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

June 29, 2020

VIA RESS and EMAIL

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 (OEB) File: EB-2020-0105
Kimball-Colinville and Payne Well Drilling Project (Project)
– Interrogatory Responses - REDACTED**

In accordance with the Ontario Energy Board's (the "Board") Procedural Order No. 1 dated June 8, 2020 enclosed please find Interrogatory Responses from Enbridge Gas in the above noted proceeding.

In accordance with the Board's revised Practice Direction on Confidential Filings effective October 28, 2016, all personal information has been redacted from the following Interrogatory Response:

- Exhibit I.Arnold.2

The confidential Exhibit will be provided under separate cover to the OEB.

This submission has been filed electronically through the Board's RESS and will be made available on Enbridge Gas's website:

<https://www.enbridgegas.com/Regulatory-Proceedings> and navigating to: [Other Regulatory Proceedings](#).

Sincerely,

Joel Denomy, M.A. CFA
Technical Manager, Regulatory Applications

ENBRIDGE GAS INC.
Answer to Interrogatory from
Board Staff (STAFF)

INTERROGATORY

Reference:

Exhibit A, Tab 2, Schedule 1, page 1

Preamble:

Enbridge Gas Inc. (Enbridge Gas) is proposing to drill two wells in St. Clair Township, in the County of Lambton (Project). One horizontal gas storage well will be drilled in the Kimball-Colinville Storage Pool. The other well, a vertical gas storage well, will be drilled in the Payne Storage Pool.

Pursuant to section 40 of the OEB Act, Enbridge Gas seeks a favourable report from the OEB to the Ministry of Natural Resources and Forestry (MNRF). Enbridge Gas has applied to the MNRF for a licence to drill a stratigraphic test well.

Question:

If the two wells are gas storage wells, why did Enbridge Gas apply to the MNRF for a licence to drill a stratigraphic test well as opposed to injection/withdrawal wells?

Response:

Please see Exhibit I.MNRF.1.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Board Staff (STAFF)

INTERROGATORY

Reference:

Exhibit A, Tab 2, Schedule 1, pages 1 and 2
EB-2017-0354 (Dow Moore), Exhibit B, Tab 1, Schedule 1, page 4
Letter of Comment filed by Mr. Douglas Henderson on June 11, 2020

Preamble:

Enbridge Gas states that drilling of the horizontal well in the Kimball-Colinville Pool (TKC 67H) is a 'like for like' replacement and will not result in an increase in storage capacity or an increase in deliverability of the pool. Enbridge Gas states that the well is needed to replace the deliverability lost in the pool due to the abandonment of three gas storage wells.

In a previous well drilling application, Enbridge Gas stated that, based on its experience, one horizontal well will replace the deliverability of approximately 3.5 vertical wells¹.

In his letter of comment, Mr. Douglas Henderson asserts that the deliverability of a horizontal well can be up to ten times that of a single vertical well.

Question:

- a) Please confirm that TKC 67H will not materially increase the storage capacity or deliverability of the Kimball-Colinville Pool. If this cannot be confirmed, please explain.
- b) Please respond to the assertion by Mr. Henderson.

Response:

- a) TKC 67H will not increase the storage capacity or deliverability of the Kimball-Colinville Storage Pool. The well is being drilled to replace deliverability lost through the abandonment of 3 wells. The path of the horizontal well is adjacent to the

¹ EB-2017-0354, Dow Moore Well Drilling Project, Exhibit B, Tab 1, Schedule 1, page 4

abandoned wells and will intersect the same part of the reef as the abandoned vertical wells. Enbridge Gas is not changing the operating pressure in the pool as a result of this Project; therefore, the capacity of the Pool will not be altered.

- b) It has been Enbridge Gas's experience, based on its horizontal drilling history, that on average, one horizontal well can replace 3.5 vertical wells. Enbridge Gas has not seen any data to support a 10 fold increase in deliverability in its storage pools.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Board Staff (STAFF)

INTERROGATORY

Reference:

Exhibit A, Tab 2, Schedule 1, pages 1 and 2
Exhibit D, Tab 1, Schedule 1, page 1

Preamble:

Enbridge Gas states that drilling of the vertical well in the Payne Pool (UP 24) is a 'like for like' replacement and will not result in an increase in storage capacity or an increase in deliverability. Enbridge Gas states that the well is needed to replace the deliverability lost in the pool due to the abandonment of one gas storage well and the relining of six gas storage wells.

Enbridge Gas states that the total projected cost for drilling the two wells is \$4.94 million, of which \$3.61 million will be capitalized into rate base and \$1.33 million will be funded by its shareholders. Enbridge Gas states that the capital costs for UP 24 will be "allocated to regulated and unregulated storage operations in accordance with the allocation factors that are updated annually." Table 1 in Exhibit D shows the allocations factors as 44.1% regulated and 55.9% unregulated.

Question:

- a) Please provide the estimated impact of the \$3.61 million on a typical residential customer's annual bill.
- b) Please file evidence from the most current proceeding in which the allocation factors were approved that confirms the factors are 44.1% regulated and 55.9% unregulated. If it has been more than one year since the factors were approved, please explain why. When are the factors due to be reviewed and approved again?
- c) How would Enbridge Gas know if UP 24 inadvertently increased the capacity or deliverability of the Payne pool? If this were to happen, what would be the impact on the allocation of costs between regulated and unregulated storage operations, if any?

Response:

- a) Enbridge Gas is not requesting Incremental Capital Module treatment (ICM) for the Project. Accordingly, the Project costs will be funded through existing rates, which are derived in accordance with the approved rate setting mechanism approved in the MAADs Decision¹, and there is no incremental bill impact to customers.

Please also see the pre-filed evidence at Exhibit E, Tab 1, Schedule 1, paragraph 2

- b) Enbridge Gas reviews and updates the unregulated storage asset allocation factors annually. The allocation factors are not approved by the OEB on an annual basis. The last review completed by the Company occurred in December 2019. Please see Attachment 1 for the unregulated storage asset allocation factors that were last filed with the OEB as part of Union Gas's 2014 Rates at EB-2013-0365, Exhibit A, Tab 2, Appendix C. It is Enbridge Gas's expectation that the allocation factors will be approved by the Board through the Company's next rebasing application.
- c) Drilling of the proposed well (UP 24) is not expected to have any impact on the capacity or deliverability of the Payne Storage Pool. Costs will be allocated in accordance with the unregulated storage asset allocation factors. The allocation factors are not impacted by the Project.

¹ EB-2017-0306/0307 Decision and Order dated August 30, 2018.

