



**Stephanie Allman**  
Regulatory Coordinator

tel 416-495-5499  
EGIRegulatoryProceedings@enbridge.com

**Enbridge Gas Inc.**  
500 Consumers Road  
North York, Ontario M2J 1P8  
Canada

August 26, 2019

**VIA EMAIL, RESS and COURIER**

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

Dear Ms. Walli:

**Re: Enbridge Gas Inc. (“Enbridge Gas”)  
Ontario Energy Board File: EB-2019-0006  
St. Laurent Pipeline Project – Reply Argument of Enbridge Gas**

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In accordance with Procedural Order No.1, dated July 22, 2019, enclosed please find the Reply Argument of Enbridge Gas.

Please contact the undersigned if you have any questions.

Yours truly,

(Original Signed)

Stephanie Allman  
Regulatory Coordinator

## **ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the Ontario Energy Board Act, 1998,  
S.O. 1998, c. 15, (Schedule B) (the “Act”);

**AND IN THE MATTER OF** an Application by Enbridge  
Gas Inc., pursuant to Section 90 of the Ontario Energy Board Act, for an order  
granting leave to construct a 1.7 km NPS 6 IP natural gas distribution pipeline in  
the City of Ottawa.

### **REPLY ARGUMENT OF ENBRIDGE GAS INC.**

#### **INTRODUCTION:**

1. In this proceeding Enbridge Gas Inc. (“Enbridge Gas”) applied for the following:
  - (i) an order under section 90 of the Act granting leave to construct a 1.7 km natural gas pipeline in the City of Ottawa (“Project”).
2. In leave to construct applications, the Ontario Energy Board (“Board”) is required to consider the public interest, and where the public interest is served by the project, the Board is to grant leave to construct. Public interest is determined by the Board using the following considerations:
  - (i) purpose and need for the project;
  - (ii) environmental considerations;
  - (iii) Economic feasibility;
  - (iv) land matters; and
  - (v) indigenous consultation obligations.
3. In its Application, Enbridge Gas indicated that approximately 13 km steel gas distribution main in the City of Ottawa needs to be replaced. The replacement project is identified in the Enbridge Gas Utility System Plan - filed in the EB-2018-0305 proceeding - as the NPS 12 St. Laurent Project. The replacement of the pipeline will occur in multiple phases over multiple years.
4. 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. In the

application Enbridge Gas stated the need for replacing the 13 km's of NPS 12 XHP Pipeline is as follows:

- a) to improve emergency response and reduce the risk of outages for customers; and,
  - b) to address numerous pipeline integrity issues.
5. The project is to be completed over four phases. Upon completion of all four phases, 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 into service in 2022. Enbridge Gas' current application is for the St. Laurent portion of phase 2 only. Phase 2 involves the installation of multiple new polyethylene ("PE") segments to ensure continuity of service to existing customers while the new NPS 12 XHP is installed and the old NPS 12 XHP is abandoned.
6. Enbridge Gas would also like to clarify Board Staff's submission that "the new PE pipeline segment will be temporary in nature and will not be required once the new NPS 12XHP pipeline is in-service"<sup>1</sup>. The new PE pipeline will continue to serve the customers transferred from the existing NPS 12 XHP system to the new IP system. In other words the new PE pipeline will continue to provide service to customers after the existing NPS 12 XHP pipeline is abandoned. The new PE pipeline system will facilitate and ensure continuity of service to all the existing customers, as the proposed NPS 12 XHP pipeline replacement will not be installed on St Laurent. As indicated in the response to Board Staff interrogatory #3 d) at Exhibit I.STAFF.3 d), the overall St. Laurent project has been broken down into phases to facilitate the coordination of the main installations on several different roads, including the installation of the new NPS 12 XHP in a rural area, with municipal capital programs and with other utilities.
7. Enbridge Gas has requested that the Board issue its decision in August 2019 in order to ensure the construction of the 1.7 km segment is completed by 2019 and to ensure that the Project is completed prior to the road moratorium imposed by the City of Ottawa commencing after the City of Ottawa's road resurfacing work in May of 2020. If the Board's decision is delayed, Enbridge Gas would only be able to complete two thirds of the Project in 2019. As the weather turns cooler, temperature restrictions would impact the amount of work Enbridge could complete. For instance, Enbridge Gas would not be able to complete any welding on the NPS 12 pipeline after December 1<sup>st</sup> as this has significant risk associated with this work. In the event of a pipeline or welding failure, Enbridge would need to interrupt the flow of natural gas to safely repair the pipeline. Since this pipeline

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<sup>1</sup> EB-2019-0006 Board Staff Submission Pg 4.

is a single fed system meaning it has no backup or redundancy, this repair would have an impact to 21,184 customers who would be left without gas until the line has been repaired.

