#### **ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act,* S.O. 1998, C.15, Schedule B, and in particular Section 21(2) thereof;

**AND IN THE MATTER OF** an Application by Lagasco Inc. for a certificate of public convenience and necessity, pursuant to section 8 of the *Municipal Franchises Act*, R.S.O. 1990, c. M. 55.

**Pre-Filed Evidence of the Applicant Lagasco Inc.** 

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## Section 1 – Overview and Purpose of the Application

Lagasco Inc. ("Lagasco") has been approached by Proplant Propagation Services Ltd. ("Proplant") in a request for gas delivery service to their Jarvis Ontario facility at 2401 Hwy 6, Jarvis ON NOA 1J0.

Lagasco seeks a geographically limited Certificate of Public Convenience and Necessity ("Certificate") under section 8(1) of the *Municipal Franchises Act* to construct works to supply incremental gas to the Proplant facility.

Specifically, in respect of servicing the Proplant facility with natural gas, Lagasco will need to construct a short service line from the existing Lagasco 6" gas delivery line located on the Proplant Property adjacent to Hwy 6.

The granting of a Certificate is in the public interest as: the economics are favourable; there are no adverse environmental impacts; there are no outstanding landowner issues as the land is owned by Proplant; new local jobs will be created; and the IESO will receive needed electricity supply to the grid. Lagasco is a competent builder and operator of gas supply works and operates many gas delivery facilities throughout Southwestern Ontario. The public interest considerations are set out in more detail in Section 9 of this application.

Lagasco requests that the application be heard in writing and on an expedited basis in light of the anticipated construction schedule and needs of the Proplant facility as described in more detail in Sections 3, 6 & 7.

## Section 2 – Background and Structure

Lagasco is an Ontario oil and natural gas production company which has been in operation for 31 years. Lagasco is the largest oil and natural gas producer in Ontario owning and operating over 600 oil and natural gas wells, including all of the gas wells under Lake Erie. Lagasco operates daily production of approximately 7,000 gigajoules ("GJ") of natural gas and 350 barrels of oil. Lagasco has significant experience in the natural gas production business and in the operation, maintenance and construction of both natural gas wells and related pipeline infrastructure.

Proplant is a privately owned company which propagates vegetable plants for greenhouse use across North America. It is a family owned and operated company consisting of third generation farmers operating a facility with 95,000 square meters of greenhouse, warehouse and office facilities. Proplant is currently a customer of Enbridge Gas Inc. ("EGI") and intends to continue to purchase gas from them in similar quantities in the future. Proplant has plans to build an electrical generation facility on their site to supply power into the grid and needs additional gas service for this facility, which they would like Lagasco to provide and which is the subject of this Application.

EGI is currently servicing Proplant's existing facility located at 2401 Hwy 6, Jarvis, Ontario as seen in Appendix 2. Proplant plans to construct a natural gas fired electric generation facility on the west side of the same property. The portion of the property planned for the generation facility currently has no gas supply infrastructure on it. The generation facility will operate independently from the existing gas fired equipment used for plant propagation and serviced by EGI. Proplant wishes to purchase the incremental natural gas required for its natural gas fired electric generation facility from Lagasco.

The Lagasco/Proplant project will benefit the municipality, the province, and result in more environmentally responsible natural gas use as the gas purchased will be locally produced and not require compression costs to bring it into the province. The timelines provided by EGI to supply this natural gas are not workable, and as such, purchasing gas from Lagasco is Proplant's only option for this incremental load.

Other than a certificate of public convenience and necessity, Lagasco will have all requisite approvals required under all applicable laws to construct the service line and regulation/metering equipment and facilitate the sale of gas directly to Proplant. These approvals include any required from the Ministry of Natural Resources and Forestry (MNRF), Technical Standards and Safety Authority (TSSA), Measurement Canada and Haldimand County.

Lagasco has available the financial resources necessary to complete construction of, and to operate, the required infrastructure to supply the incremental natural gas to Proplant.

## Section 3 – The Lagasco Existing Natural Gas Wells and Pipeline Infrastructure

Lagasco will utilize its existing wells and gathering pipelines to supply the incremental gas requirements of Proplant. Lagasco will be the sole owner of the tie-in system that will need to be constructed to facilitate this gas supply to Proplant.

Lagasco operates a compressor station and pipeline through which it delivers natural gas to Enbridge Gas Inc. ("EGI") on the east side of Jarvis Ontario. This is the pipeline that Lagasco proposes to use to supply the incremental gas the Proplant facility requires. The pipeline is on the north side of Hwy 6 on Proplant's property. No main line piping will be required in order to supply Proplant. The natural gas for the Proplant facility will be from Ontario produced Lake Erie gas wells having a ~ 50 year reserve life. Only a short service line of approximately 50 meters and a very simple meter/regulator/monitoring station will be necessary to provide the service (See Appendix 6).

There will be no modifications to the Lagasco system other than the installation of a tie-in system (Section 6 below).

Please see Appendix 1 for a map showing the location of Lagasco pipeline and facilities used to supply Proplant. Included on the map are the Lake Erie gas wells, the Nanticoke Compressor station and the 6" pipeline.

## Section 4 – The Proplant Jarvis Facility

## a) Location

The Proplant facility is located in part lots 23 and 24, RPlan 379R 5046 Part 1, Concession 5, Township of Woodhouse, Haldimand County, with a municipal address of 2401 Hwy 6, Jarvis, Ontario, NOA 1JO. The property is owned by Proplant.

The Proplant facility provides propagation services for cucumbers, tomatoes (grafted and non-grafted), peppers and eggplants. Proplant is an integral part of the value chain, by providing these plants for other greenhouses across Eastern North America, who in turn provide the majority of the fruits and vegetables to supermarkets. The Proplant facility is very high-tech and has HPS Lighting allowing it to grow plants 365 days per year. In the peak season (November – January), Proplant has over 120 employees working (25 Full-time, and the balance are temporary foreign workers).

Maps showing the location of the Proplant Jarvis facility are found at Appendix 2.

A photo of the existing Proplant facility at October 2023 is shown at Appendix 3.

A site plan for the Proplant generation facility which will be constructed is found at Appendix 4.

## Section 5 – The Proplant Generation Facility Fuel Requirements

Proplant is in a second stage of a bid and application with the Independent System Operator ("IESO") to supply natural gas fired electricity generation to the power grid. If successful, Proplant would enter into a contract to supply power to the Ontario grid (the "IESO Contract"). On September 18, 2023 Proplant was informed by the IESO that they had received approval together with AB Energy Canada Ltd. to proceed with a bid for a 9.5 MW power supply contract. Please see Appendix 7 for a copy of this letter. It is anticipated that the contract will have a 13 year term and will start to operate in 2026. The Proplant generation facility will include 3 natural gas powered generators each sized for 3.3 MW, a natural gas compression and storage system for back up and peak shaving, and the appropriate electrical control and monitoring systems.

