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BY EMAIL

March 1, 2022

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

Dear Ms. Marconi:

**Re: EB-2021-0248 Application for the Coveny and Kimball-Colinville Well
Drilling Project**

In accordance with Procedural Order No. 1, please find attached the Ontario Energy Board (OEB) staff interrogatories in the above proceeding. The applicant and intervenors have been copied on this filing.

Enbridge Gas Inc.'s (Enbridge Gas) responses to interrogatories are due by March 9, 2022.

Any questions relating to this letter should be directed to Judith Fernandes, Senior Advisor at Judith.Fernandes@oeb.ca or at 416-440-7638. The Board's toll-free number is 1-888-632-6273.

Yours truly,

Judith Fernandes
Natural Gas Applications

Encl.

**OEB Staff Interrogatories
Enbridge Gas Inc.
EB-2021-0248**

Please note, Enbridge Gas is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff interrogatories and any other supporting documentation, do not include personal information (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's *Rules of Practice and Procedure*.

Staff-1

Ref.: Exh A/Tab 2/Sch 1/p.3 and Exh E/Tab 1/Sch 1/p.7

Preamble:

In its application, Enbridge Gas states that it plans to commence construction of the Project in April 2022. The Project is proposed to be fully placed into service by October 31, 2022. To meet construction timelines, Enbridge Gas has requested the OEB's approval by March 24, 2022.

Enbridge Gas states that if it is not able to complete construction within the proposed timelines, the Project or portions of the Project will need to be deferred to 2023.

Questions:

1. Please provide a response to the following questions regarding the Project schedule:
 - a) Please explain why it is necessary for Enbridge Gas to install the proposed wells in the Spring of this year.
 - b) Please comment on the implications, particularly any safety implications, if the planned well drilling cannot commence in April 2022.
 - c) What is the latest time by which Enbridge Gas would need to be licensed so that Enbridge Gas does not need to defer the Project to 2023?
2. Please confirm whether Enbridge Gas has made any decisions to defer the Project or parts of the Project to 2023.
 - a) If so, please advise when in 2023 Enbridge Gas expects to undertake the Project or parts of the Project.
 - b) If not, please advise as to when an OEB decision is needed if Enbridge Gas expects to undertake construction prior to 2023.

3. Does Enbridge Gas intend to construct both wells in a single construction project?
4. If only one well licence were granted in time for Spring 2022 construction, would Enbridge Gas defer the construction of both wells to 2023, or would it proceed to install the one well for which a licence had been granted?

Staff-2

Ref: Exh E/Tab1/Sch 1/p.2

Preamble:

As a condition of licence in past proceedings, the OEB has required that the applicant conform with the relevant requirements of the CSA Z341.1-18 to the satisfaction of the Ministry of Northern Development, Mines, Natural Resources and Forestry (Ministry of Natural Resources). In its application, Enbridge Gas has acknowledged this requirement.

Enbridge Gas states that it has provided Ministry of Natural Resources with the following reports on the pools for their review:

- An Assessment of Neighbouring Activities for the Coveny Storage Pool, and the Kimball-Colinville Storage Pool as prescribed by Clause 5.2 of CSA Z341.1-18, assessing: a) wells within 1 kilometre; b) operations within 5 kilometre; and c) the integrity of all wells penetrating the storage zone.
- “What If” Analysis of hazards and operability for each of the pools.

Questions:

1. Has Enbridge Gas had any discussions with Ministry of Natural Resources regarding the ministry’s review and provision of its comments and conclusion on compliance with CSA Z341.1-18? If so, please provide a summary of those discussions.
2. Does Enbridge Gas have any objection to the OEB imposing a condition of approval that requires Enbridge Gas to conform to the relevant requirements of CSA Z341.1-18 to the satisfaction of the Ministry of Natural Resources? If so, please explain Enbridge Gas’s opposition to such a condition.

Staff-3

Ref: Exh D/ Tab 1/ Sch 1/ p.1

Preamble:

Enbridge Gas states that the total projected cost for drilling the two wells is \$5.08 million. Enbridge Gas states that it is not seeking cost recovery of the Project as part of this application. Upon rebasing, Enbridge Gas expects the capital costs associated with the Project will be included within rate base, as the Project solely benefits Enbridge Gas's regulated storage business.

Questions:

1. Please provide the estimated impact on a typical residential customer's annual bill.
2. Please provide a breakdown of capital costs for comparable well drilling and gathering pipeline projects approved by the OEB that are currently in service.
3. As Enbridge Gas proposes to include the capital costs of the Project in its 2024 rebasing application, does Enbridge Gas have any objection to the inclusion of the following condition as part of the conditions of the well licence proposed by OEB staff in these interrogatories (and if so, please explain Enbridge Gas's opposition to such a condition):

Concurrent with the final monitoring report referred to in Condition 9(b), Enbridge Gas shall file a Post Construction Financial Report, which shall provide a variance analysis of project cost, schedule and scope compared to the estimates filed in this proceeding, including the extent to which the project contingency was utilized. Enbridge Gas shall also file a copy of the Post Construction Financial Report in the proceeding where the actual capital costs of the project are proposed to be included in rate base or any proceeding where Enbridge Gas proposes to start collecting revenues associated with the Project, whichever is earlier.

