



500 Consumers Road
North York, Ontario M2J 1P8
PO Box 650
Scarborough ON M1K 5E3

Bonnie Jean Adams
Assistant Regulatory Coordinator
phone: (416) 495-6409
fax: (416) 495-6072
Email: bonnie.adams@enbridge.com

May 5th, 2008

VIA COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, ON M4P 1E4

**Re: Enbridge Gas Distribution Inc. ("Enbridge")
EB-2007-0782 - Georgian Bay Reinforcement Project:
Enbridge Responses to Board Staff Interrogatories**

As ordered by the Ontario Energy Board (the "Board") in Procedural Order No. 1, issued on April 25th, 2008, enclosed please find two copies of the responses to Board Staff Interrogatories.

The documents for this proceeding have also been submitted through the Regulatory Electronic Filing System (RESS).

Included in the package please find an updated Exhibit A, Tab 1, Schedule 1.

If you have any questions, please contact the undersigned.

Yours truly,

A handwritten signature in blue ink that reads "Bonnie Jean Adams".

Bonnie Jean Adams

Attachment

cc: S. Stoll, Aird & Berlis

F – RIGHT OF WAY MATTERS

<u>E</u>	1	1	Land Requirements
		2	Correspondence
		3	Agreement to Grant Easement Form
	2	1	Permit Requirements

G - INTERROGATORIES

<u>G</u>	1	1-6	Board Staff Interrogatories
----------	---	-----	-----------------------------

BOARD STAFF INTERROGATORY #1

INTERROGATORY

Reference: Exhibit A/ Tab 4/ Schedule 1/ Page 3

When examining the growth projections for 2006-2031, the evidence states that some “variation between these two reports indicates that a degree of subjectivity exists with these types of forecasts.”

Please discuss the rationale for the choice of using the Hemson Report as the benchmark for the long range growth forecast for customers serviced from the Barrie Collingwood Line as opposed to the Dillon Report which indicated a higher growth rate for the area. Also, please comment on the accuracy of this type of forecast comparatively to recent reinforcement projects undertaken by Enbridge.

RESPONSE

The Hemson Report was used as the benchmark as it generally projects higher growth in the rural areas. The Hemson Report’s numbers in the urban areas were adjusted by Enbridge to reflect the intensification forecast in the Dillon Report as stated in the evidence on Page 3:

“...the municipalities of Collingwood, Wasaga Beach and Midland were modified from the Hemson Report to accommodate some intensification in these municipalities as identified in the Dillon Report.”

Enbridge has no recent history of other reinforcement projects of the magnitude of the Georgian Bay Reinforcement Project. “Scarborough Reinforcement” EB-2006-0066 was filed and constructed in 2007; however it is too early to evaluate the projected forecasted data. Enbridge has recently filed the 2007 Annual Ontario Energy Board report with the Board. Included in that report, section 2.11.1 shows a forecast to actual customer addition variance of 1% for those projects referenced in the report. This reinforces Enbridge’s confidence in its ability to forecast customer growth.

Witness: John Finkbiner, Enbridge Gas Distribution Inc.
Manager Sales Development

BOARD STAFF INTERROGATORY #2

INTERROGATORY

Reference: Exhibit C/ Tab 1/ Schedule 1/ Page 1

The evidence shows a total reinforcement cost of \$12,436,426. Please provide a similar project cost summary as shown in the referenced schedule for the last three reinforcement projects of similar nature, length and pipe size broken down in a dollar/metre format.

RESPONSE

Please see three projects listed below that have been completed recently. Since Enbridge does not have any recent direct comparables of similar size and length to the Georgian Bay Project, projects that are similar in one or more of the characteristics suggested by the Ontario Energy Board have been chosen. All costs with the exception of Georgian Bay Reinforcement are based on actual costs.

Projects of similar pipe size can have vast price differences based on a number of factors. These factors include, but are not limited to, the topography, existing infrastructure, working room, restoration, OEB approval costs, as well as the amount of directional drilling required for installation.

Georgian Bay Reinforcement

20,000 meters of NPS 12 to be completed in Springwater in 2008.

Item No	Item Description	Cost	\$/m
1.0	Material Costs	\$2,734,536	\$137
2.0	Labour Costs	\$6,824,078	\$341
3.0	External, Land, Regulatory Costs	\$805,074	\$40
4.0	Contingency	\$1,554,553	\$78
5.0	Overheads	\$518,184	\$26
6.0	Total Reinforcement Cost	\$12,436,426	\$622

Witness: Mike Miller, Enbridge Gas Distribution Inc.
Engineering Project Manager

Veterans Drive Relocation

1100 meters of NPS 8 completed in Barrie in 2006.

