



DECISION AND ORDER

EB-2022-0086

ENBRIDGE GAS INC.

Application for leave to construct natural gas pipeline and ancillary facilities in the Township of Dawn-Euphemia and St. Clair Township

BEFORE: Patrick Moran
Presiding Commissioner

Robert Dodds
Commissioner

David Sword
Commissioner

November 3, 2022



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1 OVERVIEW

Enbridge Gas Inc. (Enbridge Gas) has applied for leave to construct:

- Approximately 20 kilometres of 36-inch diameter natural gas pipeline from its Dawn Operations Centre in the Township of Dawn-Euphemia to its Corunna Compressor Station in St. Clair Township, and
- Station work to tie in the new pipeline at the Dawn Operations Centre and the Corunna Compressor Station,

to replace the equivalent capacity of seven compressors at the Corunna Compressor Station that Enbridge Gas proposes to retire and abandon (the Project).

Enbridge Gas also applied for approval of the forms of easement agreement and temporary land use agreements to be offered to landowners for the routing and construction of the proposed pipeline.

The OEB finds that the Project is in the public interest pursuant to section 96(1) of the OEB Act and grants Enbridge Gas leave to construct the Project subject to the Conditions of Approval set out in this decision. The OEB also finds that Enbridge Gas did not seek to establish that the Project is for the benefit of ratepayers in the context of its integrated storage system and that the ability to include the proposed assets in rate base is a matter that Enbridge Gas may pursue in its 2024 rebasing proceeding.

The OEB finds that the Crown's duty to consult has been adequately discharged.

The OEB also approves the forms of landowner agreements as updated in a letter to the OEB dated October 20, 2022.

2 PROCESS

A Notice of Hearing was issued on April 12, 2022. The following parties applied for intervenors status:

- Canadian Association of Energy and Pipeline Landowner Associations and its subcommittee, the Dawn Corunna Landowner Committee (CAEPLA-DCLC)
- Canadian Manufacturers & Exporters (CME)
- Chippewas of Kettle and Stony Point First Nation and Southwind Corporate Development Inc. (CKSPFN)¹
- Energy Probe Research Foundation (Energy Probe)
- Environmental Defence
- Federation of Rental-housing Providers of Ontario (FRPO)
- Ontario Federation of Agriculture (OFA)
- Pollution Probe
- School Energy Coalition (SEC)
- TransCanada PipeLines Limited (TCPL)

All parties that applied for intervenor status were granted intervenor status. CAEPLA-DCLC, CME, CKSPFN, Energy Probe, Environmental Defence, FRPO, Pollution Probe, and SEC were found to be eligible to apply for an award of costs.

On May 24, 2022, the OEB issued Procedural Order No. 1 which, among other things, set a deadline for the filing of interrogatories by OEB staff and intervenors and interrogatory responses by Enbridge Gas.

On July 12, 2022, the OEB issued Procedural Order No. 2 and Decision on Confidentiality. The OEB granted Enbridge Gas's request for confidential treatment for two of its interrogatory responses and set the schedule for further procedural steps.

¹ On July 21, 2022, CKSPFN filed a letter stating that Caldwell First Nation had joined with CKSPFN for the purposes of this proceeding and that their participation would continue under the name of Three Fires Group Inc. The OEB has maintained the name CKSPFN in those parts of this Decision and Order that relate to events that occurred and information that was filed prior to July 21, 2022.

On July 15, 2022, the OEB issued Procedural Order No. 3. The OEB requested that CAEPLA-DCLC provide more detailed information on the intervenor evidence it wished to file. The OEB also allowed other intervenors the opportunity to advise the OEB whether they wished to file intervenor evidence in this proceeding.

On July 20, 2022, CAEPLA-DCLC filed a letter with the OEB that provided information on the evidence it sought to file. No other intervenors expressed an interest in filing evidence.

On July 26, 2022, the OEB issued a Decision on Intervenor Evidence and Procedural Order No. 4. The OEB approved the filing of evidence by CAEPLA-DCLC and set the due date for the filing of that evidence.

On August 23, 2022, the OEB issued a letter in response to Enbridge Gas's request that the OEB order a formal settlement negotiation between Enbridge Gas and CAEPLA-DCLC. The OEB decided that an order for formal settlement negotiations was not required, given that negotiations appeared to be progressing. The OEB instructed Enbridge Gas and CAEPLA-DCLC to file a joint letter regarding the status of their negotiations.

On September 6, 2022, Enbridge Gas filed its argument-in-chief.

On September 15, 2022, Enbridge Gas filed a joint letter regarding the status of negotiations with CAEPLA-DCLC (September 15 Joint Letter).

On September 19, 2022, the OEB issued Procedural Order No. 5 in which it found that the September 15 Joint Letter did not comply with the information reporting requirements established in its letter of August 23, 2022. The OEB ordered Enbridge Gas and CAEPLA-DCLC to file a second joint letter and extended the due date for intervenor and OEB staff submissions.

On September 20, 2022, CAEPLA-DCLC filed a second joint letter that advised the OEB that settlement negotiations were ongoing, provided a summary table that listed the issues being negotiated, and indicated which issues have been settled.

On September 23, 2022, OEB staff and intervenors filed their submissions.

On September 26, 2022, CAEPLA-DCLC filed a letter that notified the OEB that CAEPLA-DCLC had reached a settlement in principle regarding CAEPLA-DCLC landowner issues.

On September 30, 2022, CAEPLA-DCLC filed a letter that notified the OEB that its membership had ratified the settlement in principle. In accordance with the settlement,

Enbridge Gas and CAEPLA-DCLC would file with the OEB in this proceeding copies of the agreed forms of Pipeline Easement, Temporary Land Use Agreement, and LOU.

On October 4, 2022, Enbridge Gas filed its written reply submission.

On October 20, 2022, in accordance with its settlement with CAEPLA-DCLC, Enbridge Gas filed with the OEB updated versions of the forms of Pipeline Easement Agreement, Temporary Land Use Agreement, and Letter of Understanding.

3 DECISION

The OEB's legislative authority with respect to applications seeking approval for the construction of hydrocarbon pipelines is set out in sections 90, 91 and 96(1) of the OEB Act. In order to grant an order for leave to construct, the OEB must be of the opinion that the construction of the proposed work is in the public interest. When determining whether a project is in the public interest, the OEB typically examines the following factors that comprise the OEB's standard [Section 90 and 91 Leave to Construct Issues List](#):

1. The need for the project
2. Project alternatives
3. Project cost and economics
4. Environmental impacts
5. Route map and form of landowner agreements
6. Indigenous consultation
7. Conditions of approval

This Decision and Order is structured to follow the OEB's standard issues list for hydrocarbon leave to construct applications.

