

Ms. Christine Long Board Secretary Ontario Energy Board P.O. Box 2319, 27th Floor 2300 Yonge Street Toronto, ON M4P 1E4

April 2, 2020

#### Re: EB-2019-0159 2021 Dawn Parkway Expansion Project Pollution Probe Interrogatories

Dear Ms. Long:

Please find attached Pollution Probe's interrogatories to Enbridge on the above noted proceeding. Pollution Probe has included questions and input from local stakeholders and has consolidated these to be more efficient and reduce duplication.

Respectfully submitted on behalf of Pollution Probe.

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Interested Parties (via email)
Richard Carlson, Pollution Probe (via e-mail)

EB-2019-0159

### ONTARIO ENERGY BOARD

**Dawn Parkway Expansion Project** 

# POLLUTION PROBE INTERROGATORIES

April 2, 2020

Submitted by: Michael Brophy

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**Consultant for Pollution Probe** 

Please find below the interrogatories from Pollution Probe on the above noted proceeding. Pollution Probe has also included questions and input from local stakeholders and has consolidated these to be more efficient and reduce duplication.

# Pollution Probe #1

# [Ex. A, T4]

- a) Enbridge indicates that the proposed pipeline will add additional security of supply and access to the Dawn Hub. Please explain how Enbridge quantitatively calculated the incremental value the proposed pipeline would provide beyond that already provided by the other three existing transmission pipelines (existing 26", 34" & 48") that are parallel to this proposed pipeline.
- b) Please provide a map(s) showing the proposed pipeline route and the route of all parallel transmission lines (e.g. existing 26", 34" & 48") and their orientation to the Kirkwall Valve Station and Hamilton Valve Station.
- c) What is the closest distance between the proposed pipeline and the three existing parallel Enbridge transmission pipelines that cross Hamilton (i.e. existing 26", 34" & 48")?
- d) Please provide a summary of details for all pipelines 36 inch or greater that Enbridge Gas has constructed in Ontario. For each pipeline, please include: name, OEB docket # (for approval), pipeline size (diameter), maximum operating pressure, in service date (per original evidence filed), actual in service date, percentage of contingency costs included in the project budget, peak capacity (GJ/d), average capacity (GJ/d), percentage of current annual capacity used to serve Ontario regulated customers, and age of pipeline.
- e) Enbridge indicates that "Throughput serving Enbridge Gas ex-franchise storage and transmission customers during 2018 was 902 Bcf (approximately 994 PJ). In total, Enbridge Gas transported about 1.8 Tcf (approximately 2,000 PJ) of natural gas in 2018". That suggests that approximately half of the natural gas flowing through the Enbridge's transmission and storage facilities in Ontario are for exfranchise customers. Please confirm this assertion or update if not correct.
- f) Enbridge includes a summary of the pipeline infrastructure and storage facilities to demonstrate the interconnected nature of these assets. Please provide a copy of all documents (e.g. decks, business case, etc.) related to Enbridge plans to expand their (regulated or unregulated) storage operations.

#### Pollution Probe #2

## [Ex. A, T5]

Reference: Figure 5-1 indicates an increase in the supply to Dawn driven by Ontario, eastern Canada and the U.S. Northeast.

- a) Please update the graph to extend the timeframe to include Enbridge's estimate of gas demand to 2050 (or as close to that year as possible) based on Enbridge's current best estimate.
- b) Please provide a table using the same timeframe as the bars on the graph and provide the number of days in each period and the HDDs for each period.
- c) Enbridge's 5 Year Gas Supply Plan<sup>1</sup> indicates a flat or slightly decreasing demand forecast into the future (see table below). Is this representative of Ontario demand into the future? If not, please explain.

Line No.	Particulars (TJ)	2020	2021	2022	2023	2024
1	General Service	384,494	384,233	384,182	384,703	385,403
2	Contract Market	73,664	73,227	72,789	72,353	71,917
3	Total EGD Demand Forecast	458,159	457,460	456,971	457,055	457,319

- d) Please provide an estimate of typical annual gas consumption (i.e. delivery from Enbridge) in cubic meters and GJ for aggregated customers in each of the following municipalities.
  - City of Hamilton
  - City of Toronto
  - City of Burlington
  - City of Brampton

## Pollution Probe #3

- [Ex. A, T6]
  - a) What size pipeline would be required just to meet the ex-franchise requirements forecasted (assuming no requirement from Ontario in-franchise customers) related to this project?