Please see below for Proplant's additional natural gas requirements to supply the electrical generation facility and ultimately meet the requirements of the IESO Contract.

## a) Gas Requirements

Gas Usage Estimate		
Gas per Hour (Per Engine) m3	776	Each engine is 3.332 MW
# of Engines	3	
Total m3 Per Hour	2,328	
GJ / HR	88.46	Gas Available = 1,000 GJ/Day
Est. Days Running per Month	12	
Est. Hours Running per Day	6	
Total Hours Running Per Month	72	
Gas Usage per Month m3	167,616	
Annual Gas Used	2,011,392	

### b) Required Delivery Pressure

Proplant generator engines will require 4-8 bar of pressure.

#### c) Gas Supply Options

Proplant has been in contact with EGI to enquire as to their ability to supply Proplant with the required incremental natural gas load for their proposed generator system. EGI responded that re-enforcements to their system would be required to meet the increased load. EGI indicated that approximately 10.2 kilometers of 8" steel pipe was required with and estimated cost of

\$11,000,000 plus, and approximately 2-3 years for completion. A copy of the correspondence between Proplant and EGI is set out at Appendix 4.

EGI's proposal at Appendix 4 was considered "unworkable" by Proplant, both in terms of being cost prohibitive and in the fact that the timelines were far too long for the IESO bid and to meet the terms of the anticipated IESO Contract. As such, Proplant approached Lagasco to determine their ability to provide the required incremental gas.

Lagasco has reviewed their available supply and has determined that they are able to provide Proplant with the volumes they require for the IESO Contract. Lagasco has provided quotes to Proplant for both the incremental natural gas supply and for the construction of the infrastructure required to provide the gas (the tie-in). A piping and instrumentation diagram for the gas supply to Proplant can be found at Appendix 6.

The natural gas commodity charge costs charged to Proplant by both Lagasco and EGI are comparable. However, the capital cost provided by Lagasco for the required tie-in system is more than \$10,000,000 lower than the EGI estimate. In addition to the cost being significantly lower, the proposed timelines for the tie-in system are workable for Proplant's IESO bid and anticipated IESO Contract. As such, Proplant would like to proceed with Lagasco and Lagasco would like to supply the gas and build the tie-in infrastructure for Proplant, which is the subject of this Application. Please see attached Information from IESO at Appendix 7.

## Section 6 – Upgrades to Existing Pipeline Systems and the Tie-in System

The total capital cost of the Tie-in System to allow suitable quantities of gas to be delivered to the Proplant Generation Facility is estimated to be \$350,000. The natural gas that will be sold to Proplant is of pipeline quality and meets all the standards set by EGI. Any gas not consumed by Proplant will continue along the pipeline and be delivered into EGI at the sales point at EGI station number 12W103.

The Tie-in System will require a meter site on Proplant's Property, for which Lagasco is seeking the Certificate of Public Convenience and Necessity, which will include the following:

- A NPS 2 service lateral.
- Installation of a gas odourizer.
- Installation of a gas meter to measure the volume of gas being delivered to the generation facility with remote monitoring.
- Piping, valves and regulators at the meter site.

Meter site plot plan can be found at Appendix 5.

Piping and instrumentation diagram can be found at Appendix 6.

## **Section 7 – Construction Schedule**

Construction of the Proplant generation facility is subject to Proplant being awarded the IESO Contract and is also dependent on the OEB approval of this Application.

Construction of the tie-in system will take no more than 4 weeks, but parts to be ordered will have a longer lead time.

## Section 8 – Ownership and Operation

The tie-in system assets will be owned and operated by Lagasco. Lagasco has qualified operations staff with the full range of industry professionals being available as required and expert consultants being utilized as necessary. These operations staff will be the same employees involved in Lagasco operations and who currently service existing Lagasco infrastructure including compression and dehydration facilities, gathering pipeline networks, an amine plant, and all of the offshore gas wells and onshore oil and gas wells.

The operations and maintenance and compliance activities related to Lagasco and the proposed Tie-in System will include:

- a) developing and maintaining an Operations and Procedures Manual;
- b) developing and maintaining site specific Emergency Response Plan;
- c) developing and maintaining an Operator Qualification Program;
- d) developing and maintaining a Pipeline Integrity Management Program;
- e) completing and submitting reports to government agencies as required;
- f) ensuring all provided personnel are qualified in the Operator Qualification Program;
- g) providing all equipment, transportation, material and supplies necessary to perform routine services;
- h) performing and documenting Leak Surveys;
- i) documenting and classifying any leaks discovered;
- j) performing and documenting all Cathodic Protection System inspections, tests, and surveys at required frequency;
- k) performing and documenting valve maintenance at required frequency;
- I) performing and documenting Over Pressure Protection testing at required frequency;
- m) providing a phone number for emergency notification;
- n) responding to and participating in all agency compliance audits and inspections; and
- o) providing labour and supervision for pipeline and meter site maintenance.

Tasks performed by service personnel will include:

- a) gas quality monitoring operations and maintenance;
- b) communication equipment installation and maintenance;
- c) gas measurement equipment installation and maintenance;
- d) facility painting beyond routine spot painting;
- e) ensuring all provided personnel are qualified in the Operator Qualification Program; and
- f) providing pipeline and meter station emergency response personnel.

## Section 9 – Public Interest Considerations

Lagasco will be operating this tie-in facility. The venture will benefit both parties. The venture will have several very positive and long-standing benefits to the local economy and to Ontarians:

Firstly, the supply arrangement will result in more environmentally responsible natural gas usage. Local Ontario gas will be used by Proplant and the proposed electrical generating facility which does not require high volume hydraulic fracturing nor does this locally produced gas require transportation over long distances (thus saving fuel costs). Shorter gas transport distances reduce compressor fuel use and has a reduced carbon footprint. Ontario gas production also directly enriches the local economy through providing specialized high paying jobs, municipal taxes, land lease payments and production royalties paid to landowners and the Crown.

Secondly, the proposed project will allow Proplant to access the volumes of gas it requires to successfully fulfill the anticipated IESO Contract in an economically viable and timely manner. It is Proplant's *only option* for natural gas supply for its proposed gas fired electrical generating facility. EGI's proposal at Appendix 4 is not an option to supply the proposed facility. This will allow Proplant to supply power to the Ontario grid at a time when there is an anticipated shortage and the IESO is actively seeking additional power supply. This creates a benefit to the province to meet the increasing electricity demands going forward.

Thirdly, this proposed project will create a number of jobs and other economic benefits to the local community. The Lagasco Proplant service connection will operate independently and will have no impact on EGI's current or future rate payers.

