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BY E-MAIL

December 18, 2019

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
BoardSec@oeb.ca

Dear Ms. Walli:

**Re: Enbridge Gas Inc.
Saugeen First Nation Project
OEB Staff Interrogatories to Applicant
OEB File No. EB-2019-0187**

In accordance with Procedural Order No. 1, please find attached the OEB staff interrogatories for the above proceeding. This document has been sent to Enbridge Gas Inc. and all intervenors.

Enbridge Gas Inc. is reminded that its response to the interrogatories are due by January 10, 2020.

Yours truly,

Original signed by

Ritchie Murray
Project Advisor

c. Applicant and intervenors

Encl.

**ENBRIDGE GAS INC.
SAUGEEN FIRST NATION PROJECT
EB-2019-0187**

OEB STAFF INTERROGATORIES

OEB Staff No. 1

Ref.: Exhibit B, Tab 1, Schedule 1, page 2

Preamble

Enbridge Gas proposes the extension of the single, volumetric-based system expansion surcharge (SES), as approved by the OEB in Union Gas Limited's 2015 Community Expansion Project, EB-2015-0179, to the Project.

Questions

- a) Please confirm that all of the terms of the previously approved SES will be extended to the Project without exception. If not, please identify, explain and justify any differences.
- b) Further to question a) above, please specifically confirm that the profitability index (PI) of the Project will be tracked, and if customer additions are greater than forecast and the PI reaches 1.0 before the end of the 40 year term that the SES would be terminated at that time.

OEB Staff No. 2

Ref.: Exhibit B, Tab 1, Schedule 1, page 6

Preamble

Enbridge Gas states that it will obtain a Section 28 (2) permit from Indigenous and Northern Affairs Canada (INAC) to install the Proposed Facilities within the Saugeen First Nation.

Question

Please provide an update on the status of Enbridge Gas' application for a Section 28 permit from INAC.

OEB Staff No. 3

Ref.: Exhibit B, Tab 1, Schedule 3, page 1

Preamble

Enbridge Gas states that in the future, it may use the Saugeen First Nation system as an alternative feed into the adjacent Southampton distribution network. This may provide for additional security of supply into Southampton but also for future reinforcement of the system. As a result, Enbridge Gas is proposing to upsize the facilities proposed in this application.

Questions

- a) How much additional capacity will the upsize provide (i.e., how many additional m³/yr)?
- b) Please provide evidence of the future demand that will be supplied by the addition capacity that the upsize would provide (e.g., customer attachment forecast).

OEB Staff No. 4

Ref.: Exhibit B, Tab 1, Schedule 5, page 1

Preamble

Enbridge Gas states that capital cost used in the discounted cash flow analysis is the cost of the minimum sized facilities to support the customer attachment forecast for the Project and not the additional \$777,000 required to upsize the facilities as part of system reinforcement.

Questions

- c) Please confirm that the additional cost of the upsizing has no bearing on the term of the SES nor the PI of the Project.
- d) Please explain how Enbridge Gas will recover and account for the additional \$777,000?

OEB Staff No. 5

Ref.: Exhibit B, Tab 1, Schedule 6, page 1

Preamble

Enbridge Gas states that the design specifications are in accordance with the *Ontario Regulations 210/01* under the *Technical Standards and Safety Act 2000, Oil and Gas Pipeline Systems*. This is the regulation governing the installation of pipelines in the Province of Ontario.

Question

Has Enbridge Gas obtained a letter from the Technical Standards and Safety Authority (TSSA) indicating that the TSSA has no issues with the design of the Project? If so, please file the letter into evidence. If not, please explain why not and indicate if / when Enbridge Gas anticipates receiving the letter.

OEB Staff No. 6

Ref.: Exhibit B, Tab 1, Schedule 6, page 2

Preamble

Enbridge Gas states that approvals are pending from the Saugeen First Nations, the Municipality of Arran-Elderslie, the Town of South Bruce Peninsula, Ministry of Transportation Ontario, Ministry of Tourism - Culture and Sport, Ministry of Natural Resources & Forestry, Saugeen Valley Conservation Authority, and Grey Sauble Conservation Authority.

