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BY EMAIL

February 24, 2023

Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Dear Ms. Marconi:

**Re: Enbridge Gas Inc. (Enbridge Gas)
Scarborough Subway Extension-Kennedy Station Relocation Project
OEB Staff Interrogatories
Ontario Energy Board File Number: EB-2022-0247**

In accordance with Procedural Order No. 1, please find attached the OEB staff interrogatories for the above proceeding. This document has been sent to Enbridge Gas Inc. and to all other registered parties to this proceeding.

Enbridge Gas Inc. is reminded that its responses to interrogatories are due by March 10, 2023.

Yours truly,

Judith Fernandes
Senior Advisor, Natural Gas Applications

Encl.

**OEB Staff Interrogatories
Enbridge Gas Inc.
EB-2022-0247**

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

ISSUE 1.0 NEED FOR THE PROJECT

Staff-1

Ref: Exhibit B, Tab 1, Schedule 1, page 4

Preamble:

Enbridge Gas stated that the proposed project is required to eliminate conflicts with Metrolinx's Subway Extension construction while maintaining the ability to serve existing Enbridge Gas customers.

Question:

- a) Does Enbridge Gas expect the proposed project to serve additional loads in this area either now or in the future? If so, please provide details.

Staff-2

Ref: Exhibit B, Tab 1, Schedule 1, page 6
Exhibit D, Tab 2, Schedule 1, page 1

Preamble:

Enbridge Gas provided a construction schedule for each of Phase 1 and Phase 2 of the proposed project. Enbridge Gas stated that the proposed project construction schedule has been developed in two phases to meet Metrolinx's timing for subway extension construction at Eglinton Ave. E and Midland Ave. Enbridge Gas further stated that concurrent subway construction activity prevents Enbridge Gas from starting construction on Phase 2 in 2023 and throughout 2024.

Questions:

- a) Please describe in more detail the timing of the proposed subway construction work, including when this is expected to commence and when this is expected to be complete.
- b) Is Enbridge Gas aware of any aspects of the Subway Extension construction that could potentially delay the commencement of construction of either Phase 1 or Phase 2 of the proposed project? If so, please provide details and a description of any contingency plans that Enbridge Gas has considered should the project be delayed.
- c) Please discuss any associated risks and impacts if the proposed construction start and/or in-service dates for the proposed project are delayed.
- d) Please discuss the impact to the proposed construction schedule and in-service date if Enbridge Gas receives a decision and order of the OEB later than May 2023.

ISSUE 2.0 PROJECT ALTERNATIVES

Staff-3

Ref: Exhibit C, Tab 1, Schedule 1, pages 4-9

Preamble:

Enbridge Gas provided a discussion of the route/facility alternatives it considered and stated that based on its assessment of alternatives, it determined that the proposed project is the optimal solution to meeting the identified customer need as it represents the lowest total project cost to resolve conflicts identified by Metrolinx's subway extension project.

Question:

- a) Please provide estimated costs for the alternatives described by Enbridge Gas in its application.

ISSUE 3.0 PROJECT COST AND ECONOMICS

Staff-4

Ref: Exhibit E, Tab 1, Schedule 1, page 1-2
Exhibit C, Tab 1, Schedule 1, page 2

Preamble:

Enbridge Gas stated that the total cost of the project is estimated to be \$5.4 million. Enbridge Gas stated that Metrolinx will reimburse Enbridge Gas through a Contribution in Aid of Construction (CIAC) for the project costs.

Enbridge Gas and Metrolinx's Subway Extension contractor (Metrolinx Contractor) are entering into a Utility Work Agreement (UWA) after the Metrolinx Contractor is awarded the contract for the subway. The Metrolinx Contractor is to assume full cost responsibility and will reimburse Enbridge Gas for all its actual costs and expenses incurred in completing the project.

Questions:

- a) Please confirm whether the Metrolinx Contractor and Enbridge Gas have executed the UWA.
- b) Please advise whether the CIAC will cover the actual final project costs in the event that the actual costs exceed the estimated total project costs of \$5.4 million. If not, please explain how Enbridge Gas expects to manage any additional costs that exceed the estimated costs.

Staff-5

Ref: Exhibit D, Tab 1, Schedule 1, page 4

Preamble:

Enbridge Gas stated that once the new pipelines are placed into service, the existing pipe will be abandoned in place and sections of the abandoned pipeline may be removed by other parties in the future as part of ongoing Subway Extension or other construction works.

Questions:

- a) Why has Enbridge Gas chosen to abandon existing pipe rather than removing the respective pipe?
- b) Please provide the abandonment costs for the pipe that Enbridge Gas is proposing to abandon in-place?
- c) Is the pipe that Enbridge Gas proposing to abandon located in the road allowance?

- d) What arrangements or agreements have been reached with the municipality and/or private landowners regarding the proposed abandonment of pipe in place?
- e) Please advise whether Enbridge Gas could potentially be responsible for any removal costs associated with any future removal of the abandoned pipe?

Staff-6

Ref: Exhibit E, Tab 1, Schedule 1, page 1, Table 1

Preamble:

In Table 1, Enbridge Gas provided a breakdown of the total project costs of \$5.4 million covering Phases 1 and 2 of the Project.