Fourthly, through the supply arrangement, both Lagasco and Proplant will be able to decrease costs and increase organizational effectiveness. This will result in more sustainable operations and local jobs as well as will result in increased taxation dollars to both the Ontario government and the local municipalities. Lagasco is a competent builder and operator and the scope of the required tie-in system is well within Lagasco's skill set and purview.

## Section 10 – Application Meets Board Objectives

The project allows the Board to further meet many of its stated objectives as set out in s 2. Specifically, those bolded below are addressed by this application.

## Board objectives, gas

**2** The Board, in carrying out its responsibilities under this or any other Act in relation to gas, shall be guided by the following objectives:

- 1. To facilitate competition in the sale of gas to users.
- 2. To protect the interests of consumers with respect to prices and the reliability and quality of gas service.
- 3. To facilitate rational expansion of transmission and distribution systems.
- 4. To facilitate rational development and safe operation of gas storage.
- 5. To promote energy conservation and energy efficiency in accordance with the policies of the Government of Ontario, including having regard to the consumer's economic circumstances.
- 5.1 To facilitate the maintenance of a financially viable gas industry for the transmission, distribution and storage of gas.
- 6. To promote communication within the gas industry and the education of consumers. 1998, c. 15, Sched. B, s. 2; 2002, c. 23, s. 4 (2); 2003, c. 3, s. 3; 2004, c. 23, Sched. B, s. 2; 2009, c. 12, Sched. D, s. 2.

## **Section 11 – Section 36 Exemption**

Lagasco does not seek an order under section 36 of the Act as the volume of gas distributed will be less than 3,000,000 cubic meters.

Section 3 of Ontario Regulation 161/99 provides for this exemption:

3. Section 36 of the Act does not apply to the sales, transmission, distribution or storage of gas by a distributor who distributes less than 3,000,000 cubic meters annually. O. Reg 161/99 s.3.

## Section 12 - Order Sought

## The Applicant seeks:

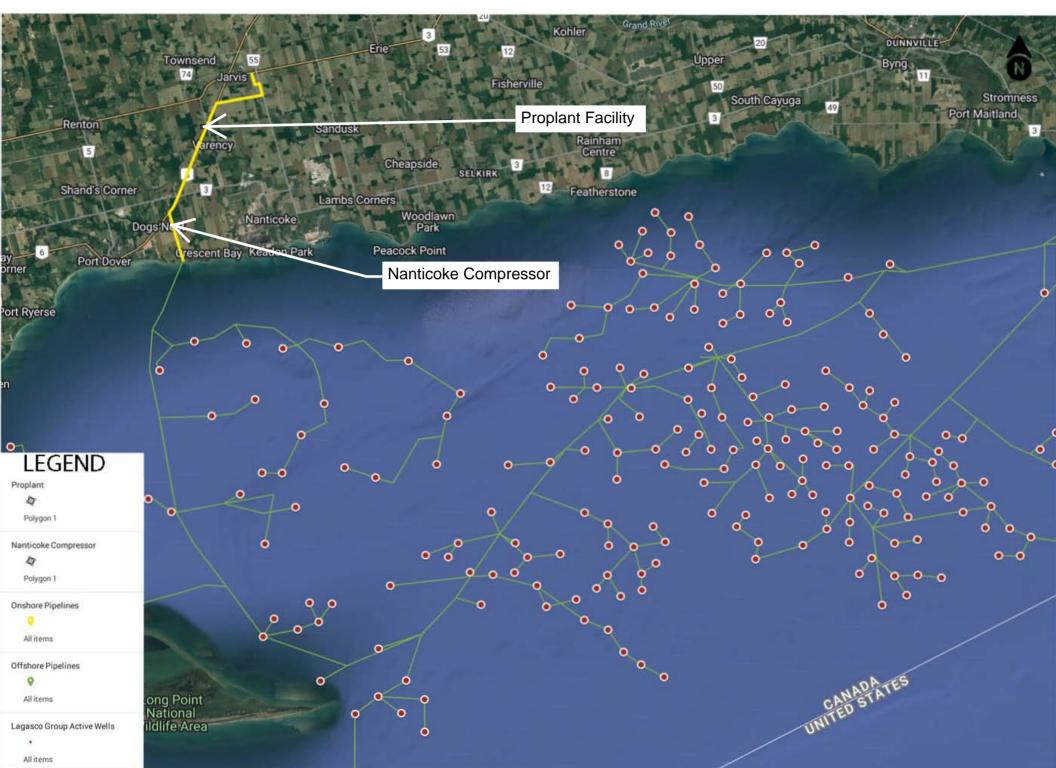
(i) a Certificate of Public Convenience and Necessity under section 8 of the Municipal Franchises Act limited in geographical scope to the lands known as Woodhouse Concession 5 parts lets 23 ad 24, RPlan 379R 5046 Part 1 in the geographic township for Jarvis, Haldimand County, with a municipal address of 2401 Hwy 6, Jarvis ON NOA 1J0 to allow Lagasco to sell gas and to allow for the construction of the proposed Tiein System.

#### ALL OF WHICH IS RESPECTFULLY SUBMITTED BY

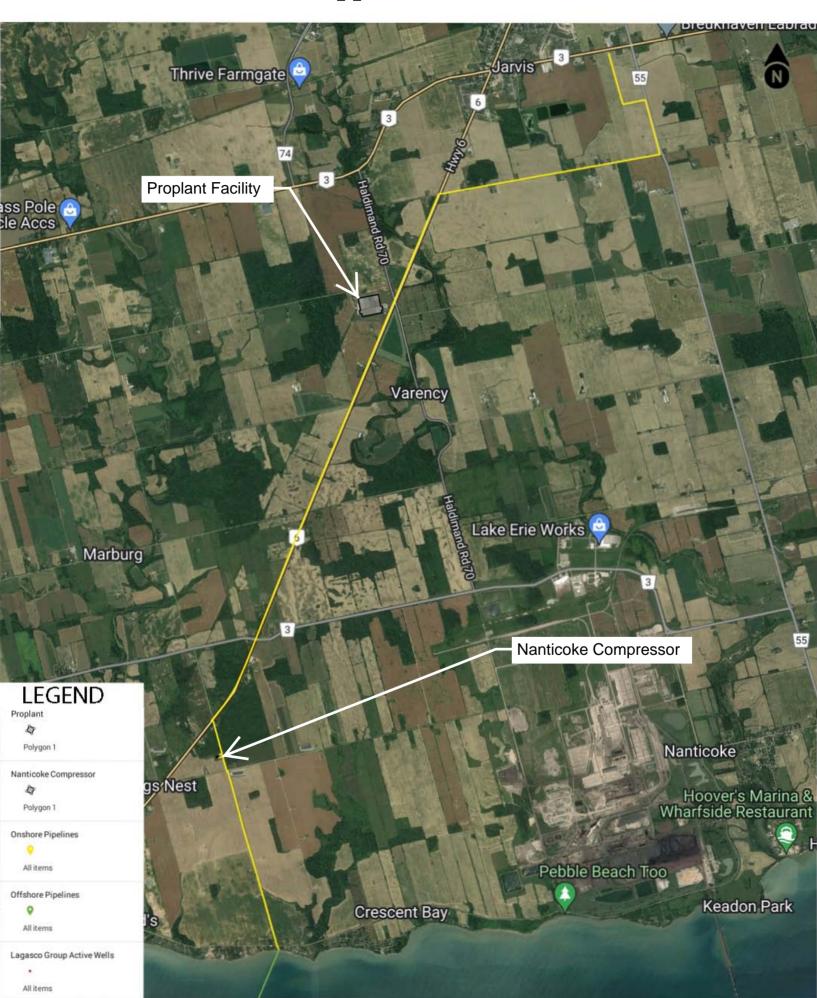
Laga∮co Inc.