Staff-4

Ref: Exh F/Tab 1/Sch 1/p.2

Preamble:

An Environmental Report (ER) for the Project was provided to the Ontario Pipeline Coordinating Committee (OPCC) and other applicable agencies on October 18, 2021.

Comments have been received from the Ministry of Environment, Conservation and Parks (MECP) Species at Risk Branch; MECP Source Protection Programs Branch; Ministry of Heritage, Sport, Tourism and Culture Industries; Natural Resources, and Infrastructure Ontario.

Questions:

1. Please file an update of the comments (in tabular format) that Enbridge Gas received as part of the OPCC review and in any public consultation since the application was filed. Please include the dates of communication, the issues and concerns identified by the parties, as well as Enbridge Gas's responses and actions to address these issues and concerns.
2. Has Infrastructure Ontario provided the letter of acknowledgment? If so, what comments have been received?
3. The MECP Species at Risk Branch requested further information to assess the potential requirements of the *Endangered Species Act* (2007). Please provide an update on the comments received.

Staff-5

Ref: Exh F/ Tab 1/ Sch 1/ Att 1/ Table 1.1, p.1.3-1.4 and Exh H/Tab 1/Sch 1/ Att 1, p.3

The application lists several environmental permits and/or other approvals that Enbridge Gas may require for the Project.

Questions:

1. For each of the permits/approvals listed in Table 1.1, please confirm if it is required.
2. For each permit/approval listed in Table 1.1 that Enbridge Gas requires and has yet to obtain, please provide an update on the status of the permit/approval including when Enbridge Gas expects to receive the required permit/approval.
3. Please provide an update on the status of the potential approvals listed in Exhibit H referenced above, including details on each of the approvals required and when Enbridge Gas expects to receive the required approvals

Staff-6

Ref: Exh F/ Tab 1/ Sch 1/ p.3

Preamble:

A Stage 1 and 2 AA has been completed on the proposed work area for well TCV 7 and no archaeological resources were identified. The Stage 1 and 2 AA Report is being finalized and will be submitted to MHSTCI in January 2022 and a clearance letter will be obtained prior to construction.

Questions:

1. Has the Stage 1 and 2 AA report been submitted to the MHSTCI?
2. Has Enbridge Gas received the MHSTCI clearance letter? If not, please provide an update on the status of this approval including when Enbridge Gas expects to receive approval.

Staff-7

Ref: Exh G/Tab 1/Sch1/pp.1-3

Preamble:

The Project requires the construction of gravel pads, temporary workspace, and permanent access lanes.

Enbridge Gas states that its land agents have notified the parties directly impacted by the Project and they have communicated no concerns to date. The impacted party for the drilling of the observation well TCV 7 is a tenant farmer on land owned by Enbridge Gas at the Coveny Storage Pool. For the drilling of well TKC 68 and the pipeline, the impacted party is a third-party farmer. Enbridge Gas states that it has a Gas Storage Lease with the third-party farmer which permits it to drill well TKC 68 and install pipeline on the land.

According to section 97 of the *Ontario Energy Board Act, 1998* (OEB Act), "In an application under section 90, 91 or 92, leave to construct shall not be granted until the applicant satisfies the Board that it has offered or will offer to each owner of land affected by the approved route or location an agreement in a form approved by the Board."

Questions:

1. Please confirm whether any of the landowners that have been notified have indicated their support of the Project. If possible, please provide any letters of support from the landowners.
2. Please provide a copy of the Gas Storage Lease and explain how this lease agreement fulfils the requirements of section 97 of the OEB Act.
3. Please confirm that Enbridge Gas has all the land rights it requires for the Project.

Staff-8

Ref: Exh H/Tab 1/Sch 1/p.1,2 and Exh F/Tab 1/ Sch 1/Att 1, p. 3.18

Preamble:

The Ministry of Energy identified five Indigenous communities¹ that Enbridge Gas should consult in relation to the Project.

Enbridge Gas provided the Ministry of Energy with its Indigenous Consultation Report for the Project and is awaiting a letter of opinion from the ministry regarding the adequacy of procedural aspects of the duty to consult.

The application states that the Project is located on lands that form Treaty 29, or the Huron Tract Purchase, signed on July 10, 1827, by representatives of the Crown and certain Anishinaabe peoples.

