

October 11, 2022

VIA EMAIL

Theodore Antonopolous Ontario Energy Board 2300 Yonge Street, 27th Floor Toronto, ON M4P 1E4

Dear Mr. Antonopolous:

Re: Enbridge Gas Inc. ("Enbridge Gas" or the "Company")
St. Laurent Pipeline System Integrity Inspection & Remediation

The purpose of this correspondence is to inform the Ontario Energy Board ("OEB") of an urgent integrity concern identified within the Company's St. Laurent pipeline system in the City of Ottawa and Enbridge Gas's plans to remediate. Given the nature of the works planned (like-for-like pipeline replacement and relocation), the location of the integrity feature, and the imminent need to remediate the segment of pipeline, Enbridge Gas intends to proceed immediately with emergency repairs as described in greater detail below.

Background

On March 2, 2021, Enbridge Gas filed an application under section 90 of the OEB Act seeking an order of the OEB granting leave to construct approximately 19.8 kilometers of natural gas pipeline and associated facilities in the City of Ottawa replacing a portion of the St. Laurent pipeline system (EB-2020-0293),¹ including the segment that is the subject of this letter. The St. Laurent pipeline system is a critical part of the natural gas distribution system serving the cities of Ottawa and Gatineau, Québec, supplying approximately 165,000 customers (residential, commercial, industrial, and institutional).

On May 3, 2022, the OEB issued its Decision and Order on Enbridge Gas's application, denying the relief sought, in-part on the basis that, in its view, the Company had not demonstrated that the risk associated with the subject pipelines warranted replacement at that time. In its Decision and Order, the OEB:²

...suggests that Enbridge Gas take a proactive approach to inspecting and maintaining the subject pipeline until it can be demonstrated that pipeline replacement is necessary. This may include development and implementation of an in-line inspection and maintenance program using available modern technology...

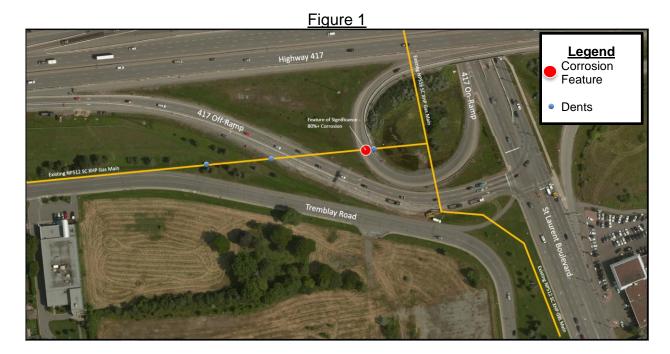
¹ This project represented phases 3 and 4 of a 4-phased initiative to replace distribution pipeline facilities in the City of Ottawa. The Company's application for leave to construct phases 1 and 2 having been previously reviewed and approved by the OEB (EB-2019-0006).

² EB-2020-0293, OEB Decision and Order (May 3, 2022), p. 15.

In June 2022, Enbridge Gas started a targeted integrity program ("Program") for the St. Laurent pipeline system to gather additional information regarding its physical condition. The Program encompasses several integrity and operations-related activities, including leak surveys, odourant surveys, corrosion surveys, excavations, non-destructive examination, and in-line robotic inspections.

Significant Corrosion Feature Identified

Based on data from its in-line robotic inspection completed in September 2022, Enbridge Gas identified an integrity feature that represents a material safety concern. The feature is located on the NPS 12 East/West pipeline where that pipeline passes beneath the King's Highway 417 (a busy public highway) on-ramp from St. Laurent Boulevard, adjacent to Tremblay Road. The in-line robotic inspection tool identified a series of four safety features located in close proximity to each other (see Figure 1 below for the approximate locations of the four features). The most concerning is an estimated 80% or deeper metal loss feature that must be repaired immediately in order to ensure continued safe and reliable delivery of natural gas to customers (the "Corrosion Feature"). Please note that the robotic inspection tool is limited in its ability to quantify metal loss beyond 80%. In other words, it is possible that the Corrosion Feature could reflect metal loss much greater than 80%.



Emergency Operating Centre ("EOC") and Planned Emergency Repair

Immediately following the identification of the Corrosion Feature, Enbridge Gas initiated an EOC, which is typically used to respond to emergency incidents, and determine the associated safety risks, including how best to remediate. Given the current physical condition of the existing pipeline segment in question, the critical location of the Corrosion Feature identified, and absent any remediation, should a leak occur Enbridge Gas would be forced to isolate the affected NPS 12 East/West pipeline along Tremblay Road which directly distributes natural gas to the Department of Public Works Canada, and RCMP headquarters and is also a major source of supply for thousands of customers in downtown Ottawa. If such an outage occurred during peak winter conditions, more than 10,000 customers could be without natural gas service for days while the Company completes pipeline repairs, re-energizes the system, and makes safe/re-lights customers' appliances.

