

BY EMAIL

June 22, 2022

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

Dear Ms. Marconi:

Re: Ontario Energy Board (OEB) Staff Submission Enbridge Gas Inc. – Haldimand Shores Community Expansion Project OEB File Number: EB-2022-0088

In accordance with Procedural Order No. 1, please find attached OEB staff's submission in the above proceeding. The attached document has been forwarded to Enbridge Gas Inc. and to all other registered parties to this proceeding.

Yours truly,

Original Signed By

Zora Crnojacki Senior Advisor, Natural Gas Applications

Encl.



ONTARIO ENERGY BOARD

OEB Staff Submission

Enbridge Gas Inc. Haldimand Shores Community Expansion Project

Application for Leave to Construct

EB-2022-0088

June 22, 2022

1.0 Introduction

Enbridge Gas Inc. (Enbridge Gas) applied to the Ontario Energy Board (OEB) on March 11, 2022, under sections 90(1) and 97 of the *Ontario Energy Board Act*, *1998*, S.O. 1998, c. 15, (Schedule B), for an order granting leave to construct:

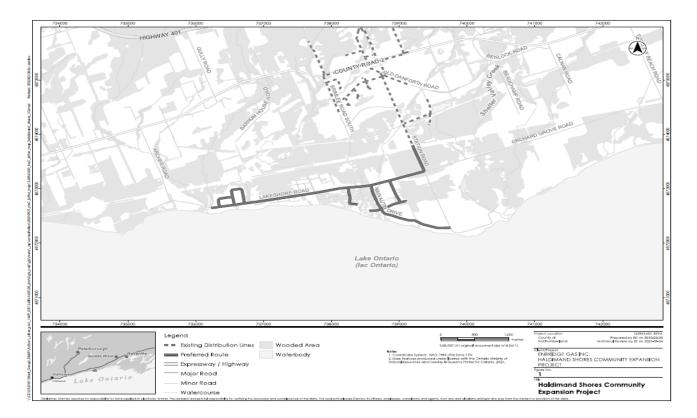
- approximately 7.3 km of Nominal Pipe Size (NPS) 2-inch polyethylene (PE) natural gas distribution pipeline
- approximately 385 m of NPS 4-inch PE natural gas distribution pipeline; and
- approximately 115 m of NPS 4-inch steel natural gas distribution pipeline (the Project).

The Project will supply natural gas to 112 customers located in the community of Haldimand Shores in the Township of Alnwnick/Haldimand who currently do not have access to natural gas service.

The Project was approved to receive funding assistance from Ontario Government's Natural Gas Expansion Program (NGEP). Enbridge Gas also intends to charge a System Expansion Surcharge (SES) over a 40-year horizon to all new customers taking gas distribution service from the Project.

Enbridge Gas has also applied for approval of the form of agreement it will offer to landowners for the routing and construction of the proposed pipeline.

A general location of the Project is shown on the map below.



In terms of other OEB approvals required for the Project, in addition to the leave to construct approval requested in the current proceeding, OEB staff notes that Enbridge Gas has a 20-year Municipal Franchise Agreement with the Township of Alnwick/Haldimand¹ as well as a Certificate of Public Convenience and Necessity² for any project work within the Township of Alnwick/Haldimand.

Enbridge Gas indicated that the planned in-service date is December 2022. Construction is planned to start in September 2022.

OEB staff has no concerns with the Project and supports the OEB granting leave to construct approval to Enbridge Gas, subject to certain Conditions of Approval contained in Schedule A to this submission.

2.0 The Proceeding

A Notice of Hearing was issued on March 31, 2022. Pollution Probe applied for and was granted intervenor status and cost eligibility.

¹ EB-2008-0087

² EB-2008-0088

On May 11, 2022, the OEB issued Procedural Order No.1 setting the timeline for the written proceeding. In accordance with the procedural schedule, written interrogatories by OEB staff and Pollution Probe were filed by May 25, 2022. Enbridge Gas responded to the interrogatories on June 8, 2022. OEB staff and intervenor written submissions are due by June 22, 2022 and Enbridge Gas may file a written reply submission by July 6, 2022.