Questions:

1. Please provide an update on Indigenous consultation activities since the application was filed.
2. Please summarize all the issues and concerns raised by the Indigenous communities in the process of Indigenous consultation to date and describe Enbridge Gas's plans, actions, and commitments to address these concerns and resolve the outstanding issues.

¹ Aamjiwnaang First Nation, Bkejwanong (Walpole Island First Nation), Chippewas of the Thames First Nation, Chippewas of Kettle and Stony Point, Oneida Nation of the Thames

3. Please update the evidence with any correspondence between the Ministry of Energy and Enbridge Gas since the application was filed, regarding the ministry's review of Enbridge Gas's consultation activities.
4. Please indicate when Enbridge Gas expects to receive a letter of opinion from the Ministry of Energy.
5. Please comment on any issues arising from the Project that could adversely impact constitutionally protected Indigenous or treaty rights. If any potential adverse impacts have been identified, please comment on what Enbridge Gas is doing to address these issues.

Staff-9

Ref.: Exh A/Tab 2/Sch 1

Preamble:

Enbridge Gas has applied for well drilling licences under section 40(1) of the OEB Act. Should the OEB determine that it is appropriate to do so it would issue a favourable report to the Minister of Natural Resources² recommending the issuance of the well licences and may also recommend certain conditions.

Question:

Please comment on the conditions of licence proposed by OEB staff below. These are similar to those approved by the OEB in past well licence applications. If Enbridge Gas does not agree with any of the draft conditions of approval, please identify the specific conditions that Enbridge Gas disagrees with. Explain the rationale for disagreement and for any proposed changes or amendments.

Application under Section 40 of the OEB Act Enbridge Gas Inc. EB-2021-0248

PROPOSED CONDITIONS OF LICENCE

1. Enbridge Gas Inc. (Enbridge Gas) shall rely on the evidence filed with the OEB in the EB-2021-0248 proceeding and comply with applicable laws, regulations and codes pertaining to the construction of the proposed wells.

² Currently the Minister of Northern Development, Mines, Natural Resources and Forestry

2. The authority granted under this licence to Enbridge Gas is not transferable to another party without leave of the OEB. For the purpose of this condition, another party is any party except Enbridge Gas.
3. Enbridge Gas shall construct the facilities and restore the land in accordance with its application and evidence given to the OEB, except as modified by this licence and these Conditions.
4. Enbridge Gas shall implement all the recommendations of the Environmental Report filed in the proceeding.
5. Prior to commencement of construction of the proposed wells, Enbridge Gas shall obtain all necessary approvals, permits, licences, certificates, agreements and rights required to construct, operate and maintain the proposed wells.
6. Enbridge Gas shall ensure that the movement of equipment is carried out in compliance with all procedures filed with the OEB, and as follows:
 - i. Enbridge Gas shall make reasonable efforts to keep the affected landowner(s) as well as adjacent landowners and their respective tenant farmers, or their designated representatives, informed of its plans and construction activities; and
 - ii. The installation of facilities and construction shall be coordinated to minimize disruption of agricultural land and agricultural activities.
7. Enbridge Gas shall, subject to the recommendation by an independent tile contractor and subject to the landowner's approval, construct upstream and downstream drainage headers adjacent to the drilling area and access roads that cross existing systematic drainage tiles, prior to the delivery of heavy equipment, so that continual drainage will be maintained.
8. Concurrent with the final monitoring report referred to in Condition 9(b), Enbridge Gas shall file a Post Construction Financial Report, which shall provide a variance analysis of project cost, schedule and scope compared to the estimates filed in this proceeding, including the extent to which the project contingency was utilized. Enbridge Gas shall also file a copy of the Post Construction Financial Report in the proceeding where the actual capital costs of the project are proposed to be included in rate base or any proceeding where Enbridge Gas proposes to start collecting revenues associated with the Project, whichever is earlier.
9. Both during and after construction, Enbridge Gas shall monitor the impacts of construction, and shall file with the OEB one electronic (searchable PDF) version of each of the following reports:

- a) A Post Construction Report, within three months of the in-service date, which shall:
 - i. Provide a certification, by a senior executive of the company, of Enbridge Gas's adherence to Condition 1;
 - ii. Describe any impacts and outstanding concerns identified during construction;
 - iii. Describe the actions taken or planned to be taken to prevent or mitigate any identified impacts of construction;
 - iv. Include a log of all complaints received by Enbridge Gas, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions; and
 - v. Provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licences, and certificates required to construct, operate and maintain the proposed project.
 - b) A Final Monitoring Report, no later than fifteen months after the in-service date, or, where the deadline falls between December 1 and May 31, the following June 1, which shall:
 - i. Provide a certification, by a senior executive of the company, of Enbridge Gas's adherence to Condition 1;
 - ii. Describe the condition of any rehabilitated land;
 - iii. Describe the effectiveness of any actions taken to prevent or mitigate any identified impacts during construction;
 - iv. Include the results of analyses and monitoring programs and any recommendations arising therefrom; and
 - v. Include a log of all complaints received by Enbridge Gas, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions.
10. For the purposes of these conditions, Enbridge Gas shall conform with:
- a) CSA Z341.1-18 "Storage of Hydrocarbons in Underground Formations" to the satisfaction of the Ministry of Northern Development, Mines, Natural Resources and Forestry (Natural Resources); and
 - b) The requirements for wells as specified in the *Oil, Gas and Salt*

Resources Act, its Regulation 245/97, and the Provincial Operating Standards v.2 to the satisfaction of the Natural Resources.