3.1 Need for the Project

Enbridge Gas operates storage and transmission assets that include approximately 320 PJ of integrated underground natural gas storage at the Dawn Hub and throughout Ontario (199.4 PJ utility and 117.0 non-utility), as well as the Dawn Parkway System, which effectively connects the Dawn Hub to consuming markets in Ontario, Québec, the Maritimes and the U.S. Northeast.

The Dawn Hub is one of the largest natural gas market hubs in North America and consists of a combination of interconnecting natural gas pipelines and underground storage facilities. The Dawn Hub is an integrated storage system which includes the two main compression locations, the Dawn Operations Centre and the Corunna Compressor Station.

The Corunna Compressor Station currently uses eleven natural gas fueled reciprocating compressor units to transport natural gas to and from underground storage facilities via

the Dawn Operations Centre to transmission pipelines for eventual use in Enbridge Gas's downstream distribution networks. The compressor units follow the naming convention K701 through K711 based on their sequence of installation dating from 1964 to 1995 and are housed within three separate buildings.

Enbridge Gas submitted that there is a need to retire and abandon seven of its eleven reciprocating compressor units at the Corunna Compressor Station due to unacceptable reliability, obsolescence and safety concerns. Enbridge Gas submitted that the Corunna Compressor Station is critical to satisfying design day demand for the Enbridge Gas Distribution rate zone and that these concerns cannot be managed effectively or economically without the Project.

Enbridge Gas submitted that its concerns about reliability, obsolescence and safety have been informed and verified by rigorous technical studies and expert input, which include:

1. *Asset Health Review (AHR)*. A 2018 study that assessed the reliability of Corunna Compressor Station compressor units. The AHR was updated in 2021 and failure data was used as the inputs for the Reliability, Availability and Maintainability (RAM) Study.
2. *RAM Study*. A study that quantified the estimated mean shortfall due to compressor unit failure at the Corunna Compressor Station and the associated financial consequence and risk to Enbridge Gas and its customers.
3. *Corunna Compressor Station Site Wide Quantitative Risk Assessment (QRA)*. An assessment that evaluated the potential risk for workers due to accidental releases of hazardous materials, mainly natural gas, from loss of containment scenarios at the Corunna Compressor Station.
4. *Review of the Corunna Compressor Station Site Wide QRA*. An expert review and evaluation of the Corunna Compressor Station Site Wide QRA.

Enbridge Gas submitted that the technical studies demonstrate that the seven compressors to be abandoned are of a vintage that is no longer well supported by the manufacturer for replacement parts, the reliability of the compressors is in decline, and the density of the compressors within the Corunna Compressor Station complex poses safety risks to employees.

Enbridge Gas argued that unless action is taken, the obsolescence, reliability and safety issues will continue to escalate.

Positions of the Parties

With the exception of Energy Probe and Pollution Probe, no party disputed that there was a need to replace compressors at the Corunna Compressor Station at some point. However, CME, Energy Probe, Environmental Defense, FRPO, Pollution Probe, SEC and Three Fires Group submitted that the Project should be denied or at least its approval be deferred until after Enbridge Gas's 2024 rebasing proceeding.

Energy Probe submitted that the OEB should not approve the application because Enbridge Gas has not demonstrated the need for the Project or that the alternatives considered are inappropriate. In particular, the integrated storage operations of legacy Union Gas Limited and Enbridge Gas Distribution was not one of the alternatives considered. Energy Probe opined that it is possible that the use of Enbridge Gas's integrated storage operations could restore the lost capacity and deliverability for utility customers without the need to build the proposed pipeline. Energy Probe submitted that the proceeding should be adjourned to allow Enbridge Gas to file a study regarding the use of integrated storage operations to address the stated need.

Pollution Probe submitted that the OEB should not grant leave to construct for the Project in favour of the more prudent and economic alternative of monitoring, maintaining and replacing compressors, if required.

The submissions of CME, Environmental Defense, FRPO and SEC were generally aligned. None of these parties disputed the need to replace compressors at the Corunna Compressor Station. However, all agreed that it would be premature to approve the application at this time. Rather, these parties submitted that the application should be reviewed in light of evidence filed in Enbridge Gas's 2024 rebasing proceeding including an updated Utility System Plan, an updated Asset Management Plan, and an updated storage cost allocation study. These parties also noted that deferring the decision could also enable Enbridge Gas time to further review alternatives to the Project.

OEB staff submitted that the OEB should grant leave to construct for the Project as filed. OEB staff submitted that Enbridge Gas has established the need to address obsolescence, reliability and safety issues with compressors at the Corunna Compressor Station. Although OEB staff questioned the timing of the Project and noted that that the Project could potentially be deferred to the future, OEB staff submitted that the potential risks of deferment appear to be higher than the benefits. As such, OEB staff submitted that the OEB should approve the proposed timing of the Project.

In its reply, Enbridge Gas submitted that some parties incorrectly interpreted the results of the various technical studies, which lead to misconceptions about reliability trends and associated shortfalls in storage capabilities. Enbridge Gas emphasized that the need for the Project has been demonstrated and that the Project is the best alternative to address the issues of reliability, obsolescence and safety. Enbridge Gas submitted that although it has implemented short-term risk mitigants, they are insufficient strategies in the long term as they do not resolve the risks of obsolescence, reliability and safety and they introduce other unique challenges and risks over the longer term.

Both Pollution Probe and Energy Probe argued for an examination of alternatives to the Project by considering better usage and integration of the existing storage asset bases at both the Dawn Operations Centre and Corunna Compressor Station.

In response to supply alternatives and other options, Enbridge Gas argued that there were not any non-facility alternatives, alone or in concert with a combination of supply side options that would avoid the need for the Project at a reasonable cost.

Findings

The OEB finds that the Project is needed.

The majority of the intervenors did not dispute the need to replace the compressors at the Corunna Compressor Station. A question of timing was raised as evidence suggested that it was possible to delay the Project for a few years. In addition, IGUA asserted that Ontario's natural gas storage facilities are the core of the province's natural gas delivery system.

Given that general and very specific risks have been identified with respect to obsolescence, reliability and safety at the Corunna Compressor Station, the OEB finds the need to address this is now rather than to accept the risks associated with delaying the Project to a future date.

The OEB is of the view that the concerns raised by Pollution Probe and Energy Probe regarding the need for an examination of the overall integration of storage assets between the legacy storage of Enbridge Gas Distribution and Union Gas Limited is best addressed in the upcoming Enbridge Gas rebasing proceeding.

