



Adam Stiers
Manager
Regulatory Applications
Leave to Construct
Regulatory Affairs

tel 519-436-4558
adam.stiers@enbridge.com
EGIRegulatoryProceedings@enbridge.com

Enbridge Gas Inc.
50 Keil Drive North,
Chatham, ON N7M 5M1
Canada

August 17, 2022

VIA EMAIL and RESS

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

Dear Nancy Marconi:

**Re: Enbridge Gas Inc. (“Enbridge Gas” or the “Company”)
Ontario Energy Board (“OEB”) File: EB-2022-0086
Dawn to Corunna Replacement Project
Response to Canadian Association of Energy and Pipeline Landowner Associations
(“CAEPLA”) and its subcommittee the Dawn Corunna Landowner Committee
(“DCLC”)**

Further to the evidence filed by CAEPLA-DCLC on August 12, 2022 in the above noted proceeding, and consistent with the OEB’s Procedural Order No. 4 dated July 26, 2022, this is the Reply Evidence of Enbridge Gas.

While Enbridge Gas is eager to continue discussions with CAEPLA-DCLC to resolve all outstanding matters, CAEPLA-DCLC representatives have not engaged in meaningful negotiations with the Company since it presented its form of Letter of Understanding (“LOU”) to CAEPLA-DCLC in late June. Enbridge Gas believes that it is in the best interest of all parties to resume negotiations immediately and to reach agreement on the outstanding matters outside of the formal OEB hearing for Leave to Construct (“LTC”) the proposed Project.

For these reasons, Enbridge Gas hereby requests that the OEB order that, and make provision for, formal settlement negotiations to occur between Enbridge Gas and CAEPLA-DCLC outside of and in parallel with the current LTC proceedings so as to avoid causing further procedural delay that might impact the timing of a Decision and Order from the OEB on the Company’s LTC Application or the commencement of Project construction.

Please contact the undersigned if you have any questions.

Yours truly,

(Original Digitally Signed)

Adam Stiers
Manager, Regulatory Applications – Leave to Construct

c.c. Charles Keizer (Torys)
Ritchie Murray (OEB Staff)
Intervenors (EB-2022-0086)

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, (Schedule B), and in particular, sections 90 (1) and 97 thereof (the “Act”);

AND IN THE MATTER OF an Application by Enbridge Gas Inc. for an order granting leave to construct natural gas pipelines and ancillary facilities from the Township of Dawn-Euphemia to St. Clair Township.

AND IN THE MATTER OF an Application by Enbridge Gas Inc. for an Order or Orders approving the proposed forms of agreements for Pipeline Easement and Options for Temporary Land Use.

**ENBRIDGE GAS INC.
RESPONDING EVIDENCE**

OEB File No. EB-2020-0086

August 17, 2022

Introduction

1. The Company's Reply Evidence is limited to providing a draft copy of the form of Letter of Understanding ("LOU") for the Dawn to Corunna Replacement Project (the "Project") that was presented to CAEPLA-DCLC on June 20, 2022 (set out as Attachment 1 to this Exhibit) along with the summary below of the outstanding matters between Enbridge Gas and CAEPLA-DCLC.

Letter of Understanding (LOU)

2. Having compared its proposed form of LOU (presented to CAEPLA-DCLC in June 2022), to the draft presented by CAEPLA-DCLC in its August 12, 2022 evidence, Enbridge Gas understands there to be approximately six fundamental outstanding issues, along with some other suggested changes and minor wording changes. The Company has set out its position (at least in part) in responses to interrogatories, undertakings and testimony during the Technical Conference already forming part of the record of the proceeding. The issues and evidence references are as follows:

1. Topsoil stripping and stockpiling on previously disturbed/undisturbed areas
 - Please see Enbridge Gas's responses at Exhibit I.CAEPLA-DCLC.6, Exhibit I.CAEPLA-DCLC.7, and Exhibit JT1.16.
2. Drainage tile
 - Please see Enbridge Gas's responses at Exhibit I.CAEPLA-DCLC.5.
3. Soil and crop productivity testing
 - Please see Enbridge Gas's responses at Exhibit I.CAEPLA-DCLC.2 part k), and Exhibit JT2.26.
4. Integrity dig agreement

- Please see Enbridge Gas's responses at Exhibit I.CAEPLA-DCLC.15 part b).
5. Independent construction monitor
 - Please see Enbridge Gas's responses at Exhibit I.CAEPLA-DCLC.14.
 6. Wet soil shutdown
 - Please see Enbridge Gas's responses at Exhibit I.CAEPLA-DCLC.7.
3. While CAEPLA-DCLC makes much of the fact that Enbridge Gas (formerly Union Gas Limited) previously agreed to different conditions within the LOU negotiated for the Panhandle Reinforcement Project in 2016, it neglects to clarify that as recently as 2021 as part of Enbridge Gas's Payne Pool Pipeline Project CAEPLA has accepted a form of LOU that was more consistent with the form proposed by Enbridge Gas for the current Project.