Further, Enbridge Gas is aware of several (some confirmed to be corrosion-related) pipeline leaks/ruptures having occurred under or adjacent to North American roadways that have caused system outages, significant damage to property, and in some instances loss of life:

- March 16, 2022 An NPS 18-inch natural gas transmission pipeline running adjacent to highway US 23 in Fenton Township, Michigan ruptured sending debris onto the roadway and forcing emergency responders to shut down a 2.5mile portion of the highway in both directions.³
- December 25, 2020 An NPS 12-inch natural gas main under a rural highway in eastern Pennsylvania ruptured. The force of the rupture overturned a vehicle travelling on the road carrying 4 passengers. 1 of the passengers, a 33-year-old woman was killed.⁴
- September 24, 2020 An NPS 18-inch natural gas main running adjacent to the Florida Turnpike in Palm Beach County, Florida ruptured forcing emergency responders to shut down the highway and intersecting roads.⁵
- August 20, 2000 An NPS 30-inch natural gas transmission pipeline exploded underground leaving a crater 20 feet deep and killing twelve family members camping 200-300 yards away from the site beneath a bridge.⁶

Considering the potential extent of the metal loss identified and consequences of a system failure/outage, the EOC members have developed an Emergency Response Plan and propose to replace the affected segment of pipeline (like-for-like) by installing a new 270-meter NPS 12 segment of pipeline along Tremblay Road within City of Ottawa road allowance and to abandon the existing damaged and degraded pipeline segment located under King's Highway 417 ramps in place (the "Emergency Repair").

³ <u>https://www.fox2detroit.com/news/portion-of-us-23-closed-in-livingston-county-following-reports-of-gas-line-explosion</u>

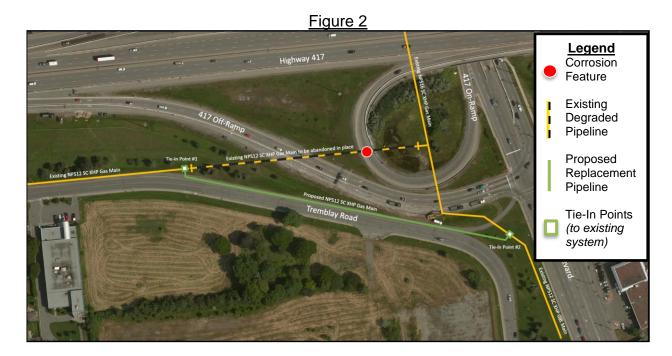
⁴ https://www.poconorecord.com/story/news/local/2020/12/31/woman-idd-fatal-gas-line-leak-under-roadway/4102051001/

https://www.tnonline.com/20201229/officials-apparent-gas-main-rupture-overturns-car-1-dead/

⁵ https://cbs12.com/news/local/fire-near-turnpike-closes-all-southbound-lanes-at-lake-worth-road

⁶ NTSB Finds 'Severe Corrosion' of Pipe Involved in Fatal El Paso Blast - Natural Gas Intelligence

The cost of the Emergency Repair is currently estimated to be \$3.479 million.⁷ The approximate tie-in locations and route of the proposed replacement pipeline segment are set out in Figure 2 below.



It is important to note that the proposed Emergency Repair will not require interruption of existing customers served by the St. Laurent pipeline system. Further, Enbridge Gas is working closely with the City of Ottawa, the Ministry of Transportation ("MTO") and other relevant agencies to acquire all required permits and to put a traffic plan in place that ensures access to homes and businesses is maintained.

Depending upon its ability to commence construction of the Emergency Repair immediately, Enbridge Gas expects to have completed the majority of the proposed construction works ahead of the Winter 2022/2023 heating season, as soon as mid-November 2022 and not later than the end of this calendar year.

In summary, Enbridge Gas intends to proceed with execution of its Emergency Response Plan immediately, including replacement/relocation of the affected pipeline as the proposed Emergency Repair is:

- (i) required immediately to ensure the continued safe and reliable operation of the St. Laurent pipeline system ahead of the commencement of the 2022/2023 Winter heating season.
- (ii) A like-for-like replacement/relocation of the existing pipeline (NPS 12).

⁷ This represents a Class 4 cost estimate based on the Company's preliminary assessment and includes 20% contingency.

(iii) Located entirely within municipal road allowance (which is regularly maintained), not requiring acquisition of any additional lands.

Accordingly, Enbridge Gas is seeking emergency repair authorization from the City of Ottawa and permits from the MTO on an emergency basis. Both organizations are supportive of Enbridge Gas's planned Emergency Repair works.

Enbridge Gas is relying upon section 90(2) of the *Ontario Energy Board Act, 1998*, to carry out its Emergency Repair. Enbridge Gas will keep OEB staff informed of its progress completing the above noted construction works as they proceed, and upon Project completion will advise the OEB accordingly via letter.

Please contact the undersigned if you have any questions or concerns.

Yours truly,

Jim Sanders

Senior Vice President, Operations – Gas Distribution and Storage