Item No	Item Description	Cost	\$/m
1.0	Material Costs	\$58,371	\$53
2.0	Labour Costs	\$120,670	\$110
3.0	External, Land, Regulatory Costs	\$0	\$0
4.0	Contingency	\$0	\$0
5.0	Overheads	\$3148	\$3
6.0	Total Relocation Cost	\$182,189	\$166

Bathurst & Gamble Reinforcement

3800 meters of NPS 12 completed in Richmond Hill in 2006.

Item No	Item Description	Cost	\$/m
1.0	Material Costs	\$553,970	\$146
2.0	Labour Costs	\$2,141,348	\$563
3.0	External, Land, Regulatory Costs	\$12,583	\$3
4.0	Contingency	\$0	\$0
5.0	Overheads	\$14,283	\$4
6.0	Total Reinforcement Cost	\$2,722,184	\$716

Witness: Mike Miller, Enbridge Gas Distribution Inc.
Engineering Project Manager

Scarborough Reinforcement

6100 meters of NPS 16 completed in Scarborough in 2007.

Item No	Item Description	Cost	\$/m
1.0	Material Costs	\$1,488,272	\$244
2.0	Labour Costs	\$6,615,579	\$1084
3.0	External, Land, Regulatory Costs	\$888,482	\$146
4.0	Contingency	\$0	\$0
5.0	Overheads	\$204,775	\$34
6.0	Total Reinforcement Cost	\$9,197,108	\$1507

Witness: Mike Miller, Enbridge Gas Distribution Inc.
Engineering Project Manager

BOARD STAFF INTERROGATORY # 3

INTERROGATORY

Reference: Exhibit C/ Tab 2/ Schedule 1/ Page 1

The referenced table shows detailed construction schedules for the projects.

- a) Please verify that these schedules remain as stated.
- b) If there are any changes, please provide an explanation for the schedule change.

RESPONSE

- a) The project schedule has not changed, subject to receipt of the Ontario Energy Board and permit approvals. It is important that the pipeline is energized to reinforce the system before the winter heating season. A significant delay in the start date would result in increased costs for additional construction resources required to complete the project in a timely matter, or increased winter construction costs.
- b) Not applicable.

Witness: Mike Miller, Enbridge Gas Distribution Inc.
Engineering Project Manager

BOARD STAFF INTERROGATORY #4

INTERROGATORY

Reference: Exhibit E/ Tab 2/ Schedule 1/ Page 27

The Report states that “a number of notifications, permits and approvals may be required for this undertaking...”

- a) Please confirm that the appropriate notifications, permits and approvals have been acquired for this project.
- b) If the appropriate notifications, permits and approvals have not been acquired, please specify which permits remain outstanding, the reasons for these delays in acquiring the permits, and when they are expected to be acquired.

RESPONSE

- a) Enbridge Gas Distribution Inc. has applied for the permits identified in the table below.

<u>Required</u>	<u>Description</u>	<u>Status</u>
Water Crossings / Easement Approvals	Nottawasaga Valley Conservation Authority (NVCA)	Circulation
	Ministry of Natural Resources (MNR)	*Circulation
	Department of Fisheries and Habitat Ontario (DFO) - Bayfield Institute	*Circulation
	Ministry of Natural Resources - Easement	Acquired
City/Township/County Permits	City of Barrie	Acquired
	County of Simcoe Administration Centre	Circulation
	Springwater Township	Circulation
Encroachment Permit	Ministry of Transportation (Ontario)	Circulation
Pipeline Permits	Trans Canada Pipeline	Acquired

Witness: Mike Miller, Enbridge Gas Distribution Inc.
 Engineering Project Manager

<u>Required</u>	<u>Description</u>	<u>Status</u>
Railway Permits	Crossing Permits for Canadian Pacific Railway	Acquired
Ministry of Environment	Water Discharge	**Later date

* MNR and DFO require notification only. Any issues by either authority will be included through the NVCA permit.

** The Ministry of Environment has not been notified yet, as this permit is not required until discharge of the hydrostatic test water at the end of the project. The Company will apply once a discharge site has been determined.

Permits circulation is not required by:

<u>Agency</u>	<u>Reason</u>
Ministry of Tourism and Recreation	Not required as no Archaeological remains were found during the Stage 2 Archeological Assessment
Utilities (Bell, Hydro)	Utility (bell, hydro, etc.) crossings are included within the township/county permits. Utility locates will be ordered prior to commencement of construction.

b) Enbridge has been working with all of the permitting authorities since the summer of 2007 to determine a cost effective Pipeline location that ensures public safety, minimizes public disturbance during construction, and is in synergy with their future infrastructure plans to lessen the potential for relocation.