Form of Landowner Agreements to be Approved by the OEB

4. In its evidence, CAEPLA-DCLC also takes issue with the forms of agreements proposed by Enbridge Gas in its Application (easement and temporary land use) because, according to CAEPLA-DCLC:

...Enbridge has replaced the term "gross negligence" in the indemnity clause with "negligence", seeking to reduce the indemnity protection afforded to landowners.

5. As stated in Exhibit G, the forms of agreement proposed by Enbridge Gas have been previously reviewed and approved by the OEB. Further, as stated in its response to CAEPLA-DCLC interrogatories on this issue:¹

Enbridge Gas believes that negligence is the appropriate standard. The safety and integrity of our system is paramount, and landowners and other third parties are expected to exercise a reasonable standard of care while conducting activities in the vicinity of our pipelines and associated facilities. Enbridge Gas should not be

¹ Exhibit I.CAEPLA-DCLC.17 a) & b).

liable for any losses, damages or injuries caused by landowners who fail to meet a reasonable standard of care.

FORM OF LETTER OF UNDERSTANDING

LETTER OF UNDERSTANDING (“LOU”)
 2023 Dawn-Corunna Project – NPS 36 Natural Gas Pipeline

Table of Contents

1.	Pre-Construction Meeting	2
2.	Testing For Soybean Cyst Nematode	2
3.	Continued Supply of Services	3
4.	Water Wells	3
5.	Staking of Work Space	3
6.	Topsoil Stripping	3
7.	Depth of Cover	4
8.	Levelling of Pipe Trench	4
9.	Topsoil Replacement, Compaction Removal and Stone Picking	4
10.	Drainage Tiling	5
11.	Water Accumulation during Construction	6
12.	Access Across the Trench	6
13.	Restoration of Woodlots	7
14.	Tree Replacement	7
15.	Covenants	7
16.	Dispute Resolution	9
17.	Land Rights - Easements	9
18.	Land Rights – Temporary Land Use Agreements and Top Soil Storage	9
19.	Damage Payments	9
20.	Disturbance Damages	9
21.	Construction Damages – Crop Loss	10
22.	Woodlots and Windbreak/Hedgerow Trees	11
23.	Gored Land	11
24.	Insurance	11
25.	Abandonment	11
26.	Liability	11
27.	Assignment	11
28.	Site Specific Issues	12
29.	Compensation Levels	12
30.	Independent Construction Monitor	12
31.	Joint Committee	12
32.	Survival	13
33.	Electronic Transmission and Counterparts.....	13

- SCHEDULE 1: SETTLEMENT**
- SCHEDULE 2: SITE SPECIFIC ISSUES**
- SCHEDULE 3: WOODLOT EVALUATION**
- SCHEDULE 4: AESTHETIC TREE EVALUATION**
- SCHEDULE 5: SCHEDULE OF RATES FOR WORK**
- SCHEDULE 6: WET WEATHER SHUTDOWN**
- SCHEDULE 7: TOPSOIL STRIPPING MAP**

LETTER OF UNDERSTANDING

(“LOU”) Between:

«Company»
«first_name1» «last_name1»
«first_name2» «last_name2»
«first_name3» «last_name3»
«first_name4» «last_name4»

hereinafter referred to as the “**Landowner**”

and

ENBRIDGE GAS INC.

hereinafter referred to as the “**Company**”

INTRODUCTION

The Company has applied to the Ontario Energy Board to construct a NPS 36 pipeline which will run approximately 20 kilometres starting at the existing Enbridge Gas Inc. Dawn Operations Centre and terminating at the existing Enbridge Gas Inc. Corunna Compressor Station. As a result it will be necessary for the Company to enter onto the Landowner’s property for the construction and installation of the NPS 36 pipeline (the “Project”). In contemplation of the pending approval of the Project the Company is seeking to enter into registerable easements over the approved route of the pipeline in the form attached as Schedule [●] (“**Easement**”) and, if required, a right to obtain temporary land use agreements in the form attached as Schedule [●] (the “**Temporary Land Use Agreement**”). In this LOU the portion of the Landowner’s property subject to the Easement is referred to as the “**Easement Lands**” and the portion of the Landowner’s property subject to the Temporary Land Use Agreement is referred to as the “**Temporary Land Use Area**”.

The Company recognizes that the construction of the Project will result in damage to the Landowner’s property and a disruption to the Landowner’s daily activities for which the Company is obligated to compensate the Landowner and observe various construction techniques to minimize such damages.

It is the policy of the Company that Landowners affected by its pipeline projects be dealt with on a consistent basis that is fair to both parties. This Letter of Understanding represents the results of negotiations between the Company and the Landowner and outlines the obligations of each party with respect to:

- i) The construction of the Project;
- ii) Remediation of the Landowner’s property; and,
- iii) Compensation to the Landowner for various damages as a result of the construction of the Project.

The parties acknowledge that the Company is required to adhere to all of the conditions set out in the Leave to Construct Order of the Ontario Energy Board (“OEB”) and that the foregoing are additional undertakings that the Company has agreed upon with the Landowner on the Project. A copy of the Conditions of Approval of the OEB will be mailed to the Landowner upon request.

