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BY EMAIL

October 22, 2021

Ms. Christine E. Long
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Registrar@oeb.ca

Dear Ms. Long:

**Re: Six Nations Natural Gas Limited (SNNG)
Application for Certificates of Public Convenience and Necessity for and
Municipal Franchise Agreements with the County of Brant and Norfolk
County
OEB Staff Interrogatories
OEB File Number: EB-2021-0238**

In accordance with Procedural Order No. 1, please find attached OEB staff's interrogatories to SNNG for the above proceeding. This document has been sent to SNNG and to all other registered parties to this proceeding.

SNNG is reminded that its responses to the interrogatories are due by November 5, 2021.

Yours truly,

Catherine Nguyen
Analyst, Natural Gas

Encl.



OEB Staff Interrogatories

Application for Certificates of Public Convenience and Necessity for and Municipal Franchise Agreements with the County of Brant and Norfolk County

Six Nations Natural Gas Limited

EB-2021-0238

October 22, 2021

OEB Staff-1

Reference: Application, section A. Overview, p. 2

Preamble:

SNNG seeks OEB approval for certificates and franchise agreements related to the provision of natural gas services to 16 Off-Reserve residential customers on Bateman Line and Indian Line.

OEB staff wants to better understand SNNG's financial and technical capability to develop, construct, operate and maintain the natural gas facilities required to serve these customers.

Question(s):

- a) Please provide the following information. If some of this information cannot be provided, then provide an explanation of why this is the case.
 - i. SNNG's current credit rating, or that of its parent or associated companies
 - ii. Financial statements, either audited (if available) for two years immediately prior to its application or two years pro forma
 - iii. If additional debt or equity is required with respect to the natural gas facilities contemplated in the certificate area, a description of SNNG's ability to access the debt and equity markets
- b) Please provide the following information. If some of this information cannot be provided, then provide an explanation of why this is the case.
 - i. Qualifications of the senior leadership team and resumes of key personnel
 - ii. Construction, operating and maintenance procedures
 - iii. Confirmation that SNNG has a licence to distribute natural gas from the Technical Safety Standards Authority
 - iv. Emergency response procedures
 - v. Location and staffing level of the call center, control center, or other facility for the receipt of emergency calls, during all hours, and the emergency dispatching of operations personnel (if other than the control room)
 - vi. Pipeline integrity management plans
 - vii. Public awareness plans¹

¹ Public Awareness Plans are used to raise awareness among stakeholders (e.g., customers, general public, first responders, excavators) about the presence of buried natural gas pipelines and associated facilities in order to enhance safety (e.g., recognize symptoms of carbon monoxide poisoning, prevent third party damages).

OEB Staff-2

Reference: Application, section A. Overview, p. 3

Preamble:

The Application refers to a 1989 agreement between the Chief and Council of Six Nations, the (then) Federal Department of Indian Affairs and Northern Development, and the Ontario Fuels Safety Branch.

Question(s)

- a) Please provide a copy of the agreement.
- b) Aside from the agreement referred to in the preamble, are the current operations of SNNG otherwise regulated or overseen in any way (e.g. rate regulation, construction permits) by any branch of the Federal government? Please provide any relevant details.
- c) Please describe any additional approvals that SNNG is seeking from any branch of the Federal government with respect to the matters covered in this application.

OEB Staff-3

Reference: (i) Application, section D. The Off-Reserve Customers, pp. 4-5
(ii) Application, section E. Connected Customers, p. 6

Preamble:

SNNG seeks a certificate to construct works and supply natural gas to 16 Off-Reserve customers: seven on Indian Line, Norfolk County, and nine on Bateman Line, Brant County. SNNG notes that it is currently serving eight Off-Reserve customers – one on Indian Line and seven on Bateman Line.