Regulated vs Unregulated Storage Assets Allocation

as at December 31, 2011

To be used for 2012 Maintenance Capital Projects

Storage Pools

		Oil City	Mandaumin	Mandaumin (Sarnia Airport)	Bluewater	HTLP Custody Transfer	Dow Moore	Waubuno	Payne	Bickford
Asset Class		X 139	X 140	X 140	X 145	X 148	X 151	X 152	X 153	X 154
Land	Reg	80.14%	62.34%	N/A	N/A	N/A	N/A	62.34%	62.34%	62.34%
	Nreg	19.86%	37.66%	N/A	N/A	N/A	N/A	37.66%	37.66%	37.66%
Land Rights	Reg	62.34%	62.34%	N/A	62.34%	N/A	62.34%	62.34%	62.34%	N/A
	Nreg	37.66%	37.66%	N/A	37.66%	N/A	37.66%	37.66%	37.66%	N/A
Structures & Improvements	Reg	N/A	62.34%	0.00%	N/A	N/A	N/A	62.34%	62.34%	62.34%
	Nreg	N/A	37.66%	100.00%	N/A	N/A	N/A	37.66%	37.66%	37.66%
Storage Wells	Reg	51.06%	62.34%	N/A	51.06%	N/A	N/A	62.34%	43.24%	62.34%
	Nreg	48.94%	37.66%	N/A	48.94%	N/A	N/A	37.66%	56.76%	37.66%
Field Lines	Reg	62.34%	62.34%	N/A	62.34%	N/A	N/A	62.34%	62.34%	62.34%
	Nreg	37.66%	37.66%	N/A	37.66%	N/A	N/A	37.66%	37.66%	37.66%
Compressor Equipment	Reg	N/A	N/A	0.00%	N/A	N/A	N/A	62.34%	35.54%	62.34%
	Nreg	N/A	N/A	100.00%	N/A	N/A	N/A	37.66%	64.46%	37.66%
Measuring & Regulating Equipment	Reg	90.06%	62.34%	100.00%	62.34%	0.00%	N/A	62.34%	62.34%	62.34%
	Nreg	9.94%	37.66%	0.00%	37.66%	100.00%	N/A	37.66%	37.66%	37.66%
Base Pressure Gas	Reg	62.34%	62.34%	N/A	62.34%	N/A	62.34%	62.34%	62.34%	62.34%
	Nreg	37.66%	37.66%	N/A	37.66%	N/A	37.66%	37.66%	37.66%	37.66%

Total Regulated - %age	64%	62%	92%	58%	0%	62%	63%	52%	62%
Total Unregulated - %age	36%	38%	8%	42%	100%	38%	37%	48%	38%
Total Regulated - Asset Values	6,472,631.59	18,212,960.52	816,730.70	2,986,270.46	-	8,081,371.77	4,409,011.29	8,082,658.92	14,755,804.47
Total Unregulated - Asset Values	3,617,061.00	11,003,294.32	72,749.04	2,151,352.98	231,000.20	4,882,376.00	2,638,002.59	7,340,224.70	8,875,171.65

Regulated vs Unregulated Storage Assets Allocation

as at December 31, 2011

To be used for 2012 Maintenance Capital Projects

Storage Pools

		Sombra	Enniskillen	Bentpath	Terminus	Rosedale	Dawn 167	Oil Springs East	Dawn 47 & 49	Dawn 59 & 85
Asset Class		X 155	X 156	X 157	X 158	X 159	X 160	X 162	X 163	X 164
Land	Reg	62.34%	62.34%	62.34%	N/A	N/A	80.14%	80.14%	62.34%	62.34%
	Nreg	37.66%	37.66%	37.66%	N/A	N/A	19.86%	19.86%	37.66%	37.66%
Land Rights	Reg	62.34%	62.34%	62.34%	N/A	62.34%	N/A	62.34%	N/A	62.34%
	Nreg	37.66%	37.66%	37.66%	N/A	37.66%	N/A	37.66%	N/A	37.66%
Structures & Improvements	Reg	62.34%	62.34%	62.34%	62.34%	N/A	80.14%	80.14%	62.34%	62.34%
	Nreg	37.66%	37.66%	37.66%	37.66%	N/A	19.86%	19.86%	37.66%	37.66%
Storage Wells	Reg	62.34%	50.60%	62.34%	62.34%	62.34%	62.34%	45.61%	62.34%	22.54%
	Nreg	37.66%	49.40%	37.66%	37.66%	37.66%	37.66%	54.39%	37.66%	77.46%
Field Lines	Reg	62.34%	62.34%	62.34%	62.34%	62.34%	62.34%	62.34%	62.34%	40.89%
	Nreg	37.66%	37.66%	37.66%	37.66%	37.66%	37.66%	37.66%	37.66%	59.11%
Compressor Equipment	Reg	62.34%	62.34%	62.34%	N/A	N/A	80.14%	80.14%	N/A	N/A
	Nreg	37.66%	37.66%	37.66%	N/A	N/A	19.86%	19.86%	N/A	N/A
Measuring & Regulating Equipment	Reg	62.34%	62.34%	62.34%	62.34%	N/A	90.06%	90.06%	62.34%	35.35%
	Nreg	37.66%	37.66%	37.66%	37.66%	N/A	9.94%	9.94%	37.66%	64.65%
Base Pressure Gas	Reg	62.34%	62.34%	62.34%	62.34%	62.34%	62.34%	62.34%	62.34%	62.34%
	Nreg	37.66%	37.66%	37.66%	37.66%	37.66%	37.66%	37.66%	37.66%	37.66%

Total Regulated - %age	63%	59%	62%	62%	62%	69%	70%	62%	35%
Total Unregulated - %age	37%	41%	38%	38%	38%	31%	30%	38%	65%
Total Regulated - Asset Values	16,917,481.24	7,491,313.19	14,719,619.08	4,665,789.45	5,765,096.20	12,253,384.37	16,082,103.14	6,549,205.52	6,007,921.96
Total Unregulated - Asset Values	10,123,102.04	5,277,191.50	8,872,355.61	2,805,270.50	3,468,075.95	5,575,639.54	6,919,492.56	3,938,265.54	11,179,689.38

Regulated vs Unregulated Storage Assets Allocation

as at December 31, 2011

To be used for 2012 Maintenance Capital Projects

Storage Pools

		Dawn 156	Edys Mills	Booth Creek	Bentpath East	Dow A Plant	Black Creek	Heritage Pool	Jacob Pool	Head Office
Asset Class		X 165	X 167	X 168	X 169	X 170	X 171	X 173	X 174	X 050
Land	Reg	62.34%	80.14%	N/A	62.34%	80.14%	N/A	0.00%	0.00%	N/A
	Nreg	37.66%	19.86%	N/A	37.66%	19.86%	N/A	100.00%	100.00%	N/A
Land Rights	Reg	43.46%	62.34%	62.34%	62.34%	62.34%	62.34%	0.00%	0.00%	62.34%
	Nreg	56.54%	37.66%	37.66%	37.66%	37.66%	37.66%	100.00%	100.00%	37.66%
Structures & Improvements	Reg	62.34%	80.14%	62.34%	62.34%	80.14%	N/A	0.00%	0.00%	N/A
	Nreg	37.66%	19.86%	37.66%	37.66%	19.86%	N/A	100.00%	100.00%	N/A
Storage Wells	Reg	31.56%	52.11%	62.34%	54.56%	50.79%	N/A	0.00%	0.00%	N/A
	Nreg	68.44%	47.89%	37.66%	45.44%	49.21%	N/A	100.00%	100.00%	N/A
Field Lines	Reg	14.94%	62.34%	62.34%	62.34%	62.34%	N/A	0.00%	0.00%	62.34%
	Nreg	85.06%	37.66%	37.66%	37.66%	37.66%	N/A	100.00%	100.00%	37.66%
Compressor Equipment	Reg	35.75%	80.14%	N/A	N/A	75.14%	N/A	0.00%	0.00%	N/A
	Nreg	64.25%	19.86%	N/A	N/A	24.86%	N/A	100.00%	100.00%	N/A
Measuring & Regulating Equipment	Reg	26.42%	90.06%	62.34%	62.34%	90.06%	N/A	0.00%	0.00%	62.34%
	Nreg	73.58%	9.94%	37.66%	37.66%	9.94%	N/A	100.00%	100.00%	37.66%
Base Pressure Gas	Reg	62.34%	62.34%	62.34%	62.34%	62.34%	N/A	0.00%	0.00%	N/A
	Nreg	37.66%	37.66%	37.66%	37.66%	37.66%	N/A	100.00%	100.00%	N/A

