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

BY EMAIL

September 4, 2025

Ritch Murray
Acting Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Registrar@oeb.ca

Dear Ritch Murray:

Re: Ontario Energy Board (OEB) Staff Submission
Enbridge Gas Inc. (Enbridge Gas)
Mississauga Reinforcement Project
OEB File Number: EB-2025-0073

In accordance with OEB's Procedural Order No. 1, please find attached OEB staff's submission in the above proceeding. The attached document has been forwarded to Enbridge Gas Inc. and to all other registered parties to this proceeding.

Yours truly,

Judith Fernandes

Digitally signed by Judith Fernandes
Date: 2025.09.04 15:03:31 -04'00'

Judith Fernandes
Senior Advisor, Natural Gas Applications

Encl.

c: All parties in EB-2025-0073

ONTARIO ENERGY BOARD

OEB Staff Submission

Enbridge Gas Inc.

Mississauga Reinforcement

Project EB-2025-0073

September 4, 2025

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Application Summary and Process

On May 9, 2025, Enbridge Gas Inc. (Enbridge Gas) filed an application with the Ontario Energy Board (OEB) under section 90(1) of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B) (OEB Act), for an order granting leave to construct the Mississauga Reinforcement Project (Project) in the Town of Oakville and the City of Mississauga. The Project is proposed to meet the requests of existing customers, Petro-Canada Lubricants Inc., CRH Canada Group Inc., and CertainTeed Canada Inc. for incremental natural gas service.

The Project consists of:

- Approximately 3.1 km of NPS 6-inch steel natural gas pipeline with a Maximum Operating Pressure (MOP) of 1,900 kPa to reinforce the natural gas supply to the Customers
- Approximately 290 m of NPS 6-inch steel natural gas pipeline with a MOP of 1,900 kPa to the CRH Canada customer station
- Rebuild of the CRH Canada and Petro-Canada Lubricant natural gas customer stations
- A new natural gas district regulating station and approximately 20 m of NPS 4-inch steel natural gas pipeline

Enbridge Gas also applied to the OEB under section 97 of the OEB Act for approval of the form of land-use agreements it offers to landowners affected by the routing or location of the Project.

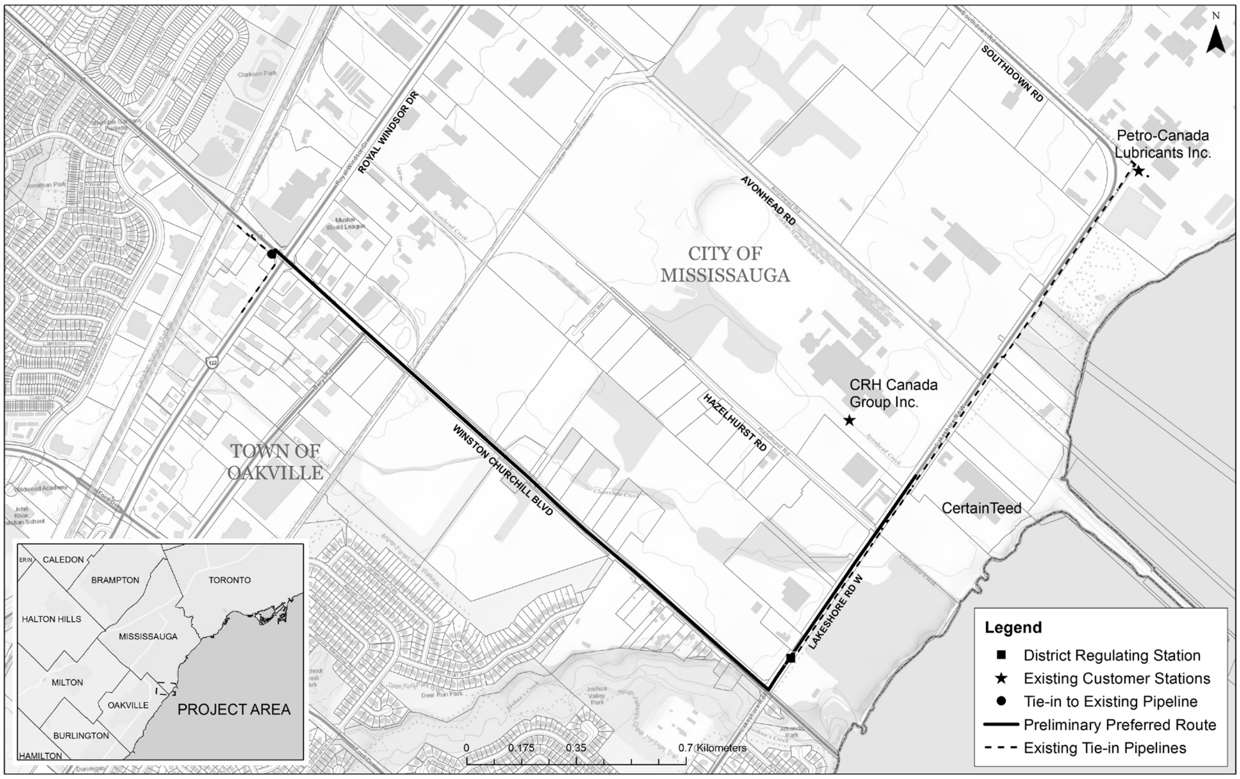
In terms of other OEB approvals required for the Project, in addition to the leave to construct requested in the current proceeding, OEB staff notes that Enbridge Gas has franchise agreements[1] and holds Certificate(s) of Public Convenience and Necessity[2] that cover all areas within the Town of Oakville and City of Mississauga within which the Project will be constructed. These franchise agreements and certificates allow Enbridge Gas to construct, operate and add to the natural gas distribution system within all parts of the municipality.

