

Enbridge Gas Inc.

**Application for leave to construct a natural gas pipeline
and associated facilities in the City of Ottawa**

**PROCEDURAL ORDER NO. 2
September 11, 2019**

Enbridge Gas Inc. (Enbridge Gas) applied on May 15, 2019, to the Ontario Energy Board (OEB) under section 90(1) of the *Ontario Energy Board Act, 1998* (OEB Act) for leave to construct approximately 1.7 kilometres of polyethylene (PE), 6-inch diameter (NPS 6) intermediate pressure (IP) natural gas pipeline in the City of Ottawa (Proposed Pipeline). The Proposed Pipeline is one part of a multi-year, four-phase project planned to be sited on multiple locations and routes in Ottawa referred to hereafter as the St. Laurent Project.

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. The OEB proceeded by way of a written hearing. In accordance with Procedural Order No. 1, issued on July 22, 2019, OEB staff filed interrogatories on July 31, 2019. Enbridge Gas filed its responses to interrogatories on August 9, 2019. OEB staff filed its written submission with the OEB on August 20, 2019, and Enbridge Gas filed its reply argument on August 26, 2019.

The OEB has reviewed the information on the record and finds that Enbridge Gas provided fragmented and unclear evidence regarding the Proposed Pipeline in the context of the overall St. Laurent Project, as further described below. In addition, Enbridge Gas failed to clearly explain the impacts of a delay in the construction of the Proposed Pipeline on the St. Laurent Project's 2022 in-service date, and how a potential delay might impact system integrity and reliability of gas supply to existing customers.

The OEB requires Enbridge Gas to respond to the OEB's questions on certain aspects of the evidence that lack clarity before any determination will be made on the need for the Proposed Pipeline.

Background

The St. Laurent Project involves construction of multiple pipelines and facilities, with the overall goal being the replacement of supply currently provided by a 13 kilometre long steel extra high pressure (XHP) 12-inch diameter pipeline along St. Laurent Avenue in Ottawa (Existing NPS 12 Pipeline).

The table below was provided by Enbridge Gas in response to OEB staff interrogatories¹. The table indicates that plastic pipeline segments, including the 1.7 kilometre segment which is the subject of this application, are planned to be constructed in Phase 2 and Phase 3. Enbridge Gas stated that these new plastic pipelines are needed to service customers along the route of the Existing NPS 12 Pipeline to ensure continuity of service while the new NPS 12 XHP pipeline is installed and the Existing NPS 12 Pipeline is abandoned in 2022. In Phase 4 of the St. Laurent Project, Enbridge Gas plans to replace the Existing NPS 12 Pipeline with a new steel XHP NPS 12 pipeline planned to be located away from St. Laurent Avenue in a rural area (New NPS 12 Pipeline)². Enbridge Gas stated that the Existing NPS 12 Pipeline, built in 1958, is a one-way feed and is a critical supply to the City of Ottawa and Gatineau. It supplies natural gas to more than 165,000 customers. Enbridge Gas identified numerous integrity issues along the Existing NPS 12 Pipeline that triggered the need to replace the Existing NPS 12 Pipeline to ensure reliable gas supply to the customers currently served by the Existing NPS 12 Pipeline.

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 Rockcille)	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

¹ Enbridge Gas response to OEB staff interrogatory no. 3 (a).

² Enbridge Gas Reply Argument, August 26, 2019, page 2, paragraph 6.

Enbridge Gas advised that it had initially scheduled construction of the Proposed Pipeline to begin in 2021, but that the schedule had to be advanced to 2019 in order to account for the City of Ottawa's road paving program. According to Enbridge Gas, the City of Ottawa has scheduled resurfacing of St. Laurent Boulevard in May 2020. Following completion of the 2020 resurfacing work, the City of Ottawa will place a three-year moratorium on all surface works on St. Laurent Boulevard. As a result, Enbridge Gas advanced its construction schedule for the Proposed Pipeline in order to complete construction before the City of Ottawa's road surface works moratorium is implemented. Enbridge Gas indicated that construction of the segment subject to this application must start in August 2019 and requested that the OEB issue a decision by August 2019.³

Enbridge Gas maintained the urgency of starting construction so that it is completed by the end of 2019 in its Reply Argument, which stated:

Assuming construction starts October 1st, Enbridge Gas would have only 51 working days available prior to December 1st, 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 2020.⁴

Additional Information Required

The OEB has concerns about granting stand-alone approval for one part of a multiple-phase, multi-year and multiple location project. The OEB finds that the Proposed Pipeline, which is the subject of this application, cannot be fully examined without the context of the overall St. Laurent Project. The OEB is of the view that Enbridge Gas did not provide sufficient detail and clarity on the St. Laurent Project in its application, including information on the overall St. Laurent Project need, cost, timing and scope of work. The OEB reminds Enbridge Gas of the recent decision on a pipeline in the City of Greater Sudbury, in which the OEB set out its expectation for filing contextual information if a project is part of a long term or multi-phase expansion:

With respect to the coordination of multiple projects into a single application, this is the preferred approach whenever possible so the OEB can consider the overall plan for supply to an area when assessing each project. The OEB understands that all of the details required for a leave to construct application might not be available to file a comprehensive application for multiple projects in an area at the same time. There is

³ Application, Exhibit B, Tab 1, Schedule 1, paragraph 5, page 2; paragraph 14. Page 5
Application Exhibit F, Tab 1, Schedule 1, Attachment 1, page 3: Project Activities.