Total Regulated - %age	32%	71%	62%	61%	68%	62%	0%	0%	62%
Total Unregulated - %age	68%	29%	38%	39%	32%	38%	100%	100%	38%
Total Regulated - Asset Values	19,462,268.08	11,280,769.31	2,199,134.68	9,684,855.15	20,168,652.40	1,005,670.95	-	-	9,799,320.58
Total Unregulated - Asset Values	41,964,923.16	4,623,163.17	1,326,234.13	6,216,271.82	9,571,293.74	607,577.00	13,329,709.52	-	5,919,637.00

Regulated vs Unregulated Storage Assets Allocation

as at December 31, 2011

To be used for 2012 Maintenance Capital Projects

Dawn Plant

		Dawn Plant Trans Non Mainline	Dawn Yard	Dawn J	Dawn Dehy Plant	Dawn Plant Trans Mainline	Dawn A Compressor	Dawn B Compressor	Dawn C Compressor	Dawn D Compressor
Asset Class		X 184	X 186	X 187	X 188	X 189	X 190	X 191	X 192	X 193
Land	Reg	100.00%	80.14%	N/A	N/A	100.00%	80.14%	N/A	N/A	80.14%
	Nreg	N/A	19.86%	N/A	N/A	N/A	19.86%	N/A	N/A	19.86%
Structures & Improvements	Reg	100.00%	80.14%	57.55%	66.35%	100.00%	80.14%	80.14%	80.14%	80.14%
	Nreg	N/A	19.86%	42.45%	33.65%	N/A	19.86%	19.86%	19.86%	19.86%
Compressor Equipment	Reg	100.00%	80.14%	57.55%	45.38%	100.00%	80.14%	80.14%	80.14%	80.14%
	Nreg	N/A	19.86%	42.45%	54.62%	N/A	19.86%	19.86%	19.86%	19.86%
Measuring & Regulating Equipment	Reg	100.00%	90.06%	57.55%	N/A	100.00%	90.06%	N/A	N/A	N/A
	Nreg	N/A	9.94%	42.45%	N/A	N/A	9.94%	N/A	N/A	N/A

*See note below

*See note below

Total Regulated - %age	100%	80%	58%	47%	97%	84%	79%	80%	81%
Total Unregulated - %age	0%	20%	42%	53%	3%	16%	21%	20%	19%
Total Regulated - Asset Values	-	20,035.00	22,404,661.31	6,923,728.43	16,930,309.13	22,546,047.82	22,552,758.21	20,324,385.24	63,902,727.24
Total Unregulated - Asset Values	-	4,965.00	16,526,114.20	7,696,964.88	446,055.00	4,392,311.53	5,933,185.69	4,955,347.97	15,435,195.27

Regulated vs Unregulated Storage Assets Allocation

as at December 31, 2011

To be used for 2012 Maintenance Capital Projects

Dawn Plant

		Dawn E Compressor	Dawn F Compressor	Dawn G Compressor	Dawn I Compressor	Vector Interconnect @ Dawn
Asset Class		X 194	X 195	X 196	X 198	X 225
Land	Reg	N/A	N/A	N/A	N/A	N/A
	Nreg	N/A	N/A	N/A	N/A	N/A
Structures & Improvements	Reg	100.00%	80.14%	80.14%	N/A	100.00%
	Nreg	N/A	19.86%	19.86%	100.00%	N/A
Compressor Equipment	Reg	100.00%	80.14%	80.14%	N/A	100.00%
	Nreg	N/A	19.86%	19.86%	100.00%	N/A
Measuring & Regulating Equipment	Reg	N/A	N/A	N/A	N/A	100.00%
	Nreg	N/A	N/A	N/A	N/A	N/A

Total Regulated - %age	100%	80%	77%	0%	94%
Total Unregulated - %age	0%	20%	23%	100%	6%
Total Regulated - Asset Values	29,732,436.16	44,368,144.88	31,272,937.72	-	641,967.21
Total Unregulated - Asset Values	-	10,931,154.40	9,098,253.50	65,584,146.97	38,736.84

ENBRIDGE GAS INC.
Answer to Interrogatory from
Board Staff (STAFF)

INTERROGATORY

Reference:

Exhibit A, Tab 2, Schedule 1, page 2
Exhibit B, Tab 1, Schedule 1, page 3

Preamble:

Enbridge Gas requested a favorable report for both gas storage wells be provided by the OEB to the Ministry of Natural Resources and Forestry by the end of May 2020.

The drilling of wells TKC 67H and UP 24 is proposed to occur in June and July of 2020. Drilling is scheduled to occur when there will be no injection or withdrawal operations. The drilling work must occur in this time frame to allow the wells to be safely drilled when the reservoir is at a low pressure.

Question:

Please comment on Enbridge Gas' ability to complete the work in 2020 in the event that the OEB were to issue its report in July or August of 2020.

Response:

In order to ensure that Enbridge Gas can maintain the injection schedule and that the Pools are full and ready for Winter withdrawal, the Kimball-Colinville and Payne Pools have been placed back into service and injection operations are occurring in both Pools.

Due to the increased pressure in both Pools, Enbridge Gas will not drill into either storage reef in 2020. The drilling will be completed in two stages – drilling and completing a portion of each well, above the storage reef, in Q4 of 2020 and drilling and completing the balance of each well in Q1/Q2 of 2021.

The two stages would be drilled as follows:

- UP 24 will be drilled, in September 2020, to the A-2 Anhydrite Formation. The production casing will be installed and cemented to surface. The well drilling will be suspended until the reef pressure is below 4800kPa in 2021. At this point the drilling of the well will continue and is expected to be

completed in Q2 of 2021.

- TKC 67H will be drilled in September 2020 to the F Unit Formation. Intermediate casing will be installed and cemented to surface. The well drilling will be suspended until the reef pressure is below 3500kPa in 2021. At this point the drilling of the well will continue and is expected to be completed in Q2 of 2021.

The COVID-19 pandemic and emergency orders have not affected the timing estimate. Construction activities will be conducted considering necessary precautions during the pandemic.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Board Staff (STAFF)

INTERROGATORY

Reference:

Exhibit C, Tab 1, Schedule 1, Attachment 1, page 4
Exhibit F, Tab 1, Schedule 1, page 3
Letter filed by Enbridge Gas on April 17, 2020 re: land agreements
Letter of Comment filed by Mr. Bryan Arnold on May 20, 2020
Intervention Request filed Mr. Bryan Arnold on June 2, 2020

Preamble:

Enbridge Gas states that UP 24 would be drilled on third party agricultural land that is currently under both a) a Petroleum & Natural Gas Storage Lease and Grant and b) a Gas Storage Lease.

At the time the Application was filed, Enbridge Gas stated that it provided the third party farmer at the Payne Pool with a Letter of Acknowledgement and a Pipeline Easement Agreement, that negotiations with the third party farmer were on-going, and that it was not aware of any unresolved land matters.