Through ongoing discussions with the permitting authorities, Enbridge has no indication that any permitting issues exist. Paper work is currently being processed by the permitting authorities. We anticipate all permits to be in place by mid May to meet a construction start date of May 20th, 2008.

Witness: Mike Miller, Enbridge Gas Distribution Inc.
 Engineering Project Manager

BOARD STAFF INTERROGATORY #5

INTERROGATORY

Please provide a status update on consultations with Aboriginal groups with regard to the following points:

- a) Identify all of the Aboriginal groups that have been contacted in respect of this application.
- b) Indicate:
 - i) how the Aboriginal groups were identified;
 - ii) when contact was first initiated;
 - iii) the individuals within the Aboriginal group who were contacted, and their position in or representative role for the group;
 - iv) a listing, including the dates, of any phone calls, meetings and other means that may have been used to provide information about the project and hear any interests or concerns of Aboriginal groups with respect to the project.
- c) Provide relevant information gathered from or about the Aboriginals as to their treaty rights, or any filed and outstanding claims or litigation concerning their treaty rights or treaty land entitlement or aboriginal title or rights, which may potentially be impacted by the project.
- d) Provide any relevant written documentation regarding consultations, such as notes or minutes that may have been taken at meetings or from phone calls, e) Identify any specific issues or concerns that have been raised by Aboriginal groups in respect of the project and, where applicable, how those issues or concerns will be mitigated or accommodated.
or letters received from, or sent to, Aboriginal groups.
- f) Explain whether any of the concerns raised by Aboriginal groups with respect to the applied-for project have been discussed with any government department or agencies, and if so, identify when contacts were made and who was contacted.
- g) If any of the Aboriginal groups who were contacted either support the application or have no objection to the project proceeding, identify those groups and provide any available written documentation of their position. Also, indicate if their positions are final or preliminary or conditional in nature.

- h) Provide details of any know Crown involvement in consultations with Aboriginal groups in respect of the applied-for project.

RESPONSE

The report entitled "*Environmental and Socio-Economic Impact Assessment: Georgian Bay Reinforcement Pipeline Project*" (2002) was completed with consideration for potential Aboriginal interests. The following is a summary of the methodology used to determine potential Aboriginal interests in the project and subsequent analysis.

As a component in all studies of this nature, and at the early data collection phase of the study, a thorough and comprehensive search of Aboriginal interests was conducted through provincial and federal government agencies that deal directly with interests related to First Nations. The goals of this data collection activity were:

- To determine the presence of First Nation communities in the vicinity of the proposed pipeline route. This analysis extended up to 100 km away from the proposed route;
- To gather information on the presence of land claims, treaty rights, or ongoing proceedings between any First Nations groups and the Crown on or adjacent to the proposed pipeline route; and,
- To determine if any First Nation should be contacted about the study.

In addition, members of the project team also conducted numerous literature and Website searches, and reviewed a series of maps prepared by government agencies (i.e., Indian and Northern Affairs Canada) to determine if any First Nation should be contacted about the study. Other information sources included the following:

- Websites maintained by First Nation groups within 100 km of the project; and,
- Websites maintained by provincial and federal agencies with responsibilities to First Nation interests and issues.

A review of aboriginal land use in the study area was conducted, as well as a historical profile of First Nations beyond the study area.

Furthermore, in detailed consultations with the local municipality and representatives of provincial agencies (i.e. MOE, MTO, Conservation Authority), no aboriginal interests were identified.

Based on a review of the information sources reviewed, no First Nations were identified as being impacted upon by the proposed undertaking. The following groups were identified for further study due to their being within 100 km of the pipeline route:

- **Chippewas of Georgina Island**- consists of 3 Islands, Georgina, Snake and Fox Island; property is also owned at Virginia Beach and Island Grove near the town of Keswick;
- **Saugeen First Nation No. 29** – located on the shores of Lake Huron at the base of the Bruce Peninsula;
- **Beausoleil** - located in the southern tip of Georgian Bay on Christian, Beckwith and Hope Islands; and,
- **Chippewas of Nawash Unceded First Nation** - located on Neyaashiinigiing Indian Reserve No. 27 on the eastern shore of the Saugeen (Bruce) Peninsula on Georgian Bay.

It should be noted that all of these First Nations are Chippewayen communities, and have no ancestral connection to prehistoric Iroquoian/Huronian occupation in the general vicinity of the Project. While the presence of some Iroquoian/Huronian sites of archeological significance in the general vicinity of the Project has been noted (see below), there is no present-day connection between these sites and any First Nation community within 100 km of the Project.

As a result of the searches conducted, and further background research on the groups identified, no First Nation land claims or treaty rights to the proposed pipeline right of way were discovered.

Information collected also confirms that the proposed pipeline route would be at a considerable distance from any traditional lands of any First Nations.