1. Pre-Construction Meeting

Prior to construction of the Project, the Company’s representatives shall visit with the Landowner to conduct a preconstruction interview. During this interview the parties will review the timing of construction and discuss site specific issues and implementation of mitigation and rehabilitation measures in accordance with the provisions of this Letter of Understanding. For greater certainty, and to help ensure Landowner requests are implemented, the Company will document the results of such meetings and provide a copy to the Landowner.

During such interview the Landowner will notify Company of the existing farm biosecurity protocols and requirements in effect on the property.

2. Testing For Soybean Cyst Nematode

In consultation with the Landowner, before construction of the Project the Company agrees to sample the Easement Lands and any other lands of the Landowner and any soils imported to the Easement Lands for the presence of soybean cyst nematode (SCN) and provide a report of test results to the Landowner. In the event the report indicates the presence of SCN, the Company, in consultation with the Landowner and the joint committee established in accordance with Section 31 (the “Joint Committee”), will develop a best practices protocol to handle SCN when detected and will employ the most current best practice at the time of construction. Upon request of the Landowner the Company will also conduct soil testing on the Easement Lands for other nematodes, pests and diseases including sugar beet nematode, with protocol to be developed and implemented where other nematodes, pests or diseases are present.

3. Continued Supply of Services

Where private water or utility lines are planned to be interrupted, the Company will supply temporary service to the affected Landowners prior to service interruption. In the case of unplanned interruption, temporary services will be provided by the Company at the earliest possible opportunity.

4. Water Wells

To ensure that the quality and quantity (i.e. static water levels) of well water and/or the well itself is maintained, a monitoring program will be implemented for all dug or drilled wells within 100 metres of the proposed pipeline and for any other wells recommended by the Company's hydrogeology consultant. All samples will be taken by the Company's environmental personnel and analyzed by an independent laboratory. Results of testing will be summarized in a letter and will be provided to the Landowner. Lab testing results will be made available to the Landowner on request. Should well water (quantity and/or quality) or the well itself, be damaged from the Project installation/operations, a potable water supply will be provided and the water well shall be restored or replaced as may be required.

5. Staking of Work Space

The Company agrees to stake the outside boundary of the workspace necessary for the construction of this Project which may include Easement Lands and Temporary Land Use Area. Where topsoil is to be stored off Easement Lands the stakes will not be removed during the stripping operation.

The stakes will be located at 50 metre (164.0 foot) intervals prior to construction and will be appropriately spray painted or otherwise marked. The intervals or distance between stakes may decrease as deemed necessary in order to maintain sight-lines and Easement Lands boundaries in areas of sight obstructions, rolling terrain or stream and road crossings.

The Company will restake the Easement Lands limit for post construction tile work at the request of the Landowner.

6. Topsoil Stripping

Prior to installing the pipeline in agricultural areas, the Company will strip topsoil from over the pipeline trench and adjacent subsoil storage area. All topsoil stripped will be piled at a designated area within the Temporary Land Use Area. The topsoil and subsoil will be piled separately, with one meter separation, and the Company will exercise due diligence to ensure that topsoil and subsoil are not mixed.

The Company will strip topsoil across the entire width of the Easement Lands (at the request of the Landowner), provided also that a temporary right to use any necessary land for topsoil storage outside the Easement Lands is granted by the Landowner. Attached as Schedule 7 is a topsoil stripping map identifying the Company's general procedure for topsoil stripping and storage. Such map is a general guideline as the specific process will be adjusted for each property based on site specific requirements.

If requested by the Landowner the Company will not strip topsoil. The topsoil/subsoil mix will be placed on the Easement Lands on top of the existing topsoil. Blue clays will be removed from the Easement Lands.

At the recommendation of the Company's soils consultant and/or at the request of the Landowner, topsoil will be over-wintered and replaced the following year. In these circumstances the Company will replace the topsoil such that the Easement Lands are returned to surrounding grade.

At the request of the Landowner, a mulch layer will be provided between the existing topsoil and stripped topsoil. Where sufficient crop is present the standing crop will be used as the mulch layer. Otherwise, Company will provide straw as a mulch layer.

7. Depth of Cover

The Company will install the pipeline with a minimum of 1.2 metres of cover, except where bedrock is encountered at a depth less than 1.2 metres, in which case the pipeline will be installed with the same cover as the bedrock, but not less than 1.0 metre below grade.

If the Company, acting reasonably, determines in consultation with the Landowner that it is necessary to increase the depth of the pipeline to accommodate facilities such as drainage and/or processes such as deep tillage, heavy farm equipment or land use changes, the Company will provide for additional depth of cover.

8. Levelling of Pipe Trench

During trench backfilling the Company will remove any excess material after provision is made for normal trench subsidence. The Landowner shall have the right to request that the removed excess material be relocated within the Landowner's property. In the event the excess materials are removed from the property, the Company shall comply with all applicable laws relating to the disposal of excess materials including O. Reg. 406/19: *On-Site and Excess Soil Management*. The Landowner shall execute or cause to be executed any documents reasonably required to assist the Company in complying with such obligations including the provision of any documentation or information in the Landowner's control related to the condition of the excess soil.

If topsoil is replaced in the year of construction and trench subsidence occurs the year following construction, the following guidelines will be observed:

- i) 0 to 4 inches - no additional work or compensation.
- ii) Greater than 4 inches - the Company will either:
 - (a) Strip topsoil, fill the depression with subsoil and replace topsoil, or (b) Repair the settlement by filling it with additional topsoil.