On April 17, 2020, Enbridge Gas filed a letter informing the OEB that the Letter of Acknowledgement and the Pipeline Easement Agreement had been executed by Enbridge Gas and the third party farmer.

Mr. Bryan Arnold filed letters of comment on May 20 and June 1, 2020. The letters expressed concerns about Enbridge Gas' construction and operating practices, and compensation for damages.

Question:

- a) Please confirm that neither Mr. Arnold nor Mr. Henderson are the third party farmer located at the Payne Pool.
- b) If Enbridge Gas already has a Petroleum & Natural Gas Storage Lease and Grant and a Gas Storage Lease in effect with the third-party farmer, what were the purposes of the Letter of Acknowledgement and the Pipeline Easement Agreement?

- c) Please confirm whether compensations for land use and property damage (e.g., tile damage, changes in grading affecting drainage/flooding) are governed by the terms and conditions of the Petroleum & Natural Gas Storage Lease and Grant, Gas Storage Lease or the Pipeline Easement Agreement and provide a brief explanation of how the amount of compensations are determined. If not, please explain what governs the compensations for land use and property damage and how the amount of compensations are determined.
- d) Does Enbridge Gas need OEB approval under section 97 of the OEB Act for the form of Pipeline Easement Agreement that was offered to the third party farmer? If so, please confirm that the form of agreement used had been previously approved by the OEB, the docket number of that proceeding, and whether any changes have been made to the form of agreement since it was last approved.
- e) Please provide a response to the concerns raised by Mr. Arnold in his letters.

Response:

- a) Confirmed. Neither Mr. Arnold nor Mr. Henderson are the third-party farmer located at the Payne Pool.
- b) It is Enbridge Gas's practice in the Union rate zone to provide a Letter of Acknowledgement (Acknowledgement) and Pipeline Easement Agreement (Easement) to landowners for execution. These documents are in addition to the Gas Storage Lease that typically grants the right to drill wells and install facilities on the lands and for the landowner to be compensated for that work. Although not required, the Acknowledgement and Easement serve to provide details of the specific project and related compensation. Enbridge Gas does not currently seek an additional Acknowledgement and Easement in its EGD rate zone and is reviewing its practices to determine the extent to which harmonization is desirable.
- c) Property damage and compensation (e.g., tile damage, changes in grading affecting drainage/flooding, crop loss) are governed by the terms and conditions of the Gas Storage Lease in general terms and more specifically for this Project, by the Acknowledgement and Easement Agreement. The specific amount of compensation payable to the landowner in the Payne pool is set out and agreed in the Acknowledgement. The payments are based upon standard acreage or facility fees for each activity. For restoration work, Enbridge Gas contracts with third-party tiling contractors and drainage consultants, where necessary, and restores the land as

near as possible to its original condition in accordance with the terms of the Gas Storage Lease.

- d) No. Enbridge Gas does not require OEB approval under section 97 of the OEB Act for the form of Pipeline Easement Agreement that was offered to the third-party farmer. The pipeline to be constructed does not meet any of the criteria which would trigger a leave to construct application.
- e) In each case, Mr. Arnold has mischaracterized the events involving Enbridge Gas. In any event, these events are not related to this application but appear to be related to matters about which Enbridge Gas responded directly to Mr. Arnold in early February 2020. At that time, Enbridge Gas provided fulsome responses that we believe addressed the issues raised by Mr. Arnold, including the fact that Mr. Arnold has been compensated for activities of Enbridge Gas and other companies.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Board Staff (STAFF)

INTERROGATORY

Reference:

Exhibit C, Tab 1, Schedule 1, Attachment 1, pages 7 and 11

Preamble:

Enbridge Gas states that rotary rig drilling will proceed on a 24 hour / 7 day per week basis throughout the drilling process. If cable tool rig drilling is necessary, it will proceed on a 12 hour basis. The drilling of the horizontal well, TKC 67H, is expected to take 21 to 28 days and the drilling of the vertical UP 24 well is expected to take 10 to 14 days.

Enbridge Gas states that water wells may be impacted by well drilling and pipeline construction. These activities could impact the groundwater in the area if they are not completed properly.

Question:

- a) Please confirm that affected landowners were informed that drilling operations would be taking place for between 12 and 24 hours per day. Please also confirm that affected landowners were informed that drilling could take up to 14 and 28 days for the Kimball-Colinville and Payne pools, respectively. If affected landowners were not provided this information on the drilling schedule, please explain why not?
- b) If applicable, please explain how the information in part a) was communicated to landowners.
- c) Did affected landowners express any concerns about the drilling schedule, location of access roads, or activities (e.g., dust, lights, noise, vibrations, drilling fluids)? If so, please provide a table that summarizes the concerns along with Enbridge Gas' responses to them. Please redact personal information as required.
- d) In what ways could the drilling activities impact water wells, and what would Enbridge Gas do to rectify the situation if water wells were impacted in these ways?

Response:

- a) Enbridge Gas owns the property where the proposed well, TKC 67H, will be drilled and as such, notification was not required. The landowners for UP 24 have not been informed to date about drilling operations and scheduling.
- b) In order to provide the most accurate information concerning drilling operations and scheduling, Enbridge Gas will be sending letters to the affected landowners after the project has been approved. This will allow Enbridge Gas to finalize the drilling operations and the drilling schedule. Enbridge Gas will ensure that any concerns are noted and resolved.
- c) To date, landowners have not expressed any concerns regarding the drilling location, access roads or other activities. Enbridge Gas will maintain a log of any concerns presented by the landowners and will include the response to each concern.
- d) Water wells could be disturbed temporarily when drilling is occurring through the freshwater zone. It is possible that drilling fluids could enter the water well, but this is highly unlikely, as the water zone is only open for a minimal amount of time, before casing is run and cemented to surface and the closest water well to TKC 67H is located 830 meters south at 3071 Tecumseh Road and the closet water well to UP 24 is located 900 metres south at 3427 Ladysmith Road. Once the surface casing is placed, the freshwater zone is sealed off for the remainder of drilling activities. Furthermore, the proposed drilling program provides for two additional casing strings to be run and cemented to surface, thereby providing 3 layers of protection between the freshwater and the natural gas.

If it is determined that Enbridge Gas has impacted a water well, Enbridge Gas will ensure that the affected landowner's water supply will be maintained until the problem is corrected.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Board Staff (STAFF)

INTERROGATORY

Reference:

Exhibit G, Tab 1, Schedule 1, page 2

Preamble:

Enbridge Gas states that it aligns its interests with those of Indigenous communities through meaningful, direct Indigenous economic activity in projects corresponding to community capacity and project needs, where possible.

Question:

Please provide examples of the types of “economic activity in projects” that Enbridge Gas offers to Indigenous communities. Were any such projects implemented in the case of the Project? Please explain.

Response:

Enbridge Gas offers the opportunity for Indigenous monitors from each Nation consulted with to be on site for the stage two archeological surveys and environmental surveys. Monitors are retained if the archeological survey requires a stage three assessment to be completed. For the environmental surveys, Indigenous participation is requested for all the required surveys which would include species at risk, vegetation, soil sampling and heritage studies. The Supply Chain Management department at Enbridge will also reach out to local First Nation businesses to confirm if they can provide any services, material or labour on projects.