Enbridge Gas plans to commence construction of the Project in April 2026 and it is expected to be placed into service in November 2026.

[1] Town of Oakville - EB-2009-0344 (expiring November 30, 2029); City of Mississauga – EB-2010-0188 (expiring September 15, 2030); Peel Region – EB-2014-0192 (expiring December 12, 2034); Halton Region – EB-2022-0238 (expiring June 14, 2043)
[2] Town of Oakville – EB-2024-0256 (issued on November 28, 2024); City of Mississauga– EB-2025-0188 (issued on August 14, 2025).

A general location of the Project is shown on the map below:

Mississauga Reinforcement Project



The OEB issued a Notice of Hearing on June 2, 2025.

Environmental Defence, Federation of Rental-housing Providers of Ontario (FRPO) and Industrial Gas Users Association (IGUA) applied for intervenor status and cost eligibility. In response to Enbridge Gas's objection to FRPO's request for intervenor status, FRPO advised the OEB that it is withdrawing its intervention request. Environmental Defence and IGUA were approved as intervenors.

In Procedural Order No. 1, issued July 24, 2025, the OEB provided for the filing of interrogatories and responses, and for the filing of submissions and reply submissions.

OEB staff and intervenors filed interrogatories on August 7, 2025 and Enbridge Gas filed its interrogatory responses on August 21, 2025.

OEB Staff Submission

OEB staff supports the approval of Enbridge Gas's leave to construct application, subject to the OEB's standard conditions of approval for natural gas leave to construct applications. OEB staff also supports the approval of the forms of land-use agreements proposed by Enbridge Gas.

Consistent with the OEB's Standard Issues List for natural gas leave to construct applications, OEB staff's submission is structured to address the following issues:

1. Project Need
2. Project Alternatives
3. Project Cost and Economics
4. Environmental Impacts
5. Landowner Matters
6. Indigenous Consultation
7. Conditions of Approval

Project Need

The Project is required to meet the incremental firm natural gas service request of 25,902 m3/hour from three existing customers, Petro-Canada Lubricants Inc., CRH Canada Group Inc., and CertainTeed Canada Inc. (the Customers), with service starting December 1, 2026. The Customers have existing large volume distribution contract rate natural gas services from Enbridge Gas supporting their facility operations, which involve the production of lubricants, cement and building materials.

The purpose of the Project is to firm-up existing interruptible contract parameters for the Customers to support transitioning segments of their overall operations from coal and/or bunker oil to natural gas. According to Enbridge Gas, the partial conversion of the Customers' energy usage from coal to natural gas is anticipated to help reduce and manage greenhouse gas emissions.