11. Enbridge Gas shall designate one of its employees as project manager who will be the point of contact for these conditions, and shall provide the employee's name and contact information to the Natural Resources, the OEB and to all affected landowners, and shall clearly post the project manager's contact information in a prominent place at the construction site.

Staff-10

Ref.: Exh A/Tab 2/Sch 1

Preamble:

Enbridge Gas has applied for leave to construct a pipeline under section 91 of the OEB Act.

Question:

Please comment on the draft conditions of approval proposed by OEB staff below. These are similar to OEB's standard conditions of approval for leave to construct applications.³ If Enbridge Gas does not agree with any of the draft conditions of approval, please identify the specific conditions that Enbridge Gas disagrees with. Explain the rationale for disagreement and for any proposed changes or amendments.

Application under Section 91 of the OEB Act Enbridge Gas Inc. EB-2021-0248

DRAFT CONDITIONS OF APPROVAL

1. Enbridge Gas Inc. (Enbridge Gas) shall construct the facilities and restore the land in accordance with the OEB's Decision and Order in EB-2021-0248 and these Conditions of Approval.
2. (a) Authorization for leave to construct shall terminate 12 months after the decision is issued, unless construction has commenced prior to that date.

(b) Enbridge Gas shall give the OEB notice in writing:
 - i. of the commencement of construction, at least 10 days prior to the date construction commences

³ March 29, 2021 OEB letter Regarding Updates to Performance Standards and Other Process Improvements

- ii. of the planned in-service date, at least 10 days prior to the date the facilities go into service
 - iii. of the date on which construction was completed, no later than 10 days following the completion of construction
 - iv. of the in-service date, no later than 10 days after the facilities go into service
- 3. Enbridge Gas shall obtain all necessary approvals, permits, licences, certificates, agreements and rights required to construct, operate and maintain the Project.
- 4. Enbridge Gas shall implement all the recommendations of the Environmental Report filed in the proceeding, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee review.
- 5. Enbridge Gas shall advise the OEB of any proposed change to OEB-approved construction or restoration procedures. Except in an emergency, Enbridge Gas shall not make any such change without prior notice to and written approval of the OEB. In the event of an emergency, the OEB shall be informed immediately after the fact.
- 6. Concurrent with the final monitoring report referred to in Condition 7(b), Enbridge Gas shall file a Post Construction Financial Report, which shall provide a variance analysis of project cost, schedule and scope compared to the estimates filed in this proceeding, including the extent to which the project contingency was utilized. Enbridge Gas shall also file a copy of the Post Construction Financial Report in the proceeding where the actual capital costs of the project are proposed to be included in rate base or any proceeding where Enbridge Gas proposes to start collecting revenues associated with the Project, whichever is earlier.
- 7. Both during and after construction, Enbridge Gas shall monitor the impacts of construction, and shall file with the OEB one electronic (searchable PDF) version of each of the following reports:
 - (a) A post construction report, within three months of the in-service date, which shall:
 - i. provide a certification, by a senior executive of the company, of Enbridge Gas's adherence to Condition 1
 - ii. describe any impacts and outstanding concerns identified during construction
 - iii. describe the actions taken or planned to be taken to prevent or mitigate any identified impacts of construction
 - iv. include a log of all complaints received by Enbridge Gas, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions

- v. provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licenses, and certificates required to construct, operate, and maintain the proposed project
- (b) A final monitoring report, no later than fifteen months after the in-service date, or, where the deadline falls between December 1 and May 31, the following June 1, which shall:
- i. provide a certification, by a senior executive of the company, of Enbridge Gas's adherence to Condition 4
 - ii. describe the condition of any rehabilitated land
 - iii. describe the effectiveness of any actions taken to prevent or mitigate any identified impacts of construction
 - iv. include the results of analyses and monitoring programs and any recommendations arising therefrom
 - v. include a log of all complaints received by Enbridge Gas, including the date/time the complaint was received; a description of the complaint; any actions taken to address the complaint; and the rationale for taking such actions
8. Enbridge Gas shall designate one of its employees as project manager who will be the point of contact for these conditions, and shall provide the employee's name and contact information to the OEB and to all affected landowners, and shall clearly post the project manager's contact information in a prominent place at the construction site.