

Stephanie Allman Regulatory Coordinator tel 416-495-5499 EGIRegulatoryProceedings@enbridge.com Enbridge Gas Inc. 500 Consumers Road North York, Ontario M2J 1P8 Canada

June 12, 2020

VIA EMAIL and RESS

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

Dear Ms. Long:

Re: Enbridge Gas Inc. ("Enbridge Gas") Ontario Energy Board File: EB-2020-0074 2020 Storage Enhancement – Reply Submission

In accordance with Procedural Order No. 1, enclosed please find the Reply Submission of Enbridge Gas in the above noted proceeding.

Please contact the undersigned if you have any questions.

Yours truly,

(Original Signed)

Stephanie Allman Regulatory Coordinator

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ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B; and in particular section 38(1) thereof;

AND IN THE MATTER OF an Application by Enbridge Gas Inc. for an Order to vary the maximum operating pressure ("MOP") of the Black Creek pool, the Coveny pool and the Wilkesport pool which are part of the Enbridge Gas' Tecumseh storage operations

ENBRIDGE GAS INC. REPLY

- In accordance with Procedural Order No. 1, this is the Reply submission of Enbridge Gas Inc. ("Enbridge Gas") to the submissions of Ontario Energy Board Staff ("OEB Staff" or "Board Staff") and the Ministry of Natural Resources and Forestry ("MNRF").
- 2. Enbridge Gas is proposing changes to the Black Creek pool, the Coveny pool and the Wilkesport pool ("Project") which are part of the Enbridge Gas Tecumseh storage operations. Each of the pools is a designated storage area ("DSA") as defined in the *Ontario Energy Board Act, 1998*.
- 3. Enbridge Gas wishes to operate the Black Creek, Coveny and Wilkesport pools ("Pools") to a maximum pressure gradient ("MOP") of 17.2 kPa/m (0.76 psi/ft) during the 2020 injection season as permitted under the CSA Standard Z341.1-18 ("CSA Z341"). To facilitate the increases in MOP, Enbridge Gas would need to upgrade a series of existing wellheads and install a number of new emergency shutdown ("ESD") valves. Increasing the MOP of the storage pools will allow Enbridge Gas to store additional natural gas. The additional storage capacity created by the Project will be sold to third parties as part of the Enbridge Gas unregulated storage portfolio.

4. Enbridge Gas is applying to the Ontario Energy Board ("OEB" or the "Board") for leave to vary the MOP of each of the Pools.

Project Need and Conditions of Approval

- 5. In its submission, OEB staff agrees based on the evidence filed that there is demand for unregulated storage and therefore the Project is needed. OEB Staff supports the OEB granting leave to vary the MOPs of the Pools subject to certain conditions of approval.
- OEB staff submits that, as a condition of approval, the OEB should require that Enbridge Gas comply with the relevant requirements of the CSA Z341 to the satisfaction of the MNRF.
- 7. Additionally, OEB staff supports the condition of approval as proposed by Enbridge Gas in its interrogatory responses specifically, that

"Enbridge Gas shall not operate the storage pool above a pressure representing a pressure gradient of 17.2 kPa/m (0.76 psi/ft) of depth without leave of the OEB."

- 8. In its submission, MNRF states that it has no objection to the approval of the application as proposed and that it supports the above proposed condition as clarified by Enbridge Gas in its interrogatory response.
- 9. Enbridge Gas has reviewed OEB staff's and MNRF's submission and accepts the conditions of approval as proposed by OEB staff.

Project Timing

10. OEB Staff submits that the proposed timing of the Project may be optimistic, as Enbridge Gas is requesting a decision on the application by June of this year in order to meet an in-service date of November 2020. OEB Staff suggests that Enbridge Gas comment in its reply submission on its ability to complete the work prior to September 2020 in the event that the OEB issues its decision by July 31, 2020.

11. Enbridge Gas submits that it is possible to meet the planned construction timeline for an in-service date of November 2020, in the event that the OEB issues its decision by July 31, 2020. However, the Company will have less flexibility to deal with unforeseen factors, such as poor weather conditions.

Other Matters

- 12. OEB Staff has no issues with respect to land matters, environmental matters and Indigenous consultations subject to this application. MNRF did not comment on these matters.
- 13. By way of update, with respect to Enbridge Gas's consultation with the Ministry of Environment, Conservation and Parks ("MECP") regarding Species at Risk ("SAR"), Enbridge Gas received email acceptance on May 21, 2020 from MECP to proceed with the SAR mitigation plan, as submitted by Stantec Consulting Ltd. on behalf of Enbridge Gas on December 3, 2019.
- 14. Enbridge Gas also confirms that to date, there have been no inquiries regarding impact to Aboriginal and treaty rights regarding the Project.

Summary

15. Enbridge Gas submits that the proposed Project is required in order to meet growing demand for unregulated storage and that there are no outstanding issues. Enbridge Gas therefore requests the Board grant leave to vary for the Project at the earliest opportunity such that Enbridge Gas can meet the in-service date of the Project.

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All of which is respectfully submitted, this 12th day of June 2020.

ENBRIDGE GAS INC.

[original signed by]

Tania Persad, Senior Legal Counsel