In response to interrogatories[3], Enbridge Gas provided supplementary information on new sulphur dioxide emissions regulations (outlined in O. Reg. 88/22) that take effect on January 1, 2027 which eliminates the option for Petro-Canada Lubricants Inc. to use heavy fuel oil/bunker oil. Enbridge Gas stated that without the additional firm natural gas capacity the Project provides, Petro-Canada Lubricants Inc. will be unable to use liquid fuels during interruptions, forcing a portion of the plant to shut down, especially during winter months when most interruptions occur. Enbridge Gas submitted that the Project's in-service date of November 1, 2026 is critical in ensuring the January 1, 2027 deadline

[3] Exhibit I.STAFF-2

is met.

Enbridge Gas has requested approval of this application by December 2025. Enbridge Gas stated that a delay to the proposed construction start date would increase the risk of either missing the proposed in-service date or incurring additional construction costs for time not accounted for in the current estimate to meet the in-service date.

The Project was identified in the Enbridge Gas Asset Management Plan 2025-2034[4] filed with the OEB on November 8, 2024. The Project is designed to meet the needs of the Customers and is not dependent on any future or previously filed leave to construct application by Enbridge Gas.

OEB staff submits that Enbridge Gas has established the need for the Project.

Project Alternatives

Enbridge Gas stated that it evaluated two facility/route alternatives based on established assessment criteria with consideration of: economic feasibility; timing; safety and reliability; risk management; and, environmental and socio-economic impact. The alternate routes are described below:

- Alternate Route 1 required construction of an 8-inch pipeline and also involved a rebuild of the existing Enbridge Gas distribution station located at the northeast quadrant of the Winston Churchill Boulevard and Royal Windsor Drive intersection which was not feasible as adjacent landowners were unwilling to sell Enbridge Gas property required to accommodate the station rebuild.
- Alternate Route 2 required the installation of an NPS 12-inch pipeline in addition to the rebuild of the existing station at the above-mentioned intersection, resulting in a significantly higher estimated cost than the preliminary preferred route as well as facing the same difficulty as Alternate Route 1 regarding the availability of purchasable land for a new distribution station.

In response to interrogatories[5], Enbridge Gas stated that the rebuild of the existing station was estimated to cost $8.7 million in direct capital costs. Enbridge Gas noted that a property in the area being investigated had sold recently for over $9 million. Enbridge Gas stated that this land cost combined with the cost for the new station would have made these alternatives more expensive than the Project. Enbridge Gas stated that it did not complete a cost estimate for the pipeline portion for the alternatives as no suitable location for a new station was determined. Consequently, Enbridge Gas determined that the Project is the optimal solution to meeting the identified customer

[4] Evidence, Exhibit B, Tab1, Sch 1, p.4
[5] Exhibit I.ED-2

need as the preferred route provides the most direct route within the municipal right-of-way from the tie-in point to the CRH Canada Group Inc. property and does not require the purchase of private property for a new distribution station.

Enbridge Gas stated that it considered the need to assess the viability of Integrated Resource Planning (IRP) alternatives to providing built capacity to deliver gas. Enbridge Gas applied the Binary Screening Criteria and determined that the Project falls under the definition of "customer-specific builds" in the IRP Framework approved by the OEB:

> ***Customer-Specific Builds*** – *If an identified system need has been underpinned by a specific customer's (or group of customers') clear request for a facility project and either the choice to pay a Contribution in Aid of Construction or to contract for long-term firm services delivered by such facilities, then an IRP evaluation is not required.*[6]

Enbridge Gas concluded that the need for the Project does not warrant further IRP consideration based on application of the customer-specific build criteria, where the need for the Project is driven by the Customers who have executed long-term firm service contracts to fully fund the cost of the Project.

Based on Enbridge Gas's evidence, OEB staff submits that the Project is the best alternative to meet the stated need and that the proposed route is acceptable.