It is Enbridge’s practice to involve Indigenous Nations in projects where the size and scale of the project allows for such participation. In the case of the immediate Project, the scale and size of the Project did not warrant such involvement due to the short length of time the Project would occur and due to the narrow scope of drilling activities.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Mr. Bryan Arnold (Arnold)

INTERROGATORY

Reference:

Drilling a hole through something , makes it weaker creating stress points , My understanding there is a fault line in or under Kimball / Colinville gas field . Should there be an earth quake or a strong vibration . The weak points caused from the horz. Drilling could aid in the formation eruption causing many deaths . “ example at the compressor station years ago there was a 2” thread-o-let welded on a 20 inch gas header pipe . Due to vibrations , a crack started from the hole in the pipe under the welded on thread-o-let , crack went 1 meter along top of pipe , causing a major leak . I know this because I was involved doing the repair when operations just about killed us due to stupidity . I do not see any what If Study answers

Question:

- 1) Has Enbridge done a study about a fault line in the area ?
- 2) What measures are in place should an eruption of some kind happen in Kimball / Colinville gas pool

Response:

- 1) Enbridge has reviewed numerous studies that have been completed on the Geology of Ontario where much of the large-scale faulting was identified. Enbridge Gas has also completed 3D Seismic over the Kimball-Colinville Storage Pool and the Ladysmith Storage Pool and confirmed the presence of a West-Northwest by East-Southeast trending fault, that separates the Kimball-Colinville Storage Pool and the Ladysmith Storage Pool, called the Payne-Waubuno Fault (the “Fault”). The Fault extends from the St. Clair River to Lot 11, Concession 2 in Moore Township and was formed approximately 400 million years ago.

The proposed well location is approximately 789 metres north of the Fault. The horizontal leg will be drilled in a northerly direction, away from the Fault and therefore the horizontal leg will not intersect the Fault. Enbridge Gas drilled two

horizontal wells in the Kimball-Colinville Storage Pool in 2008 and there have been no adverse effects from these horizontal wells.

- 2) Enbridge Gas has safely operated the Kimball-Colinville Storage Pool since 1965 (55 years). The pressure in the Storage Pool is continually monitored at the Corunna Compressor Station and any unusual pressure would be flagged and investigated. The operating pressure in the Pool is not changing as a result of this proposed project.

Enbridge Gas has an Emergency Response Plan that identifies the measures that need to be taken if an emergency occurs and includes the notification of landowners and neighbours. Enbridge Gas is also part of the Chemical Valley Emergency Coordinating Organization and can leverage the resources of other industries in the Sarnia area.

During the drilling of TKC 67H, blowout preventors will be used to: prevent the unplanned release of fluid and gases from the well; allow pumping of fluids into the well; and close the well under any circumstance if required. A drilling monitoring system will be used to provide real-time information of well conditions – such as any pressure increase/decrease, fluid inflow/outflow, and drilling speed. All these parameters are indicators of any unusual situation and allow the crews to respond quickly to any changes. Blowout prevention drills are performed regularly by the crew, ensuring that the crew is well-trained and all workers know where they need to be in the event of an emergency.

An emergency shutdown valve will be installed on the well as part of this project. This valve can be shut remotely from the Corunna Compressor Station to stop flow from the well in the event of an emergency condition.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Mr. Bryan Arnold (Arnold)

INTERROGATORY

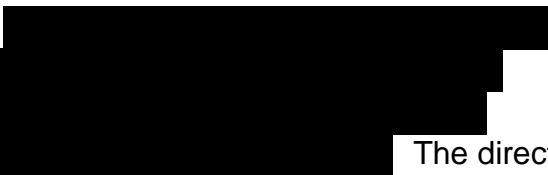
Reference:

Proposed new horizontal well in K/C pool . Due to the fact Enbridge lies and conives to get what they want .

Question:

- 1) what's to say they will not drill into an abandoned well by my house that they lied about , and cause more damage to my house , maybe causing an explosion and kill someone?

Response:

- 1) Enbridge Gas disagrees with the assertions made by Mr. Arnold; they are unfounded. The map below, redacted and provided only to the Board to protect the Mr. Arnold's privacy, shows the surface location of TKC 67H and the direction of the well bore in relation to Mr. Arnold's house.  The direction of the well is constantly monitored during drilling operations.

Map Redacted

ENBRIDGE GAS INC.
Answer to Interrogatory from
Mr. Bryan Arnold (Arnold)

INTERROGATORY

Reference:

Should the horz. Part of the well go under landowners property .

Question:

- 1) Do they get a yearly well head payment or pipeline agreement payment ?

Response:

- 1) All landowners within the Kimball-Colinville Designated Storage Area are paid annually \$123.79/acre for the Gas Storage Lease (GSL) and \$23.95/acre for the Petroleum and Natural Gas Lease (PNGL). If Landowners have a wellhead, laneway or other facility occupying the surface of their property, they are compensated with an additional payment, in accordance with the terms of the GSL.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Mr. Bryan Arnold (Arnold)

INTERROGATORY

Reference:

Dew to the way the world is going re-guarding people protesting , placing booms and blowing things up .

Question:

- 1) What safety items have bin put in place to protect landowners ?

Response:

- 1) During drilling operations, the site is occupied 24 hours a day and seven days a week. Enbridge Gas would immediately report any suspicious activity of which it is made aware to the proper authorities. If any surrounding landowners were impacted by the disturbance, Enbridge Gas would contact the landowners and apprise them of the situation. Any suspicious activity observed by landowners or others concerning Enbridge Gas assets can be reported to the Corunna Compressor Station Control Room which is operated 24 hours a day and seven days a week. The Corunna Compressor Station Control Room is located at 3501 Tecumseh Road, Mooretown, Ontario, N0N 1M0 and can be reached at 1-800-255-1431. The Operator at the Control Room will ensure that the proper personnel and/or authorities are dispatched to investigate the activity. In addition, the Enbridge Gas Lands Advisor, Chris Pincombe, will be available to address any concerns related to the project and can be reached at 519-862-6092 and/or Chris.Pincombe@enbridge.com.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Mr. Bryan Arnold (Arnold)

INTERROGATORY

Reference:

Enbridge says The new Horizontal well is a “ Like For Like “ well , I believe that to be true for a Horz. Replacing a Horz. But not a Horz. Replacing a vertical .

Question:

- 1) Dew to the fact Enbridge will be getting better gas volume in and out dew to the new Horz. Well . it could allow them fill the pool up more than once a year . Will the landowners be paid for Any additional gas stored ?
- 2) I ask the landowner leases be re-wrote to reflect this and other Landowner claims ?

Response:

- 1) The proposed Project will not have any impact on the capacity of the Kimball-Colinville Storage Pool and will not allow Enbridge Gas to fill the pool more than once per year. The proposed well will not increase deliverability from the Kimball-Colinville Storage Pool, it will only replace the deliverability lost through the abandonment of 3 natural gas storage wells in the Pool. Landowners do not receive compensation based on the amount of gas stored. All landowners within each Designated Storage Area (“DSA”) receive the same payment based on their acreage within the DSA.
- 2) Please see the response to question 1) above.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Mr. Doug Henderson (Henderson)

INTERROGATORY

Reference:

In reference to Enbridge brochure T.G.035.601(INT Aug/04) which is titled "Gas Storage Operation".

