



Ontario  
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**BY EMAIL**

February 7, 2024

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

Dear Ms. Marconi:

**Re: Lagasco Inc.  
Application for a Limited Certificate for Public Convenience and Necessity  
(Certificate)  
OEB Staff Interrogatories  
OEB File No. EB-2023-0344**

In accordance with Procedural Order No. 1, please find attached Ontario Energy Board (OEB) staff's interrogatories in respect of the above proceeding. The applicant and intervenors have been copied on this filing.

Lagasco Inc.'s responses to interrogatories are due by February 16, 2023.

Any questions relating to this letter should be directed to Natalya Plummer at [natalya.plummer@oeb.ca](mailto:natalya.plummer@oeb.ca) or at 416-440-7645. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Natalya Plummer  
Advisor, Natural Gas

Encl.

**OEB Staff Interrogatories  
Lagasco Inc.  
EB-2023-0344**

Please note, Lagasco Inc. (Lagasco) 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*.

**OEB STAFF-1**

**Reference:** Application, page 3, 5 and 7

**Preamble:**

Lagasco stated that Proplant Propagation Services Ltd. (Proplant), together with AB Energy Canada Ltd. (AB Energy Canada), received approval to proceed with the second stage of a bid for a 9.5 MW power supply contract with the Independent System Operator (IESO). Pending a successful bid, 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 (Proplant Generation Facility). Lagasco stated that it operates a pipeline on the North side of Highway 6 on Proplant's property and that this pipeline will be used to provide natural gas service to the Proplant Generation Facility. Lagasco plans to construct a tie-in system, 50 metre service line, meter, regulator, and monitoring station (the Project) to service the Proplant Generation Facility and stated that it will own the Project and operate the tie-in system.

**Question(s):**

- a) Please explain whether AB Energy Canada will jointly own and/or operate the Project with Proplant.
- b) Please confirm that Lagasco's planned Project for servicing the proposed generation facility has not changed. If not confirmed, please discuss any proposed changes.

## **OEB STAFF-2**

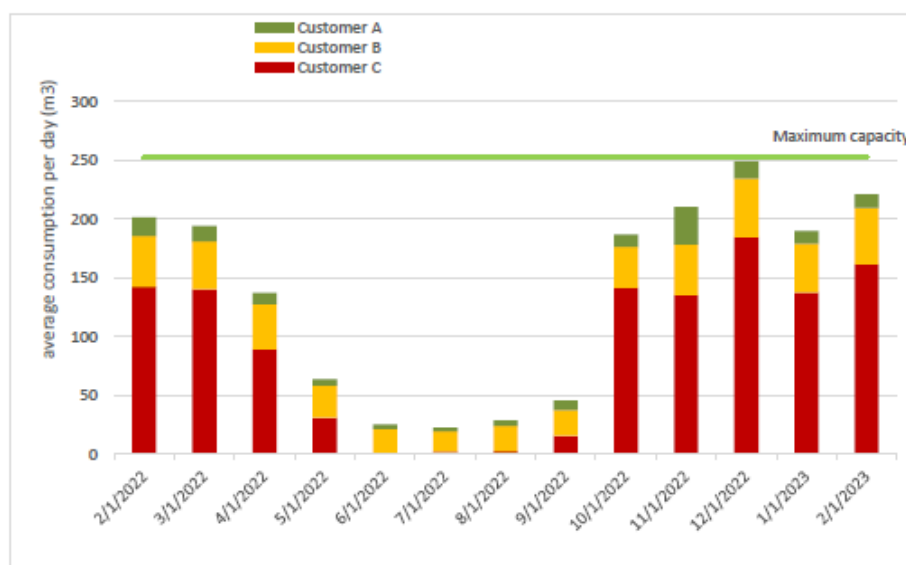
**Reference:** Application, page 9

### **Preamble:**

Lagasco operates a compressor station and pipeline through which it delivers natural gas to Enbridge Gas Inc. (Enbridge Gas) on the east side of Jarvis Ontario. This is the pipeline that Lagasco proposes to use to supply the incremental gas Proplant Generation 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 the Proplant Generation Facility. The natural gas for the Proplant Generation Facility will be from Ontario produced Lake Erie gas wells having a ~ 50 year reserve life.

