



Ontario | Commission
Energy | de l'énergie
Board | de l'Ontario

BY EMAIL

October 31, 2023

Ms. Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Registrar@oeb.ca

Dear Ms. Marconi:

**Re: Enbridge Gas Inc.
Watford Pipeline Project
Ontario Energy Board (OEB) Staff Interrogatories
OEB File Number: EB-2023-0175**

Please find attached OEB staff's interrogatories in the above referenced proceeding, pursuant to Procedural Order No. 1.

Yours truly,

Natalya Plummer
Analyst, Natural Gas

Encl.

cc: All parties in EB-2023-0175

**OEB Staff Interrogatories
Enbridge Gas Inc.
EB-2023-0175**

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*.

LEAVE TO CONSTRUCT (LTC) APPROVAL

OEB Staff Question 1

Ref: Letter of Comment

Preamble:

Following publication of the Notice of Application, the OEB received a letter of comment.

Question(s):

- a) Please file a response to the matters raised in the letter of comment. Going forward, please ensure that responses to any matters raised in subsequent comments or letters that Enbridge Gas receives are filed in this proceeding. Please ensure that the name and contact information is redacted for public filings. All responses must be filed before the argument (submission) phase of this proceeding.

ISSUE 1.0: NEED FOR THE PROJECT

OEB Staff Question 2

Ref: Exhibit B, Tab 1, Attachment 1, Page 1

Preamble:

Waste Management of Canada Corporation (WM) plans to build upgrading and compression facilities at the Twin Creeks Environmental Centre that will be used to

convert landfill gas into Renewable Natural Gas (RNG). WM requested that Enbridge Gas construct new pipeline facilities to connect the Twin Creeks Environmental Centre RNG facility in the Township of Warwick to Enbridge Gas's existing system in the Municipality of Brooke-Alvinston to facilitate the injection of RNG supply volumes.

Enbridge Gas stated that there are no existing pipelines in the immediate vicinity of the Twin Creeks environmental Centre and that the nearest pipelines cannot accommodate the volume of RNG requested by WM.

The Municipality of Brooke-Alvinston has requested that residents be kept up to date on possible use of the pipeline in the future.

Question(s):

- a) Please provide Enbridge Gas's comments on the potential use of the proposed pipeline to serve additional loads in the Municipality of Brooke-Alvinston and the Township of Warwick.
- b) Please elaborate on how the proposed RNG injection volumes were established.
- c) Does Enbridge Gas intend to purchase RNG volumes produced by WM. If so, please confirm that Enbridge Gas is not seeking any approvals with respect to the purchase of RNG volumes as part of this proceeding.

OEB Staff Question 3

Ref: Exhibit B, Tab 1, Schedule 1, Page 1

Exhibit D, Tab 1, Schedule 1, Attachment 1, Page 1

Preamble:

Enbridge Gas stated that pending OEB approval, construction of the proposed pipeline and RNG injection station is projected to commence in April 2024 to meet the required in-service date of December 2024.

Question(s):

- a) Please describe in more detail the rationale for the proposed construction start and required in-service date.
- b) Please discuss any associated risks and impacts if the construction start and/or in-service date is delayed.

ISSUE 3:0: PROJECT COSTS AND ECONOMICS**OEB Staff Question 4**

Ref: Exhibit E, Tab 1, Schedule 1,

Preamble:

Enbridge Gas prepared a Discounted Cash Flow (DCF) analysis for the Project that shows that the project has a Net Present Value (NPV) of \$0 and Profitability Index (PI) of 1.0.

Enbridge Gas and WM have executed a M13 service contract that includes a monthly service charge of \$166,149 to be paid by WM.

Section 1(b) of the executed M13 contract titled *Initial Monthly Service Charge*, provides as follows:

Within twenty (20) Business Days of the six (6) month anniversary of the Commencement Date, Enbridge Gas will prepare and deliver to the Shipper a notice setting out the monthly service charge, recalculated on the basis of the actual costs incurred by Enbridge to construct, install and operate the meter station and connect such station to Enbridge's pipeline and distribution system, such calculations made in a manner consistent with Enbridge's then current feasibility policy, parameters, and guidelines all in accordance with the then current Service Charge for the remainder of the Initial Term will be invoiced in accordance with the Monthly Service Charge set out in the notice

Question(s):

- a) Please confirm that the monthly service charge will be recalculated in a manner that ensures that, over a 20-year period, the total actual project costs will be recovered from WM. If not, how will Enbridge Gas handle any additional Project costs.
- b) Please confirm that WM's contractual obligations ensure that regardless of the duration of the operation of the RNG facility, the total actual project cost will be recovered from WM. If not, how will Enbridge Gas handle any additional Project costs.