3.0 OEB Staff Submission

Consistent with the OEB's Standard Issues List for natural gas leave to construct applications, OEB staff's submission is structured to address the following issues:

- 1. Need for the Project
- 2. Project Alternatives
- 3. Project Cost and Economics
- 4. Environmental Impacts
- 5. Landowner Agreements
- 6. Indigenous Consultation
- 7. Conditions of Approval

3.1 Need for the Project

The Project was one of 210 proposals for community expansion projects, including four economic development projects, submitted to the OEB, and included in the OEB's Report to the Minister of Energy, Northern Development and Mines and to the Associate Minister of Energy: Potential Projects to Expand Access to Natural Gas Distribution.³

The Project was selected to receive funding, as part of the Ontario Government's Phase 2 Natural Gas Expansion Program (NGEP). The NGEP provides funding to Ontario natural gas distributors to expand natural gas to communities that are not currently connected to the natural gas system. Ontario Regulation 24/19⁴ (Expansion of Natural Gas Distribution Systems Regulation) sets out the funding mechanism and includes the projects selected to

³ EB-2019-0255, OEB's Report to the Minister of Energy, Northern Development and Mines and the Associate Minister of Energy: Potential Projects to Expand Access to Natural Gas Distribution, December 10, 2020

⁴ Ontario Regulation 24/19: Expansion of Natural Gas Distribution Systems, under Ontario Energy Board Act, 1998, S.O. 1998, c. 15 Sched B, current June 8, 2021

receive the government funding as well as the amount of funding allocated to each project.⁵ Enbridge noted that Project is required to support the NGEP.

Enbridge Gas further supported the need for the Project based on independent market research⁶, and through Enbridge Gas's own community outreach. Enbridge Gas stated that the Project is designed to provide natural gas service to approximately 112 residential customers located in the community of Haldimand Shores. In addition, the Corporation of the Township of Alnwick/Haldimand expressed its support for the Project in a letter dated May 8, 2020⁷ and confirmed its support in a letter dated February 16, 2022.⁸

In the table below⁹, Enbridge Gas shows the forecast attachments over 10 years starting in 2022. Enbridge Gas indicated that the forecasted attachment of 112 customers assumed a 78% capture rate by the end of the tenth year (i.e. there are 142 total potential customers for the Project). OEB staff notes that the forecasted attachment of 112 customers generally aligns with the original estimate provided in the OEB's proceeding on Potential Projects for NGEP Funding¹⁰, which referenced 109 customer attachments for the Project.¹¹

Table 2: Forecasted Customer Attachments for the

Project

| Haldimand Shores Customer Additions | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | Total Forecasted |
|---|------|------|------|------|------|------|------|------|------|------|------------------|
| Conversions | | | | | | | | | | | |
| Residential Units (Singles, Semis, Towns) | 30 | 27 | 10 | 7 | 6 | 7 | 6 | 7 | 6 | 6 | 112 |
| Residential Cumulative | 30 | 57 | 67 | 74 | 80 | 87 | 93 | 100 | 106 | 112 | |
| Total | | | | | | | | | | | 112 |

Enbridge Gas has also conducted and plans to continue to conduct various outreach activities and programs with the goal of ensuring that the customer attachment forecast will be realized.¹² Enbridge Gas stated that it "…is at various stages of execution on

⁵ The Expansion of Natural Gas Systems Regulation sets the mechanism for sourcing the funding of the eligible expansion projects by requiring that rate-regulated natural gas distributors charge each of their customers \$1 per month.