If topsoil is replaced during the year of construction and mounding over the trench persists the year following construction, the following guidelines will be observed by the Company:

- i) 0 to 4 inches - no additional work or compensation;
- ii) Greater than 4 inches the Company will strip topsoil, remove the excess subsoil and replace the stripped topsoil;
- iii) Should adequate topsoil depth be available, the mound can be levelled with the approval of the Landowner.

If following over-wintering of the topsoil, return to grade and the establishment of a cover crop, there is identifiable subsidence in excess of two (2) inches the Company will restore the affected area to grade with the importation of topsoil.

If the construction of the pipeline causes a restriction of the natural surface flow of water, due to too much or not enough subsidence, irrespective of the 4 inches level stated above, the Company will remove the restriction by one of the methods described above.

9. Topsoil Replacement, Compaction Removal and Stone Picking

The subsoil will be worked with a subsoiling implement, as agreed by the Company and Landowner.

Unless there is an agreement to the contrary, the Company will remediate any residual compaction in the subsoil prior to return of topsoil.

The Company will pick stones prior to topsoil replacement.

Stone picking will be completed, by hand or by mechanical stone picker to a size and quantity consistent with the adjacent field, but not less than stones 100 mm (4 inches) in diameter.

After topsoil replacement, the topsoil will be tilled with an implement(s) as agreed by the Company and Landowners.

After cultivation, the Company will pick stones again.

The Company will perform compaction testing on and off the Easement Lands before and after topsoil replacement and provide the results to the Landowner, upon request.

If agreed to by the parties, the Company will return in the year following construction and will cultivate, chisel plough and /or deep till the Easement Lands area. When necessary, to accommodate planting schedules, the Landowner should perform tillage themselves, at the Company's expense (see Schedule of Rates attached as Schedule 5).

For this Project, the Company shall, at a time satisfactory to the Landowner, return to pick stones greater than 4 inches, by hand/or with a mechanical stone picker in each of the first two years following construction.

10. Drainage Tiling

In accordance with the Easement, the Company will repair and restore the functionality of all tile drainage systems impacted by construction of the Project to as-found condition. Upon the reasonable request of the Landowner, and where Project construction causes a demonstrable problem with the Landowner's drainage system, Company will perform an integrity check on any tile crossing the Project pipeline and repair any deficiency. The Company will be responsible for any defects in the integrity and performance of tile installed or repaired in conjunction with construction, operation or repair of the Project, provided the defects are caused by the Company's activities, faulty materials or workmanship. The Company's covenants and obligations under this first paragraph of Section 10 will terminate upon abandonment of the pipeline in accordance with the terms and conditions of the Easement.

The Company will retain the services of a qualified independent drainage consultant (the "Drainage Consultant"). The Drainage Consultant will work with each Landowner prior to, during and after construction of the Project. The Drainage Consultant will be responsible to gather as much background information from each Landowner prior to construction as available, and with this information in conjunction with the Landowner they will determine whether there is pre-construction, post construction and/or temporary tile construction required on the Easement Lands. The Drainage Consultant will provide where requested each Landowner with a tile plan for their review and approval prior to any installation of tile. The installation of tile will only be performed by a licensed drainage contractor to ensure that all drainage best practices are used. All installations may be inspected by the Landowner or his/her designate prior to backfilling where practicable. The Company will provide the Landowner or his/her designate advance notice of the tile repair schedule. The Drainage Consultant will incorporate any professionally designed drainage plans obtained by the Landowner for future installation. If the Landowner intends to install or modify a drainage system but has not yet obtained professionally designed plans, the Drainage Consultant will work with the Landowner accordingly.

Once the Drainage Consultant has reviewed all the drainage background provided to them they will proceed in developing pre-construction tiling plans where required. The purpose of pre-construction work is to ensure that the Project work does not interfere or cut off any adjacent subsurface drainage. In conjunction with the Landowner the Drainage Consultant will design an appropriately sized header tile (interceptor drain) which will be installed 1m outside the Easement Lands and Temporary Land Use Area limits by trench method in order to minimize the number of tiles crossing the Easement Lands. All intercepted tiles will be connected or end plugged accordingly. By installing the main outside the Easement Lands limits the Company can guarantee the integrity of the existing drainage system during the construction period of the Project. The Drainage Consultant and Landowner will be responsible for identifying to the Project contractor as reasonably possible any existing tiles 150mm or greater crossing the Easement Lands. The Company will ensure that any such crossings will be temporarily repaired across the trench line and maintained during the complete construction period until post construction work can repair them permanently. The Company where possible will expose any such tile crossings prior to pipeline trenching operations to obtain an exact invert depth and ensure that the pipeline is not going to conflict with them.

During construction of the Project, the Drainage Consultant will be following the trenching operations collecting / monitoring and ensuring that the drainage is maintained accordingly. Once the Drainage Consultant has collected and reviewed all the survey information they will develop a post-construction tile plan and profile for each affected Landowner. These post construction tile plans will show the Landowner exactly how many tiles are to be installed on the Easement Lands and by what method the contractor is to use plow/trench.