per: Jane Lowrie, President

Appendix 1



Appendix 2



# Appendix 3



## Appendix 4

## Jennifer Lewis

From: Julie Kee <julie.kee@360energy.net>

Sent: May 19, 2023 4:05 PM To: Mike Berkel; Paul Berkel

Cc: David Arkell

Subject: FW: Proplant Gas Capacity Inquiry - Feasibility Estimate

Good Afternoon Mike and Paul,

At long last we finally have a "firm" answer from Enbridge on estimated costs (although there is a plus sign at the end of it, but at least we have a lower limit to the cost as well as a timeframe). Please see below, we will include this in the final report, as well as adjusted estimates for what Lagasco has proposed as of their last email.

We have our quarterly meeting on Tuesday morning, given Monday is a holiday I just wanted to check and ensure that you're still good for that time. We can discuss the gas project as well during the meeting.

Thanks & let me know, regardless have a great long weekend!

All the best

Julie

Julie Kee | Account Manager



Tel: (905) 304 6001 ext. 230

Cell: (905) 745 1700 Fax: (905) 304-0134

Email: julie.kee@360energy.net



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From: Joe Lee < Joe.Lee@enbridge.com> **Sent:** Friday, May 19, 2023 3:06 PM To: Julie Kee <julie.kee@360energy.net>

Subject: Proplant Gas Capacity Inquiry - Feasibility Estimate

Hi Julie,

As per our discussions today regarding the load request for Proplant Propagation at 2401 HIGHWAY 6 JARVIS ON. Below is the summary of the load request for our assessment:

Adding a cogen unit and thus incremental load of 3,880 m3/hr with requested delivery pressure of 138 kPa (20 psig).

• Requested in-service date is December 1, 2024.

Based on the load, the following is the scope of work/project required and the next steps:

#### **Scope of Project:**

- Re-enforcements required (approximately 10.2 km of 8 inch steel of main re-enforcements)
- New service line and metering station
- Estimated cost of \$11 million plus
- LTC (Leave to construct) project, requires OEB (Ontario Energy Board) filing
- Approximately 2-3 years for completion

## **Next Steps:**

- Customer decision confirm if proceed to Budget Level Estimate assessment by June, (Q2 2023)
- LOI (Letter of Indemnity) to be executed to cover feasibility studies, and Security (Letter of Credit in the amount of \$475,000 required) by Q2, 2023
- Enbridge Gas to proceed with Budget Level estimate assessment Q3, 2023

Please let us know if Proplant wishes to proceed to the budge level estimate by June 23.

#### Thanks.

#### Joe Lee

Account Manager, Large Commercial Industrial Accounts, Distribution In-Franchise Sales

**ENBRIDGE GAS INC.** 

TEL: 289-649-2030, Ext. 5212078 | CELL:905-741-4751 | PO. Box 10040, 918 South Service Road, Stoney Creek, ON L8E 5R1

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From: Julie Kee < julie.kee@360energy.net > Sent: Wednesday, April 12, 2023 2:31 PM
To: Joe Lee < Joe.Lee@enbridge.com >

Subject: [External] RE: Proplant Gas Capacity Inquiry

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Hey Joe,

Hope you're doing well! I just wanted to see if you had the completed assessment for Proplant at this point?

Let me know, thanks!! All the best

Julie

Julie Kee | Account Manager



Tel: (905) 304 6001 ext. 230

Cell: (905) 745 1700 Fax: (905) 304-0134

Email: julie.kee@360energy.net



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From: Joe Lee < <u>Joe.Lee@enbridge.com</u>>
Sent: Wednesday, February 22, 2023 1:04 PM

To: Julie Kee <julie.kee@360energy.net>; Gregory Kempa <gregory.kempa@360energy.net>

**Subject:** RE: Proplant Gas Capacity Inquiry

Hi Julie,

Thanks for your email note. I will ensure to have to included in the email correspondence.

The assessment for Proplant's inquiry is being conducted. Due to the scope of the work required, (i.e. re-enforcement of distribution system) it is expected to have the assessment completed the week of March 13<sup>th</sup>.

#### Regards,

#### Joe Lee

Account Manager, Large Commercial Industrial Accounts, Distribution In-Franchise Sales

ENBRIDGE GAS INC.

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From: Julie Kee < julie.kee@360energy.net > Sent: Tuesday, February 21, 2023 11:30 AM

To: Joe Lee < Joe.Lee@enbridge.com>; Gregory Kempa < gregory.kempa@360energy.net>

Subject: [External] RE: Proplant Gas Capacity Inquiry

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Good Morning Joe,

Hope you're doing well and that you had a good long weekend! I just wanted to touch base with you on something, I believe you were in communication with Greg Kempa on the Proplant expansion. Greg is no longer with 360 and I am taking over this project in his place. I believe per his notes that we are expecting a high level estimate to come our way for the week of February 27<sup>th</sup>, and I just wanted to confirm that this is still on track, and of course wanted to touch base with you to confirm that it should be sent my way as well.

Let me know if this timeline is still good, thanks Joe!

All the best

Julie

Julie Kee | Account Manager



Tel: (905) 304 6001 ext. 230

Cell: (905) 745 1700 Fax: (905) 304-0134

Email: julie.kee@360energy.net

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From: Joe Lee <Joe.Lee@enbridge.com>

**Sent:** January 13, 2023 2:06 PM

To: Gregory Kempa < gregory.kempa@360energy.net >

Subject: RE: Proplant Gas Capacity Inquiry

Hi Greg,

Would you be available next week, i.e. Jan. 17<sup>th</sup> from 2-3 pm for a discussion or the 18<sup>th</sup> from 10 – 11 am. Please let me know and I will send teams meeting invite.