⁶ Application and Evidence, Exhibit B, Tab 1, Schedule 1, Attachment 4 "Natural Gas Expansion Study Grafton and Haldimand Shores" Forum Research inc., Research Report prepared for Enbridge Gas Limited, April 2020

⁷ Application and Evidence Exhibit B, Tab 1, Schedule 1, Attachment 1

⁸ Application and Evidence Exhibit B, Tab 1, Schedule 1, Attachment 3

⁹ Application and Evidence, Exhibit B, Tab 1, Schedule 1, page 5, Table 2: Forecasted Customer Attachments for the Project

¹⁰ EB-2019-0255

¹¹ EB-2019-0255. Schedule NN2.

¹² Response to interrogatory I.STAFF.1 e)

applications for natural gas for approximately 21 customers (approximately 20% of the total 10-year forecasted connections and 70% of year 1 forecasted connections)."¹³

OEB staff submits that Enbridge Gas has established the need the Project. OEB staff submits that the Project is one of the community expansion projects selected by the Ontario Government to receive NGEP funding in support of the government's efforts to have gas distribution service made available to communities in Ontario that are not currently served. In addition, OEB staff submits that the Project is substantively unchanged from the original estimate that underpinned the NGEP funding in terms of customer attachments and cost¹⁴ and therefore, is still needed.

3.2 **Project Alternatives**

Enbridge Gas stated that a new pipeline was considered as the only viable option to provide service to Haldimand Shores prospective customers. Enbridge Gas assessed the viability of Integrated Resource Planning (IRP) alternatives to providing built capacity to deliver gas. IRP alternatives were not considered on the basis that this Project falls under the definition of community expansion projects, which are exempt by the OEB's approved IRP Framework which states that "...given the goal of the Ontario Government's Access to Natural Gas legislation to extend gas service to designated communities, the OEB will not require Enbridge Gas to develop an IRP Plan or consider alternatives to the infrastructure facilities to meet this need."¹⁵

Based on Enbridge Gas's evidence and responses to interrogatories about the alternatives to the Project, OEB staff submits that the Project is the best alternative to meet the stated need.

3.3 Project Cost and Economics

The total estimated cost for the Project is \$4,048,079. The itemized estimate of the Project costs is presented in the table below.¹⁶

¹³ Response to interrogatory I.STAFF.1 f)

¹⁴ The Project costs are discussed later in this submission.

¹⁵ EB-2020-0091, Decision and Order on Enbridge Gas Inc. Integrated Resource Framework Proposal, July 22, 2021, Appendix A. and page 48

¹⁶ Application and Evidence, Exhibit D, Tab 1, Schedule 1, page 1, Table 1: Estimated Project Costs

Table 1: Estimated Project Costs

| Item No. | Description | Project Estimate (\$) |
|----------|---|-----------------------|
| 1.0 | Material Cost | \$ 92,804 |
| 2.0 | Labour and Construction Cost | \$ 2,585,345 |
| 3.0 | External Costs (Geotechnical, Environmental, Surveying, External Engineering, Insurance) | <u>\$ 665,452</u> |
| 4.0 | Direct Capital Cost | \$ 3,343,601 |
| 5.0 | Contingency | \$ 671,525 |
| 6.0 | Interest During Construction | <u>\$ 33,583</u> |
| 7.0 | Total Project Costs | <u>\$ 4,048,709</u> |

The cost estimate includes a 20% contingency applied to all direct costs. Enbridge Gas noted that the contingency amount was calculated based on the risk profile and is consistent with contingency amounts for other Enbridge Gas community expansions projects.

Enbridge Gas noted that the \$4 million cost estimate is \$0.1 million higher than the estimate of \$3.9 million provided in the OEB's proceeding on Potential Projects for NGEP Funding.¹⁷ The NGEP funding provided for the Project, based on the original estimate, is \$2.8 million. The \$2.8 million of NGEP funding is treated similarly to a contribution in aid of construction. Therefore, the total capital cost of the Project, net of NGEP funding, is \$1.2 million. In addition to NGEP funding, Enbridge intends to charge a System Expansion Surcharge (SES) of \$0.23 / m³ to the customers attaching to the Project for a term of 40 years to assist with the economic feasibility of the Project.

