

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

BY EMAIL

February 9, 2024

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

Dear Ms. Marconi:

Re: Enbridge Gas (Enbridge Gas) Lawrence Avenue East Station Relocation Project OEB Staff Interrogatories Ontario Energy Board File Number: EB-2023-0260

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 and to all other registered parties to this proceeding.

Enbridge Gas is reminded that its responses to interrogatories are due by February 26, 2024.

Yours truly,

Judith Fernandes Senior Advisor, Natural Gas Applications

Encl.

OEB Staff Interrogatories Enbridge Gas Inc. EB-2023-0260

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 1

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 7

Preamble:

Enbridge Gas provided a construction schedule for the proposed project. Enbridge Gas stated that the proposed project construction schedule has been developed to meet Metrolinx's timing for subway extension construction at Lawrence Ave East and McCowan Road.

Questions:

a) Is Enbridge Gas aware of any aspects of the Subway Extension construction that could potentially delay the commencement of construction 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.

- b) Please discuss any associated risks and impacts if the proposed construction start and/or in-service dates for the proposed project are delayed.
- c) Please discuss the impact to the proposed construction schedule and in-service date if Enbridge Gas receives a decision and order from the OEB later than May 2024.

ISSUE 2.0 PROJECT ALTERNATIVES

Staff-3

Ref: Exhibit C, Tab 1, Schedule 1, pages 5-8

Preamble:

Enbridge Gas provided a discussion of the route/facility alternatives that it considered. Enbridge Gas stated that based on its assessment, 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, pages 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 \$3.35 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) have entered into a Utility Work Agreement (UWA). Under the UWA, the Metrolinx Contractor assumes full cost responsibility and will reimburse Enbridge Gas for all its actual costs and expenses incurred in completing the project.

Enbridge Gas stated that the details, scoping of work, and cost for the future permanent relocation is not known at this time because it is dependent on Metrolinx's construction activities and schedule for completing the Subway Extension. Enbridge Gas noted that Metrolinx will be reimbursing Enbridge Gas for the cost of this permanent relocation as well.

Questions:

- a) 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 \$3.35 million. If not, please explain how Enbridge Gas expects to manage any additional costs that exceed the estimated costs.
- b) Please confirm whether Enbridge Gas currently has an agreement with Metrolinx that confirms that Metrolinx will reimburse Enbridge Gas for the cost of the permanent relocation of the assets? If not, please explain the basis of Enbridge Gas's assertions regarding the reimbursement by Metrolinx for the permanent relocation 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 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 other OEB approved Enbridge Gas projects, 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 other relevant past projects.
- c) Did Enbridge Gas use some or all of the estimated contingency amounts in these past projects?

ISSUE 4.0 ENVIRONMENTAL IMPACTS

Staff-7

Ref: Exhibit F, Tab 1, Schedule 1, page 3 and Environmental Report, Appendices F-1, F-2, F-3

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 June 15, 2023, with a request for comments by July 28, 2023. Enbridge Gas filed the comments received on the ER in Appendix F-2.

Questions:

- a) Please file an update of the comments provided in Appendix F-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.
- b) 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-8

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

Preamble:

Enbridge Gas stated that a Cultural Heritage Report: Existing Conditions and Preliminary Impact Assessment (CHRECPIA) was completed and submitted to the Ministry of Citizenship and Multiculturalism (MCM) on May 31, 2023 for review and that comments on the CHRECPIA were received from the MCM on June 30, 2023.

Enbridge Gas also stated that a Stage 1 Archaeological Assessment (AA) was completed and accepted by the MCM. The Stage 1 AA found that the project area does

not retain archaeological potential and recommends no further assessments be completed.

Questions:

- a) Please provide the comments of MCM on the CHRECPIA and explain how Enbridge Gas has addressed these comments.
- b) Please confirm whether approval from the MCM for the CHRECPIA is still pending or if Enbridge Gas is awaiting any further comments from MCM.

ISSUE 5.0: ROUTE MAP AND FORM OF LANDOWNER AGREEMENTS

Staff-9

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

Preamble:

Enbridge Gas stated that it will require approximately 604 m^2 of permanent easements and approximately 792 m^2 of temporary working areas to facilitate construction.

In Attachment 3, Enbridge Gas provided the list of directly and indirectly impacted landowners.

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 inservice dates.

<u>Staff-10</u>

Ref: Exhibit G, Tab 1, Schedule 1, page 2 and Environmental Report, Table 1, pages 5,6

Preamble:

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

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.

ISSUE 6.0 INDIGENOUS CONSULTATION

Staff-11

Ref: Exhibit H, Tab 1, Schedule 1, page 1, Attachments 2 and 5

Preamble:

The Ministry of Energy (MoE) identified eight 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 First Nation
- Mississaugas of the Credit First Nation

In Attachment 5, Enbridge Gas filed its Indigenous Consultation Report summarizing its Indigenous consultation activities up to September 12, 2023.

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 an update on Indigenous consultation activities set out in Attachments 5 and 6, summarizing any issues and concerns raised and how these are being addressed. Please include any supporting documentation, i.e., email correspondence that is referenced.
- b) 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.
- c) Please indicate when Enbridge Gas expects to receive a Letter of Opinion from the MoE.
- d) 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-12

Ref: Exhibit I, Tab 1, Schedule 1, page 1

Preamble:

The OEB has developed standard conditions of approval that are typically imposed in leave to construct approvals.¹ 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.

¹ 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

The OEB's standard conditions of approval, with a modification to Condition 6 and minor modifications (underlined) to Conditions 2(b) (ii) and (iv), 7(a), and 7(b) 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) Based on a letter from Enbridge Gas regarding a recently approved project², OEB staff has also made minor modifications (underlined) to Conditions 2(b) (ii) and (iv), 7(a), and 7(b) to better reflect the intent of those conditions. Please confirm if Enbridge Gas agrees with OEB staff's suggested minor modifications.
- 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. Explain the rationale for disagreement and for any proposed changes or amendments.

² Enbridge Gas January 12, 2024 letter providing notification of planned in-service date - Mohawks of the Bay of Quinte Community Expansion Project (EB-2022-0248)

Application under Section 90(1) of the OEB Act

Enbridge Gas Inc. EB-2023-0260 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-2023-0260 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 <u>start</u> date, at least 10 days prior to the date the facilities <u>begin to</u> 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 <u>full project</u> in-service date, no later than 10 days after <u>all</u> 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 <u>full project</u> 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 <u>full project</u> inservice 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.