The following info being said in print by Enbridge as follows:

Under heading..."Black Creek Reservoir Schematic"

Another example of the Company's use of state-of-the-art technology is the drilling of horizontal wells in order to achieve higher per well injection and withdrawal rates. A horizontal well contacts more of the reservoir rock or storage zone than a conventional vertical well and thereby improves the rate at which gas can be injected or withdrawn from a single well. The drilling of a horizontal well in the Black Creek reservoir in 1997 was a first for Ontario storage industry. Since then, 2 additional horizontal wells were drilled in the Ladysmith reservoir in 1999. The use of this advanced drilling technology has led to more efficient and cost effective storage developments.

Question:

Would the Ontario Energy Board & Enbridge agree to the fact that We are all now in the midst of a new era of natural gas storage and transmission due recent past and future prospects of technological change and methods of natural gas storage and particularly that of engaging the latest in horizontal boring know how?

Response:

Enbridge Gas is unable to provide a response on behalf of the Board.

While the methods and equipment have changed from the inception of Enbridge Gas's storage operations, the result continues to remain the same: the safe and reliable storage and transportation of natural gas. Technology will continue to provide improvements to the safety, reliability and efficiency of gas storage and transmission operations and Enbridge Gas will incorporate these changes, after careful review and study. It is Enbridge Gas's goal to store and transport natural gas in a safe, efficient and environmentally sound manner.

Although the manner in which the storage pools are accessed has changed with horizontal drilling, the geology and the limits of the reef have not changed. Technology cannot change the parameters of the reef – capacity, porosity, permeability – it can only provide the means to better understand the geological and engineering characteristics of the reef.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Mr. Doug Henderson (Henderson)

INTERROGATORY

Reference:

In reference to T.G. 035.601 (INT Aug.04) Gas Storage Operation: Finally, the gas travels underground through wells drilled into the storage reservoir. The nature of the rock formations allow the the storage reservoirs to be safely pressurized to a higher level than the original discovery pressure and that allows the Company to increase the storage capacity of the reservoirs.

Question:

As the nature of the rock formations allow storage reservoirs to be safely pressurized & with horizontal boring.. What percentage of wells of horizontal bore are being increased in pressure and what percentage of vertical wells are being increased in pressure today and what is the normal percentage of increase in pressure?

Response:

The type of well, horizontal or vertical, is in no way related to the operating pressure or the capacity of a reservoir. All wells within the storage reservoir are subjected to the same operating pressure. Enbridge Gas is not proposing to change the operating pressure as part of this proposed Project.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Mr. Doug Henderson (Henderson)

INTERROGATORY

Reference:

Relevant background this presentation is based on (over time) observation of the evolution of methods discovered on the ground and utilized in the dynamics of the gas storage operations. The apparent sequence, pattern, and timing of these changes point to there being a Company overall long range plan for future growth in years to come.

Question:

Is there a formal long range plan for future years of business expectations and if so, do they include the pool landowners in any way?

Response:

Enbridge Gas plans to maintain deliverability in each of its Storage Pools. As wells are abandoned, the deliverability is monitored to ensure that the deliverability required to support regulated storage operations is maintained. When future drilling occurs, the directly affected landowners, as well as all the landowners in the Storage Pool, will be contacted.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Mr. Doug Henderson (Henderson)

INTERROGATORY

Reference:

Relevant background in this letter titled: re (2020 Enbridge Gas Project in your area) from Enbridge dated Feb.20/2020 by their advisor Chris Pincombe. It was stated that The Energy Boards review process would include an opportunity for public input & If your property is directly affected by the project that I would be contacted before any work begins.

Question:

There has been no such meeting due to Covid-19, therefore, No chance to voice our concerns regarding issues. In that regard I would ask that all pool adjacent landowners have the opportunity to meet with the O.E.B to discuss the many issues affecting Us including the issue of just & equitable compensation relative to the superior use & usefulness of this horizontal bore project and its operational impact effects to adjacent properties. Will the O.E.B. participate in calling such a meeting?

Response:

Enbridge Gas is unable to provide a response on behalf of the Board.

A form copy of the referenced letter sent to Mr. Henderson and other landowners in the area is attached for reference. Enbridge Gas did not plan to hold a public meeting to discuss the Project, contrary to Mr. Henderson's reference to Covid-19. As the letter notes, public input is part of the application process at the OEB and Mr. Henderson is using the application process to voice his concerns as part of the Board's review of this application. Mr. Henderson's property is not directly affected by the application. Enbridge Gas regularly provides Public Awareness letters and other notifications with Enbridge Gas information, including contact information for Land Agents, in order to provide parties with the opportunity to provide feedback about the Company's activities.

Please also see Exhibit I.Henderson.5.



Chris Pincombe, C.E.T.
Advisor Lands & ROW

tel 519 862 6092
cell 519 381 1408
Chris.Pincombe@enbridge.com

Enbridge Gas Inc.
3501 Tecumseh Road
Mooretown, Ontario
N0N 1M0

February 26, 2020

Recipient First Name Last Name

Title

Address 1

Address 2

RE: 2020 Enbridge Gas Project in Your Area

Dear Landowner,

I would like to provide you with information on an Enbridge Gas project in your area.

In 2020, Enbridge is proposing to drill a new well and construct a new pipeline on the Enbridge Property located within the Kimball-Colinville Designated Storage Area.

This Project is to enhance Enbridge's storage system to meet the growing demand for natural gas storage in Ontario.

We are committed to operating our storage pools in accordance with all Canadian Standards Association (CSA), Technical Safety and Standards Association (TSSA), and Ministry of Natural Resources and Forestry (MNR) regulations, codes, and standards.

We plan to submit an application to the Ontario Energy Board in the spring of 2020 for approval of the proposed facilities in the storage pool. The Ontario Energy Board's review process will include an opportunity for public input.

If your property is directly affected by the project then you will be contacted before any work begins.

If you have any questions, or would like additional information about the project please contact me at 519-862-6092.

Sincerely,

A handwritten signature in blue ink that reads 'C. Pincombe'.

Chris Pincombe, C.E.T.
Advisor Lands & ROW

ENBRIDGE GAS INC.
Answer to Interrogatory from
Mr. Doug Henderson (Henderson)

INTERROGATORY

Reference:

Also a very important issue that needs resolve is that of declaring old storage pool leases that were signed in the 40's, 50's & 6 s be declared obsolete as they are redundant & not relevant in today's changing technological world. The leases need to be negotiated & updated to modern times.

Question:

What procedure should be followed by pool property owners to have a voice on this matter?

Response:

Enbridge Gas maintains that the leases it has in place for its storage operations and for this Project remain adequate and relevant. Enbridge Gas can be approached at any time to discuss the terms and conditions contained in the leases and any concerns landowners might have. It is Enbridge Gas's practice to increase annually the payments made under those agreements.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Ministry of Natural Resources and Forestry (MNRF)

INTERROGATORY

Reference:

In the Applicant's pre-filed evidence, at page 5, the Applicant indicates that it has applied to MNRF for "a licence to drill stratigraphic test well".

Question:

Is this reference to a "stratigraphic test well" a typo or remnant from another document, and is there any relevance to this project?

Response:

The reference to a stratigraphic test well is a typo. Paragraph 2. should read as follows:

2. Pursuant to section 40 of the OEB Act, Enbridge Gas seeks a favourable report from the Ontario Energy Board (Board) to the Ministry of Natural Resources and Forestry (MNRF). Enbridge Gas has applied to the MNRF for a licence to drill a horizontal natural gas storage well and a vertical natural gas storage well.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Ministry of Natural Resources and Forestry (MNRF)

INTERROGATORY

Reference:

In the Applicant's **pre-filed evidence, at page 10, item 9 and at page 240, item 4**, the Applicant has indicated that it intends to conduct the well drilling operations in June/July 2020, when the reservoirs will be at minimum pressures (below 3,500 kPa).