### **Question(s):**

- a) Does Enbridge Gas have its own feed into Jarvis, Ontario or is Lagasco the only provider to Jarvis, Ontario?
- b) Please provide a twelve-month graph, broken into months, indicating the following (similar to the example below):
  - i. Typical load feeding Enbridge Gas's station feeding into Jarvis, Ontario.
  - ii. Layering above Enbridge Gas's station load, the estimated load for the Proplant Generation Facility.
  - iii. Lagasco's maximum supply capacity.



- c) What is the basis of “50 year reserve life”?
- i. Has a study by Lagasco, or another person, been conducted on how much gas is still in the wells that supply this line?
  - ii. If so, please provide details of the study, including an explanation as to how long Lagasco will be able to supply Enbridge Gas’s station, as well as the Proplant Generation Facility (assuming typical annual usage by Enbridge Gas and estimated usage by the Proplant Generation Facility).

### **OEB STAFF-3**

**Reference:** Application, page 7  
Application, Appendix 4, page 1 and 2

**Preamble:**

Lagasco provided the summary below detailing Proplant’s additional natural gas requirements to supply the Proplant Generation Facility.

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	Gas Available = 1,000 GJ/Day
GJ / HR	88.46	
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	

**Question(s):**

- a) Please confirm that the projected annual gas requirement to service the Proplant Generation Facility has not changed since the application was filed. If the estimated annual requirement has changed, please provide the new estimate.
- i. Are you aware of any plans to increase electricity generation capacity of

- the Proplant Generation Facility at a later date?
- ii. If Proplant were to increase its generation capacity, would the proposed system be able to take on additional load? What is the maximum supply capacity based on the proposed pipe sizing?
- b) Please explain how the “Gas Available” (i.e. 1,000 GJ/Day) was determined, including whether it was based on the size of pipe or the production capacity of Lagasco.
- c) Please explain how the “Estimated Days Running per Month” and “Estimated Hours Running per Day” were determined. If determined by the IESO, was it through contract documents or typical bid durations?
- i. What is the maximum duration that the Proplant Generation Facility is expected to generate electricity?
  - ii. Can Lagasco supply this amount? If not, What is the maximum hours the Proplant Generation Facility can expect to generate electricity at full capacity (9.5 MW)?
- d) Please confirm that there is no circumstance in the future under which the annual volumes delivered by Lagasco to the Proplant Generation Facility will be in excess of 3,000,000 m<sup>3</sup>.
- e) Please explain why the Proplant Generation Facility’s generator engines require 4-8 bars (~60-120 psig) of pressure when comparing Enbridge Gas's proposed 20 psig and how Lagasco will be able to meet this requirement.

**OEB STAFF-4**

**Reference:** Application, page 9

**Preamble:**

Lagasco stated that the total capital cost of the Project, 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 Enbridge Gas. Any gas not consumed by Proplant will continue along the pipeline and be delivered into Enbridge Gas’s system at the sales point at Enbridge Gas 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

**Question(s):**

- a) Please provide further details with respect to the significant cost difference between Lagasco's (\$350,000) and Enbridge Gas's (\$11 million) supply options that are designed to serve the same need.
- b) Enbridge Gas believes an NPS8 steel pipe is required to reinforce and supply the Proplant Generation Facility, Lagasco proposed a NPS2 pipe which is tapped from an adjacent NPS6 pipeline.
  - i. Please clarify if this is a steel or plastic pipe.
  - ii. Please provide a discussion on why there is such a large difference in sizing of pipes when comparing the proposed NPS2 to Enbridge Gas's proposed NPS8.
  - iii. What is the pressure from Lagasco's NPS6?
  - iv. What pressure is leaving Lagasco's station entering into the Proplant Generation Facility? And does it satisfy the Proplant Generation Facility's 4-8 bars requirement?
- c) Is the gas in the NPS6 adjacent to Hwy 6 odorized?
- d) At the time that the Proplant Generation Facility is operational, please advise which set of customers would be prioritized in the event that there is insufficient natural gas produced by Lagasco (i.e. the Proplant Generation Facility or Enbridge Gas station number 12W103)?
  - i. Please advise whether Enbridge Gas and Lagasco have discussed operational plans if this scenario occurs?