ISSUE 4:0: ENVIRONMENTAL IMPACTS**OEB Staff Question 5**

Ref: Exhibit F, Tab 1, Schedule 1, Attachment 1

Preamble:

Enbridge Gas retained Dillon Consulting Ltd. to complete an environmental report (ER). Alternative route B was added to the ER and selected as the preferred pipeline route following feedback from the Municipality of Brooke-Alvinston. A Notice of Project Change was sent to Indigenous communities, agencies, landowners, interest groups and potentially affected stakeholders and public information sessions were held.

The ER was circulated to the Ontario Pipeline Coordinating Committee (OPCC), Lambton County, the St. Clair Region Conservation Authority, the Brooke-Alvinston Council and the Township of Warwick on May 11, 2023. The evidence includes a consultation log and correspondence.

Question(s):

- a) Please elaborate on how the preferred pipeline route, Alternative Route B, addresses the concerns raised by the Municipality of Brooke-Alvinston.
- b) Please provide an update on the status of line item 2.1 and line item 28.4 of the Agency Correspondence Log in the ER.
- c) Please provide an update on the status of the TSSA's review of the Project.
- d) Please discuss whether the questions raised by the Ministry of Environment in line item 30.5 of the Agency Correspondence Log in the ER have been answered and/or resolved.
- e) Please update the consultation log and correspondence with any new OPCC comments since the application was filed.
- f) Please describe any outstanding issues or concerns identified during the consultation. If concerns or issues have been identified, please also describe the measures with the timeline Enbridge Gas plans to undertake to address these issues and concerns.
- g) Please provide an update on the status of each permit/approval including when Enbridge Gas expects to receive the required permit/approval.
- h) Please advise whether Enbridge Gas has identified any other permits/approvals required for the Project other than those listed in the application. If so, please provide a description of the required permit/approval.

OEB Staff Question 6**Ref: Exhibit F, Tab 1, Schedule 1, Page 4****Exhibit F, Tab 1, Schedule 1, Attachment 1**

TMHC Inc. undertook a Stage 1 Archeological Assessment (AA) of the study area. The stage 1 AA was submitted to the Ministry of Cultural Heritage (MCM) for review on March 20, 2023. Enbridge Gas notes that a Stage 2 AA of the preferred route was to be completed in summer/fall 2023 and submitted to the MCM for review to be entered into the Ontario Public Register of Archeological Reports.

Enbridge Gas notes that the Cultural Heritage Screening Report on the preferred route is to be completed in the summer/fall of 2023 and submitted to the MCM before the start of Project construction.

Question(s):

- a) Please advise whether the Stage 2 AA and Cultural Heritage Screening Report have been completed and reviewed by MCM. If not, please indicate when Enbridge Gas expects to receive these approvals.

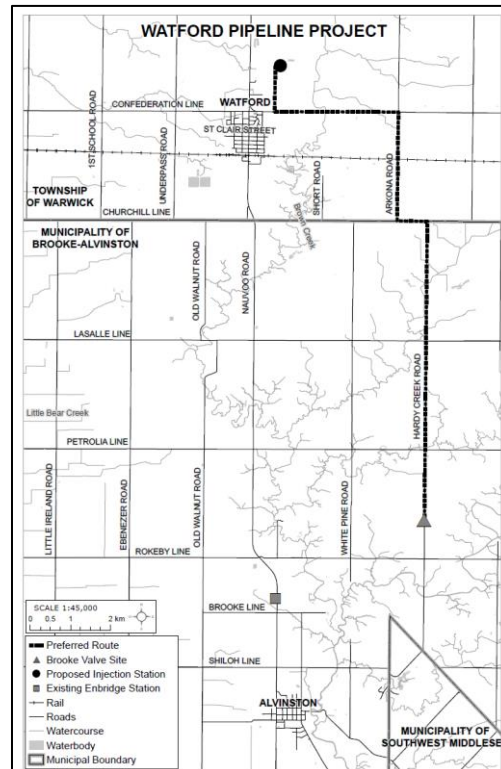
ISSUE 5:0: ROUTE MAP AND FORM OF LANDOWNER AGREEMENTS**OEB Staff Question 7****Ref: Exhibit G, Tab 1, Schedule 1, Page 1****Exhibit F, Tab 1, Schedule 1, Attachment 1, 2****Preamble:**