The Profitability Index (PI) for the Project, inclusive of the NGEP funding and the SES charge, and using the most up-to-date estimated revenues and capital cost (\$4 million) for the Project, is 1.03. The original PI of the Project as filed in the OEB's proceeding on Potential Projects for NGEP Funding was 1.0.¹⁸ The primary driver of the higher estimated PI is lower forecasted property taxes and higher forecasted customer rates, partially offset by higher forecasted capital costs.

Enbridge Gas stated that, consistent with the OEB's findings in the Harmonized System Expansion Surcharge (SES) proceeding,¹⁹ after the Project is placed into service, Enbridge Gas will apply a 10-year Rate Stability Period (RSP) during which Enbridge Gas will bear

¹⁷ Application and Evidence, Exhibit D, Tab 1, Schedule 1, page 1

¹⁸ EB-2019-0255, Schedule NN2

¹⁹ EB-2020-0094, Decision and Order, November 5, 2020, pages 8-9

the risk of the Project customer attachment and capital expenditure forecast. Enbridge Gas noted that in its upcoming rebasing application, it will include the original forecasted customer additions and capital cost of the Project that underpinned the NGEP funding proposal. Enbridge Gas stated that, at the rebasing following the conclusion of the RSP, it will use actual revenues and actual capital costs of the Project for rate-setting purposes. Enbridge Gas also noted that the final actual PI for the project will be determined using actual information and will be communicated at the rebasing following the conclusion of the RSP.

OEB staff submits that the updated total cost of the Project is reasonable. OEB staff notes that the updated total cost of the Project is essentially unchanged from the proposal that underpinned the approved NGEP funding. OEB staff also notes that the contingency budget is aligned with the contingency budget for other similar community expansion projects. Finally, OEB staff notes that Project, with the inclusion of NGEP funding and revenues associated with SES charges, is economically feasible with a projected PI of 1.03, which is also essentially unchanged from the proposal that underpinned the approved NGEP funding.

OEB staff notes that in the Harmonized SES proceeding, the OEB stated the following:

The OEB finds that inclusion of the forecasted capital costs in rate base at the next rebasing before the end of the RSP is consistent with the Generic Decision's requirement for a Community Expansion Project and would achieve the desired goal that Enbridge Gas bear the risk of any capital cost overrun during the RSP. The OEB also finds that the treatment of actual capital costs at the time of rebasing following the rate stabilization period is appropriately the jurisdiction of the panel reviewing the rate rebasing case.²⁰

The OEB further noted:

The OEB confirms the requirement to continue to report on the capital costs, customer attachments and PI of SES projects that require a LTC at the first rebasing following the end of the ten-year RSP... This information will be vital to the panel deciding on the inclusion of actual costs in rate base after the RSP.²¹

As the updated costs of the Project, and the updated PI, are substantially unchanged from

²⁰ EB-2020-0094, Decision and Order, November 5, 2020, page 9

²¹ EB-2020-0094, Decision and Order, November 5, 2020, page 10

the original estimate that underpinned the NGEP funding. OEB staff submits that, after the Project is placed into service, Enbridge Gas should include the original forecasted customer additions and capital costs of the Project that underpinned the NGEP funding proposal in the upcoming 2024 rebasing application. This aligns with the OEB's findings in the Harmonized SES proceeding as set out above.

OEB staff also submits that, in the rebasing following the conclusion of the RSP, the actual costs and revenues of the Project (including the actual PI) should be presented to the OEB for consideration for inclusion in rates. OEB staff submits that, at that time, with the benefit of knowing the final actual costs and revenues (including the actual PI), the OEB can undertake a prudence review to determine the appropriate amount to be used with respect to the Project for rate-setting purposes.