#### Thanks.

#### Joe Lee

Account Manager, Large Commercial Industrial Accounts, Distribution In-Franchise Sales

**ENBRIDGE GAS INC.** 

TEL: 289-649-2030, Ext. 5212078 | CELL:905-741-4751 | PO. Box 10040, 918 South Service Road, Stoney Creek, ON L8E 5R1

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From: Gregory Kempa < <a href="mailto:sregory.kempa@360energy.net">sregory.kempa@360energy.net</a>>

Sent: Thursday, January 12, 2023 3:04 PM To: Joe Lee < Joe.Lee@enbridge.com >

Subject: [External] RE: Proplant Gas Capacity Inquiry

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Hello Joe,

I am tied up for about an hour, which number can I reach you at?

Gregory Kempa / Account Executive



Tel: (905) 304 6001 ext. 238

Email: gregory.kempa@360energy.net Let's Connect: Book a Time Here

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From: Joe Lee <Joe.Lee@enbridge.com>

Sent: January 12, 2023 3:01 PM

To: Gregory Kempa <gregory.kempa@360energy.net>

Subject: RE: Proplant Gas Capacity Inquiry

Hi Greg,

I have been forwarded your inquiry and will be submitting the request for incremental load. Having said that, would you be available for a quick call?

#### Thanks...

#### Joe Lee

Account Manager, Large Commercial Industrial Accounts, Distribution In-Franchise Sales

ENBRIDGE GAS INC.

TEL: 289-649-2030, Ext. 5212078 | CELL:905-741-4751 | PO. Box 10040, 918 South Service Road, Stoney Creek, ON L8E 5R1

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From: Gregory Kempa < <a href="mailto:gregory.kempa@360energy.net">gregory.kempa@360energy.net</a>>

Sent: Thursday, January 12, 2023 10:02 AM To: Mark Prociw < Mark. Prociw@enbridge.com> Subject: [External] RE: Proplant Gas Capacity Inquiry

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Hi Mark,

Ah yes, I recall the Workbook process.

To give you more context, do you recall a note from Julie Kee in our office discussing CoGen projects in Learnington and an IESO program to encourage increased power generation?

This request is tied to that project and the IESO program dates. He needs to apply to the program in early March as a first step. So, the request for high level cost (we'll take a range) to calculate his approximate costs and the profitability of the project in general is a must and first critical step for him.

So while appreciate the Workbook process from a process and communications point of view, we really do need to provide the client with an estimate sooner than that process allows.

Ballpark it if you must, give us a +/- range to allow us to better estimate this, but he does not have 4-6 months on this.

Yes make me the primary contact for this inquiry.

Greg

## Gregory Kempa / Account Executive



Tel: (905) 304 6001 ext. 238

Email: gregory.kempa@360energy.net Let's Connect: Book a Time Here

360 Energy, a North American leader in energy and carbon solutions, introduces the 360 Carbon Excellence **Program.** Designed to make climate change actions more effective, easy to follow and successful in organizations. Get in touch with us today to determine if the program is right for you.



From: Mark Prociw < Mark. Prociw@enbridge.com>

**Sent:** January 11, 2023 5:32 PM

To: Gregory Kempa <gregory.kempa@360energy.net>

Subject: RE: Proplant Gas Capacity Inquiry

Greg – were are in the process of formally launching the workbook for the customer site. We are seeing load requests/assessment spanning 4-6 months depending on the complexity of the request. Within the letter, I see that it has been indicated that high level pricing is required by Feb 15<sup>th</sup> – we cannot commit to having a Class 5 (feasibility) completed by this date, however, we will communicate to the region that there is interest in learning high level costing and potential reinforcement requirements as early as possible. This may help to indicate the magnitude of the requirements earlier along in the process.

Given this is a Legacy Union Gas region, we will be able to report a workback schedule when the regional engineer initiates the workbook. I have assign this request to a team member and will be revisiting work performed.

In reference the request from March 2020, the findings were that the system in the area were at capacity and that reinforcement of the system (including transmission) would be required. The load request at the time was for 45 mmbtu/hr or 1,270 m<sup>3</sup>/hr. Given that this request is more than double this amount, it is possible that we will experience the same recommendation for reinforcement – we won't fully know until the assessment is completed, I am only offering high-level commentary from the 2020 inquiry.

Will you be the primary contact for this project going forward?

Thanks Greg.

Mark Prociw, CEM

Supervisor, Large Commercial & Industrial Accounts TEL: 519-436-4698 | CELL: 519-350-4533

From: Gregory Kempa < gregory.kempa@360energy.net >

Sent: Wednesday, January 11, 2023 2:05 PM

To: Mark Prociw < Mark.Prociw@enbridge.com >

Subject: [External] RE: Proplant Gas Capacity Inquiry

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Thanks Mark,

Please let the team know there is a timeline on the estimate here. We know it will be high level but the ballpark is necessary to meet some third-party timelines we need to meet.

Greg

## Gregory Kempa / Account Executive



Tel: (905) 304 6001 ext. 238

Email: <a href="mailto:gregory.kempa@360energy.net">gregory.kempa@360energy.net</a> Let's Connect: <a href="mailto:Book a Time Here">Book a Time Here</a>

360 Energy, a North American leader in energy and carbon solutions, introduces the <u>360 Carbon</u> Excellence Program. Designed to make climate change actions more effective, easy to follow and successful in organizations. Get in touch with us today to determine if the program is right for you.

Follow us on:

From: Mark Prociw < Mark. Prociw@enbridge.com>

Sent: January 11, 2023 1:50 PM

To: Gregory Kempa < gregory.kempa@360energy.net >

**Subject:** RE: Proplant Gas Capacity Inquiry

Greg – I think your memory is serving you well. If I recall, a large portion of this area receives service at a lower pressure. We can submit the request at 20 PSI – I'm certain that we'll be promptly informed if 20 PSI is not possible without significant reinforcement – then we can resubmit at 10 PSI.

Mark Prociw, CEM

Supervisor, Large Commercial & Industrial Accounts TEL: 519-436-4698 | CELL: 519-350-4533

From: Gregory Kempa < gregory.kempa@360energy.net >

Sent: Tuesday, January 10, 2023 2:26 PM

To: Mark Prociw < Mark.Prociw@enbridge.com > Subject: [External] RE: Proplant Gas Capacity Inquiry

### **CAUTION! EXTERNAL SENDER**

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Hi Mark,

I remember just enough about pressure to know 6-8 Bar is 110psi +/-.

I also suspect there is nothing in terms of high pressure in the general area, hence, what I would have called Intermediate Pressure (IP) back in the day might suffice with the client providing compression on site. Hence, again if memory serves, we might be able to use a guaranteed pressure of 20psi.