The rebasing proceeding will address the appropriate allocation of storage and storage related costs to each of the regulated business and the unregulated business and, if Enbridge Gas seeks to put the Project into rate base, the extent to which the recovery of the cost of the Project from ratepayers is appropriate. If Enbridge Gas chooses to proceed with the project prior to that determination, it will be at the shareholder's risk.

3.2 Project Alternatives

Enbridge Gas assessed various non-facility and facility related alternatives to maintain storage capacity and replace the attributes provided by the seven existing Corunna Compressor Station compressor units proposed to be retired and abandoned.

Non-facility Alternatives

Enbridge Gas stated that it applied the OEB-approved Integrated Resource Planning Binary Screening Criteria to the Project and determined that it is not possible to implement and resolve the identified system constraint within the timeframe required.² Enbridge Gas noted that the Integrated Resource Planning Framework states that if an identified system constraint/need must be met in under three years, an Integrated Resource Planning Plan could not likely be implemented and its ability to resolve the identified system constraint could not be verified in time.³ Therefore, Enbridge Gas concluded that an Integrated Resource Planning evaluation is not required in this case.

Enbridge Gas acknowledged that exceptions to this criterion could include consideration of supply-side Integrated Resource Planning alternatives and bridging or market-based alternatives where such Integrated Resource Planning alternatives could address a more imminent need. Enbridge Gas considered this exception to the timing criteria and evaluated several supply-side (and/or market-based) Integrated Resource Planning alternatives in combination with demand-side Integrated Resource Planning alternatives (i.e., Enhanced Targeted Energy Efficiency or ETEE) that could replace the equivalent storage capacity lost through the proposed retirement and abandonment of the existing seven compressor units at the Corunna Compressor Station.⁴ Enbridge Gas concluded that none of the non-facility alternatives, either alone or in combination with other facility and/or non-facility alternatives, are: (i) a suitable replacement for the Project, or (ii) reduce the proposed facilities needed to replace the storage capacity lost.

Facility Alternatives

In addition to the Project, the facilities alternatives that were considered included:

² EB-2020-0091, OEB Decision and Order, July 22, 2021, pages 47-49 and Appendix A. The Integrated Resource Planning Framework for Enbridge Gas establishes Binary Screening Criteria that allow the Company to determine whether or not any Integrated Resource Planning alternative could reasonably be expected to, efficiently and economically, resolve an identified system constraint/need.

³ Ibid., page 10

⁴ Ibid., page 35. As discussed in the Framework proceeding, the value of bridging or supply-side Integrated Resource Planning alternatives primarily comes from their successful combination with other non-facility or facility alternatives in the long-term.

1. Natural Gas Fired Compression
2. Electric Drive Motor Compression
3. Liquefied Natural Gas (LNG) Storage
4. Repair + Replace⁵

Enbridge Gas submitted that the Project is the lowest net present value (NPV) alternative that provides a like-for-like capacity replacement while increasing the overall reliability of the storage system. Table 1, below, provides a summary of the alternatives.

Table 1: Summary of Alternatives⁶

Alternative	Capacity (TJ/d)	Capital Cost (\$Million)	O&M Cost (\$Million)	Unitized Cost (\$Million/TJ/d)	NPV (\$Million)
Non-Facility Alternatives					
Commercial Alternative + ETEE + Reduced Facilities	680	191 ⁽¹⁾	3,936 – 3,967	6.13 – 6.18	N/A
Facility Alternatives					
Natural Gas Fired Compression	680	211	3.88/yr	0.31	(212)
Electric Motor Drive Compression	680	217	6.84/yr	0.32	(270)
EMD Compression with Update O&M	680	217	8.07/yr	0.32	(289)
NPS 36 Pipeline	680	206	2.99/yr	0.30	(200)
LNG Storage	680	541	2.62/yr	0.80	N/A
Repair Alternative					
Repair + Replace*	680	160	5.33/yr	0.24	(208)
Phased-in Facility Alternatives					
Repair + Replace + Taurus 70	680	321			N/A
Repair + Replace + Spartan e90 EMD	680	329			N/A
Repair + Replace + NPS 30	680	300			N/A

Enbridge Gas also evaluated the alternative scenario whereby the compression capacity at the Corunna Compressor Station is not replaced. Enbridge Gas filed a study by ICF Resources, LLC (ICF) that concludes that there would be impacts to natural gas prices at the Dawn Hub associated with this alternative. In part, this is because there is a forecast increase in the demand for both regulated and unregulated storage capacity.

⁵ This alternative would replace the capacity of units K701-K703 with an NPS 20 pipeline that follows the same running line and requires the same station modifications as the Project. Units K705-K708 would remain in service.

⁶ Exhibit I.SEC.13

The cost impact on natural gas prices if the capacity of the seven compressors at Corunna Compression Station is not replaced is an estimated average increase in annual natural gas prices at Dawn of \$0.013 per GJ.⁷

Positions of the Parties

Several parties questioned whether Enbridge Gas had adequately assessed alternatives to the project and opined that certain alternatives could be considered further.

Electric Compression as an Alternative

FRPO submitted that there is an opportunity for Enbridge Gas to install one initial electric compressor and remove only those Corunna Compressor Station compressors with the greatest risk. FRPO submitted that this approach could address some of the safety concerns by removing one compressor per building and would enable harvesting of parts to maintain the reliability of the remaining compressors. TFG also submitted that further consideration should be given to the possibility of electric compressors.

In its reply, Enbridge Gas submitted, among other things, that installing electric compression would be a more expensive option with concerns about reliability remaining. This would increase the risk of Enbridge Gas Distribution rate zone customers experiencing a material shortfall, especially under design day conditions.

Applicability of the Integrated Resource Planning Framework

Pollution Probe submitted that this project is not exempt from Integrated Resource Planning alternative consideration and that Enbridge Gas is out of compliance with the Integrated Resource Planning Framework. In Pollution Probe's view, there is no evidence to demonstrate that the Project has any urgency or importance in comparison to other projects being considered in Enbridge Gas's Asset Management Plan. Pollution Probe acknowledged that Enbridge Gas did perform a limited Integrated Resource Planning assessment, but Pollution Probe characterized the assessment as " cursory and shallow." Pollution Probe noted that the Project is proposed to serve the EGD rate zone that includes over 2.3 million residential, commercial and industrial customers spread across a vast service area. Pollution Probe opined that this scope alone provides significant opportunities to leverage demand side management and other Integrated Resource Planning alternatives to decrease customer demand beyond those considered by Enbridge Gas.