Question:

- a) Please confirm this timing estimate.
- b) How, if at all, has the COVID-19 pandemic and emergency orders issued in light of the pandemic affected this timing estimate?

Response:

- a) and b) Please see Exhibit I.STAFF.4.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Ministry of Natural Resources and Forestry (MNRF)

INTERROGATORY

Reference:

In the Applicant's **pre-filed evidence, at page 23, item 5.2**, the Applicant has referred to both rotary and potentially cable tool drilling being used as part of the project. In the Applicant's **pre-filed evidence, at pages 250 and 280** (in the licence applications 2

for the wells) and **on pages 266 and 290** (under the drilling programs), reference is made only to the construction of surface holes using either type of drilling.

Question:

- a) Are there any contingency plans to drill the entire vertical well (UP 24), and vertical section of the horizontal well (TKC 67H), using cable tool drilling?
- b) If "yes" to a), what would be the impact to project duration?
- c) Please confirm that Applicant understands that any changes to the proposed drilling programs would require subsequent review and approval under the well licences by MNRF after this hearing?

Response:

- a) Enbridge Gas does not have any plans to drill the entire vertical well (UP 24) using cable tool drilling. Plans have been included in the UP 24 drilling program to drill the main hole using either cable tool drilling or rotary drilling as shown in Exhibit I, Tab 1, Schedule 1, Attachment 3, Page 15 of 25.

Enbridge Gas does not have any plans to drill the vertical section of TKC 67H using cable tool drilling.

- b) Please see Exhibit I.STAFF.4.
- c) Enbridge Gas confirms that any changes to the proposed drilling programs will be sent to the MNRF for review and approval.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Ministry of Natural Resources and Forestry (MNRF)

INTERROGATORY

Reference:

In the Applicant's pre-filed evidence, at pages 27-28, the Applicant has indicated that it has retained a consultant hydrogeologist who will conduct a standard water well monitoring program.

Question:

- a) To what properties and how far from the project sites will the water well monitoring be offered?
- b) What was the rationale for selecting the water wells to be monitored?

Response:

- a) Residential notification letters offering private well monitoring were hand delivered by Enbridge Gas's consultant, Stantec Consulting Ltd. (Stantec) on March 27, 2020 to residents within at least one kilometer of TKC 67H and UP 24. Letters were delivered to the following 13 residences:
 - 912 Moore Line
 - 962 Moore Line
 - 990 Moore Line
 - 1036 Moore Line
 - 1040 Moore Line
 - 911 Moore Line
 - 820 Moore Line
 - 804 Moore Line
 - 754 Moore Line
 - 3071 Tecumseh Road
 - 3052 Tecumseh Road
 - 1093 Moore Line
 - 3765 Ladysmith Road

A letter could not be delivered to the fourteenth residence, at 3427 Ladysmith Road, as there was a dog loose in the yard and it was not safe to access the mailbox located at the house (not at the road). Enbridge Gas will endeavor to contact this landowner prior to drilling. There have been no calls requesting sampling to date.

- b) The criteria for selecting the water wells to be monitored was developed by Stantec based upon their experience with similar projects. The 1 km radius is consistent with typical requirements of the OEB. For the Payne Storage Pool, the majority of the designated storage area (DSA) is covered by the 1 km radius from proposed UP24. The majority of the houses were offered private well monitoring, including some along Moore Line that were slightly outside of the 1 km radius.

The Kimball-Colinville Pool DSA is much larger, and only a portion of the area is included in the 1 km radius from proposed TKC 67H. However, there are very few houses within this DSA, the majority of which are along Moore Line. Based on responses from historical private well monitoring programs in this area, it is known that municipal servicing extends along Moore Line.

Due to the 1 km radius being standard for the OEB, the general low density in houses, and known municipal water servicing along Moore Line, the 1 km radius was deemed an appropriate distance to offer private well monitoring to support the proposed construction. Furthermore, the residential notification letter offering the private well monitoring was delivered to a distance a little beyond the 1 km radius for proposed UP24 to include a few extra houses along Moore Line.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Ministry of Natural Resources and Forestry (MNRF)

INTERROGATORY

Reference:

In the Applicant's **pre-filed evidence, at pages 22 and 33, item f)**, the Applicant has indicated that Enbridge Gas will provide the adjacent landowners with the telephone numbers of Enbridge personnel and that a Landowner Relations Program will be established to track complaints during construction. In the Applicant's **pre-filed evidence, at page 58 (in the Environmental Screening Report)**, the consultants indicated that "it is recommended that notification letters are delivered to house(s) (sic) within one (1) km of the Study Area that have active wells. The letters should describe a workplan for well monitoring, including testing for standard parameters and methane." **In the Applicant's pre-filed evidence, at page 57 (in the ESR)**, the consultants convey that MECP records indicate that there are four (4) water wells within 1km of the Study Area at TKC 67H and seven (7) water wells within 1km of the Study Area at UP 24.

Question:

- a) Who will administer the "Landowner Relations Program" and what will it entail?
- b) Will the Applicant ensure that the recommendations in the ESR described above regarding notification letters are followed?
- c) Will all persons served with notification letters be part of the "Landowner Relations Program"?

Response:

- a) The "Landowner Relations Program" will be administered by Enbridge Gas Land Agents, Chris Pincombe and Richard Ashburn. The basis of the program is to provide the Landowners with a dedicated contact, if they have any concerns or questions during the proposed Project.
- b) Please refer to Exhibit I.MNRF.4.

- c) Yes, all persons served with the notification letter will be part of the “Landowner Relations Program”.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Ministry of Natural Resources and Forestry (MNRF)

INTERROGATORY

Reference:

In the Applicant's pre-filed evidence, at page 119, the Applicant has described the land access/use situation regarding the two well sites. The Applicant advises that it owns the lands on which TKG 67H is to be drilled and it leases the lands on which UP 24 is to be drilled. In the Applicant's pre-filed evidence, at page 241, item 8, the Applicant advises that the lease agreement pertaining to the UP 24 lands "grants Enbridge the right to drill and access the well." However, in the Applicant's pre-filed evidence, at page 119, the Applicant has also indicated that the third-party farmer from whom the UP 24 lands are leased has been provided with a Letter of Acknowledgement and a Pipeline Easement Agreement and that "negotiations with the third-party farmer are on-going. Enbridge Gas expects to execute the aforementioned agreements with the third-party farmer in April 2020."

Question:

- a) Please provide an update as to the current status of the negotiations with the third-party farmer. Has the Pipeline Easement Agreement been signed by the third-party farmer?

Response:

Yes, the Pipeline Easement Agreement has been signed by the third-party farmer.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Ministry of Natural Resources and Forestry (MNRF)

INTERROGATORY

Reference:

The Applicant's pre-filed evidence, at pages 180 – 187 contains a letter from the Ministry of Energy, Northern Development and Mines (MENDM) instructing the Applicant to consult with six identified Indigenous groups. In the Applicant's pre-filed evidence, at page 119, item 5, the Applicant has indicated that the Indigenous Consultation Report was provided to MENDM on April 9, 2020, the same date as the filing of the pre-filed evidence with the OEB. As of that date, MENDM hadn't yet provided its decision as to whether Enbridge's Indigenous consultation for the project has been sufficient.

