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Enbridge Gas Inc.
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VIA EMAIL and RESS

July 19, 2022

Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, Ontario, M4P 1E4

Dear Nancy Marconi:

**Re: Enbridge Gas Inc. (“Enbridge Gas”)
Ontario Energy Board (“OEB”) File No. EB-2022-0155
Crowland Test Well Drilling Project – OEB Staff Questions**

In accordance with the Case Information Letter issued by the OEB on June 30, 2022, enclosed please find the responses to OEB Staff questions for the above noted proceeding.

If you have any questions, please contact the undersigned.

Sincerely,

(Original Digitally Signed)

Brittany Zimmer
Sr. Advisor, Leave to Construct Applications

ENBRIDGE GAS INC.

Answer to Interrogatory from
OEB Staff ("STAFF")

INTERROGATORY

Reference:

- (i) Exhibit B, Tab 1, Schedule 1, page 2
- (ii) Exhibit D, Tab 1, Schedule 1, page 3

Preamble:

Enbridge Gas stated that it is proposing to drill a stratigraphic test well (EC 1) in the Crowland Storage Pool (Project) for the purpose of coring and installing instrumentation to characterize the rock properties of the storage zone and the geological formations above and below the storage zone.

Enbridge Gas stated that the drilling of EC 1 is the first phase of its Crowland Wells Upgrade project and that the results of the drilling and testing of the core from EC 1 will provide data needed to finalize the next phase of the project. Enbridge Gas stated that the purpose of the Crowland Wells Upgrade project is to assess and respond to potential integrity concerns.

The proposed construction of the Project is planned to commence as early as September 2022 and the Project is proposed to be fully placed in service by December 1, 2022. Enbridge Gas stated that if EC 1 cannot be drilled prior to November 2022, the work will have to be deferred until 2023.

Question:

- a) Please explain why it is necessary for Enbridge Gas to drill EC 1 by the end of this year.
- b) Please comment on the implications for the Crowland Wells Upgrade project in the event that the drilling of EC 1 is deferred until 2023.
- c) What is Enbridge Gas's proposed function for EC 1 after the collection of data required to finalize the next phase of the Crowland Wells Upgrade project is complete?

Response

- a) Project construction must be conducted when the reef pressure in the storage pool is suitably low, which will occur between mid-September and November 2022, when there will be no injection or withdrawal operations in the Crowland Storage Pool. The proposed timing of the drilling operations will ensure that there are no disruptions to service from the Crowland Pool.

The Project is the first phase of the Crowland Wells Upgrade project and will provide the data needed to finalize and complete the next phases of the Crowland Wells Upgrade project in 2023 and 2024.

- b) The second phase of the Crowland Wells Upgrade project would potentially be deferred to 2024 and 2025. The information gathered from the Project is necessary to finalize the next phases of the Crowland Wells Upgrade project. The data collected from the Project is fundamental to assessing the potential integrity concerns associated with the existing Crowland Pool storage wells. The information will inform Enbridge Gas's final decisions regarding the abandonment and upgrading of the existing Crowland wells and the necessity to drill new injection/withdrawal and observation wells.
- c) Depending upon the test results, the well will be converted into an observation well or an injection/withdrawal well.

ENBRIDGE GAS INC.

Answer to Interrogatory from
OEB Staff ("STAFF")

INTERROGATORY

Reference:

- (i) Exhibit E, Tab 1, Schedule 1, page 1

Preamble:

Enbridge Gas stated that the total projected cost for drilling the well is \$2.26 million. Enbridge Gas stated 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 in rate base, as the Project solely benefits Enbridge Gas's regulated storage business.

Question:

- a) Please explain why Enbridge Gas believes that the Project solely benefits its regulated storage business.

Response

- a) The purpose of the Project is to provide information necessary to assess and respond to potential integrity concerns associated with the existing Crowland Storage Pool. The Crowland Storage Pool is owned entirely by Enbridge Gas's regulated storage business and the Project will not result in increased deliverability or capacity.

ENBRIDGE GAS INC.