⁷ Exhibit C-1-1 Attachment 2, page 13

In its reply, Enbridge Gas reiterated its view that it is not possible to resolve the system constraint within the timeframe required using Integrated Resource Planning alternatives. As a result, further Integrated Resource Planning assessment is not applicable. Notwithstanding its view on this matter, Enbridge Gas did evaluate both supply-side and demand-side Integrated Resource Planning alternatives including market-based storage, delivered services, upstream pipeline capacity, and ETEE, which in its view were thorough, realistic, and thoughtful. In particular, Enbridge Gas's Delivered Supply + ETEE alternative assessment accounted for the procurement of a supply-side alternative in the short-term (from 2023-2027) to provide the time required for a broader ETEE program to be implemented and for Enbridge Gas to realize the requisite demand reductions from ETEE investment necessary to replace the Project.

Synergies from an Integrated Storage System

Energy Probe noted that Enbridge Gas has not undertaken a study to evaluate the synergy and integration opportunities of the storage operations at the Dawn Operations Centre and the Corunna Compressor Station.⁸ Energy Probe opined that it is possible that synergy and integration of the Dawn Operations Centre and Corunna Compressor Station could restore the capacity and deliverability required by utility customers at a lower cost. FRPO appears to agree with Energy Probe on this matter.

In its reply, Enbridge Gas reiterated⁹ that it analyzes its storage system on an integrated basis, but that the Dawn Operations Centre and Corunna Compressor Station storage systems are currently only connected at the Dawn Hub and the integration of the systems does not have any impact on the storage capacity of the individual storage pools. Furthermore, the pipeline and compression facilities are, for the most part, fully utilized. Enbridge Gas further reiterated that the current integrated storage system does not contain excess capacity that would facilitate the abandonment of existing compressor units without the construction of replacement facilities.¹⁰

Impact of Climate Plans on Demand

Environmental Defence submitted that it cannot determine whether a proper assessment of the potential impacts of federal climate plans and targets would change the project economics or the ranking of alternatives. A deferral of this project would give Enbridge Gas more time to do the work needed to answer this question. Environmental Defence noted that the Project is intended to be in service until the 2060s and beyond.

⁸ Exhibit I.FRPO.2

⁹ Exhibit I.FRPO.7

¹⁰ Technical Conference, Day 1 Transcript, page 12

Environmental Defence submitted that by 2050, when net-zero must be achieved, over \$84 million of the costs of the Project will remain undepreciated. Environmental Defence questioned who will bear the costs if the Project is no longer used and useful.

Pollution Probe submitted that Enbridge Gas is treating the proposed project as a like-for-like replacement and therefore has not provided any detailed analysis on the future demand on the storage system over the next 40 years. Pollution Probe questioned whether building pipeline assets that are recovered from ratepayers until 2060 and potentially beyond is wise given that fossil fuel (e.g., natural gas) use in Ontario will decline over that period, reducing the use of those assets and potentially stranding them. Pollution Probe noted that the OEB has previously urged Enbridge Gas to address the probability of future under-utilization for large capital projects in its applications.¹¹

In its reply, Enbridge Gas submitted that there are no specified binding emissions reduction targets on Enbridge Gas or the natural gas sector in Ontario as a result of the federal targets, and there is currently no clarity as to how different levels of governments will achieve their emissions reduction goals. Enbridge Gas opined that the extent of reduction on gas demand and its impact (if any) on peak capacity requirements is uncertain, and any attempt to model the impact would be arbitrary and speculative and would not yield any meaningful results to inform this proceeding. Finally, Enbridge Gas argued that even the most aggressive demand-reduction scenarios would not eliminate the need for the Project, and it would be imprudent of Enbridge Gas to ignore known risks on its system.

Findings

The OEB finds that the assessment of alternatives was sufficient for the purpose of selecting the Project as the preferred option.

While many intervenors did not question the need, some questioned the timing, and several intervenors submitted that a more in-depth review of project alternatives was in order.

FRPO submitted that electric compressors were an option and that Enbridge Gas might remove only those Corunna Compressor Station compressors that presented the most risk. The Three Fires Group also submitted that consideration should be given to electric compressors.

¹¹ E.g., [EB-2020-0293](#), Enbridge Gas Inc., St. Laurent Replacement Project

While electric compression may hold promise in future applications, the OEB finds that the orderly removal of the Corunna Compressor Station compressors in question and replacing the compression with existing capacity at Dawn to be the most cost effective approach to avoid potential reliability issues under these circumstances.

Pollution Probe submitted that the Project is not exempt from Integrated Resource Planning alternative consideration and that Enbridge Gas is out of compliance with the Integrated Resource Planning Framework. Enbridge Gas responded with its view that it was not possible to resolve this system constraint within the proposed timeframe using Integrated Resource Planning alternatives.

The OEB finds that an Integrated Resource Planning assessment is not required in this case under the current Integrated Resource Planning Framework.

Some intervenors noted that Enbridge Gas had not undertaken a study to evaluate the synergies of integrated storage opportunities. Enbridge Gas responded that it analyzes its storage system on an integrated basis, but that the various storage systems are only connected at the Dawn Hub and that the current integrated storage system does not contain excess capacity that would facilitate the abandonment of existing compressor units without the construction of replacement facilities, as has been proposed in this application.

The OEB agrees that Enbridge Gas has not provided any analysis from a post-amalgamation integrated storage system perspective and notes that Enbridge Gas will have an opportunity to do this in its rebasing application, if it seeks to include this project in rate base.

3.3 Project Cost and Economics

The total estimated capital cost of the Project is \$250.7 million, including indirect overheads and loadings.¹² This total includes 13.6% contingency applied to all direct capital costs. The cost estimate set out in Table 2 is a Class 4 estimate according to Enbridge Gas's Cost Estimating and Management Standard.

¹² Enbridge Gas explained in its interrogatory response I.STAFF.12 that its Overhead Capitalization Policy applies loadings (or "burden rates") to direct company labour hours in order to allocate indirect human resource costs (including pension and benefit costs) directly to capital projects. Per Table 2, the project cost without indirect overheads and loadings is approximately \$206.4 million.

Table 2: Summary of Project Capital Costs¹³

<u>Item #</u>	<u>Description</u>	<u>Pipeline Costs</u>	<u>Ancillary Costs</u>	<u>Total Costs</u>
1.0	Materials	\$11,800,354	\$36,643,592	\$48,443,946
2.0	Construction & Labour	\$51,310,846	\$28,993,020	\$80,303,866
3.0	External Permitting & Lands	\$15,322,222	\$0	\$15,322,222
4.0	Outside Services	\$19,230,385	\$15,702,325	\$34,932,710
5.0	Direct Overheads	\$1,295,000	\$0	\$1,295,000
6.0	Contingency	\$13,180,351	\$10,816,348	\$23,996,699
7.0	IDC	\$2,093,000	\$0	2,093,000
8.0	Project Cost	\$114,232,158	\$92,155,285	\$206,387,443
9.0	Indirect Overheads & Loadings	\$26,277,051	\$18,085,209	44,362,260
10.0	Total Project Costs	\$140,509,209	\$110,240,494	\$250,749,703

NOTE:

The total costs set out in Table 1 include abandonment of the existing seven CCS compressor units K701-K703 and K705-K708 amounting to \$14.5 million.