Question

Please provide an update on the status of these approvals.

OEB Staff No. 7

Ref.: Exhibit B, Tab 1, Schedule 7, page 1
Exhibit B, Tab 2, Schedule 12

Preamble

Enbridge Gas states that a copy of the Environmental Protection Plan has been submitted to the Ontario Pipeline Coordinating Committee (OPCC), local municipalities, government agencies, and Indigenous communities. A summary of comments received by Enbridge Gas prior to filing and its corresponding responses are provided in evidence.

Question

Please provide an update on any communications with the OPCC since the application was filed with the OEB.

OEB Staff No. 8

Ref.: Exhibit B, Tab 1, Schedule 7, page 3

Preamble

Enbridge Gas states that it retained a licensed Archaeologist to complete an Archaeological Assessment for the Project. The Archaeological Assessment Report (AA Report) was submitted to the Ministry of Tourism, Culture and Sport on January 30, 2019 and approval was received on March 12, 2019.

The AA Report concluded that future assessments are required on Denny's Dam Road and on Highway 21 between French Bay Road and Craig Street and the proposed pipeline route outside of these two areas should be considered free of archaeological concern. The assessments of Highway 21 and Denny's Dam Road as described above took place on July 12, 2019 and no artefacts were discovered. A subsequent report with these assessments was submitted to the Ministry of Tourism, Culture and Sport and is currently under review. After this submission a minor change to the pipeline route on B Line occurred requiring additional assessment by a licensed Archaeologist. Once this additional assessment is complete a report will be submitted to the Ministry of Tourism, Culture and Sport for review. If the extent of the Proposed Project Area changes to incorporate lands not addressed in previous Archaeological Assessments, further assessment will be completed as required

Question

Please provide an update on the status of the Archaeological Assessment(s) for the Project.

OEB Staff No. 9

Preamble

The application does not make mention of energy efficiency opportunities or programs.

Questions

- a) Please confirm that, if the current application is approved, then customers of the Project will fall under Enbridge Gas' existing demand side management programs.
- b) Does Enbridge Gas anticipate that customers of the Project that convert to natural gas will purchase new appliances / equipment as part of the conversion process? Please explain what implications this could have in terms of energy efficiency.

OEB Staff No. 10

Ref.: Exhibit A, Tab 2, Schedule 1

Preamble

The OEB Act permits the OEB, when making an order, to "impose such conditions as it considers proper."¹

Question

OEB staff has prepared the following draft Conditions of Approval. If Enbridge does not agree to any of the draft conditions of approval noted below, please identify the specific conditions that Enbridge disagrees with and explain why. For conditions in respect of which Enbridge would like to recommend changes, please provide the proposed changes and an explanation of the changes.

¹ OEB Act, s. 23

**Enbridge Gas Inc.
Saugeen First Nation Project
OEB Act Sections 36 Rates and 90 Leave to Construct**

DRAFT 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-2019-0187 and these Conditions of Approval.
2. (a) Authorization for leave to construct shall terminate 12 months after the decision is issued, unless construction has commenced prior to that date.
(b) Enbridge Gas shall give the OEB notice in writing:
 - i. of the commencement of construction, at least ten days prior to the date construction commences;
 - ii. of the planned in-service date, at least ten days prior to the date the facilities go into service;
 - iii. of the date on which construction was completed, no later than 10 days following the completion of construction; and
 - iv. of 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 Report filed in the proceeding, 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 to OEB-approved construction or restoration procedures. Except in an emergency, Enbridge 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. Enbridge Gas shall file, in the proceeding where the actual capital costs of the project are proposed to be included in rate base, a Post Construction Financial Report, which shall indicate the actual capital costs of the project and shall provide an explanation for any significant variances from the cost estimates filed in this proceeding.
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; and
- v. provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licenses, 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 a 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 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; and
- 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; and the rationale for taking such actions.