



Ms. Nancy Marconi Registrar Ontario Energy Board P.O. Box 2319, 27th Floor 2300 Yonge Street Toronto, ON M4P 1E4

October 30, 2023

EB-2023-0175 – Watford RNG Project Leave to Construct Pollution Probe Interrogatories to Applicant

Dear Ms. Marconi:

In accordance with Procedural Order No. 1, please find attached Pollution Probe's Interrogatories to the Applicant.

Respectfully submitted on behalf of Pollution Probe.

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All Parties (via email)

Richard Carlson, Pollution Probe (via email)

ONTARIO ENERGY BOARD

Enbridge Gas Inc.
Watford RNG Project
Leave to Construct

POLLUTION PROBE INTERROGATORIES

October 30, 2023

Submitted by: Michael Brophy

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Consultant for Pollution Probe

Reference: To reduce and manage greenhouse gas emissions, consistent with the Government of Ontario's Climate Change goals, Waste Management of Canada Corporation ("WM" or the "Customer") plans to construct and operate new renewable natural gas ("RNG") gathering, upgrading and compression facilities at the existing Twin Creeks Environmental Centre site near the community of Watford in the Township of Warwick, Ontario [B-1-1 Page 1]

- a) Please provide a copy of the Government of Ontario's Climate Change goals that Enbridge is referring to.
- b) Please provide an estimation and related calculations of the greenhouse gas (i.e. CO₂e equivalent) that will result from this project annual and over the estimated life of the project.
- c) Please confirm that the site providing RNG into the Enbridge system is municipal landfill gas. If incorrect, please clarify.
- d) Please provide examples of similar projects that Enbridge has undertaken to clean and transport (landfill) RNG with similar properties to that expected from this facility. Please note any technical RNG differences that would cause this project to be different from what Enbridge has done previously.

1-PP-2

Enbridge has identified \$4 million in Ancillary Costs related to this project.

- a) Please provide a summary of what is included in Ancillary facilities.
- b) Are the Ancillary facilities solely for the purpose of the RNG producer or will they be used for other purposes?
- c) What are the impacts if the Ancillary facilities are no constructed?
- d) Why were the Ancillary facilities not included in the scope of the request for the OEB Leave to Construct if they are required as part of the Project?

Reference: Enbridge has applied for an order granting leave to construct approximately 15.3 km of Nominal Pipe Size ("NPS") 6 inch Steel ("ST") natural gas main with a design pressure of 6,160 kPag to connect the Twin Creeks Environmental Centre renewable natural gas ("RNG") facility located near the community of Watford in the Township of Warwick to the existing Enbridge Gas system located in the Municipality of Brooke-Alvinston, Ontario. [A-2-1 Page 1]

- a) Please confirm that the proposed 15 km of NPS 6 natural gas main will be solely used by a single renewable natural gas ("RNG") producer Twin Creeks Environmental Centre (aka Waste Management of Canada Corporation). If that is not correct, please explain what other customers or suppliers will use that pipeline.
- b) Please provide the calculations used to convert the RNG supply detailed in E-1-1 (M13 contract) to equate to the NPS 6 pipeline design outlined above. If there is incremental capacity in the proposed pipeline beyond that required, please identify.
- c) The proposed project is defined as a gas distribution main rather than a service connection to the customer. Is the main a dedicated direct feed from the customer or is there also a service required? If an additional service is required, please provide the specifications and estimated cost.
- d) Will the customer Twin Creeks Environmental Centre (aka Waste Management of Canada Corporation) be consuming natural gas from the Enbridge system or only providing landfill methane into the system?

1-PP-4

Please provide the references from the current Asset Management Plan (AMP) relevant to the proposed project and explain if they have changed from the information in the AMP.

<u>1-PP-5</u>

- a) Please provide a copy of the original request (letter or email) from the supplier Twin Creeks Environmental Centre (aka Waste Management of Canada Corporation) requesting RNG transportation services from Enbridge.
- b) Please explain how Enbridge differentiates between a supplier (e.g. shipper of gas or RNG) vs. a customer (e.g. receiving gas or RNG from Enbridge). If there is wording in Enbridge or OEB guidelines or policies to differentiate the two, please provide the reference or specific wording.

<u>1-PP-6</u>

Reference: Enbridge PollutionProbe_IR_AppendixA_WatfordRNG_20231031 Article on Enbridge RNG and Watford Project.