Enbridge Gas stated that within the Dawn Operations Centre, the Corunna Compressor Station (also referred to as Tecumseh) measurement facilities are no longer required and will be physically removed. The removal will involve demolition of the building, as well as removal of all measurement equipment, piping and telemetry. The costs to remove the Corunna Compressor Station measurement facilities are included in the Project's ancillary costs.¹⁴

The Project would not necessitate any compressor upgrades at the Dawn Operations Centre because there is surplus capacity at the Dawn Operations Centre.¹⁵ The Project is also not expected to materially increase the planned maintenance, capital expenditures, or unplanned maintenance costs at the Dawn Operations Centre.¹⁶

Pipeline Unit Costs

Enbridge Gas stated that the pipeline unit cost is approximately \$6 million per km based on pipeline project costs of \$114.2 million (excluding indirect overheads and loadings) and a pipeline length of 19.2 km. Enbridge Gas stated that this cost is comparable to similar diameter pipelines situated on agricultural lands.¹⁷ Enbridge Gas cautioned that project costs cannot be directly compared without considering all unique contributing factors at the time they are estimated or incurred.

¹³ Exhibit D-1-1, Table 1: Estimated Project Costs

¹⁴ Exhibit I.STAFF.12

¹⁵ Exhibit I.STAFF.1

¹⁶ Exhibit I.STAFF.10 b)

¹⁷ Exhibit I.EP.14

Project Economics

Typically, in a leave to construct application, the applicant must demonstrate that the project's economics meet the OEB's economic tests using the methodology outlined in [EBO 188](#) or [EBO 134](#). Enbridge Gas stated that it did not complete a Discounted Cash Flow assessment using the OEB methodology in EBO 188 or EBO 134 in this case because the Project is a like-for-like replacement and no incremental storage capacity (storage space, deliverability or injections) will be created by the Project. The Project will create design day storage capacity equivalent to the capacity lost due to the retirement and abandonment of the seven existing Corunna Compressor Station compressor units.

Cost Allocation

Enbridge Gas stated that, in accordance with the OEB's determinations in the Natural Gas Electricity Interface Review (NGEIR) proceeding,¹⁸ the cost of the Project would be 100% allocated to its regulated storage business. Enbridge Gas noted that as the Corunna Compressor Station compressor units were used to support Enbridge Gas Distribution Inc.'s utility business prior to NGEIR, the Corunna Compressor Station compressor units are part of Enbridge Gas's utility operations for rate-making purposes. However, Enbridge Gas stated that the issue of storage cost allocation associated with Project is not an issue for the current proceeding but will be an issue for its 2024 rebasing proceeding.

Positions of the Parties

OEB staff submitted that the pipeline unit costs of the Project are reasonable. OEB staff submitted that a relatively comparable project was Union Gas's Panhandle Reinforcement, which was approved by the OEB on February 23, 2017.¹⁹ The actual cost for that project was \$228.7 million for 40 km of NPS 36 or \$5.7 million/km.²⁰ This cost also excludes indirect overheads and loadings. No other party commented on the reasonableness of the Project costs.

OEB staff also submitted (a) a Discounted Cash Flow assessment is not required in this case and (b) that Enbridge Gas is taking an appropriate approach to cost control.

Intervenors and OEB staff expressed concerns with 100% of the Project costs being allocated to utility customers given that the Corunna Compressor Station serves both

¹⁸ EB-2005-0551

¹⁹ EB-2016-0186

²⁰ EB-2022-0157, Exhibit E-1-1, page 2

utility and non-utility customers. However, most agreed that cost allocation is not an issue for the current proceeding but rather will be an issue for Enbridge Gas's 2024 rebasing proceeding. OEB staff noted that Enbridge Gas appears to agree that even though cost of the Project is expected to be placed in-service prior to rebasing, the issue of the appropriate allocation for the Project is subject to review at the time of rebasing.²¹

In its reply, Enbridge Gas reiterated its view that cost allocation is more appropriately considered in its rebasing application.

Findings

The OEB finds that the projected cost of the Project is reasonable in relation to the facility alternatives and a comparable pipeline project. However, the OEB is not making any decision on whether any part of the Project cost is appropriate for inclusion in rate base.

3.4 Environmental Impacts

Enbridge Gas stated that with the implementation of the mitigation and protective measures outlined in the updated Environmental Report and pending Environmental Protection Plan, the environmental impacts resulting from construction of the Project are not anticipated to be significant.

Positions of the Parties

OEB staff submitted that Enbridge Gas's Environmental Report meets the requirements of the OEB's *Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario, 7th Edition, 2016* ([Environmental Guidelines](#)) and that the Environmental Report appropriately identifies the environmental impacts associated with construction of the Project and adequately describes how it intends to mitigate and manage these impacts.

TFG submitted that Enbridge Gas failed to carry out adequate Indigenous consultation before such things as (a) selecting a 100-meter boundary limit for the cumulative effects assessment study area and (b) proposing activities and mitigation measures related to water crossings. TFG also submitted that more time is needed for an adequate review of the environmental assessment and Environmental Report. Further, TFG submitted that its participation is required in environmental and

²¹ Exhibit I.SEC.18

archaeological assessments and monitoring work. TFG submitted that it should be provided the time and financial supports necessary to consider and respond to Enbridge Gas's proposed activities and mitigation measures.

In its reply submission, Enbridge Gas responded to TFG's assertion that more time was needed to review the Environmental Report and in particular water crossings and associated issues (e.g., fish and fish habitat, sediment control, permitting). Enbridge Gas noted that CKSPFN (and other Indigenous communities) had an opportunity to comment on the Environmental Report and participate in field assessments. Enbridge Gas noted that CKSPFN provided comments on the Environmental Report to which Enbridge Gas responded.

Enbridge Gas further stated that it appreciates TFG's input regarding the cumulative effects study area, but remains of the view that an appropriate cumulative effects assessment was performed. The 100-metre boundary is appropriate given the limited residual Project effects (i.e., those that remain after mitigation) that are anticipated to be interactive with other concurrent, unrelated projects. Enbridge Gas stated the cumulative effects assessment and the associated study area were delineated in accordance with Section 4.3.14 of the Environmental Guidelines.

Findings

The OEB finds that the environmental aspects of the Project have been assessed appropriately.

