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



VIA EMAIL, RESS and COURIER

November 14, 2019

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

Re: EB-2019-0172 - Enbridge Gas Inc. ("Enbridge Gas") – Windsor Line Replacement Project Leave to Construct ("LTC") Application – Response to FRPO and Energy Probe Submissions

Enbridge Gas Inc. ("Enbridge Gas") is writing in response to Procedural Order No. 2 and the letters filed with the Ontario Energy Board ("the Board") by the Federation of Rental-housing Providers of Ontario ("FRPO") and Energy Probe. The following are the submissions of Enbridge Gas.

FRPO Submission:

In its letter dated November 9, 2019, FRPO is requesting the Board allow for additional discovery to assist in the determination of the prudency of the costs for the Windsor Line Replacement Project (the "Project"). FRPO believes that a substantive part of the Project could be reduced in size to NPS 4.

In response to this request, Enbridge Gas submits that no further discovery is required and that the Board should maintain its initial plan for review.

Enbridge Gas re-iterated in its pre-filed evidence¹ that the NPS 6 is the most suitable option because it is a "like-for-like" replacement with the existing NPS 10 pipeline in terms of capacity. More importantly, the required capacity was designed to meet not only the current demand but the future growth needs of the municipalities underpinning the replacement project. In Enbridge Gas's evidence it was clear that using the NPS 4 would result in inadequate pressure by 2021 and a lack of capacity to meet the future growth needs. Downsizing any portion of the Project to NPS 4 will limit future growth potential, including any unanticipated future growth as a portion of NPS 4 will be a bottleneck on the system. It is also inefficient and imprudent to downsize any portion of a pipe that is capable of flow in both directions for emergency and/or maintenance related events. A further discovery isn't necessary as the impact of any NPS 4 is clear in that it is inadequate in meeting the needs for this Project.

Energy Probe

In its letter dated November 13, 2019, Energy Probe is requesting the Board allow for further discovery because Enbridge Gas has provided insufficient evidence in

¹ Exhibit C, Tab 3, Schedule 1, pp. 21-22

demonstrating that there are integrity concerns which form the basis of Enbridge Gas's LTC Application.

Enbridge Gas has provided ample evidence both in its Application and in the interrogatories on the integrity concerns regarding the pipeline. In the Application Enbridge Gas submitted that as part of its maintenance program it conducts annual leak surveys and emergency valve inspections. The results from the inspections have illustrated that the existing pipeline has multiple integrity issues and depth of cover issues that pose a safety and security of gas supply risk². In Exhibit I.STAFF.2, Board Staff asked several questions related to integrity:

- a. "Please confirm the date on which the Windsor Line was deemed an operational risk.
- b. Please provide the date of the last survey and inspection and the results of this work.
- c. Please provide evidence of the significant costs incurred to repair the line that are referenced in the application".

Enbridge Gas's response was that the pipeline was deemed an operational risk in 2015 and following further assessments, Enbridge Gas deemed sections of the Windsor Line a high risk in 2017. Enbridge Gas also advised that the most recent leak survey was completed in 2019 and there are a total of 24 active leaks and three inoperable mainline valves. Finally, Enbridge Gas provided a summary of the significant repair costs occurred to date:

The average capital expenditure was \$150,000 to repair the last several leaks found on the Windsor line. Notable repairs recorded on the Windsor Line were at the Puce River crossing with un-weldable pipe that resulted in a \$320,000 repair total; Naylor Valve nest repair in the amount of \$160,000; replacement of NPS10 near 7254 County Rd #46 for \$237,000 due to a leaking clamp; and, a valve and section of NPS 8 replacement for \$167,000³.

As part of the LTC Application Enbridge Gas has only sought to replace the section of pipeline that is supported by its leak survey and depth of cover analysis. In response to Exhibit I.STAFF.7, Enbridge Gas specifically advised that there was no evidence (leaks, depth of cover, or other conditions) at this time to support the replacement of the entire line. Finally, Enbridge Gas questions Energy Probe's submission for further evidence on integrity given that none of the seven interrogatories that Energy Probe had addressed to Enbridge Gas focused on integrity.

Accordingly, Enbridge Gas submits that no further discovery is warranted. Respectfully submitted on behalf of Enbridge Gas.

-

² Exhibit B, Tab 1, Schedule 1 para 3

³ Exhibit I.STAFF.2

Please contact the undersigned if you have any questions.

Yours truly,

(Original Signed)

Rakesh Torul Technical Manager, Regulatory Applications

cc: EB-2019-0172 Intervenors