Question:

- a) Please provide an update as to the current status of MENDM communication with respect to sufficiency of Enbridge's Indigenous consultation for the project.

Response:

Enbridge Gas received a letter of opinion from the MENDM on May 29, 2020 which is set out at Attachment 1 to this response. In that letter, the MENDM indicated that it is of the opinion that the procedural aspects of consultation undertaken by Enbridge to date for this project in relation to the Ontario Energy Board's Environmental Guidelines for Hydrocarbon Pipelines and Facilities in Ontario is satisfactory.

**Ministry of Energy, Northern
Development and Mines**

77 Grenville Street
6th Floor
Toronto ON M7A 2C1

**Ministère de l'Énergie, du
Développement du Nord et des
Mines**

77, rue Grenville
6^e étage
Toronto ON M7A 2C1



Indigenous Energy Policy

VIA EMAIL

May 29, 2020

Joel Denomy
Technical Manager, Regulatory Applications
Enbridge Gas Inc.
500 Consumers Road
North York, ON M2J 1P8

Re: Letter of Opinion – Kimball-Colinville and Payne Well Drilling Project

Dear Mr. Denomy;

The Ontario Ministry of the Energy, Northern Development and Mines (ENDM) has completed its review of Enbridge's Indigenous consultation report for the Kimball-Colinville and Payne Well Drilling Project. This letter is to notify you that based on the information provided and through contacting the communities directly, ENDM is of the opinion that the procedural aspects of consultation undertaken by Enbridge to date for this project in relation to the Ontario Energy Board's Environmental Guidelines for Hydrocarbon Pipelines and Facilities in Ontario is satisfactory.

If you have any questions about this letter or require any additional information, please contact Shannon McCabe at 647-924-8139 or Shannon.McCabe@Ontario.ca.

It is expected that Enbridge will continue its consultation activities with the communities throughout the life of the project, and that Enbridge will notify ENDM should any additional rights-based concerns/issues arise.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dan Delaquis", with a stylized flourish at the end.

Dan Delaquis
Manager
Indigenous Energy Policy

c: Ontario Energy Board
Ontario Pipeline Coordinating Committee

ENBRIDGE GAS INC.
Answer to Interrogatory from
Ministry of Natural Resources and Forestry (MNRF)

INTERROGATORY

Reference:

In the Applicant's pre-filed evidence, at pages 240-242, the Applicant has described its Risk Assessment. In the Applicant's pre-filed evidence, at pages 244-246, the Applicant has described its Assessment of Neighboring Activities.

Question:

- a) Was any consideration given to other regulatory public safety and environmental requirements, for example, under the *Occupational Health and Safety Act* or under the *Environmental Protection Act*?
- b) Please advise if any unique risks related to this project were identified and if yes, what considerations were given to such unique risks?
- c) Have all action items arising from the "What-If?" analysis been implemented as recommended?
- d) Have the current Emergency Response Plans for the two storage pools in question been reviewed and updated for the purposes of this application? If yes, has this update included a consideration of provisions addressing the notification of neighbours, the public and agencies in the event of an emergency (e.g., has contact information been updated)?
- e) When was the last emergency response exercise the storage pools in question carried out?
- f) Please confirm whether risks pertaining to any improperly plugged and abandoned wells in the study area have been addressed.

Response:

- a) The “What-If” analysis was done in compliance with Section 5.1 of CSA Z341. While not specifically reviewed in reference to these statutes, the safety of the workers, the public and the environment is always considered during the “What-If” sessions. During the sessions, each “What-If” was evaluated for the consequences of the “What-If” and the safeguards that Enbridge Gas has in place in order to mitigate the consequences. Risk ranking is also performed in the sessions for each “What-If”. If the safeguards are found to be insufficient, an action item is created for Enbridge Gas to complete. The analysis also incorporates the findings of the Neighbouring Assessment and any concerns identified in the Neighbouring Assessment are examined in the “What-If” sessions.

Enbridge Gas has many programs outside of the “What-If” analysis that also address these concerns. For example, the Environmental Screening Report (ESR) was completed for the Project pursuant to the Ontario Energy Board’s *Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario, 7th Edition, 2016* (Guidelines). The Guidelines give consideration to the *Environmental Protection Act* in addition to several other statutes. The ESR includes identification of physical, natural and socio-economic features and the potential effects of the Project on these features. Part of this analysis included an Archaeological Assessment and Species at Risk Assessment. The ESR provided guidance to operate the project in a manner that protects the environment and manages potential effects through the implementation of the proposed mitigation outlined in the ESR.

- b) No unique risks related to this Project were identified.
- c) All four action items identified in the “What-if” sessions have been resolved.
- d) Enbridge Gas has reviewed the Emergency Response Plan and the only update required is the addition of the two proposed well locations. The location of the proposed wells will be added to the Emergency Response Plan once the drilling licences are approved and received. In addition, the Emergency Response Plan is reviewed and updated annually with any new information or changes. The Emergency Response Plan contains the notification protocols and contact information and the contact information is updated regularly.

- e) Mock emergency exercises are conducted annually, and each year different locations are chosen from amongst all the Enbridge Gas assets and alternates between stations, pipelines and storage reservoirs.

A mock emergency exercise was carried out in the Kimball-Colinville Storage Pool in 2015. A mock emergency exercise has not been done specifically for the Payne Storage Pool.

- f) Enbridge Gas reviewed active and abandoned wells within 1km of the base gas of each of the pools. A well assessment was completed for each well and no concerns were identified concerning the potential for these wells to act as a conduit for the movement of gas from the storage pools into the overlying formations or to the surface. These assessments considered the proximity of nearby residences, roadways and other neighbouring facilities that may be impacted by an uncontrolled surface or subsurface gas release. The quality of these abandonments and the potential for communication was deemed to be acceptable and would not be impacted by the proposed drilling of TKC 67H and UP 24. The risk to the environment and public health and safety did not necessitate any additional work to be done on these abandoned wells.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Ministry of Natural Resources and Forestry (MNRF)

INTERROGATORY

Reference:

In the Applicant's pre-filed evidence, at page 243, item 1 the Applicant has indicated that it "understands that the Ontario Energy Board (Board) will require Enbridge Gas to conform to CSA Z341 'Storage of Hydrocarbons in Underground Storage Formations' (CSA Z341) to the satisfaction of the Ministry of Natural Resources and Forestry (MNRF)."

Question:

- a) Please confirm that the Applicant intends to follow the current CSA Z341.1-18 standard and going forward intends to adopt any future revisions to CSA Z341.1.

Response:

- a) Confirmed. Enbridge Gas will follow the current CSA Z341.1-18 standard and will adopt any future revisions to CSA Z341.1.

ENBRIDGE GAS INC.
Answer to Interrogatory from
Ministry of Natural Resources and Forestry (MNRF)

INTERROGATORY

Reference:

In the Applicant's pre-filed evidence, at pages 276 and 301, the Applicant has described/depicted its wellheads for the two proposed wells, TKC 67H and UP 24.

Question:

Can the Applicant confirm whether Emergency Shutdown Valves will be installed for these wells?

Response:

Confirmed. Emergency Shutdown Valves will be installed on the proposed wells, TKC 67H and UP 24.