Answer to Interrogatory from
OEB Staff ("STAFF")

INTERROGATORY

Reference:

- (i) Exhibit F, Tab 1, Schedule 1, page 3
- (ii) Exhibit F, Tab 1, Schedule 1, Attachment 2, page 2, updated
- (iii) Exhibit G, Tab 1, Schedule 1, page 2

Preamble:

Enbridge Gas stated that a Stage 1 Archaeological Assessment (AA) for the proposed area was completed and concluded that a Stage 2 AA is required. Enbridge Gas submitted the Stage 1 AA report to the Ministry of Tourism, Culture and Sport (MTCS) and received the Stage 1 AA clearance letter from the MTCS on April 8, 2022.

Enbridge Gas also received a comment from the MTCS as part of the Ontario Pipeline Coordinating Committee (OPCC) review of the Environmental Report for the Project. MTCS stated that the Environmental Report for the Project should provide a commitment to complete the Stage 2 AA as early as possible prior to any ground disturbing activities and recommended that the mitigation and protective measures should be more specific about what archaeological assessments may be required.

At reference (iii), Enbridge Gas stated that it anticipates receiving the Stage 2 AA clearance letter and Cultural Heritage Assessment Report acceptance letter from the MTCS by September 2022.

Question:

- a) Please provide an update on the status of the Stage 2 AA work including confirmation on whether:
 - i. Enbridge Gas has completed the Stage 2 AA survey. If not, please provide an update on when Enbridge Gas expects to complete the survey.
 - ii. Enbridge Gas has submitted the Stage 2 AA report to the MTCS. If not, please provide an update on when Enbridge Gas expects to submit the report.

Response

- a)
- i. Enbridge Gas has not completed the Stage 2 AA. The Stage 2 AA work is anticipated to be complete in July/August of 2022.
 - ii. A Stage 2 AA Report is anticipated to be submitted to the MHSTCI within 3 weeks of the completion of the Stage 2 AA work.

ENBRIDGE GAS INC.

Answer to Interrogatory from
OEB Staff ("STAFF")

INTERROGATORY

Reference:

- (i) Exhibit F, Tab 1, Schedule 1, Attachment 1, page 10
- (ii) Exhibit G, Tab 1, Schedule 1, page 1

Preamble:

At reference (ii), Enbridge Gas noted that the construction of the following features are required for the Project:

- Temporary work space area for a gravel pad approximately 90 m x 90 m with a silt fence around the perimeter, which will be reduced to approximately 10 m x 6 m once the drilling of well EC 1 is complete.
- A 6 m wide x 16 m long permanent gravel lane will be constructed off of an existing gravel lane in order to allow access to the new well site.

At reference (i) in the Environmental Report, it is noted that upon completion of drilling activities, a 8 m x 8 m gravel pad will remain in place.

Question:

- a) Please confirm the dimension of the proposed gravel pad that will remain in place upon completion of drilling activities.

Response

- a) The proposed gravel pad that will remain in place upon completion of drilling activities will be approximately 10 m x 6 m.

ENBRIDGE GAS INC.

Answer to Interrogatory from
OEB Staff ("STAFF")

INTERROGATORY

Reference:

- (i) Exhibit F, Tab 1, Schedule 1, Attachment 1, page 15
- (ii) Exhibit G, Tab 1, Schedule 1, page 1, 3

Preamble:

Enbridge Gas owns the property on which the well will be drilled, and the lands are leased to a tenant farmer. Enbridge Gas stated that the tenant farmer has been notified of the Project and has not communicated concerns to date.

Enbridge Gas stated that it will provide notice of the application to the landowners in the Crowland designated storage area that are directly affected by the Project work. The Environmental Report also noted that letters were hand-delivered to landowners within 500 metres of the Project location on April 25, 2022.

The Environmental Report identifies the following as interested and potentially affected parties:

- Federal and provincial agencies and authorities
- Municipal personnel
- Landowners
- Special interest groups

Question:

- a) Please explain the form of communication used to notify the tenant farmer of the Project. If applicable, please provide any letters of comment or letters of support from the tenant farmer.
- b) Please confirm whether Enbridge Gas has provided notice of this application to all of the directly affected landowners specified at reference (ii). If applicable, please provide any letters of comment or letters of support from the landowners.

- c) Please indicate any other interested and potentially affected parties, in addition to those listed in the Environmental Report, identified by Enbridge Gas. Has Enbridge Gas notified or consulted any of these additional parties about the proposed Project? If so, please describe the form of notification, timing, and any comments received.