Make sense? Greg

Gregory Kempa / Account Executive



Tel: (905) 304 6001 ext. 238

Email: <a href="mailto:gregory.kempa@360energy.net">gregory.kempa@360energy.net</a> Let's Connect: Book a Time Here

360 Energy, a North American leader in energy and carbon solutions, introduces the <u>360 Carbon Excellence Program</u>. Designed to make *climate change actions* more *effective, easy to follow* and *successful* in organizations. Get in touch with us today to determine if the program is right for you.

Follow us on:

From: Mark Prociw < Mark. Prociw@enbridge.com >

Sent: January 10, 2023 2:22 PM

To: Gregory Kempa <gregory.kempa@360energy.net>

Subject: RE: Proplant Gas Capacity Inquiry

Greg – nice to hear from you. I recall working on this capacity request in the past as well. At the time, the system was quite constrained – we can relaunch an assessment to determine the cost of providing the requested load.

Clarity question – is the pressure accurate? i.e. 8 bar = 116 PSI – we don't typically see may requests at this pressure level

Thanks.

Mark Prociw, CEM

Supervisor, Large Commercial & Industrial Accounts TEL: 519-436-4698 | CELL: 519-350-4533

From: Gregory Kempa < <a href="mailto:gregory.kempa@360energy.net">gregory.kempa@360energy.net</a>>

Sent: Tuesday, January 10, 2023 1:31 PM

To: Mark Prociw < Mark. Prociw@enbridge.com > Subject: [External] Proplant Gas Capacity Inquiry

### **CAUTION! EXTERNAL SENDER**

Were you expecting this email? TAKE A CLOSER LOOK. Is the sender legitimate? DO NOT click links or open attachments unless you are 100% sure that the email is safe.

Hello Mark,

It is my understanding that our two companies looked into your extending your distribution system to serve this customer in 2020.

Our client is again looking for additional natural gas capacity and we'd like to reevaluate their options. The attached should give you an overview of their needs and their timelines.

Can you please review the attached? I would appreciate our scheduling a meeting over the next few days to determine what additional information you might require to formulate a high level cost estimate for the client.

I look forward to hearing from you.

Greg

## Gregory Kempa / Account Executive



Tel: (905) 304 6001 ext. 238

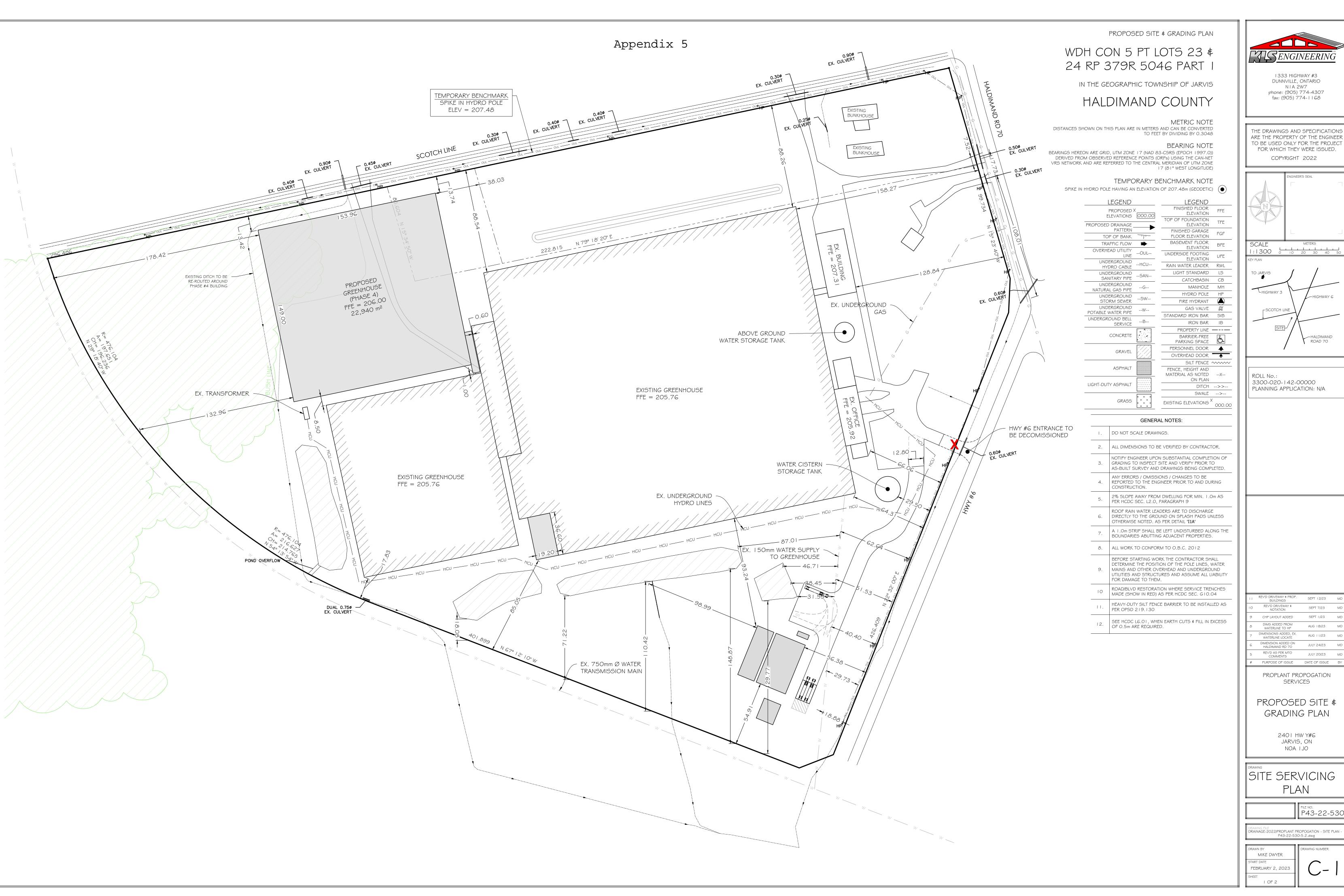
Email: gregory.kempa@360energy.net Let's Connect: Book a Time Here

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Follow us on:



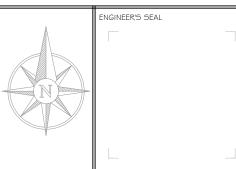




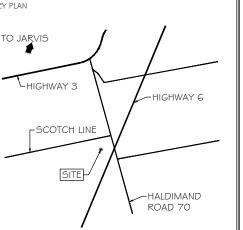


1333 HIGHWAY #3 DUNNVILLE, ONTARIO N I A 2W7 phone: (905) 774-4307 fax: (905) 774-1168

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1:1300 0 10 20 30 40 50



ROLL No.: 3300-020-142-00000 PLANNING APPLICATION: N/A

11	REV'D DRIVEWAY \$ PROP. BUILDINGS	SEPT   2/23	MD
10	REV'D DRIVEWAY \$ NOTATION	SEPT 7/23	MD
9	CHP LAYOUT ADDED	SEPT 1/23	MD
8	DIMS ADDED FROM WATERLINE TO HP	AUG 18/23	MD
7	DIMENSIONS ADDED, EX. WATERLINE LOCATE	AUG 11/23	MD
6	DIMENSION ADDED ON HALDIMAND RD 70	JULY 24/23	MD
5	REV'D AS PER MTO COMMENTS	JULY 20/23	MD