3.4 Environmental Impacts

Enbridge Gas retained Stantec Consulting Ltd. (Stantec) to complete an Environmental Report: Haldimand Shores Community Expansion Project (ER).²² The ER assessed the existing bio-physical and socio-economic environment in the study area, the alternative routes, proposed the preferred route, conducted public consultation, conducted impacts assessment and proposed mitigation measures to minimize the impacts. The ER and the consultation process were conducted in accordance with the OEB's Environmental Guidelines for Location, Construction and Operation of Hydrocarbon Pipelines in Ontario (OEB Environmental Guidelines).

On January 14, 2022, Stantec distributed the ER to the Ontario Pipeline Coordinating Committee (OPCC) for review and comments. The evidence includes a correspondence and tracking of communication with the OPCC up to March 11, 2022.

The Northumberland Land Trust raised concerns related to the pipeline route, specifically that the pipeline was located along the east side of Station Road, next to a nature reserve. In response to the concern Enbridge Gas adjusted the Project route to allow for a greater distance from the nature reserve.

Enbridge Gas noted that construction of the Project will be conducted in accordance with Enbridge Gas's Construction and Maintenance Manual and the recommendations in the ER. Prior to construction Enbridge Gas will develop an Environmental Protection Plan (EPP) to specify for implementation mitigation measures recommended in the ER and

²² Application and Evidence, Exhibit E, Tab 1, Schedule1, Attachment 1

mitigation measures during consultation. The EPP will incorporate the mitigation measures identified in the ER and comments received in the consultation with the OPCC and regulatory agencies. The EPP will be communicated to the construction contractor prior to the commencement of construction of the Project.

Enbridge Gas noted that a Cultural Heritage Assessment was undertaken by Stantec for the Project the that the Cultural Heritage Assessment Report (CHAR) will be submitted to the Ministry of Heritage, Sport, Tourism and Culture Industries (MHSTCI) for approval in Summer 2022.

A Stage 1 Archaeological Assessment (AA) was completed by Stantec on November 24, 2021, and was submitted to the MHSTCI for review on January 28, 2022. The MHSTCI found that the Stage 1 AA complied to the MHSTCI standards and the assessment was entered on to the Ontario Public Register of Archaeological Reports on February 24, 2022. As the next requirement a Stage 2 AA would be completed by Stantec in Spring 2022 and submitted to the MHSTCI for review in the Summer of 2022.

Enbridge Gas identified approvals, permits and easements that it requires related to crossings, location, and construction of the Project. Enbridge Gas stated that all the permits and agreements required for the Project would be acquired prior to the commencement of construction. Enbridge Gas stated that it did not anticipate any delays in processing the permits and approvals. Enbridge Gas, in response to interrogatories²³, provided a table outlining the status and expected timing for receiving all permits and approvals.

²³ Response to I.STAFF.6

| PERMIT/AUTHORIZATION REQUIRED | PURPOSE | STATUS |
|----------------------------------|---|---|
| MHSTCI | An AA (i.e., a Stage 1 and 2 AA along the right-of-way (RoW)) to identify areas of archaeological potential is required prior to any ground disturbance and/or site alteration. The completed AA reports are forwarded to the MHSTCI for review. A Cultural Heritage Report is required to be submitted to the MHSTCI for the Project. | The MHSTCI confirmed the Stage 1 AA had been entered into the Register of Archaeological Reports on February 24, 2022. The Stage 2 AA will be completed in June 2022 and will be submitted to MHSTCI for review and inclusion in the Ontario Public Register of Archaeological Reports in July 2022. A Cultural Heritage Report Existing Conditions and Preliminary Impact Assessment (CHRECPIA) is being prepared and will be completed in July 2022 and submitted to the MHSTCI for review. |
| Lower Trent Conservation | A permit under Ontario Regulation (O. Reg) 163/06 (Regulation of Development, Interference with Wetlands and Alterations to Shorelines and Watercourses), is required from the Lower Trent Conservation Authority. | The Permit P-22-008 was received on February 10, 2022. |
| Township of Alnwick/Haldimand | Municipal consent is required from the Township of Alnwick/Haldimand for Enbridge Gas to occupy right of way and install new infrastructure. | Enbridge Gas is planning to apply to the Municipality for this permit in August 2022. |
| Railway Permits (CP & CN) | Permits are required for rail crossings. | Enbridge Gas has applied for these permits. Permits are anticipated by September 2022. |

OEB staff expects Enbridge Gas to provide in its reply submission any updates on the status and prospects of obtaining the above noted permits and approvals.