Project Cost and Economics

The total cost for the Project is estimated to be approximately $18.97 million, as set out in Table 1. The estimated cost includes a 25% contingency applied to all direct capital costs. Enbridge Gas stated that the contingency amounts are consistent with similar projects approved by the OEB.[7]

[6] EB-2020-0091, Decision and Order, July 22, 2021, Appendix A
[7] Evidence, Exhibit E, Tab 1, Schedule 1, p.1, Watford Pipeline Project (EB-2023-0175) and the Ontario Line - Overlea Station Relocation Project (EB-2024-0250)

Table 1: Estimated Project Costs ($CAD)

Item No.	Description	Pipeline Costs	Ancillary Costs[1]	Total Costs
1	Material Costs	174,215	731,129	905,344
2	Contractor Labour Costs	5,366,310	2,110,338	7,476,648
3	Internal Labour	149,100	49,700	198,800
4	Outside Services	1,054,681	50,214	1,104,895
5	External Permitting & Land	1,830,308	96,332	1,926,640
6	Contingency Costs	2,141,441	758,691	2,900,132
7	**Direct Capital Cost**	**10,716,055**	**3,796,404**	**14,512,459**
8	Indirect Overheads	3,047,616	1,015,872	4,063,488
9	Interest During Construction	192,889	68,335	261,224
10	Loadings	62,921	20,973	83,894
11	Dismantlement	0	45,000	45,000
12	**Total Project Costs**	**14,019,481**	**4,946,584**	**18,966,065**

Enbridge Gas stated that a Discounted Cash Flow analysis was undertaken applying a 20-year project time horizon in accordance with E.B.O. 188. The analysis indicated that the Project has a Net Present Value (NPV) of $2,545,670 and a Profitability Index (PI) of 1.17. Enbridge Gas stated that the Project is economically feasible as it is fully supported by the forecast Customers and will not result in additional costs borne by existing ratepayers.

In response to OEB staff interrogatories, Enbridge Gas has clarified that conservative revenue terms ranging from 2 to 9 years have been used in the executed contracts for the Customers served by this project based on the length of the contract terms coinciding with the length of time in which cost recovery is achieved. In addition, Enbridge Gas has included a 25% contingency in the cost estimate to cover any unforeseen cost changes. Enbridge Gas also noted that based on conversations with the Customers, it is expected that they will continue to require natural gas capacity beyond their respective contract terms which will result in additional revenues beyond cost estimates for the project.[8]

OEB staff has no concerns with the recovery of the Project costs based on Enbridge Gas's evidence that it has executed long-term firm service contracts with the customers to fully fund the Project and that there will be no cost impact on existing ratepayers.

Environmental Impacts

Enbridge Gas retained Stantec Consulting Ltd. to undertake a route evaluation and

[8] Exhibit I.STAFF-4 (b)

environmental and socio-economic impact study, which included a cumulative effects assessment, to select the preferred route for the Project. The results of the study are documented in the Environmental Report (ER) filed with the application. The ER also includes consultation input and mitigation measures to minimize impacts from the Project.

Enbridge Gas stated that the ER was circulated to the Ontario Pipeline Coordinating Committee, municipalities, conservation authorities, and Indigenous communities and Enbridge Gas filed the comments received on the ER as part of its evidence.[9]

Enbridge Gas stated that using the mitigation measures and monitoring and contingency plans found within the ER and additional mitigation measures provided by regulatory agencies through the permitting and approval process, construction of this Project will have negligible impacts on the environment.[10]

Enbridge Gas stated that it has completed a Stage 1 Archaeological Assessment (AA) which was submitted to the Ministry of Citizenship and Multiculturalism (MCM) on December 5, 2024. The MCM identified gaps in the Stage 1 AA and additional areas that require further review. The Stage 1 AA has been revised to identify and describe these areas and will be re-submitted following internal review. A Stage 2 AA is recommended and will be completed once project design has been finalized. A Cultural Heritage Assessment Report: Existing Conditions and Preliminary Impact Assessment is in progress and is expected to be submitted to the MCM for review prior to construction.[11]

The application identified potential environmental/land permits and approvals from federal, provincial and municipal agencies that Enbridge Gas requires to construct the Project. In response to interrogatories, Enbridge Gas provided an update on the status and expected timing of the permits/approvals it requires for the Project.[12]

OEB staff submits that Enbridge Gas has completed the ER in accordance with the OEB's *Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario 8th Edition* (Environmental Guidelines).

OEB staff has no concerns with the environmental aspects of the Project, based on Enbridge Gas's commitment to implement the mitigation measures set out in the ER.