The preferred route starts at the existing Enbridge Gas mainline block valve station at 3943 Hardy Creek Road in the Municipality of Brooke-Alvinston and continues north for 7.5 kilometres; it then turns west along Churchill Line for 750 metres, then turns north to run along Arkona Road for 2.7 kilometres, and then turns north and runs for approximately 1.1 kilometres along private property and a private laneway to enter the Customer Site at 5768 Nauvoo Road.

Enbridge Gas stated that it is initiating negotiations with landowners regarding land rights required for the Project and has not identified any opposition to the Project.

Enbridge Gas noted that it expects to have all required land rights in place prior to commencing Project construction.

The preferred route for the Project follows the public road allowance for the majority of the proposed pipeline. Permanent easement will also be required for the Project.



Question(s):

- Please elaborate on where the new pipeline would tie into Enbridge Gas's Brooke Valve site on Hardy Creek Road.
- Please clarify whether there is an existing pipeline on Brooke Line and Rokeby Line. If so, please discuss whether the new pipeline would tie into the existing network on Brooke Line and Rokeby Line.
- Please provide an update on the status and prospect of land negotiations where permanent and temporary easements are required. Please include any concerns raised by landowners and Enbridge Gas's responses.
- Please discuss any expected delays with respect to obtaining the required land rights for the Project and its impact to the construction start and in-service date.

ISSUE 6:0: INDIGENOUS CONSULTATION**OEB Staff Question 8****Ref: Exhibit H, Tab 1, Schedule 1, Attachment 6****Preamble:**

The Ministry of Energy's (MOE) Delegation Letter identified five Indigenous communities that Enbridge Gas should consult in relation to the Project:

- Aamjiwnaang First Nation
- Bkejwanong (Walpole Island First Nation) (WIFN)
- Chippewas of Kettle and Stony Point First Nation (CKSPFN)
- Chippewas of the Thames First Nation
- Oneida Nation of the Thames.

The ER was circulated to Indigenous communities on June 8, 2023. The evidence includes a consultation log and correspondence.

Question(s):

- a) Please provide an update on the status of Enbridge Gas's response to the questions and concerns raised by WIFN and CKSPFN. Please provide a summary of any replies from WIFN and CKSPFN.
- b) Please update the logs on Indigenous consultation activities since the application was filed. Please summarize any issues and concerns raised since the application was filed.
- c) If any issues were raised, please describe Enbridge Gas's plans, actions and commitments to address these concerns and resolve the outstanding issues.
- d) Please update the evidence with any correspondence between the MOE and Enbridge Gas, after the application was filed, regarding the MOE's review of Enbridge Gas's Indigenous consultation activities.
- e) Please indicate when Enbridge Gas expects to receive a letter of opinion from the MOE.
- f) Please comment on any issues arising from the 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**OEB Staff Question 9****Ref: Exhibit I, Tab 1, Schedule 1****Preamble:**

Enbridge Gas has applied for leave to construct a pipeline under section 90(1) of the OEB Act. The OEB's standard conditions of approval for section 90 applications, with a modification to Condition 6 as proposed by OEB staff, are provided below.

Question(s):

- 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 Monthly service charge paid to Enbridge Gas by WM. Please confirm if Enbridge Gas agrees with OEB staff's suggestion.
- b) 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. 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-2023-0175
DRAFT**

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-2023-0175 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 monthly service charge from Waste Management of Canada Corporation.

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.

**REQUEST FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
(CERTIFICATE)****OEB Staff Question 10****Ref: Exhibit A, Tab 2, Schedule 1, Page 4****Preamble:**

Enbridge Gas requested a new certificate for the Township of Warwick. Enbridge Gas stated that the borders of the eastern portion of the Township may have changed at some point after the certificate dated 1965 was issued but noted that it holds a certificate for the Township of Adelaide-Metcalf which shares the eastern border of the Township of Warwick and thereby the certificate request is not for an expansion of rights.

Question(s):

- a) Please confirm that the proposed certificate does not overlap with any other person's certificate. If there is an overlap, please describe the location and extent of the overlap.

~All of which is respectfully submitted~