OEB staff submits that Enbridge Gas has completed the ER in accordance with the OEB Environmental Guidelines. OEB staff has no concerns with the environmental aspects of the Project, given that Enbridge Gas is committed to implementing the mitigation measures set out in the ER and to completing the EPP prior to the start of construction. OEB staff notes that the Standard Conditions of Approval for leave to construct require Enbridge Gas to obtain all necessary approvals, permits, licences, and certificates needed to construct, operate and maintain the proposed Project and ensure that the environmental impacts of the Project are addressed, mitigated and monitored.

3.5 Landowner Agreements

The pipelines that are part of the Project are mainly located in the road allowance. The only permanent easement required for the Project has been obtained from the property owner between Nawautin Drive and North Shore Road.

Enbridge Gas noted that temporary working areas may be required along the pipeline segments where the road allowance does not provide sufficient space for construction.

Enbridge Gas filed a form of permanent easement²⁴ (rights already obtained) and a form of temporary land use agreement ²⁵. Both forms were approved by the OEB in a previous proceeding, Enbridge Gas's Greenstone Pipeline Project.²⁶

Enbridge Gas stated that if there are working areas that are of an insufficient size and temporary land use agreements are required, these areas would be identified "...with the assistance of the contractor that will perform the construction."²⁷ Enbridge Gas also stated that it would acquire any temporary easement rights required for the Project prior to construction start.²⁸

OEB staff submits that the OEB should approve the proposed forms of permanent easement and temporary land use agreement as both were previously approved by the OEB.

3.6 Indigenous Consultation

In accordance with the OEB's Environmental Guidelines, on August 27, 2021 Enbridge Gas contacted the Ministry of Energy (MOE) in respect to the Crown's duty to consult related to the Project. The MOE by way of a letter delegated the procedural aspects of the Crown's duty to consult for the Project to Enbridge Gas on October 20, 2021 (Delegation Letter). In the Delegation Letter the MOE identified the following Indigenous

²⁴ Application and Evidence, Exhibit F, Tab 1, Schedule 1, Attachment 2

²⁵ Application and Evidence, Exhibit F, Tab 1, Schedule 1, Attachment 1

²⁶ EB-2021-0205

²⁷ Application and Evidence, Exhibit F, Tab 1, Schedule 1, page 1, paragraph 3

²⁸ Application and Evidence, Exhibit F, Tab 1, Schedule 1, page 2, paragraph 6

communities that Enbridge Gas should consult with respect to the Project:

- Alderville First Nation
- Beausoleil First Nation
- Curve Lake First Nation
- Chippewas of Georgina Island
- Chippewas of Rama First Nation
- Hiawatha First Nation
- Huron-Wendat Nation
- Kawartha Nishnawbe
- Mississaugas of Scugog Island
- Mohawks of the Bay of Quinte

Direct notice of this proceeding was provided to all of these Indigenous communities, as well as the Métis Nation of Ontario. None of them sought to intervene in the proceeding.

As required by the MOE's Indigenous consultation protocol and the OEB Environmental Guidelines, Enbridge Gas prepared the Indigenous Consultation Report (ICR) describing and documenting the Indigenous consultation it has been conducting. The ICR is part of Enbridge Gas's evidence in support of the Project. In response to interrogatories²⁹, Enbridge Gas updated the logs on Indigenous consultation activities since the date of filing the ICR (March 11, 2022). Enbridge Gas's responses to these comments. The updates included records of communication between the MOE and Enbridge Gas.