Question:

- a) Please provide a table providing a breakdown of the costs for each of Phase 1 and Phase 2 separately.

Staff-7

Ref: Exhibit E, Tab 1, Schedule 1, page 2,3 and Table 2

Preamble:

Enbridge Gas stated that the project cost estimate includes a 25% contingency applied to all direct costs and that this contingency amount has been calculated based on the risk profile of the proposed project and is consistent with contingency amounts calculated for similar Enbridge Gas projects in the past.

Questions:

- a) Please provide examples of OEB approved Enbridge Gas projects, other than Enbridge Gas's Liberty Village project, with similar contingency amounts, as referenced in the evidence.
- b) Please provide a narrative on the aspects of risk profile of the proposed project that results in the proposed 25% contingency amount and how these aspects compare to the Liberty Village project and any other relevant past projects.
- c) Did Enbridge Gas use some or all of the estimated contingency amounts in these past projects?

- d) Did the construction of any of these past projects occur through a phased construction schedule as is planned for the proposed project?

ISSUE 4.0 ENVIRONMENTAL IMPACTS

Staff-8

Ref: Exhibit F, Tab 1, Schedule 1, page 3 and Attachment 2

Preamble:

Enbridge Gas stated that the Environmental Report (ER) was circulated to the Ontario Pipeline Coordinating Committee (OPCC), Municipalities, Conservation Authorities, and Indigenous communities on July 4, 2022, with a request for comments by August 22, 2022. Enbridge Gas filed the comments received on the ER in Attachment 2.

Questions:

- a) Please provide the supporting documentation, i.e. the email correspondence referenced in Attachment 2.
- b) Please file an update of the comments provided in Attachment 2 (summarized in tabular format) that Enbridge Gas has received as part of its consultation since the application was filed, including the supporting documentation, i.e. email correspondence that is referenced. Please include the dates of communication, the issues and concerns identified by the parties, as well as Enbridge Gas's responses and actions to address these issues and concerns.
- c) Please provide an update on the status of the TSSA's review of the project, including any relevant correspondence confirming that the TSSA has reviewed the design of the proposed facilities and found them to be compliant with the requirements of the Canadian Standards Authority standard CSA Z662.

Staff-9

Ref: Exhibit F, Tab 1, Schedule 1, pages 4,5

Preamble:

Enbridge Gas stated that a Cultural Heritage Screening was completed and will be submitted to the Ministry of Citizenship and Multiculturalism (MCM) prior to construction.

Enbridge Gas also stated that a Stage 1 Archaeological Assessment (AA) was completed and will be submitted to the MCM for review prior to construction.

Question:

- a) Please advise whether the Cultural Heritage Screening and the Stage 1 AA have been reviewed by MCM. If not, please indicate when Enbridge Gas expects to receive these approvals.

ISSUE 5.0: ROUTE MAP AND FORM OF LANDOWNER AGREEMENTS

Staff-10

Ref: Exhibit G, Tab 1, Schedule 1, page 1 and Attachment 3

Preamble:

Enbridge Gas stated that temporary working areas may be required along the route where the road allowance is too narrow or confined to facilitate construction. Enbridge Gas will also require permanent easements for the proposed project construction.

In Attachment 3, Enbridge Gas provided the list of directly and indirectly impacted landowners from whom a permanent or temporary land right is needed.

Questions:

- a) Please update Attachment 3 to include the dimensions (in metres) and approximate area (in hectares and acres) of the permanent and temporary land rights required for construction of the proposed project.
- b) Please provide an update on the status of land negotiations where permanent and temporary easements are required. Please include any concerns raised by landowners and Enbridge Gas's responses.
- c) Please discuss any expected delays with respect to obtaining the required land rights for the proposed project and the impact to the construction start and in-service dates.

Staff-11

Ref: Exhibit G, Tab 1, Schedule 1, page 2 and ER, Table 2, page 5

Preamble:

Enbridge Gas identified the potential permits/approvals that may be required for the proposed project at the reference above and in the ER.

Enbridge Gas also stated that other authorizations, notifications, permits and/or approvals may be required in addition to the ones listed.

Questions:

- a) Please advise whether Enbridge Gas has identified any other permits/approvals required for the proposed project other than those listed in the application. If so, please provide a description of the required permit/approval.
- b) Please provide an update on the status of each permit/approval required for the construction of the project including when Enbridge Gas expects to receive the required permit/approval.

Staff-12

Ref: Exhibit G, Tab 1, Schedule 1, page 3

Preamble:

Enbridge Gas has provided forms of agreement for temporary working area and permanent easement that it intends to provide to affected landowners. Enbridge Gas states that these agreements are the same as those approved for use in Enbridge Gas's NPS 20 Waterfront Relocation Project.

OEB staff observes that the forms of agreement for temporary and permanent easements that Enbridge Gas has submitted for leave to construct applications in the past has varied between applications.¹

Questions:

- a) Please explain what Enbridge Gas means by the use of the term "standard" when it states, "standard form of Working Area Agreement" and the "standard form of Easement Agreement" as referenced in the application?
- b) Please explain why the forms of agreement submitted by Enbridge Gas for this application are considered appropriate.