Response

- a) The tenant farmer was initially notified through a phone call with an Enbridge Gas representative. After the phone call, the representative sent a follow up e-mail to the tenant farmer including a drawing of the Project location including the drill pad location. No letters of support or comment have been received from the tenant farmer.
- b) Enbridge Gas is the only directly affected landowner for the Project. Please see Exhibit G, Tab 1, Schedule 1, Attachment 1.
- c) Aside from parties identified in the Environmental Report, Enbridge Gas provided notice to all directly or indirectly affected landowners for the Project. Directly and indirectly affected landowners are listed at Exhibit G, Tab 1, Schedule 1, Attachment 1.

No additional interested or affected parties have been identified and no comments have been received to date.

ENBRIDGE GAS INC.

Answer to Interrogatory from
OEB Staff ("STAFF")

INTERROGATORY

Reference:

- (i) Exhibit F, Tab 1, Schedule 1, Attachment 2, page 2, updated

Preamble:

Enbridge Gas received a comment from the Niagara Peninsula Conservation Authority (NPCA) as part of the Ontario Pipeline Coordinating Committee (OPCC) review of the Environmental Report for the Project.

NPCA staff requested that Enbridge Gas:

- Provide a single season botanical inventory and ELC mapping and note that any proposed changes to evaluated wetland boundaries are subject to review and approval by the Ministry of Natural Resources and Forestry (MNRF)
- Provide a figure clearly demonstrating the areas requiring vegetation removal and to include a restoration plan detailing how disturbed areas will be restored following the removal of the temporary drill pad

NPCA staff also recommended that amphibian and reptile exclusion fencing be explored as a mitigation to prevent herpetofauna from entering construction areas.

Question:

- a) Please provide an update on the status of Enbridge Gas's response to NPCA's comments.
- b) If possible, provide a response to each of NPCA's comments and indicate the estimated timing to complete each of NPCA's requests and recommendations.

Response

- a) As the Project footprint is within the regulated boundary of the NPCA, Enbridge Gas will prepare a permit application to be submitted to the NPCA under Ontario

Regulation 155/06 by the end of July 2022. The permit application will address the NPCA comments.

- b) Natural heritage surveys for the Project location are complete. The details of the survey as well as responses to the remaining NPCA comments will be provided in the permit application to the NPCA under Ontario Regulation 155/06 by the end of July 2022.

ENBRIDGE GAS INC.

Answer to Interrogatory from
OEB Staff ("STAFF")

INTERROGATORY

Reference:

- (i) Exhibit A, Tab 2, Schedule 1, page 1

Preamble:

Pursuant to section 40(1) of the OEB Act, Enbridge Gas seeks a favourable report from the OEB to the MNRF for a licence to drill a stratigraphic test well in the Crowland Storage Pool. The OEB may also recommend certain conditions of licence with any favourable report issued to the MNRF for a well drilling licence.

Question:

- a) Please comment on the draft conditions of licence proposed by OEB staff below. These are similar to those approved by the OEB in prior requests to the OEB for favourable reports to the MNRF on well drilling licence applications.

If Enbridge Gas does not agree with any of the draft conditions of approval, please identify the specific condition(s) 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-2022-0155
PROPOSED CONDITIONS OF LICENCE**

1. Enbridge Gas Inc. (Enbridge Gas) shall rely on the evidence filed with the OEB in the EB-2022-0155 proceeding and comply with applicable laws, regulations and codes pertaining to the construction of the proposed well.
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. Enbridge Gas shall develop a Project-specific Spill Response Plan prior to the start of well drilling operations and following the installation of the Project facilities, the location of the facilities will be added to Enbridge Gas's Emergency Response Plan.
6. Prior to commencement of construction of the proposed well, Enbridge Gas shall obtain all necessary approvals, permits, licences, certificates, agreements and rights required to construct, operate and maintain the proposed well.
7. 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.
8. 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.
9. 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.

10. 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.

 - a) For the purposes of these conditions, Enbridge Gas shall conform with:
 - a) CSA Z341.1-22 "Storage of Hydrocarbons in Underground Formations" to the satisfaction of the Ministry of 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.

- b) 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.

Response

- a) Enbridge Gas has no concerns with the conditions of licence proposed by OEB staff at this time.