During construction of the Project, the Drainage Consultant will be following the trenching operations to ensure that the drainage is maintained.

The Drainage Consultant will also provide the Landowner with the most recent specifications concerning tile support systems for repairing and installing new tile across the pipeline trench. Once the Drainage Consultant has reviewed the drawing with the Landowner for their approval and received signature on the plan, the Drainage Consultant will provide the Landowner with a copy along with a specification for installation so they can monitor the work to be completed.

Also the Company will review other areas of drainage recommended by the Drainage Consultant or Landowner such as:

- i) In areas where water may accumulate on or off Easement Lands as a result of the construction of the Project, the Drainage Consultant, in conjunction with the Landowner, will develop a temporary tile plan to mitigate these impacts where the water cannot be pumped into an open drain or ditch. The Company could then pump into the temporary tile, or stone pit drain with pea gravel, but not into any existing tiles unless otherwise discussed and agreed upon by the Landowner.
- ii) In areas where the Project construction program clears lands adjacent to existing pipelines and adjacent drained land and as a result creates a newly cleared area large enough to farm, the Company will, at the request of the Landowner, develop a tile plan to drain the cleared area. The Company will consider adding two drains between pipelines where necessary. The Company will install the tile in the newly cleared area, and install a drainage outlet that will enable the implementation of the tile plan, provided the cost of such work does not exceed the net present value of the crop revenue from the cleared area. The net present value shall be calculated using the same crop value and discount rate used in the one time crop loss compensation calculation. The net crop revenue shall be derived by reducing the crop value by a negotiated input cost. The Company will accept drainage design solutions that include the use of a motorized pump, provided the Landowner releases the Company from all future operation and maintenance responsibilities for the pump. The Company will accept drainage design solutions that include outlet drains crossing adjacent properties, provided the Landowner obtains necessary easements or releases fully authorizing such crossings.

The Company will use reasonable efforts, weather permitting, to complete the post construction tiling work in the year of Project construction after the topsoil has been pulled, unless otherwise agreed upon with the Landowner. If it is not possible for the Company to complete the post construction tiling in the year of Project construction, the Company will undertake all reasonable measures to mitigate any off Easement Lands damages to the best of its ability.

In situations where topsoil is to be over wintered, the tiling plan will address the timing of tile installation.

Once the tiling is complete the Drainage Consultant will adjust all tile plans to reflect the as-constructed information and a copy will be provided to the Landowner for their records.

11. Water Accumulation during Construction

The Company will, unless otherwise agreed to with the Landowner, ensure any water which may accumulate on the Easement Lands during construction of the Project will be released into an open drain or ditch, but not in a tile drain. This may, however, be accomplished through the installation of temporary tile. The Company will provide the Landowner with a proposed temporary tiling plan for review and approval. If the Company pumps into an existing tile with the Landowner's permission, the water will be filtered.

12. Access Across the Trench

Where requested by the Landowner, the Company will leave plugs for access across the trench to the remainder of the Landowner's property during construction. Following installation of the pipeline and backfill, if soft ground conditions persist that prevent the Landowner from crossing the trench line with farm equipment, the Company will improve crossing conditions either by further replacement and/or compaction of subsoil at the previous plug locations. Should conditions still prevent Landowner crossing, the Company will create a gravel base on filter fabric across the trench line at the previous plug locations and remove same at the further request of the Landowner.

Following construction of the Project, the Company shall ensure that the Landowner shall have access across the former trench area and the Easement Lands.

13. Restoration of Woodlots

If requested by the Landowner prior to the start of construction, all stumps and brush will be removed from the Easement Lands. If the Landowner does not convert the land to agricultural use, Company will maintain a minimum 6 metre strip over the pipeline (the "6 Metre Strip") which will be kept clear by cutting the brush or spraying. The remainder of the Easement Lands will be allowed to reforest naturally or can be reforested by the Landowner.

14. Tree Replacement

The Company has established a program to replant twice the area of trees that are cleared for the Project. Landowners whose woodlots are to be cleared may apply in writing to the Company should they wish to participate in this program. Tree seedlings will be planted outside of the Easement Area but within the Landowner's property using species determined in consultation with the Landowner.

For windbreaks/hedgerows the Company will implement the following practice:

- i) If a deciduous (hardwood) tree in excess of six (6) feet is removed, a six (6) foot replacement tree will be planted; if a tree less than six (6) feet in height is removed, a similar sized tree will be planted.
- ii) If a coniferous (evergreen) tree in excess of four (4) feet is removed, a four (4) foot replacement tree will be planted; if a tree less than four (4) feet in height is removed, a similar sized tree will be planted.

The Company will warrant such trees for a period of three years following planting, provided the Landowner waters the trees as appropriate after planting.