The proposed pipeline installation area is within road allowances that contain other linear services. Due to the developed nature of these features and the fact that the road allowance has been previously disturbed, it was concluded that no features of significance would be of interest to any aboriginal group.

A Stage 1 and 2 Archaeological assessment was prepared for the proposed pipeline right of way to determine if any direct and/or indirect impacts would occur by proposed construction activities on archaeological resources that might be present. The archaeological consultants retained (Stage 1: Archaeological Assessments Ltd, and Stage 2: D.R. Poulton and Associates) concluded that no significant archaeological resources were present.

The final report was circulated to the Ontario Pipeline Coordinating Committee (OPCC). No issues were identified from a First Nation perspective from the provincial agencies that were circulated.

BOARD STAFF INTERROGATORY #6

INTERROGATORY

Please review and provide any concerns and/or comments on the draft conditions of approval as set out below:

Draft Conditions of Approval

Leave to Construct

1 General Requirements

- 1.1 Enbridge Gas Distribution Inc. ("Enbridge") shall construct the facilities and restore the land in accordance with its application and the evidence filed in EB-2007-0782, except as modified by this Order and these Conditions of Approval.
- 1.2 Unless otherwise ordered by the Board, authorization for Leave to Construct shall terminate December 31, 2009, unless construction has commenced prior to then.
- 1.3 Except as modified by this Order, Enbridge shall implement all the recommendations of the Environmental Report filed in the pre-filed evidence, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee ("OPCC") review.
- 1.4 Enbridge shall advise the Board's designated representative of any proposed material change in construction or restoration procedures and, except in an emergency, Enbridge shall not make such change without prior approval of the Board or its designated representative. In the event of an emergency, the Board shall be informed immediately after the fact.

2 Project and Communications Requirements

- 2.1 The Board's designated representative for the purpose of these Conditions of Approval shall be the Manager, Facilities.
- 2.2 Enbridge shall designate a person as project engineer and shall provide the name of the individual to the Board's designated representative. The project engineer will be responsible for the fulfilment of the Conditions of Approval on the

Witness: Mike Miller, Enbridge Gas Distribution Inc.
Engineering Project Manager

construction site. Enbridge shall provide a copy of the Order and Conditions of Approval to the project engineer, within seven days of the Board's Order being issued.

- 2.3 Enbridge shall give the Board's designated representative and the Chair of the OPCC ten days written notice in advance of the commencement of the construction.
- 2.4 Enbridge shall furnish the Board's designated representative with all reasonable assistance for ascertaining whether the work is being or has been performed in accordance with the Board's Order.
- 2.5 Enbridge shall file with the Board's designated representative notice of the date on which the installed pipelines were tested, within one month after the final test date.
- 2.6 Enbridge shall furnish the Board's designated representative with five copies of written confirmation of the completion of construction. A copy of the confirmation shall be provided to the Chair of the OPCC.

3 Monitoring and Reporting Requirements

- 3.1 Both during and after construction, Enbridge shall monitor the impacts of construction, and shall file four copies of both an interim and a final monitoring report with the Board. The interim monitoring report shall be filed within six months of the in-service date, and the final monitoring report shall be filed within fifteen months of the in-service date. Enbridge shall attach a log of all complaints that have been received to the interim and final monitoring reports. The log shall record the times of all complaints received, the substance of each complaint, the actions taken in response, and the reasons underlying such actions.
- 3.2 The interim monitoring report shall confirm Enbridge's adherence to Condition 1.1 and shall include a description of the impacts noted during construction and the actions taken or to be taken to prevent or mitigate the long-term effects of the impacts of construction. This report shall describe any outstanding concerns identified during construction.
- 3.3 The final monitoring report shall describe the condition of any rehabilitated land and the effectiveness of any mitigation measures undertaken. The results of the monitoring programs and analysis shall be included and recommendations made as appropriate. Any deficiency in compliance with any of the Conditions of Approval shall be explained.

Witness: Mike Miller, Enbridge Gas Distribution Inc.
Engineering Project Manager

4 Easement Agreements

4.1 Enbridge shall offer the form of agreement approved by the Board to each landowner, as may be required, along the route of the proposed work.

5 Other Approvals and Agreements

5.1 Enbridge shall obtain all other approvals, permits, licences, and certificates required to construct, operate and maintain the proposed project, shall provide a list thereof, and shall provide copies of all such written approvals, permits, licences, and certificates upon the Board's request.

RESPONSE

Enbridge has reviewed the Conditions of Approval and does not have any concerns or comments. All conditions as set out by the Ontario Energy Board will be adhered to by the Company.

Witness: Mike Miller, Enbridge Gas Distribution Inc.
Engineering Project Manager