Enbridge Gas has conducted its environmental review and public consultation process in accordance with the OEB's Environmental Guidelines. The Environmental Report and consultation records establish that Enbridge Gas engaged appropriately with landowners, relevant provincial and federal agencies, and other stakeholders.

Except as discussed in the Indigenous consultation section below, there have not been any challenges of the conclusions reached in the work done by Enbridge Gas to assess the environmental impacts of the Project and the proposed mitigation measures to be employed during construction.

The OEB notes a comprehensive agreement between Enbridge Gas and CAEPLA-DCLC has been achieved that addresses many environmental elements to the satisfaction of the landowner group.

The OEB further notes that mitigation measures set out in the Environmental Report are adequate to avoid or reduce the potential impacts on the environment as a result of the OEB granting leave to construct for the Project. The Project is also subject to the

Conditions of Approval set out in Schedule B of this decision and order, which require Enbridge to obtain and adhere to all the necessary permits and approvals needed to construct, operate and maintain the Project and to implement the recommendations set out in the Environmental Report.

3.5 Route Map and Form of Landowner Agreements

The proposed 20 km pipeline requires approximately 95.68 hectares (236.44 acres) of total area, which is comprised of permanent easement and temporary land use. Enbridge Gas plans to acquire the land rights to 42.14 hectares of permanent easement. Enbridge Gas will also require approximately 53.54 hectares of temporary land use for construction and topsoil storage purposes. These easements follow the route of the proposed Project and impact the lands of numerous landowners - many of whom are represented by CAEPLA-DCLC.

Pursuant to section 94 of the OEB Act, Enbridge Gas filed a route map that illustrates the location of the proposed pipeline and ancillary facilities.²² The route map is attached as Schedule A to this decision.

Pursuant to section 97 of the OEB Act, Enbridge Gas submitted two forms of agreement for OEB approval: a permanent Pipeline Easement Agreement, and a Temporary Land Use Agreement. Both forms of agreement had been approved by the OEB in a previous proceeding.²³

3.5.1 Form of Landowner Agreements

Enbridge Gas filed two forms of agreement for approval under section 97 of the OEB Act: a permanent Pipeline Easement agreement, and a Temporary Land Use agreement. Both forms of agreement had been approved by the OEB in a previous proceeding.²⁴

Positions of the Parties

In its intervention request and subsequent letters and submissions, CAEPLA-DCLC expressed concerns regarding the environmental and socio-economic impacts of the Project and the appropriate mitigation measures to be implemented by Enbridge Gas. In

²² Exhibit A-2-1

²³ OEB Decision and Order on Enbridge Gas's Greenstone Pipeline Project proceeding, EB-2021-0205, issued March 17, 2022

²⁴ OEB Decision and Order on Enbridge Gas's Greenstone Pipeline Project proceeding, EB-2021-0205, issued March 17, 2022

its intervenor evidence, CAEPLA-DCLC advocated for the use of a Letter of Understanding (LOU) between landowners (i.e., its membership) and pipeline companies to set out commitments made to landowners regarding construction methodology, remediation of affected properties, and various compensation items. For landowners whose properties will be affected by a proposed project, the LOU would provide the details about how construction will be undertaken and what protections will be in place for agricultural lands and operations.

CAEPLA-DCLC argued that “gross negligence” is preferable to “negligence”, and that that this is the term that should appear in the indemnity clauses of the forms of land use agreements.²⁵

On October 20, 2022, following the conclusion of settlement negotiations with CAEPLA-DCLC, Enbridge Gas filed with the OEB copies of the agreed forms of Pipeline Easement Agreement, Temporary Land Use Agreement and Letter of Understanding, which were agreed to by CAEPLA-DCLC. In its cover letter, Enbridge Gas noted that:

1. The only change made to the permanent Pipeline Easement and Temporary Land Use Agreements previously filed by Enbridge Gas in this proceeding was to replace the term “negligence” with “gross negligence.”
2. While Enbridge Gas has attached the form of LOU agreed upon between it and CAEPLA-DCLC, Enbridge Gas is not explicitly seeking OEB approval of that agreement under section 97 of the Act. Accordingly, Enbridge Gas has excluded details dealing with negotiated compensation between it and CAEPLA-DCLC.
3. The Project costs set out in the application for External Permitting and Lands are sufficient to cover all expenses related to and resulting from the successful conclusion of negotiations between CAEPLA-DCLC and Enbridge Gas.

Findings

The OEB accepts the agreement reached by CAEPLA-DCLC and Enbridge Gas and approves the forms of permanent Pipeline Easement Agreement and Temporary Land Use Agreement as filed on October 20, 2022.

The OEB notes that similar forms of agreement have been approved by the OEB in the past and is satisfied the two forms of agreement are appropriate in this proceeding.

²⁵ CAEPLA-DCLC written evidence, pages 5-6

3.6 Indigenous Consultation

By way of a letter, the Ministry of Energy delegated the procedural aspects of the Crown's duty to consult for the Project to Enbridge Gas on February 19, 2021 (Delegation Letter). In the Delegation Letter the Ministry of Energy identified the following Indigenous communities that Enbridge Gas should consult with regarding the Project:

1. Aamjiwnaang (Sarnia) First Nation
2. Bkejwanong (Walpole Island) First Nation
3. Chippewas of Kettle and Stony Point First Nation
4. Chippewas of the Thames First Nation
5. Oneida of the Thames First Nation

Notwithstanding that the Delegation Letter was issued in February 2021, the evidence shows that Enbridge Gas began engaging with Indigenous communities beginning in January 2021.²⁶ Enbridge Gas stated that it would continue to engage the five communities throughout the life of the Project to ensure any impacts on Aboriginal or treaty rights are addressed, as appropriate.²⁷

Enbridge Gas prepared the Indigenous Consultation Report describing and documenting the Indigenous consultation it had conducted and filed it as evidence in support of the Project. Enbridge Gas filed its Indigenous Consultation Report with the Ministry of Energy on March 21, 2022. On November 2, 2022, Enbridge Gas filed a copy of a letter from the Ministry of Energy in which the Ministry expressed its opinion that the procedural aspects of the consultation undertaken by Enbridge Gas to date for the Dawn to Corunna Project have been satisfactory (Letter of Opinion).

Direct notice of this proceeding was provided to the five Indigenous communities listed above, as well as the Métis Nation of Ontario. On May 9, 2022, CKSPFN filed a letter requesting intervenor status. In its letter, the CKSPFN stated that it has traditional territory and associated rights and interests that may be impacted by the outcomes of this proceeding. In part, its interest in this proceeding relates to whether the duty to consult and accommodate has been discharged.