15. Covenants

Company covenants as follows:

- i) On Easement Lands, the Company will undertake appropriate survey techniques to establish pre-construction and post-construction grades with the intent of restoring soils to pre-construction grade as reasonably practicable.
- ii) Whenever possible and if safe to do so, during construction and prior to putting the pipeline into operation, all vehicles and equipment will travel on the trench line (being that portion of the Easement Lands that were excavated for the installation of the pipeline).
- iii) All subsoil from road bores will be removed or reused where suitable.
- iv) To replace or repair any fences which are damaged by Project construction in a good and workmanlike manner.
- v) Any survey monuments which are removed or damaged during Project construction will be reset.
- vi) Its employees, agents, contractors and sub-contractors, will not use any off-Easement Lands culverts incorporated into municipal drains to provide access to the Easement Lands.
- vii) It will not use any laneway or culvert of the Landowner without the Landowner's prior written consent. In the event of such use, the Company will, at its own expense, repair any damage and compensate the Landowner accordingly.
- viii) To monitor and maintain private driveways that cross the Easement Lands during the year of construction and it will return in the 2nd year after construction to remedy any deficiencies. If

the access becomes unusable or unsafe during the winter shutdown the Company will remedy the situation.

- ix) That construction activities will not occur outside of Easement Lands or the Temporary Land Use Area without the written permission of the Landowner. In the event that such activities occur, the Company will pay for damages.
- x) Landowner complaints related to construction activity will be tracked and addressed as appropriate.
- xi) To provide a copy of this Letter of Understanding and all environmental reports to Company's construction contractor.
- xii) To the extent reasonably possible, provide for suitable passage and land access for agricultural equipment during construction.
- xiii) If there is greater than 50% crop loss after five years, at the request of the Landowner, the Company will retain an independent soils consultant satisfactory to both parties to develop a prescription to rectify the problem, which will be implemented at the cost of the Company.
- xiv) To permit Landowner to plant on the 6 Metre Strip with the prior permission of Company for the re-establishment of windbreaks and that trees may be planted on the 6 Metre Strip as a crop (nursery stock), provided that no tree is permitted to grow higher than 2 metres in height, and the species are of a shallow rooting variety. The use of hydraulic spades within the 6 Metre Strip is prohibited.
- xv) To work with the Landowner to ensure that weeds are controlled along the pipeline. Weeds will be sprayed or cut after discussion with the Landowner. The Landowner will be provided with a contact name in the event that concerns are experienced with weeds.
- xvi) To implement Company's wet soil shut down practice as described in Schedule 6.
- xvii) The Company will not open more than 6.0 continuous kilometers of open trench per construction spread at a time.
- xviii) The Company shall consult with the Landowner and/or Landowner's agent(s) with respect to the existing farm biosecurity protocols and requirements in effect on the Easement Lands (including those protocols and requirements designed to prevent the transmission of pests and diseases and those designed to preserve the integrity of organic or specialty agriculture production). Whenever present on the Easement Lands, the Company will conduct activities in a manner that respects existing farm biosecurity protocols and requirements in effect.
- xix) The Company agrees to implement one Joint Committee for the Project under the terms of reference set out in Section 31 hereof.
- xx) The Company shall consult with the Landowner prior to any removal of an object from in or on the Temporary Land Use Area pursuant to any Temporary Land Use Agreement.

Landowner covenants as follows:

- i) Following the Company's completion of its post-construction clean up obligations to the satisfaction of the Landowner, acting reasonably, to execute and deliver to the Company an acknowledgement (the "**Clean-up Acknowledgement**"). In the event the Landowner fails to respond to the Company's request for a Clean-Up Acknowledgement within thirty (30) days either by delivery of an executed Clean-Up Acknowledgement or an itemized list of deficiencies, the Landowner shall be deemed to have delivered such Clean-Up Acknowledgement (it is recommended that any tenant(s) who are affected by construction accompany the Landowner to inspect the clean-up prior to execution of the Clean-up Acknowledgement). The delivery of a Clean-Up Acknowledgement will not release the Company from any obligations that survive completion of construction including, without limitation, the Company's obligations relating to tiling, soil subsidence, and other post-completion remediation/restoration obligations.
- ii) To be responsible to ensure his/her tenant is aware of the terms of the Easement or Temporary Land Use Agreement and this Letter of Understanding.
- iii) To be responsible for making any compensation to his/her tenant for any matters included in the damage payment from the Company, as damages payments are made directly to the registered Landowner.
- iv) To only access the work area of the Project when accompanied by the Company's designated representative. The Company will facilitate the Landowner's access to the work area upon request.

- v) To work with the Company on finding a mutually agreeable time to complete any spraying of herbicides or other chemicals that can restrict entry to the Easement Lands or Temporary Use Area once sprayed.
- vi) To indemnify the Company for any claims for compensation made by the Landowner's tenant(s) with respect to this LOU or the Project.

16. Dispute Resolution

In the event the parties are unable to reach resolution with respect to the following matters, the Company shall pay the costs of independent consultants satisfactory to both the Landowner and the Company to resolve site specific disputes involving affected lands on a binding basis concerning the following:

- i) The need for topsoil importation as in Section 8 hereof, respecting the existence of identifiable subsidence,
- ii) The establishment of levels of compensation for specialty crops as in Section 21.
- iii) The resolution of future crop loss claims for Additional Productivity Loss under Section 21 hereof.

In addition, in the event any other dispute arises between the Landowner and the Company and such dispute cannot be resolved to the mutual satisfaction of the parties through discussion or referral to the joint committee established pursuant to Section 31, the Company may retain a mutually satisfactory independent consultant to assist in the resolution of the particular dispute.