<sup>&</sup>lt;sup>1</sup> EB-2019-0137 Enbridge Gas Inc. 5 Year Gas Supply Plan, Table 2, Page 33.

- b) What size pipeline would be required just to meet the incremental in-franchise requirements forecasted (assuming no export or ex-franchise requirements) related to this project?
- c) Enbridge indicates that the project includes \$19.4 (203.5 184.1) million of incremental overheads to Enbridge. Please provide a breakdown by department of each overhead amount contributing to the \$19.4 million figure.
- d) If this project is not approved, please indicate how Enbridge will cover those departmental overhead costs.
- e) If Enbridge completed the project with existing resources from those overhead departments, would that decrease the forecasted project costs by \$19.4 million? If not, please explain.

#### Pollution Probe #4

#### [Ex. A, T8]

- a) Please confirm what percent of the proposed project (\$203.5 million) costs are proposed to be recovered from Ontario Ratepayers.
- b) Please confirm that Enbridge is not requesting approval of the capital or O&M costs related to this project in this proceeding and please indicate when Enbridge intends to make that request to the OEB.
- c) Please provide a table by municipality indicating what customer expansion or other additional customers/loads have been allocated to the financial benefit calculations for this project. Please include customer numbers and aggregated loads by municipality if possible.
- d) Please explain whether Enbridge has ensured that all load growth and/or customer growth used in the project has not been duplicated for any other pipeline project.
- e) Please provide a graph showing the typical annual profile (% full) of Enbridge storage capacity and include lines showing what that profile would be with and without the proposed project being completed.

#### Pollution Probe #5

## [Ex. A, T8]

- a) Please provide a copy of the Enbridge project charter for this project.
- b) Enbridge indicates that it has used an incremental weighted average after tax cost of capital of 4.69%. Please provide the inputs and show the calculation of this figure.
- c) Based on the reduction of short-term and long-term debt borrowing costs since the project was filed, please summarize all project related cost reductions Enbridge would expect for this project.
- d) For the Stage 2 benefit/costs analysis, what portion of the benefits identified would occur in Ontario.
- e) Please provide a table of regulated and non-regulated revenues (by year) Enbridge expects to receive over the life of the proposed asset.
- f) Please provide a list of Enbridge transmission projects approved by the OEB based on a negative NPV Stage 1 analysis.
- g) Enbridge models incremental annual revenues of \$3,023,000 per year for this project. Please provide a breakdown of this calculation based on assumed volumes (GJ) by year.
- h) Has Enbridge received a preliminary estimate from any contractor on the costs for the pipeline? If so, please provide a copy of the estimate and related correspondence.

#### Pollution Probe #6

[Ex. A, T9, Sch. 1]

- a) Based on the project schedule filed in evidence, please indicate what percent of each activity have been completed to date.
- b) Please provide details for all firm commitments and actual costs (capital and O&M) that have been incurred to-date related to the proposed pipeline.

- c) Please provide an updated schedule based on current information and including the additional activities that Enbridge indicated that it still needs to complete in EB-2020-0096 (i.e. conducting environmental, archaeological and engineering examinations, as well as preparing a legal survey).
- d) Please indicate what activities are likely to be impacted by the Provincial order issued on March 23, 2020 requiring the closure of all non-essential businesses in the province to help deal with the spread of COVID-19.
- e) Please summarize the likely impacts to project costs or schedule if the COVID-19 related restriction persist until the end of July 2020.
- f) Please describe the impact to the project if the April 30, 2020 regulatory deadlines outlined in the application and those requested in EB-2020-0096 (Request for early access) are not met.
- g) Please provide a list of transmission pipeline projects (i.e. Leave to Constructs) approved by the OEB where Enbridge requested an OEB extension due to a construction, environmental or permitting issue. Please include the nature of delay and the period of the extension for each case.

#### Pollution Probe #7

## [Ex. A, T10]

Reference: Enbridge indicates that "the ER prepared for the Project is not included in the electronic filing" ...but that an "electronic version of the ER is available on the Enbridge Gas website [https://www.uniongas.com/projects/kirkwall-hamilton]". A copy of the website content is included below and it appears that some of the links are no longer working. A screenshot of the website (from April 1, 2020) is included below.