"If approved, building could start as soon as the end of 2023 and is set to power around 35,000 homes and businesses a day in the province"

- a) Please confirm if the reference to 35,000 homes is related to Enbridge Gas customers (i.e. displacing natural gas), electricity generation, or some other use of the RNG.
- b) If the RNG is for electricity production, why is a pipeline required to transport the RNG rather than on-site electricity generation similar to other RNG sites in Ontario.
- c) Please confirm details on where (i.e. inside or outside Ontario) and how the RNG will be used.
- d) Please explain what the partnership is with Enbridge for the RNG project and please provide a copy of any partnership documents.
- e) Other than the proposed pipeline and RNG injection station is Enbridge involved in any other element of the RNG projects (including production, transportation, sales, emission credits, etc.)?

1-PP-7

Reference: PollutionProbe_IR_AppendixB_EnbridgeRNGslide_20231032 Enbridge RNG Carbon Intensity Slide

- a) Which of the RNG sources in the Enbridge RNG Carbon Intensity Slide aligns with the RNG related to this project?
- b) Does Enbridge have better RNG carbon intensity information than what it provided on this slide? If yes, please provide a copy of those documents.

3-PP-8

References: "WM has executed a long-term contract including a monthly service charge to be paid by the Customer." [C-1-1]

Enbridge indicates a 'Calculated monthly service charge' of \$166,149. Why was this approach used vs. the lump sum payment approach used in the Ridge Landfill RNG LTC?

Reference: Enbridge Gas has subsequently received letters of support for the Project from the Municipality of Brooke-Alvinston, the Township of Warwick, and the Sarnia-Lambton Economic Partnership ("SLEP") (B-1-1 and Attachments 1, 2 and 3).

- a) Did Enbridge (directly or indirectly) request the municipal support letters and/or provide information/wording that was used by the municipalities in the letters submitted? If yes, please provide a copy of the correspondence.
- b) The wording in the different letters provided to Enbridge uses similar language to describe the carbon-neutral characteristics of the RNG from this project. Was that information provided by Enbridge or its consultants? If yes, please provide a copy of this information provided.

3-PP-10

Reference: E-1-1 Table 2: Project Cost Comparison

- a) Enbridge indicates that a 24% contingency has been added to this project cost estimate. Please replicate Table 2 and include the following:
 - A row for the contingency cost percentages
 - A row for the total project costs per kilometer of pipeline
 - A row for the total project costs per kilometer of pipeline (excluding station costs)
- b) Please explain why this (Watford) RNG project includes interest during construction (IDC) when the most recent similar project (Ridge Landfill RNG project) does not.

3-PP-11

- a) Please explain how this project relates (if at all) with the 2024 (EB-2022-0200) rebasing application.
- b) Does Enbridge intend to use any of the RNG from this project for its Ontario customers? If yes, please explain.

3-PP-12

Will the new pipeline result in any annual O&M costs related to operation, maintenance or integrity? If yes, what is Enbridge's best estimate of those annual costs.

E-1-1 Attachment 1 indicates a 20 year horizon for this project.

- a) Please explain why the time horizon is 20 years for this project.
- b) Please provide the amortization period Enbridge plans to use for the pipeline and ancillary facilities.
- c) Why does the monthly service change begin in year 3?
- d) The monthly service charge is forecast out for 22 years, but the project time horizon is only 20 years (i.e. 20 year contract). Please reconcile.
- e) Will Enbridge request rate recovery for the project capital and if so, in what proceeding?

4-PP-14

Please file a copy Exhibit F Tab 1 Schedule 1 Attachment 1 which does not appear to be available through the OEB RDS for this docket (only indirectly via a separate public consultation site). Please do not included a copy in the IR responses due to the file size, but simple confirm once it has been filed.

4-PP-15

Has Enbridge received the final review and approval letter from TSSA? If not, please indicate when it is expected.

4-PP-16

Reference: Public Consultation Notice for the Project [Exhibit H-1-1 Attachment 6, Page 23, plus also in several other locations in the evidence]

The Public notice for the project indicates that "the project is expected to reduce carbon dioxide emissions by 70,000 tonnes per year, which is the equivalent of taking 28,000 cars off the road."

Please provide the calculations used to estimate the reduction in carbon dioxide emissions by 70,000 tonnes per year related to the project.

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<u>4-PP-17</u>

Please provide an updated project schedule including major milestones including permits and approvals.

4-PP-18

Reference: "Rock Excavation: Rock in solid beds or masses will be fractured and removed using either a Hoe Ram and/or an approved blasting method. Any blasting will be conducted in accordance with Enbridge Gas's construction procedures and the federal Explosives Act." [D-2-1 Page 2]

- a) What length and location does Enbridge expect to encounter bedrock for this project?
- b) Has a well monitoring program been developed and offered to potentially impacted stakeholders in the vicinity of the proposed route?