Where a dispute involving Construction Damages or Disturbance Damages cannot be resolved, the Company or the Landowner may apply to the applicable Local Planning Appeal Tribunal (the "LPAT") to settle unresolved claims. It is further understood and agreed that the Landowner's executing the Easement, is without prejudice to his/her position in negotiation of damages following construction of the pipeline.

17. Land Rights - Easements

Land rights required for the Project include permanent interests as set out in the Easement (i.e. a limited interest in the affected lands) and may also include Temporary Land Use Agreements (see section 18). The Company agrees that it will not surrender or be released from any of its obligations under an Easement for this Project without the consent of the Landowner.

18. Land Rights – Temporary Land Use Agreements and Top Soil Storage

Temporary land use rights will be required for at least a two year period, being the year of construction of the Project and the following year to allow for clean-up and restoration activities. Should activities extend beyond the two year period, payment will be negotiated on an annual basis. Although every effort will be made by the Company to identify in advance the amount of land required for temporary land use and top soil storage, in certain instances either before or during construction, additional temporary land use areas may be identified and compensation will be as outlined above in this Section 18.

19. Damage Payments

Disturbance Damages (Section 20) and Crop Damage Settlement (Section 21) payments will apply to the Easement and the Temporary Land Use Agreements (including any land used for top soil storage) and will be calculated on the areas of the Easement Lands and the Temporary Land Use Area (including any land used for top soil storage) based on the rates set out in Schedule 1.

20. Disturbance Damages

Disturbance damages are paid at the time the Easement and Temporary Land Use Agreements are executed. Disturbance Damages are intended to recognize that pipeline construction will result in some unavoidable interference with active agricultural operations and certain other uses of affected lands. This may include lost time due to negotiations and construction, inconvenience to the farming operations, restricted headlands, interrupted access and extra applications of fertilizer. Schedule 2 identifies any other impacts of the Project that entitle the Landowner to additional compensation that are site-specific in nature and recognize the circumstances of the use being interfered with. Company will negotiate with the affected Landowner to address these site-specific issues.

21. Crop Damage Settlement

With respect to any crop damage resulting from the Project the Landowner shall receive an initial payment based on the crop damage settlement calculation set out in Schedule 1 (“**Estimated Crop Damage Settlement Payment**”). In addition to this compensation, should the actual productivity loss percentage exceed the estimated productivity loss percentage contemplated in the Estimated Crop Damage Settlement Payment as set out in Schedule E, if the Landowner is not otherwise being compensated by the Company through an existing crop damage settlement program, the Company will reimburse the Landowner for the difference calculated by applying the percentage loss to the Landowner’s actual gross return in the year and deducting the compensation received for that year under the Estimated Crop Damage Settlement Payment for such year (“**Additional Productivity Loss**”). It will be incumbent upon any Landowner making this type of claim to provide the Company with sufficient advance notice to allow for investigation of the matter and completion of the required samplings.

At the option of the Landowner, upon provision of advance notice to the Company to permit opportunity for inspection, GPS data may be utilized to establish yield reductions for the purpose of any applicable Additional Productivity Loss provided that the Company is not responsible for installing GPS units or survey equipment if necessary (“GPS” option). In the event that the Landowner selects the GPS option, the Landowner must provide all necessary GPS documentation related to the entire farm field in question, including, but not limited to, maps, computer print-outs and formula to determine field averages. For greater clarity the following is an example of the calculation of Additional Productivity Loss:

- (i) Third year crop damage compensation under Estimated Crop Damage Settlement Payment = 11.7%.
- (ii) Actual crop damage following investigation and sampling = 20%.
- (iii) Difference payable to Landowner = 8.3%.

Crop Loss for topsoil storage Areas

Compensation for crop loss on topsoil storage areas will be as follows:

- In year of construction - 100% crop loss;
- In years after construction - measured crop loss;
- Payments will be based upon actual area used for topsoil storage;
- Compensation will not be prepaid;
- Compensation will be paid on an as incurred basis.

Specialty Crops

The Company will offer the Landowner a one-time settlement for crop loss damages incurred on the Easement Lands and Temporary Land Use Area resulting from the Project for specialty crops. Specialty crops include tobacco, produce (eg. carrots, peas, lentils) sugar beets and registered seeds. In the event the Landowner does not want to accept the one-time settlement compensation, then upon the written request of Landowner to Company compensation for specialty crops will be determined based on actual annual crop loss.

Post construction cover crop program

In addition to the one-time payment for crop damage, the Landowner may request a cover crop rehabilitation program for cultivated Easement Lands. Under this program the Landowner will plant alfalfa/sweet clover or other restoration crops approved by the Company on the Easement Lands and his/her normal crop in the remainder of the field for up to three years. The initial cost of tillage and planting for the alfalfa/sweet clover will be paid by the Company as determined by "Economics Information", published by OMAFRA (or such replacement publication as may be issued by OMAFRA). The cost of seed for the alfalfa/sweet clover planted over the Easement Lands will be compensated by Company upon presentation of an invoice for same. This cover crop program does not apply for tobacco or other specialty crops.