The project application has been filed with the Ontario Energy Board. Please view the **application**.

#### June 20, 2019

The project's environmental report is available for viewing at the following links. This report will be filed with the Ontario Energy Board, as part of our project application:

#### Main Report

- Appendix A Route Figures
- Appendix B Consultation
- Appendix C Existing Conditions Figures
- Appendix D Terrestrial Habitat
- Appendix E Contamination Overview Study
- Appendix F Stage 1 Archaeological Assessment
- Appendix G Cultural Heritage Assessment Report
- Appendix H Environmental Report

- a) Please file the documents that were posted on the website (i.e. main report and appendices A through H). If (some or all) these documents match document versions filed electronically in this proceeding, please provide a reference table to find them.
- b) Please explain why these documents were not filed electronically as part of the original application.
- c) Enbridge filed Appendix H (Mitigation Photomosaic completed in February 2020) on February 27, 2020. Please explain why the photomosaics were completed and filed in February 2020 (instead of in 2019 with the ER) and how they relate to the environmental report version listed on the Enbridge website (Appendix H has a different name).
- d) Enbridge filed Exhibit A, Tab 10 (EA Report Redacted) on November 11, 2019. This report is dated June 21, 2019 (completion after the date listed on the website above) and has appendices A through G. Was the EA report posted to the Enbridge website June 19, 2019 the same report dated February 21, 2019. If not, please provide a summary of the change between these documents and their appendices.
- e) Please confirm which version(s) of the Environmental Report and appendices were circulated for comment to the OPCC (and related permitting authorities) and what dates each document was circulated.
- f) On February 27, 2020 Enbridge filed a copy of its Mitigation Photomosaics and indicated that it had circulated them for comment to the Ontario Pipeline Coordination Committee (OPCC) and related approval authorities. Please provide a copy of the letter used for circulation and a complete list of all parties it was circulated to.
- g) Please provide a copy of all responses received from the February 27, 2020 Mitigation Photomosaic circulation and indicate which responses are still outstanding.

# Pollution Probe 8

[Ex. A, T10, Attachment 1]

- a) Please provide the closest distance from the proposed pipeline to each of the following:
  - A water well
  - A residential dwelling
  - A provincial wetland
- b) Please provide a copy of Enbridge's construction protocol (standards) for construction near the following:
  - Water wells
  - Residential dwellings
  - Wetlands
- c) The Environmental Report indicates that "a private well survey will take place to assess domestic groundwater use near the proposed pipeline and a private well monitoring program may be recommended for residents who rely on overburden groundwater supply for domestic use". Please provide a copy of the well survey or if not complete, please indicate when it is planned to be completed and filed.
- d) The Environmental Report indicates that "field investigations in 2019-2020 will assess the presence and quality of rare vegetation communities or candidate specialized habitats". Please provide a copy of these reports or if not complete, please indicate when they are planned to be completed and filed.
- e) The Environmental Report indicates that "based on a review of background information, SAR [Species at Risk] are known to occur in the vicinity of the proposed pipeline route, as shown in Table 4-5: 7 plants, 2 reptiles, 1 amphibian, 11 birds and 4 mammals. An assessment of candidate habitat and/or habitat use for SAR will be completed during 2019-2020 field investigations". Please provide a copy of these reports or if not complete, please indicate when they are planned to be completed and filed.
- f) Enbridge indicates that minimum cover for the proposed pipeline will be 1.0 meters in areas where bedrock is encountered. What length of the 10.2 kilometer pipeline route is expected to encounter bedrock during construction?

- g) Please confirm the estimated water volume required for hydrostatic testing of the proposed pipeline and the source Enbridge will use for this water.
- h) The application indicates approximately 2.5 hectares of temporary easement is being sought on lands owned by the Hamilton Conservation Authority. How much of these lands are currently forested and what tree protection/replacement program does Enbridge propose for those protected lands.
- i) Has Enbridge developed a mitigation plan for this pipeline once it is in operation? If so, please provide any related documentation and indicate what protocols Enbridge has to deal with potential issues including spills, clearing, impacts related to rupture, etc.
- j) Section 2.6 of the Environmental Report indicates that "The preferred route is currently illustrated within a general location. Enbridge Gas will undertake detailed design to determine the exact location of the running line, permanent easement, temporary land use requirements and road/watercourse crossing methods". Please provide an update on whether Enbridge has finalized the proposed pipeline location and which methods have been selected for each watercourse crossing.