8. Additionally, Enbridge Gas' contractor has estimated that 75 working days are required to complete this project if Enbridge Gas uses a strategy of utilizing two separate crews. One crew would work the day shift from 9am-3pm, and the second would work a night shift from 7pm-5am. This would be dependent on the City of Ottawa providing approval for working nights throughout the project as well as Enbridge Gas being able to procure the required inspection resources to cover the night shift. Alternatively, if we decided to work a 6-day work week (Tuesday-Sunday with Monday off), it is expected that the work will take 93 days.
9. Assuming construction starts October 1<sup>st</sup>, Enbridge Gas would have only have 51 working days available prior to December 1<sup>st</sup>, to complete the Project. If Enbridge Gas obtained approval for night-time shifts, Enbridge Gas would complete 2/3 of the required work in 2019, with the remainder to be coordinated with the City of Ottawa prior to the May repaving. However, Enbridge Gas would have no contingency or room for delays in its schedule for 2020. If Enbridge Gas does not get approval for night work, it would be extremely unlikely that the Project would be completed prior to the City of Ottawa's starting the repaving project.
10. Additionally, if Enbridge Gas starts the project further into the fall, productivity will also be impacted by the shorter daylight hours, colder temperatures and inclement weather. This reduction in productivity could potentially lead to increases in Project costs.
11. Overall Board Staff supports the Project and expressed no concerns with the Project application.
  - a) Board Staff agrees that there is a need for the Project and that the current construction schedule is reasonable.<sup>2</sup>
  - b) Board Staff is satisfied that the total estimated costs of the Project are reasonable and do not have significant concerns with the economics or feasibility of the Project.<sup>3</sup>
  - c) Board staff has no concerns with the preferred route, route selection methodology, or environmental aspects of the Project.<sup>4</sup>

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<sup>2</sup> EB-2019-0006 Board Staff Submission Pg 5.

<sup>3</sup> EB-2019-0006 Board Staff Submission Pg 8.

<sup>4</sup> EB-2019-0006 Board Staff Submission Pg 9.

d) Board Staff and the Ministry of Energy, Northern Development and Mines, found that Enbridge Gas sufficiently discharged the procedural aspects of the duty to consult for the Project.<sup>5</sup>

12. As noted in the Application, the entire Project will be constructed in the existing road allowance in the City of Ottawa and therefore Enbridge Gas does not require any easements. Enbridge Gas does require a number of permits prior to construction commencement and has agreed to certify as part of Board Staff's Conditions of Approval ("COA") it has obtained all the necessary permits for the construction of the Project.

13. Enbridge Gas has agreed to all the draft COAs in the response to Board Staff Interrogatory #6 at Exhibit I.STAFF.6 with the exception of COA 2 (b) i.. Given the Project timelines Enbridge Gas has requested that the Board revise this COA to allow for notification of construction commencement at least 5 days prior to the date construction commences. Board Staff's submission indicates that Board Staff is in agreement with Enbridge Gas' suggested change.

### **SUMMARY**

14. Enbridge Gas submits that the proposed Project is in the public interest and that there are no outstanding issues. Therefore, Enbridge Gas requests the Board grant leave to construct for the Project at the earliest opportunity such that Enbridge Gas may maintain the proposed construction schedule.

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<sup>5</sup> EB-2019-0006 Board Staff Submission Pg 12.

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3. In its Application, Enbridge Gas indicated that approximately 13 km steel gas distribution main in the City of Ottawa needs to be replaced. The replacement project is identified in the Enbridge Gas Utility System Plan - filed in the EB-2018-0305 proceeding - as the NPS 12 St. Laurent Project. The replacement of the pipeline will occur in multiple phases over multiple years.
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