ISSUE 6.0 INDIGENOUS CONSULTATION

Staff-13

Ref: Exhibit H, Tab 1, Schedule 1, page 1, Attachments 7 and 8

Preamble:

¹ EB-2022-0086 Enbridge Gas Dawn to Corunna Replacement Project and EB-2021-0205 Enbridge Gas Greenstone Pipeline Project

The Ministry of Energy (MoE) identified ten Indigenous communities that Enbridge Gas should consult in relation to the Project:

- Alderville First Nation
- Beausoleil First Nation
- Chippewas of Georgina Island First Nation
- Chippewas of Rama First Nation
- Curve Lake First Nation
- Hiawatha First Nation
- Mississaugas of Scugog Island
- Mississaugas of the Credit First Nation
- Kewartha Nishnawbe
- Huron Wendat Nation

In Attachment 8, Enbridge Gas filed a summary of the Indigenous consultation activities up to October 17, 2022.

Enbridge Gas stated that it has provided its Indigenous Consultation Report for review by the MoE. The MoE will determine whether consultation undertaken by Enbridge Gas is satisfactory by providing a Letter of Opinion to Enbridge Gas.

Questions:

- a) Please provide the supporting documentation, i.e., the email correspondence referred to in Attachment 8.
- b) Please provide an update on Indigenous consultation activities set out in Attachments 7 and 8, summarizing any issues and concerns raised and how these are being addressed. Please include any supporting documentation, i.e., email correspondence that is referenced.
- c) Has Enbridge Gas received confirmation from Curve Lake First Nation (CLFN) on whether the responses provided address the concerns raised regarding the Stage 1 AA Report?
- d) Please provide a summary of Enbridge Gas's response to CLFN's comments on the ER and whether CLFN has confirmed that Enbridge Gas's response addresses the issues raised. Alternatively, please summarize any further consultation/engagement that Enbridge Gas has had with CLFN regarding its comments on the ER and describe any steps/actions that Enbridge Gas is taking to address these comments.
- e) Please update the evidence with any correspondence between the MoE and Enbridge Gas since the application was filed, regarding MoE's review of Enbridge Gas's consultation activities.
- f) Please indicate when Enbridge Gas expects to receive a Letter of Opinion from the MoE.

- g) Please comment on any issues arising from the proposed project that could adversely impact constitutionally protected Aboriginal or treaty rights. Have any Indigenous communities identified any Aboriginal or treaty rights that could be adversely impacted by the project? If any potential adverse impacts have been identified, please comment on what Enbridge Gas is doing to address these issues.

ISSUE 7.0 CONDITIONS OF APPROVAL

Staff-14

Ref: Exhibit I, Tab 2, Schedule 1

Preamble:

The OEB has developed standard conditions of approval that are typically imposed in leave to construct approvals.² Enbridge Gas stated that it has reviewed these standard conditions and has not identified any additional or revised conditions that it wishes to propose for this project.

The OEB's standard conditions of approval, with a modification to Condition 6 as proposed by OEB staff, are provided below.

Questions:

- a) OEB staff suggests that the OEB's standard conditions of approval should apply to the project with a modification to Condition 6, which requires the applicant to confirm that the actual final project costs are fully funded by the CIAC paid to Enbridge Gas by Metrolinx. Please confirm if Enbridge Gas agrees with OEB staff's suggestion.
- b) Given that construction of the proposed project is planned in two phases, please advise whether Enbridge Gas considers any change is required to Condition 2(a), which sets out that the OEB's approval for leave to construct expires 12 months after the decision is issued unless construction has commenced prior to that date.
- c) If Enbridge Gas does not agree with any of the conditions of approval set out below, please identify the specific conditions that Enbridge Gas disagrees with.

² Standard conditions of approval are included in Schedule 1 of the OEB's standard issues list for leave to construct applications: <https://www.oeb.ca/sites/default/files/issues-list-LTC-natural-gas.pdf>

Explain the rationale for disagreement and for any proposed changes or amendments.

Application under Section 90(1) of the OEB Act

Enbridge Gas Inc.

EB-2022-0247

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Standard 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-2022-0247 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, that:
- (a) provides 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
 - (b) confirms that the actual final project costs are fully funded by the contribution in aid of construction payment from Metrolinx.

Enbridge Gas Inc. shall also file a copy of the Post Construction Financial Report in the proceeding where Enbridge Gas Inc. proposes to start collecting revenues associated with the Project.

7. Both during and after construction, Enbridge Gas Inc. shall monitor the impacts of construction, and shall file with the OEB one electronic (searchable PDF) version of each of the following reports:
- (a) A post construction report, within three months of the in-service date, which shall:
 - i. provide a certification, by a senior executive of the company, of Enbridge Gas Inc.'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 Inc.'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 their employees as project manager who will be the point of contact for these conditions, and shall provide the employee's name and contact information to the OEB and to all affected landowners, and shall clearly post the project manager's contact information in a prominent place at the construction site.