## Pollution Probe #9

# [Ex. A, T10]

- a) The letter dated February 7, 2020 from the Hamilton Conservation Authority opposed granting Enbridge an easement for the project and requests completion of ecological studies and a peer review of the Environmental Report. Please provide an update on the status of the ecological studies and peer review of the Environmental Report.
- b) The proposed project schedule (Exhibit A Tab 9 Schedule 1) indicated that environmental, cultural (i.e. archaeological) and related field work and studies will be conducted until October 2020. Please provide a list of these studies and an update on progress and forecasted completion date.
- c) Please explain how Enbridge believes that the OEB can consider a decision on the proposed pipeline before all relevant environmental studies are complete.

d) Please provide a list of environmental permits or approvals Enbridge requires to construct the proposed project and the status of each permit/approval.

## Pollution Probe #10

[Ex. A, T12, Attachment 2]

a) MENDM identified a constitutional requirement to consult with the Mississaugas of the Credit First Nation and Six Nations of the Grand River. Please provide an update on those consultations and a copy of a sign-off letters from each of these First Nations, if received.

## Pollution Probe #11

[Ex. A, T13]

"Enbridge Gas is committed to considering IRPAs, as appropriate, immediately following the identification of future expansion/reinforcement projects in the AMP".

Enbridge Gas has included its IRP Proposal with this Application in part to comply with the OEB's Report of the Board on the DSM Mid-Term Review where the OEB stated that it expects the natural gas utilities to develop more rigorous, robust and comprehensive procedures to ensure conservation and energy efficiency opportunities can be reasonably considered as alternatives to future capital projects.

- a) The OEB's DSM Mid-Term Review and Report was concluded in 2018. Please explain why Enbridge did not conduct an IRPA for the Dawn-Parkway Project which is proposed for 2020/2021.
- b) Please explain the criteria Enbridge is using to define "as appropriate" in the first reference above.

## Pollution Probe #12

## [Ex. A, T13]

Reference: "To demonstrate that IRP is not a viable alternative to avoid or delay the proposed Project, which is required to meet demand that already exists and is forecast in the near future. This underlines the need to clarify the role of IRP, particularly in relation to high-volume transmission and distribution projects where IRPAs do not appear to be cost-effective and/or feasible.

- a) Please confirm that Enbridge is waiting for the OEB to develop IRP requirements for implementation by the utility. If this is incorrect, please explain why Enbridge has not implement IRPAs for new transmission pipelines like the Dawn Parkway Expansion Project.
- b) Please explain why incremental transmission facilities are required to serve "demand that already exists" and are served by existing facilities today.
- c) Please provide all information (presentations, reports, analysis, etc.) Enbridge has related to the cost-effectiveness of completing an IRPA for this project.
- d) Please provide a summary of all contract or supply options Enbridge considered before deciding that the Dawn Parkway Expansion Project was required.

# Pollution Probe #13

# [Ex. A, T13]

- a) Please provide a copy of the ICF Study related to IRP referred to in this proceeding.
- b) Please provide a copy of the RFP, Statement of Work and contract (including scope) related to the IRP Study referred to in this proceeding.
- c) Please provide a list of consultants invited to bid on the IRP Study.
- d) Could Enbridge meet higher peak in-franchise demand growth with existing assets if it reduced peak access for ex-franchise demand? If not, please explain.
- e) Enbridge forecasts that IRPAs "require a three year or greater lead time in advance of the planned leave to construct application". Please provide the detailed steps and timing that results in the three year time estimate.
- f) Has Enbridge ever conducted an analysis of underutilised pipeline assets in Ontario that could be optimised rather than constructing new assets? If yes, please provide a copy of the analysis.
- g) Enbridge has defined IRP to only include reduction of customer demand. If there are most cost-effective options to serve customer demand (e.g. for the Dawn

Parkway Project) without reducing the demand, would Enbridge agree that this is a suitable option that should be considered? If not, please explain.