issued, unless construction has commenced prior to that date.  
  
(b) Enbridge Gas shall give the OEB notice in writing of the following:
  - i. The commencement of construction, at least five days prior to the date construction commences;
  - ii. The planned in-service date, at least ten days prior to the date the facilities go into service;
  - iii. The date on which construction was completed, no later than 10 days following the completion of construction; and
  - iv. The in-service date, no later than 10 days after the facilities go into service.
3. Enbridge Gas shall implement all the recommendations of the Environmental Protection Plan and Environmental Report filed in the EB-2019-0006, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee review.
4. Enbridge Gas shall advise the OEB of any proposed change in the project, including but not limited to changes in: OEB-approved construction or restoration procedures, the proposed route, construction schedule and cost, the necessary environmental assessments and approvals, and all other approvals, permits, licences, certificates and rights required to construct the proposed facilities. Except in an emergency, Enbridge Gas shall not make any such change without prior notice to and written approval of the OEB. In the event of an emergency, the OEB shall be informed immediately after the fact.

5. Concurrent with the final monitoring report referred to in Condition 6(b), Enbridge Gas shall file a Post Construction Financial Report, which shall provide a variance analysis of project cost, schedule and scope compared to the estimates filed in this proceeding, including the extent to which the project contingency was utilized. Enbridge Gas shall also file a copy of the Post Construction Financial Report in the proceeding where the actual capital costs of the project are proposed to be included in rate base or any proceeding where Enbridge Gas proposes to start collecting revenues associated with the project, whichever is earlier.

6. Both during and after construction, Enbridge Gas shall monitor the impacts of construction, and shall file with the OEB one paper copy and one electronic (searchable PDF) version of each of the following reports:

(a) A post construction report, within three months of the in-service date, which shall:

- i. Provide a certification, by a senior executive of the company of Enbridge Gas' adherence to Condition 1
- ii. Describe any impacts and outstanding concerns identified during construction
- iii. Describe the actions taken or planned to be taken to prevent or mitigate any identified impacts of construction
- iv. Include a log of all complaints received by Enbridge Gas, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions
- v. Provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licences, and certificates required to construct, operate and maintain the proposed project

(b) A final monitoring report, no later than fifteen months after the in-service date, or, where the deadline falls between December 1 and May 31, the following June 1, which shall:

- i. Provide certification, by a senior executive of the company, of Enbridge Gas' adherence to Condition 3
- ii. Describe the condition of any rehabilitated land
- iii. Describe the effectiveness of any such actions taken to prevent or

mitigate any identified impacts of construction

- iv. Include the results of analyses and monitoring programs and any recommendations arising therefrom
  - v. Include a log of all complaints received by Enbridge Gas, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions
7. Enbridge Gas shall designate one of its employees as project manager who will be responsible for the fulfillment of these conditions, and shall provide the employee's name and contact information to the OEB and to all the appropriate landowners, and shall clearly post the project manager's contact information in a prominent place at the construction site.

The OEB's designated representative for the purpose of these Conditions of Approval shall be the OEB's Manager of Supply and Infrastructure (or the Manager of any OEB successor department that oversees leave to construct applications).