OEB staff notes that Curve Lake First Nation and Mississaugas of Scugog Island submitted numerous comments on the ER and that Enbridge Gas responded to these comments. Enbridge Gas indicated that engagement and communication with the Indigenous communities that have been consulted is ongoing. Enbridge Gas indicated that there are no outstanding issues related to comments by Curve Lake First Nation except for the ongoing Traditional Land Use Study that Enbridge Gas agreed to conduct for the Project. Enbridge Gas stated that there are no outstanding issues related to that there are no outstanding issues related to the project. Enbridge Gas stated that there are no outstanding issues related to comments by Mississaugas of Scugog Island First Nation on the ER. OEB staff notes that, based on the evidence provided, there seem to be no outstanding concerns raised by consulted communities.

As of this date, Enbridge Gas has not yet filed a letter expressing the MOE's opinion on the

²⁹ Response to interrogatory I.STAFF.7 a) b) c)

adequacy of the Indigenous consultation for the Project (Letter of Opinion).³⁰

OEB staff expects that Enbridge Gas will provide an update regarding the potential timing of receiving the Letter of Opinion in its reply submission.

OEB staff submits that Enbridge Gas appears to have made efforts to engage with affected Indigenous groups and no concerns that could materially affect the Project have been raised through its consultation to date. OEB staff observes that Enbridge Gas appears to be cooperating with the Indigenous communities during the consultation process and that it made certain commitments to the Indigenous communities related to the Project. OEB staff is not aware of any potential adverse impacts of the Project to any Aboriginal or treaty rights.

If the OEB determines that it is appropriate to grant Leave to Construct for the Project, OEB staff submits that the OEB should wait to receive the Letter of Opinion from the MOE before providing its final approval to grant Leave to Construct for the Project. If the Letter of Opinion is not filed prior to record close, the OEB can place the proceeding in abeyance until such time that the letter is filed. OEB staff notes that, assuming no further extended delays, this approach will not put the commencement date of the project at risk. Enbridge Gas stated that it requires a decision on this Leave to Construct application in August 2022, with construction scheduled to commence in September 2022.

OEB staff notes that, to the extent that the Letter of Opinion may identify outstanding issues, the OEB could elect to make provision for additional procedural steps to address these issues.

3.7 Conditions of Approval

Section 23 of the OEB Act permits the OEB, when making an order, to impose such conditions as it considers appropriate.

Enbridge Gas stated in its application that it did not identify "...any additional or revised conditions..." to the OEB's Standard Conditions of Approval for leave to construct applications attached as Schedule A to this submission.³¹

³⁰ This letter is also referred to as a Sufficiency Letter.

³¹ The link to the OEB Standard Conditions for section 90 applications was also provided in the notice of application together with the Standard Issues List for section 90 applications.

3.8 Conclusion

OEB staff submits that the OEB should approve the Project subject to the Conditions of Approval attached as Schedule A to this submission.

All of which is respectfully submitted.

Schedule A

Conditions of Approval

EB-2022-0088

June 22, 2022

Leave to Construct Application under Section 90 of the OEB Act

Enbridge Gas Inc. EB-2022-0088

Conditions of Approval

- 1. Enbridge Gas Inc. shall construct the facilities and restore the land in accordance with the OEB's Decision and Order in EB-2022-0088 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 Inc. shall give the OEB notice in writing:
 - i. of the commencement of construction, at least 10 days prior to the date construction commences
 - 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 Inc. shall obtain all necessary approvals, permits, licences, certificates, agreements and rights required to construct, operate and maintain the Project.
- 4. Enbridge Gas Inc. 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 Inc. shall advise the OEB of any proposed change to OEB-approved construction or restoration procedures. Except in an emergency, Enbridge Gas Inc. 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 8(b), Enbridge Gas Inc. 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 Inc. 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 Inc. proposes to

start collecting revenues associated with the Project, whichever is earlier.

- 7. Both during and after construction, Enbridge Gas Inc. 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 Inc. 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 Inc., 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 Inc. adherence to Condition 3
 - 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 Inc., 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 Inc. shall designate one of their 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.