OEB staff submits that Enbridge Gas's compliance with the OEB's standard conditions of approval for natural gas leave to construct projects will ensure that impacts of pipeline construction are mitigated and monitored. OEB staff notes that the conditions of approval also require Enbridge Gas to obtain all necessary approvals, permits, licences,

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[9] Application, Exhibit F, Environmental Report, Appendix A.6
[10] Application, Exhibit F, Tab 1, Schedule 1, p.5
[11] Exhibit I, STAFF-9, Attachment 1
[12] Ibid

and certificates needed to construct, operate and maintain the Project.

Landowner Matters

In its application, Enbridge Gas stated that the Project is planned to be within the existing municipal Right-of-Way (RoW) with the potential for temporary working areas outside of the municipal RoW. Temporary working areas may be required along the preferred route where the road allowance is too narrow or confined to facilitate construction.

In responses to OEB staff interrogatories, Enbridge Gas stated that it is currently in negotiations with one of the customers for the Project to secure a temporary easement for a laydown/work area. There have been no other landowners approached for property rights. There have been no concerns raised by landowners and Enbridge Gas does not anticipate any issues with obtaining the aforementioned temporary easement prior to construction. Enbridge Gas also noted that no permanent easement is required.[13]

Enbridge Gas filed the forms of temporary working area agreement and easement agreement that it intends to provide to affected landowners. Enbridge Gas stated that these agreements are the same as those approved for use in Enbridge Gas's Ridge Landfill RNG Project.[14]

OEB staff submits that the OEB should approve the proposed forms of easement agreement and temporary working area agreement as both were previously approved by the OEB. Furthermore, the Project is planned to be constructed within the municipal ROW, similar to the Ridge Landfill RNG Project.

Indigenous Consultation

In accordance with the Environmental Guidelines, on March 19, 2024, Enbridge Gas contacted the Ministry of Energy and Mines[15] (Ministry) in respect of the Crown's duty to consult related to the Project. The Ministry issued a letter delegating the procedural aspects of the Crown's duty to consult for the Project to Enbridge Gas on May 7, 2024 (Delegation Letter). In the Delegation Letter, the Ministry identified four Indigenous communities[16] that Enbridge Gas should consult in relation to the Project:

[13] IRR, Exhibit I. STAFF.8
[14] Evidence, Exhibit G, Tab 1, Schedule 1, p.3
[15] Formerly the Ministry of Energy and Electrification
[16] Evidence, Exhibit H, Tab 1, Schedule 1, Attachment 2, p.2,3

- Huron-Wendat Nation (HWN)
- Mississaugas of the Credit First Nation (MCFN)
- Six Nations of the Grand River (Elected Council) (SNGR)
- Haudenosaunee Confederacy Chiefs Council

Direct notice of the application was provided by Enbridge Gas to all of the above-noted Indigenous communities, and none of them sought to intervene or otherwise participate directly in the hearing.

As part of its application, Enbridge Gas filed an Indigenous Consultation Report (ICR) dated May 1, 2025. In response to interrogatories, Enbridge Gas provided an updated ICR regarding its Indigenous consultation activities as of August 11, 2025.[17] As part of this update, Enbridge Gas filed comments that it has received from MCFN, SNGR, and HWN regarding environmental matters and associated mitigation related to the Project.

On February 10, 2025, MCFN provided Enbridge Gas with a response to the ER. MCFN's comments included questions on removal of phragmites around Clearview Creek, informing MCFN of any spills, and being a part of the post construction monitoring. Enbridge Gas stated that owing to an oversight, it responded to MCFN's questions on July 30, 2025. Enbridge Gas advised that the project work would occur in the road allowance and should not interfere with phragmites, but equipment will be cleaned prior to leaving the site if construction is within the proximity to phragmites. Enbridge Gas agreed to provide information on reportable spills and invite MCFN to a post construction walk-through of site conditions.

SNGR raised concerns relating to environmental studies on the project, plants and animals of importance to SNGR, and concerns about tree removal and routing, among other concerns. Enbridge Gas provided information to address these concerns and met virtually with SNGR on June 10, 2025 to discuss the environmental studies and process for the Project. SNGR asked about cumulative effects and Enbridge Gas explained its process for post construction monitoring and restoration. SNGR representatives stressed the importance of collecting baseline data for route possibilities and asked how Indigenous perspectives would be incorporated into the route selection process, how often data collected from the Nations changes the route, and if a route had been selected. Enbridge Gas explained that the preferred preliminary route identified in the ER is subject to change based on feedback received from Indigenous communities, the Ontario Pipeline Coordinating Committee, and other relevant agencies/stakeholders during the review of the draft ER, prior to an application being filed with the OEB. Enbridge Gas has offered SNGR capacity funding for the project and SNGR has returned a signed capacity funding letter.