⁴ Enbridge Gas Reply Argument, August 26, 2019, page 3, paragraph 9.

an expectation, however, that utilities file information to provide context to each application.⁵

The OEB expects that approvals for multi-year, multi-phase projects will be dealt with on a comprehensive basis, and that the OEB will not be seeing applications for leave to construct individual phases of an application (i.e., on a piecemeal basis). Given that information on the overall project was limited, the record was also not clear. Evidence on the Proposed Pipeline also included inconsistencies. For example, the table above indicates that the Proposed Pipeline will be abandoned in 2022 with Phase 4, and yet Enbridge Gas' reply submission indicates that "The [Proposed Pipeline] will continue to serve the customers transferred from the [Existing NPS 12 Pipeline] to the new IP system. In other words the [Proposed Pipeline] will continue to provide service to customers after the [Existing NPS 12 Pipeline] is abandoned."⁶

Finally, no official communication has been provided by the Ministry of Environment, Conservation and Parks (MECP) regarding the Proposed Project, only a summary of correspondence, and the status of the Stage 2 Archaeological Report is not clear.

Given the concerns stated above, the OEB considers it necessary to seek further information and clarification from Enbridge Gas. As provided in Appendix A to this Procedural Order, the OEB is requesting information regarding how long it would take Enbridge Gas to file an integrated application for approval of all phases of the overall St. Laurent Project. As well, the OEB is asking for further information about the overall St. Laurent Project; and the impacts of any delay of the overall St. Laurent Project from a public interest perspective.

It is necessary to make provision for the following matters related to this proceeding. Further procedural orders may be issued by the OEB.

IT IS THEREFORE ORDERED THAT:

1. Enbridge Gas shall file with the OEB complete written responses to the questions set out in Appendix A by **September 18, 2019**.

All filings to the OEB must quote the file number, EB-2019-0006, be made in searchable/unrestricted PDF format electronically through the OEB's web portal at

⁵ OEB Decision and Order EB-2017-0180, September 28, 2017, Union Gas Limited Application for approval to construct a natural gas pipeline in the City of Greater Sudbury, page 6.

⁶ Enbridge Gas Reply Argument, August 26, 2019, page 2.

<https://pes.ontarioenergyboard.ca/eservice/>. Two paper copies must also be filed at the OEB's address provided below. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <http://www.oeb.ca/Industry>. If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a USB memory stick in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Registrar at the address below, and be received no later than 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Zora Crnojacki at Zora.Crnojacki@oeb.ca and OEB Counsel, James Sidlofsky at James.Sidlofsky@oeb.ca.

ADDRESS

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DATED at Toronto, **September 11, 2019**

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

APPENDIX A

OEB Panel Questions

1. What is the estimated time Enbridge Gas would require to file an application under section 90 of the OEB Act for approval of all phases of the St. Laurent Project (i.e., Phase Two to Phase Four)?
2. Please add a column to the table provided in this Procedural Order describing the phases of the St. Laurent Project that indicates if the OEB's approval is required (and under which section of the OEB Act) for each project listed. Please indicate the planned date of filing these applications with the OEB if they are not provided on a consolidated basis.
3. Please provide a map of the New NPS 12 Pipeline.
4. Please provide a map of all new segments planned to be constructed and in service by 2022 when the New NPS 12 Pipeline is completed.
5. Please explain how Enbridge Gas determined which parts of the project were in each phase.
6. Please provide a map of the existing and/or new pipeline segments that are part of the St. Laurent Project and are planned to be abandoned. Indicate the years of planned abandonment.
7. If Enbridge Gas does not complete construction of the Proposed Pipeline prior to May 2020, are there options available to still achieve the 2022 in-service date for the New NPS 12 Pipeline? For example, could the installation of pipeline be coordinated with the City of Ottawa's road work in spring 2020?
8. What are the implications of not completing the proposed pipeline by May 2020 on the overall St. Laurent Project, and what actions has Enbridge Gas considered to mitigate these impacts?
9. What are the implications for Enbridge Gas customers, and more broadly from a public interest perspective, of a delay to the planned 2022 in-service date for the overall St. Laurent Project? What actions has Enbridge Gas considered to mitigate these impacts?
10. What is the current status of the Phase 2 Archaeological Report?
11. Has there been further communications from the Ontario Pipeline Coordinating Committee? If so, provide these communications, and any other communications that have been received to date from any government ministry.