PROPLANT PROPOGATION SERVICES

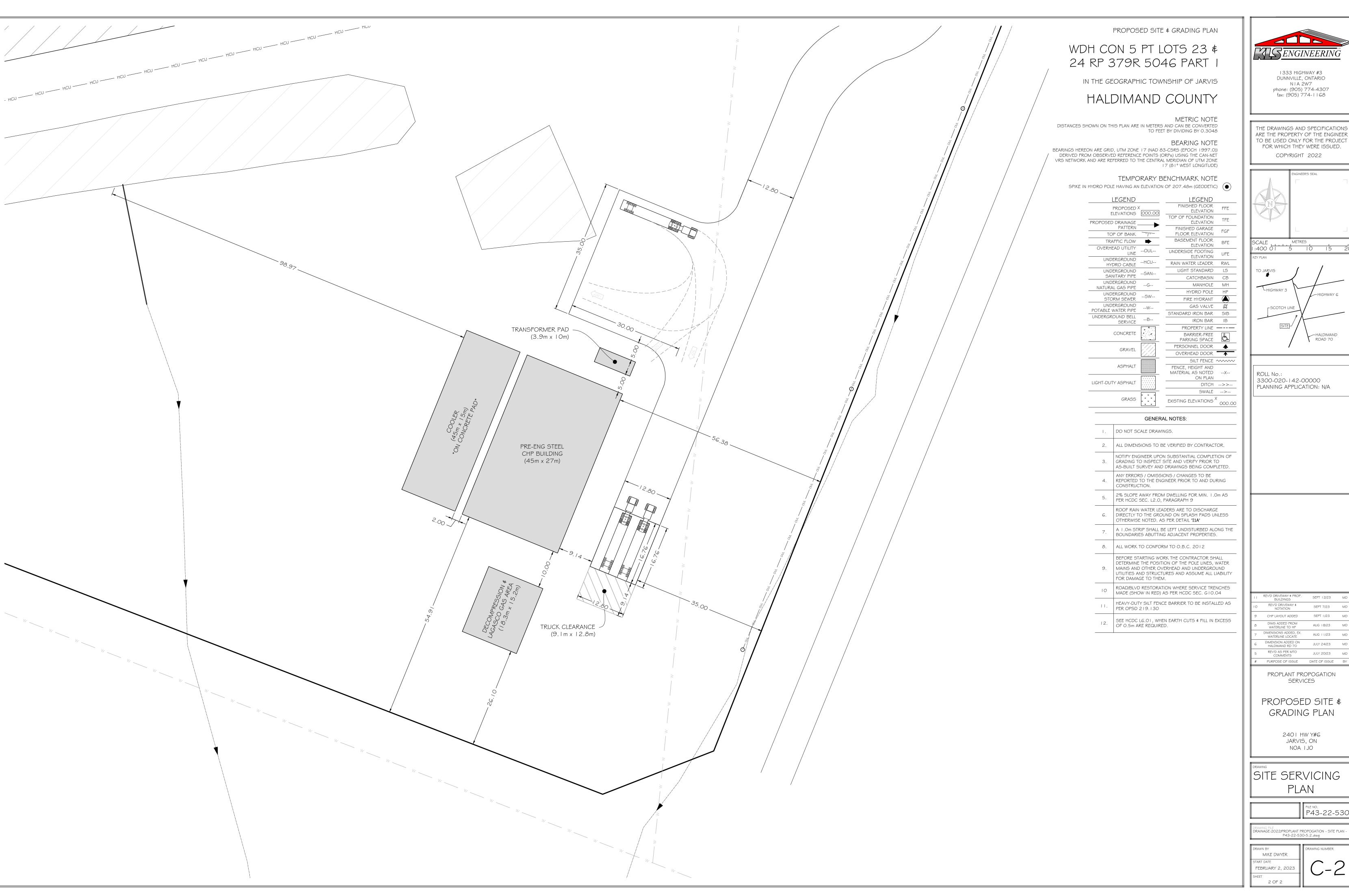
PROPOSED SITE \$ GRADING PLAN

> 2401 HW Y#6 JARVIS, ON NOA IJO

SITE SERVICING

P43-22-530

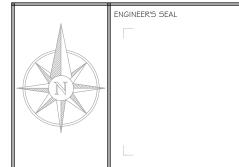
PRAINAGE: 2022/PROPLANT PROPOGATION - SITE PLAN -P43-22-530-5.2.dwg





I 333 HIGHWAY #3 DUNNVILLE, ONTARIO NIA 2W7 phone: (905) 774-4307 fax: (905) 774-1168

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SCOTCH LINE

3300-020-142-00000 PLANNING APPLICATION: N/A

11	REV'D DRIVEWAY \$ PROP. BUILDINGS	SEPT   2/23	MD
0	REV'D DRIVEWAY \$ NOTATION	SEPT 7/23	MD
9	CHP LAYOUT ADDED	SEPT 1/23	MD
8	DIMS ADDED FROM WATERLINE TO HP	AUG 18/23	MD
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PROPLANT PROPOGATION SERVICES

PROPOSED SITE \$ GRADING PLAN

> 2401 HW Y#6 JARVIS, ON NOA IJO

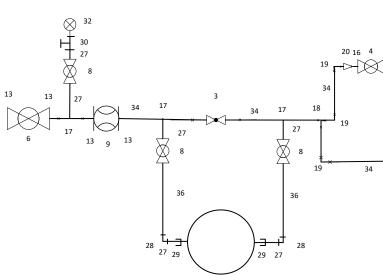
SITE SERVICING

P43-22-530

DRAINAGE: 2022/PROPLANT PROPOGATION - SITE PLAN -P43-22-530-5,2,dwg

MIKE DWYER FEBRUARY 2, 2023 2 OF 2

**Proplant Fuel Gas P&ID** 



Valves,	Control Valves, Regulators, Meters, Odorizer
1	3" 600ANSI x weld FP ball valve
2	2" 600ANSI FP ball valve
3	4" 150ANSI globe valve
4	3" 150ANSI ball valve
5	2" 600ANSI Kimray CVC2BRTWFEP5S motor valve
6	2" 600ANSO Fisher 627 regulator, 1/2" trim, red spring
7	4" 150ANSI FP ball valve
8	1" NPT 1500# FP ball valve
9	4" 150ANSI 11M175 Roots meter
10	PBHNW5S Kimray Pilot
11	King Tool 3B Odorizer w/PAI level gauge, 300# MAOP