²⁶ Exhibit H-1-1, Attachment 5, page 1

²⁷ Exhibit B-1-1, page 4

Many of CKSPFN's interrogatories related to the assessment of project alternatives and the cumulative effects of constructing a new pipeline in the vicinity of existing pipelines. In its interrogatory responses, Enbridge Gas stated that it has and will continue to provide information to and hold discussions with CKSPFN to discuss specific concerns regarding the project and the associated cumulative effects.²⁸ Enbridge Gas also noted that CKSPFN had the opportunity to comment on the Environmental Report, which includes the cumulative effects assessment. Finally, Enbridge Gas noted that communications with CKSPFN related to the Project can be found in the Indigenous Consultation Report filed with the Company's pre-filed evidence.²⁹

On July 21, 2022, CKSPFN filed a letter to notify the OEB that Caldwell First Nation had joined with CKSPFN for the purposes of this proceeding and they would collectively participate under the name of Three Fires Group Inc. (TFG).

Positions of the Parties

OEB staff submitted that, amongst other things, Enbridge Gas appears to have made efforts to engage with affected Indigenous groups. OEB staff submitted that it is not aware of any concerns being raised through consultation that could materially affect the Project. OEB staff observed that Enbridge Gas appears to be cooperating with the Indigenous communities during the consultation process and that Enbridge Gas made certain commitments to the Indigenous communities related to the Project. OEB staff stated that it was not aware of any potential adverse impacts from the Project on any Aboriginal or treaty rights.

TFG submitted that, amongst other things:

1. Enbridge Gas failed to carry out adequate Indigenous consultation before rejecting alternatives to the Project.
2. More time is needed for an adequate review of the environmental assessment and subsequent Environmental Report. TFG submitted that its participation is required in environmental and archaeological assessments and monitoring work. TFG submitted that it should be provided the time and financial support necessary to consider and respond to Enbridge Gas's proposed activities and mitigation measures.

²⁸ Exhibit I.CKSPFN.2 a) & m)

²⁹ Ibid. Also see Exhibit H-1-1, Attachment 6

3. Enbridge Gas should consider, monitor, and report on social impacts, including incidences of substance use, gender-based analysis, and impacts on the sex trade in the project area and throughout the construction phase of the Project.
4. The OEB should delay granting leave to construct approval until after Enbridge Gas has obtained the free and prior informed consent of each of the TGF First Nations. TFG further submitted that, going forward, obtaining free and prior informed consent from affected Indigenous Peoples should be made a condition of approval for projects.
5. The OEB should hold a generic proceeding to review the Environmental Guidelines and consider, for the benefit of all ratepayers, whether there is a need for greater clarity or revisions to the Environmental Guidelines with respect to ensuring that all social impacts are adequately and holistically assessed as part of the social impact assessment contemplated in the section 4.3.13 of the Environmental Guidelines.

In its reply, Enbridge Gas submitted that, amongst other things, it sought to achieve meaningful and early engagement so that Indigenous community input could help inform the planned Project. However, Enbridge Gas stated that the Crown's duty to consult is about the right to a meaningful process rather than a particular outcome.

Enbridge Gas stated that it began engaging Indigenous groups in general about the Project in January 2021. Enbridge Gas stated that it engaged with the particular Indigenous communities identified by the Ministry of Energy in April 2021 and offered opportunities to participate in field work and capacity funding. Enbridge Gas stated that after Caldwell First Nation identified an interest in the Project, similar opportunities were offered to it.

Enbridge Gas submitted that TFG's assertion that Enbridge Gas failed to adequately consult on Project alternatives is a flawed argument for two reasons. First, the duty to consult is triggered by the specific Crown decision at issue, which in this case is the OEB's decision on the application. Accordingly, consultation and engagement were necessarily focused on the Project. Second, questions regarding potential alternatives to the Project could have been raised for discussion and response at any time during the engagement process.

Enbridge Gas submitted that Indigenous groups have had opportunities to raise questions or concerns regarding the Project, including through less formal avenues (e.g., one-on-one meetings and emails) as well as through the OEB proceeding.

Enbridge Gas submitted that it has provided reasonable and sufficient responses to any Project-specific comments and concerns raised by TFG to date. In Enbridge Gas's view, TFG has not raised (and Enbridge Gas is not otherwise aware of) any potential impacts the Project may have on Aboriginal or treaty rights that Enbridge Gas has not addressed through its proposed mitigation measures and commitments on the Project and its engagement with TFG (or the communities represented by TFG).

Enbridge Gas committed to include information about drug and alcohol use, Indigenous cultural awareness and human trafficking as part of on-site orientation during construction.

Findings

The OEB finds, to the extent that the duty to consult has been triggered by the Project, it has been discharged sufficiently to allow the OEB to approve the Project. This finding is also supported by the Ontario Ministry of Energy's Letter of Opinion regarding the consultations undertaken by Enbridge Gas.

Five Indigenous communities were identified by the Ministry of Energy for consultation.

Aamjiwnaang First Nation and Walpole Island First Nation engaged with Enbridge Gas regarding environmental issues but did not oppose the Project.

The OEB notes however that TFG was not satisfied with the time frame Enbridge Gas provided for the environmental review. TFG raised concerns about social issues during the construction phase and submitted that the OEB should delay granting approval until after Enbridge Gas has obtained the free and prior informed consent of each of the TFG First Nations. In the absence of any evidentiary foundation, it is not necessary for the OEB to decide the issue of whether consent is required.

TFG further submitted that, going forward, obtaining free and prior informed consent from affected Indigenous Peoples should be made a condition of approval for projects.

The OEB notes that during the consultation process, the commitment is to a meaningful process of consultation, which in the opinion of the OEB has taken place. However, the OEB also notes that there is no duty for the parties to agree.

Enbridge Gas should consider approaching Indigenous communities earlier in the developmental stage for future projects that may be brought forward for the OEB's consideration to discuss environmental, archeological and monitoring issues along with issues pertaining to route selection and alternatives. While that would have been helpful in the present case, the OEB is of the view that TFG was able to pursue

in a meaningful way all of the issues it identified during the course of consultation and in this proceeding, as evidenced by its submissions.

The OEB finds that consultation has been adequate and no outstanding impacts on Aboriginal or treaty rights have been identified, and the duty to consult has been discharged.

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.

Positions of the Parties

OEB staff submitted that the OEB's use of its standard conditions of approval are sufficient in this case, and that no modifications or additions are required.

OEB staff noted that standard condition No. 3 would require Enbridge Gas to obtain all necessary approvals, permits, licences, certificates, agreements and rights required to construct, operate and maintain the Project.

TFG proposed several additional conditions of approval.

Enbridge Gas submitted that it accepted the standard conditions of approval and that no further conditions were required.