### **OEB STAFF-5**

**Reference:** Application, page 8 and 10

**Preamble:**

Lagasco stated that the timelines that Enbridge Gas provided Proplant for servicing the Proplant Generation Facility were far too long for Proplant's bid to the IESO and to meet the terms of the anticipated IESO contract. Lagasco estimates completion of the tie-in system in 4 weeks, but parts to be ordered will have a longer lead time.

**Question(s):**

- a) Please elaborate on the project timelines in respect to the IESO bid and terms of the anticipated IESO contract. Please also explain how Lagasco's timelines for completion of the Project support the IESO bid and meet the terms of the anticipated IESO Contract.
- b) What is the anticipated construction schedule for the Proplant Generation Facility.
- c) What is the anticipated construction schedule for the Project.

### **OEB STAFF-6**

**Reference:** Application, page 4  
Application, Appendix 5

**Preamble:**

Lagasco noted that Enbridge Gas is currently servicing Proplant's existing facility located at 2401 Hwy 6, Jarvis, Ontario (Existing Facility). Lagasco stated that the portion of the property planned for the proposed Proplant Generation Facility currently has no gas supply infrastructure on it and that the facility will operate independently from the existing gas fired equipment used for plant propagation and serviced by Enbridge Gas. Lagasco further stated that Proplant wishes to purchase gas from similar quantities from Enbridge Gas in the future.

The map provided in Appendix 5, shows that there are two existing greenhouses at the Project site and one proposed greenhouse.

**Question(s):**

- a) Please provide a map that shows Proplant's Existing Facility, Lagasco's existing delivery line and the proposed Proplant Generation Facility. If possible, please also show the approximate location of Enbridge Gas's distribution main and service line that provide gas to the existing gas fired equipment at the Project site.
- b) Please elaborate on what existing gas fired equipment on the project site is being serviced by Enbridge Gas and whether the portion of the property planned for the Proplant Generation Facility has any of Enbridge Gas's infrastructure (i.e distribution infrastructure, etc).
- c) What is Proplant's emergency response plan in the event of an incident near or at natural gas infrastructure (i.e. site plans marking out natural gas services pertaining to each supplier)?
- d) Please discuss whether Proplant has a contract in place with Enbridge Gas for providing natural gas service to the existing gas fired equipment at the project site. If so, what is the length of the contract.
- e) Which natural gas supplier will be serving the "Proposed Greenhouse (Phase 4)" shown in Appendix 5.

**OEB STAFF-7**

**Reference:** Application, page 15

**Preamble:**

Lagasco has applied for a limited Certificate to enable it to construct works to supply gas to the Proplant Generation Facility. The *Ontario Energy Board Act, 1998* permits the OEB, when making an order, to "impose such conditions as it considers proper."

OEB staff has prepared draft conditions of approval, set out below, that it plans to submit to the OEB should consider by the OEB when determining whether to deny or approve Lagasco's application.

**Question(s):**

- a) If Lagasco does not agree to any of the draft conditions of approval noted below,

please identify the specific conditions that Lagasco disagrees with and explain why. For conditions in respect of which Lagasco would like to recommend changes, please provide the proposed changes and an explanation of the changes.

**Lagasco Inc.**

**Application for a Limited Certificate of Public Convenience and Necessity**

1. Lagasco shall give the OEB notice in writing of the:
  - a. Commencement of construction, at least ten days prior to the date construction commences;
  - b. Planned in-service date, at least ten days prior to the date the facilities go into service;
  - c. Date on which construction was completed, no later than 10 days following the completion of construction; and
  - d. In-service date, no later than 10 days after the facilities go into service.
2. Lagasco shall advise the OEB of any change to the proposed facilities as described in its application and evidence, prior to implementing the change.
3. Lagasco shall designate one of its employees as project manager who will be responsible for the fulfillment of these conditions. Lagasco shall provide the employee's name and contact information to the OEB, Proplant Propagation Services Ltd., and clearly post the information at the tie-in station site. The project manager will be responsible for the fulfilment of the conditions of approval on the site.
4. The OEB's designated representative for the purpose of these Conditions of Approval shall be the OEB's Manager of Natural Gas.