Question(s):

- a) Is SNNG seeking a certificate for the County of Brant that will cover all seven currently served Off-Reserve customers on Bateman Line? If not, please explain.
- b) If SNNG wishes to cover all seven currently served Off-Reserve customers on Bateman Line in its certificate for the County of Brant, please make that update in the draft certificates to be filed as part of OEB Staff-4.
- c) Please provide details, if known, of the estimated annual volumetric throughput of natural gas SNNG will be/is serving to:
 - i. The eight connected Off-Reserve customers
 - ii. The other potential Off-Reserve customers SNNG is seeking to serve in its proposed certificates as originally filed

OEB Staff-4

Reference: (i) Application, section D. The Off-Reserve Customers, pp. 4-5
(ii) Application, Appendix L & M

Preamble:

SNNG seeks certificates to construct works and supply natural gas to 16 Off-Reserve customers: seven on Indian Line, Norfolk County, and nine on Bateman Line, Brant County.

SNNG notes that it may receive additional connection requests from community members residing on Bateman Line and/or Indian Line. SNNG proposes for administrative efficiency that, in the future, it may seek to amend the certificates to permit the connection and service of additional customers on Bateman Line and/or Indian Line by way of a motion to review and vary.

Question(s):

- a) Did SNNG consider seeking a certificate that was not limited to the 16 Off-Reserve customers on Bateman Line and Indian Line, but that instead was for a geographical area that encompasses these 16 customers as well as any additional customers that are likely to seek service in the future? If so, why did it not pursue this option in its application?
- b) Please comment on whether the approach described in part a) of this question may or may not be more administratively efficient than a certificate that is limited to specific civic addresses.
- c) Certain parts of the application were redacted, and the cover letter to the application suggests these redactions were made with respect to personal information pursuant to the *Freedom of Information and Protection of Privacy Act*. Please describe how the information that was redacted is personal information, or otherwise eligible for confidential treatment by the OEB.
- d) Please file a version of the certificates showing the proposed service territories (using metes and bounds or some other suitable method) as well as legible maps illustrating the proposed service territories that can be placed on the public record.

OEB Staff-5

Reference: (i) Application, Appendix F & I

Preamble:

Paragraph 2 of SNNG's draft franchise agreement with Norfolk County states the following:

If the corporation has not previously received gas distribution services, the consent of the Corporation is hereby given and granted to the Gas Company to distribute, store and transmit gas in and through the Municipality to the Corporation and to the inhabitants of the Municipality.

OEB staff notes that "If the corporation has not previously received gas distribution services", is wording that is not included in the OEB's Model Franchise Agreement.

Paragraph 4 of the Model Franchise Agreement contains the following clause:

b. If the Corporation has previously received gas distribution services, the rights hereby given and granted shall be for a term of 20 years from the date of final passing of the By-law provided that, if during the 20-year term this Agreement, the Model Franchise Agreement is changed, then on the 7th anniversary and on the 14th anniversary of the date of the passing of the By-law, this Agreement shall be deemed to be amended to incorporate any changes in the Model Franchise Agreement in effect on such anniversary dates. Such deemed amendments shall not apply to alter the 20-year term.

OEB staff notes that this clause was removed from Paragraph 4 of SNNG's draft franchise agreements with Norfolk County and the County of Brant.

Paragraph 18 of SNNG's draft franchise agreements with Norfolk County and the County of Brant states the following:

Notwithstanding the cost sharing arrangements described in Paragraph 12, if any part of the gas system altered or relocated in accordance with Paragraph 12 was constructed or installed prior to January 1, 1981, the Gas Company shall alter or relocate, at its sole expense, such part of the gas system at the point specified, to a location satisfactory to the Engineer/Road Superintendent.

OEB staff notes that this clause is a special condition associated with the franchise area of the old Union Gas in southwestern Ontario prior to its merger with Centra Gas, and is not part of the current OEB Model Franchise Agreement.

Question(s):

- a) Please provide an explanation for the amendment to the Model Franchise Agreement at Paragraph 2 of SNNG's draft franchise agreement with Norfolk County.
- b) Please provide an explanation for the amendments to the Model Franchise Agreement in SNNG's draft franchise agreements with Norfolk County and the County of Brant at:
 - i. Paragraph 4
 - ii. Paragraph 18

OEB Staff-6

Question(s)

What distribution and gas commodity rates is SNNG proposing that the customers covered by the proposed new certificate and franchise agreement will pay?