34 21 15	
15 15	15
19	
13 4 13	
Fittings and Pipe	
12 Hot tap saddle: 6" x 3" 600ANSI flange	
13 4" 150ANSI RFWN flange	
14 3" 600ANSI RFWN flange	
15 2" 600ANSI RFWN flange	
16 3" 150ANSI RFWN flange	
17 1" Thread-o-let for 4" pipe	
18 4" Sch 40 Tee	
19 4" Sch 40 90o elbow	_
20 4" x 3" Sch 40 concentric reducer	_
21 4" x 2" Sch 40 concentric reducer	_
22 3" x 2" Sch 40 concentric reducer	_
23 2" Sch 40 Tee	_
24 2" x 1" Sch 40 concentric reducer	
25 2" Sch 40 90o elbow	_
26 1" WE x NPT XH swage	_
27 1" NPT x 4" long XH nipple	_
28 1" NPT XH 90o elbow	_
29 1" NPT 1000# Union	_
30 1" NPT XH Tee	_
Miscellaneous	
31 4" face, 1/2" stem pressure gauge: 0 - 600 psi	
32 4" face, 1/2" stem pressure gauge: 0 - 120 psi	
33 1" inlet/1 1/2" outlet relief valve set to 175 psi	
34 4" Sch 40 bare line pipe	
35 2" Sch 40 YJ line pipe	
36 1" NPT Sch 40 line pipe	

35

## Appendix 7



September 18, 2023

AB Energy Canada Ltd.

Jan Buijk jan.buijk@gruppoab.com Independent Electricity System Operator

1600-120 Adelaide Street West Toronto, ON M5H 1T1 t 416.967.7474

www.ieso.ca

This notice was delivered electronically to the email address of the contact noted above

## **RE: Long-Term Request for Proposals Deliverability Test Results**

Dear Jan Buijk,

In accordance with the <u>Deliverability Test Process for the Long-Term Request for Proposals</u>, this letter provides Deliverability Test results, as applicable, for the project submitted for the Long-Term Request for Proposals (LT1 RFP) Deliverability Test.

This notice does not confirm eligibility for the LT1 RFP. Prospective LT1 RFP Proponents are strongly encouraged to review the LT1 RFP to ensure that they meet the eligibility requirements. Should you decide to submit a Proposal to the LT1 RFP, your Long-Term Reliability Project must meet the requirements set out in the LT1 RFP, including the eligibility requirements related to the Deliverability Test set out in Section 2.1(e)(iii).

The information included below with respect to the connection point of the facility, including the GPS coordinates, will be used for the purpose of any Deliverability Test conducted with respect to the project under Stage 5 of the RFP.

The Deliverability Test Results in the table below are final and are not open for review or re-test.

As a reminder, the Deliverability Test does not replace or impact any of the connection assessments that are necessary for project connection. Receiving a result of "Deliverable" in a Deliverability Test does not imply that the project will pass the connection assessment or that connection costs will be within any specific range or estimate.

In the case of a project deemed "Not Deliverable", the IESO will not be providing recommendations as to what changes would be required to make the project deliverable for any future deliverability tests.

Regards,

#### **Deliverability Testing Team**

Independent Electricity System Operator (IESO)

Applicant	AB Energy Canada Ltd.
Qualified Applicant ID	LT1RFQ-030
Project #	10
Project Fuel Type	Gas
If other	

Variation	1	2	3
Unique Project ID	LT1-030-10-1	LT1-030-10-2	LT1-030-10-3
Application details			
GPS coordinates of connection point	42.857268, -80.129479	42.857268, -80.129479	42.857268, -80.129479
Maximum summer continuous net output (MW)	16.9	12.7	9.5
Maximum winter continuous net output (MW)	16.9	12.7	9.5
Nameplate rating (MVA) (total of synchronous and inverter generation)	23.0	18.6	14.0
Transmission or distribution connection	Distribution	Distribution	Distribution
Transmission system connection			
Connection voltage			
Name of transformer station (TS) or switching station (SS)			
Name of the 1st circuit the project will connect to			
Name of the 2nd circuit the project will connect to			
Name of the 3rd circuit the project will connect to			
Name of the 4th circuit the project will connect to			
Distribution system connection			
Name of the 1st feeder the project will connect to	M5	M5	M5
Name of TS or DS the 1st feeder connects to	Jarvis TS	Jarvis TS	Jarvis TS
Name of the 2nd feeder the project will connect to			
Name of TS or DS the 2nd feeder connects to			
Name of the 3rd feeder the project will connect to			
Name of TS or DS the 3rd feeder connects to			
Name of the 4th feeder the project will connect to			
Name of TS or DS the 4th feeder connects to			
Deliverability Test result			
Result	Not Deliverable	Not Deliverable	Deliverable but Competing
Result explanation	Distribution system limitations	Distribution system limitations	Transmission system limitation

## Appendix 8



2401 Hwy. 6 S Jarvis, ON NOA 1J0 Ph. (519) 587-2235

November 20th 2023

Ms. Kirstin Walli Board Secretary Ontario Energy Board 2300 Yonge Street, 27th Floor Toronto, ON M4P 1E4

Dear Ms. Walli

Re: Lagasco Inc. application for Certificate of Public Convenience and Necessity ("CPCN") pursuant to Section 8 of the *Municipal Franchises Act* R. S. O. 1990, c.M.55.

Proplant Propagation Services Ltd. ("Proplant") has reviewed and is in full support of the Lagasco Inc. ("Lagasco") application for a CPCN to service Proplant's facility at 2401 Hwy 6, Jarvis, Ontario, NOA 1JO. Proplant received a proposal from Enbridge Gas Inc. to supply natural gas to Proplant's new generation facility. Enbridge's timelines and costs associated with the proposal would be prohibitive to Proplant's project and as such, Proplant reached out to Lagasco to determine if it was possible for them to supply Proplant with the incremental needed gas. It is possible and purchasing gas from Lagasco is the only option that will allow Proplant to proceed with our new electrical generation facility.

Proplant and Lagasco have agreed on a budget for the new interconnection facilities and have also completed a draft Gas Supply Agreement with mutually agreed upon terms. This Gas Supply Agreement will be executed upon approval by Ontario Energy Board for Lagasco to serve the Proplant generation facility, and the award of a power supply contract by the Independent Electricity System Operator.

If the Board has any questions, please feel free to contact Proplant directly.

Yours Truly,

Mike Berkel

Proplant Propagation Services Inc.