Findings

The OEB notes that Enbridge Gas made certain commitments in its final argument, including a commitment to include "information about drug and alcohol use, Indigenous cultural awareness and human trafficking as part of on-site orientation during construction." The OEB expects that Enbridge Gas will provide Indigenous representatives with an opportunity to participate in the development and delivery of that orientation. The OEB also notes that as a standard condition of approval, Enbridge Gas is "required to implement all the recommendations of the ER filed in the proceeding" and is of the view that this applies to the commitments that Enbridge Gas made in its submissions on issues arising from the Environmental Report. On this basis, the OEB is satisfied that the conditions of approval proposed by TFG are not necessary. The OEB finds that the standard conditions of approval are appropriate in this case.

4 ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Enbridge Gas Inc. is granted leave, pursuant to section 90(1) of the OEB Act, to construct the Project in the Township of Dawn-Euphemia and St. Clair Township as described in its application.
2. Pursuant to section 97 of the OEB Act, the OEB approves the form of permanent Easement Agreement and form of Temporary Land Use Agreement that Enbridge Gas Inc. has offered or will offer to each owner of land affected by the Project.
3. Leave to construct is subject to Enbridge Gas Inc. complying with the Conditions of Approval set out in Schedule B.
4. Eligible intervenors shall file with the OEB and forward to Enbridge Gas Inc. their respective cost claims in accordance with the OEB's *Practice Direction on Cost Awards* on or before **November 10, 2022**.
5. Enbridge Gas Inc. shall file with the OEB and forward to intervenors any objections to the claimed costs of the intervenors on or before **November 17, 2022**.
6. If Enbridge Gas Inc. objects to any intervenor costs, those intervenors shall file with the OEB and forward to Enbridge Gas Inc. their responses, if any, to the objections to cost claims on or before **November 24, 2022**.
7. Enbridge Gas Inc. shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **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](#).

Please quote file number, **EB-2022-0086** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.

- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

All communications should be directed to the attention of the Registrar and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Ritchie Murray at ritchie.murray@oeb.ca and OEB Counsel, Michael Millar at michael.millar@oeb.ca.

Email: registrar@oeb.ca

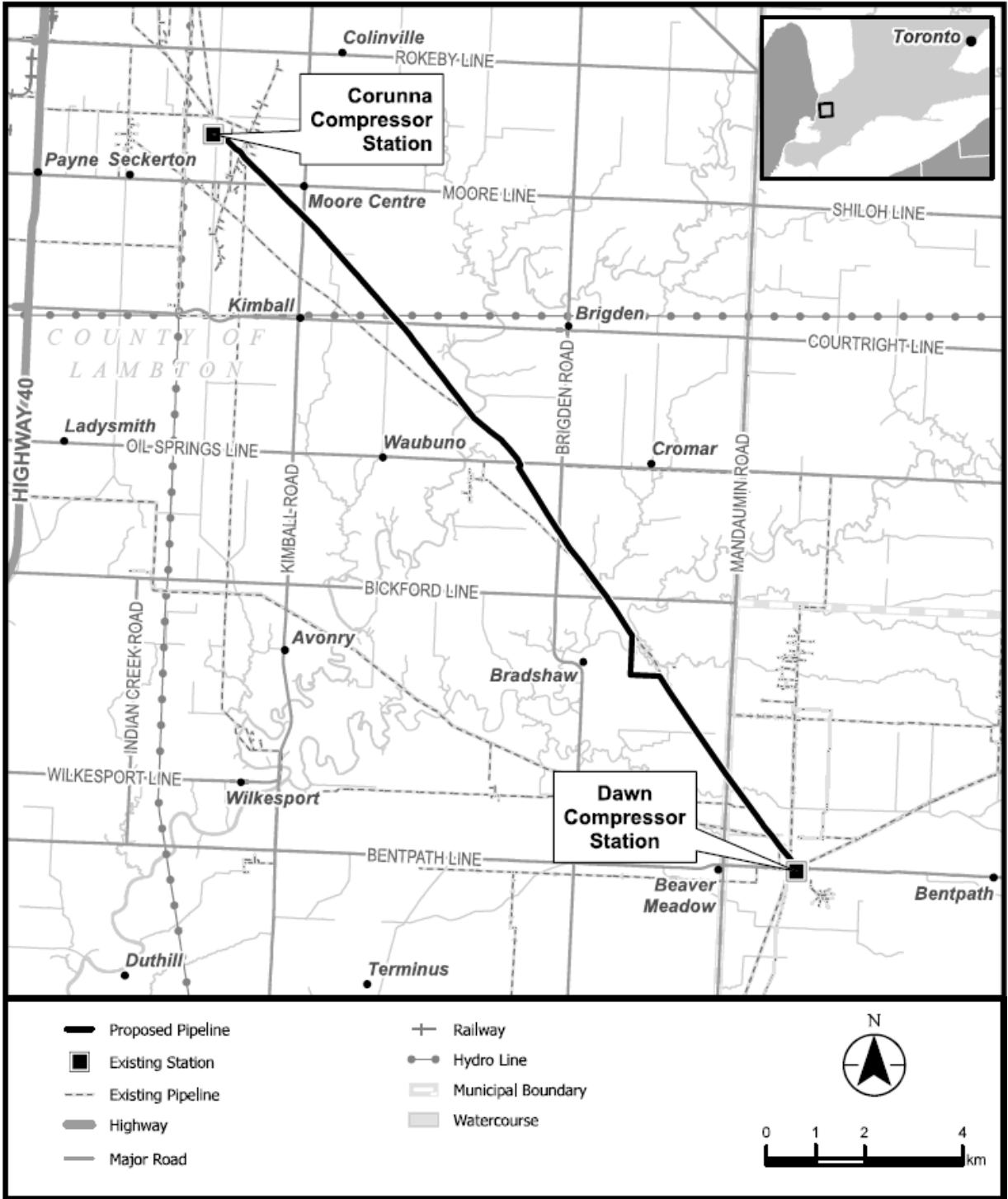
Tel: 1-877-632-2727 (Toll free)

DATED at Toronto November 3, 2022

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

SCHEDULE A
DECISION AND ORDER
ENBRIDGE GAS INC.
EB-2022-0086
NOVEMBER 3, 2022



SCHEDULE B
DECISION AND ORDER
ENBRIDGE GAS INC.
EB-2022-0086
NOVEMBER 3, 2022

**Leave to Construct Application under
Section 90 of the OEB Act
Enbridge Gas Inc.
EB-2022-0086
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-2022-0086 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 7(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'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 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'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 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 its employees as project manager who will be responsible for the fulfillment of these conditions, and shall provide the employee's name and contact information to the OEB and to all the appropriate landowners, and shall clearly post the project manager's contact information in a prominent place at the construction site.