Enbridge Gas met with HWN on June 3, 2025 to discuss concerns over the timing of

[17] IRR, Exhibit I. STAFF.10, Attachments 1,2

Stage 2 AA. Enbridge Gas provided information on how they conduct the AA process as outlined in the MCM guidelines, explaining that the Stage 2 AA is conducted once the preliminary preferred route has been chosen. Enbridge Gas has provided a capacity funding agreement to HWN.

As part of its responses to interrogatories[18], Enbridge Gas noted that there have been no updates to the consultation activities with the Haudenosaunee Development Institute (HDI) since the application was filed. Enbridge Gas further stated that it has received no further correspondence from HDI on the Project.

Enbridge Gas commented that HDI had earlier responded to the draft ER that was circulated, stating it will not be commenting on or reviewing any documents provided by Enbridge Gas, including the ER, until there is a signed overarching agreement in place. HDI noted that this would apply to any Enbridge Gas work within its treaty territory.

Enbridge Gas stated that it would continue to try to engage with HDI in relation to the Project. In its interrogatory responses, Enbridge Gas commented that the overarching agreement referenced by HDI is not specific to the Project. Enbridge Gas stated that HDI is seeking a Cumulative Impact Acknowledgment and Benefit Agreement which would include compensation for cumulative past and future impacts. Enbridge Gas noted that in an email dated March 6, 2023 to HDI (prior to this application being filed) it expressed its position that any cumulative impact compensation requires broader discussion with federal and provincial government representatives and other stakeholders, including the elected leadership at Six Nations of the Grand River and other First Nations with overlapping territories. Enbridge Gas further stated that HDI and Enbridge Gas were scheduled to meet in late 2024 to re-establish discussions regarding HDI's concerns with Enbridge Gas and its assets in Ontario, but this meeting was cancelled by HDI. Enbridge Gas stated that HDI has not responded to its subsequent requests to schedule another meeting.

Enbridge Gas stated that as of August 11, 2025, HDI has not identified any rights-based concerns about the Project and that it will continue to work with HDI should they express any rights-based concerns on the Project.[19]

Enbridge Gas stated that it will continue to engage with the identified communities throughout the life of the Project to ensure potential impacts on Aboriginal or treaty rights are addressed, as appropriate.[20]

OEB staff submits that the updated ICR demonstrates Enbridge Gas's efforts to address concerns raised by MCFN, SNGR and HWN. Regarding HDI, OEB staff submits that it would be helpful for Enbridge Gas to provide any additional information in its reply submission reflecting its attempts to schedule meetings with HDI, as noted in its

[18] IRR, Exhibit I. STAFF 10 and 11
[19] Exhibit I. STAFF-10, Attachment 1, p.1
[20] Evidence, Exhibit H, Tab 1, Schedule 1, p.4

interrogatory responses, and any other efforts it has since undertaken with respect to consultation with HDI regarding the Project.

Enbridge Gas stated that it has provided its ICR to the Ministry for review. The Ministry will determine whether consultation undertaken by Enbridge Gas is satisfactory by providing a letter of opinion to Enbridge Gas.

If the OEB determines that it is appropriate to grant leave to construct the Project, OEB staff submits that the OEB should wait to receive the letter of opinion from the Ministry before approving the application. If the letter of opinion is not filed by the close of the record, the OEB may consider placing the proceeding in abeyance until such time that the letter is filed.

OEB staff notes that, to the extent that the letter of opinion may identify outstanding issues, the OEB could provide for additional procedural steps to address these issues.

Conditions of Approval

The OEB has established standard conditions of approval that are typically imposed in leave to construct approvals.[21] 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 the Project.

OEB staff submits that the OEB should approve the Project subject to the OEB's standard conditions of approval for natural gas leave to construct applications.

~All of which is respectfully submitted~

[21] Natural Gas Facilities Handbook, Appendix D