22. Woodlots and Windbreak/Hedgerow Trees

The Company will assess the woodlot or hedgerow area(s) to be affected by the Project and will provide a report to the Landowner identifying the trees that will be affected.

With respect to compensation for damage to woodlots, the Landowner will have the following two options:

Option 1:

Woodlots and hedgerow trees will be cut and appraised by a qualified forester retained by the Company and satisfactory to the Landowner, acting reasonably. Such appraisal to be conducted for the appraised value of the damaged trees in accordance with the methodologies and practices outlined in Schedule 3.

Option 2:

The Landowner may accept the One Time Crop Loss and Disturbance Damage Payment set out in Schedule 1 in lieu of the woodlot evaluation.

With respect to compensation for damage to other wooded areas:

Tree plantations (Christmas trees and nursery stock) will be appraised separately. Compensation for trees evaluated in this manner shall be set out in Schedule 4 to this document.

Evaluation of aesthetic trees will be based on the practice outlined in Schedule 4.

The forester will contact the Landowner before entry on their property. Copies of appraisal reports will be made available to affected Landowners and payment will be made in accordance with the reports.

The Company reserves the right to use trees for which it has paid compensation. At the Landowner's request, any remaining logs will be cut into 10 foot (3.05 metre) lengths, lifted and piled adjacent to the Easement Lands.

23. Gored Land

The Company agrees to pay the Landowner 100% crop damage compensation on the gored land during the Project. Gored land is defined as land rendered inaccessible or unusable for agricultural purposes during the Project. At the Landowner's request, the Company will plant a cover crop on gored land.

24. Insurance

Upon request of the Landowner, the Company will provide insurance certificates evidencing at least five million dollars in liability insurance coverage per occurrence.

25. Abandonment

In accordance with the terms and conditions of the Easement, upon the abandonment of the pipeline the affected lands shall be returned as close as possible to its prior use and condition with no ascertainable changes in appearance or productivity as determined by a comparison of the crop yields with adjacent land where no pipeline has been installed. Without prejudice to any continuing right of the Landowner to Additional Productivity Loss, there shall be no additional compensation for crop damage to the Landowner.

26. Liability

The Company shall assume all liability and obligations for any and all loss, damage or injury (including death) to person(s) or property that would not have happened but for the Project and this LOU or anything done or maintained by the Company hereunder or intended so to be and the Company shall at all times indemnify and save harmless the Landowner from and against all such loss, damage or injury and all actions, suits, proceedings, costs, charges, damages, expenses, claims or demands arising therefrom or connected therewith provided that the Company shall not be liable to the extent to which such loss, damage or injury is caused or contributed to by the negligence or wilful misconduct of the Landowner. The Company's obligations pursuant to this provision shall survive for a period of five years following completion of the Project.

27. Assignment

All rights and obligations contained in this LOU shall extend to, be binding upon, and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto respectively; and wherever the singular or masculine is used it shall, where necessary, be construed as if the plural, or feminine or neuter had been used, as the case may be. The Company shall not assign this LOU without prior written notice to the Landowner and, despite such assignment, the Company shall remain liable to the Landowner for the performance of its responsibilities and obligations in this LOU. In the event the Landowner sells the lands which are subject of the Easement or the Temporary Land Use Agreement, the Landowner shall assign this LOU to the purchaser.

28. Site Specific Issues

Schedule 2 is to be used to identify any site specific issues which require special mitigation and compensation.

29. Compensation Levels

The levels of compensation applicable to the Landowner’s property are set out in Schedule 1 and are based upon the criteria set out above.

30. Independent Construction Monitor

The Company agrees to the appointment of an independent construction monitor for construction on agricultural lands for this Project. The construction monitor will be agreed upon by Company and the CAEPLA representatives, each acting reasonably. The monitor shall be on site continuously to monitor construction with respect to all issues of concern to the Landowners and the Company at all times.

The scope of work for the construction monitor will be:

1. To observe impacts of construction on the land, including right-of-way preparation, trenching, backfill and clean-up operations as well as wet soil shutdown events;
2. To review construction activities for compliance with the OEB Conditions of Approval, Letters of Understanding (“LOU”) agreed to between Landowners and Company;
3. To review all specific construction commitments included in Company’s construction contract;
4. To respond to specific requests by Landowners within 24 hours while maintaining limited contact with Landowners on a day-to-day basis; and
5. To prepare and deliver a series of activity reports in a timely manner to the appropriate persons.

To the extent required by the OEB, Company further agrees to file interim and final reports of the construction monitor with the OEB and provide copies to the CAEPLA-DCLC representative. The Company’s agreement is without prejudice to any position it may take in a future proceeding with respect to the appointment of an independent construction monitor.

The Company shall provide the construction monitor with a schedule of planned construction activities and the construction monitor shall be provided free access, subject to Company’s safety requirements, to all construction activities.

31. Landowner Relations and Terms of Reference of Joint Committee

Committee Make-Up

i) Members shall be affected Landowners, and appropriate representatives of the Company. The Joint Committee shall be composed of two CAEPLA-DCLC Landowner representatives and three representatives of the Company. CAEPLA-DCLC shall have the right to appoint an alternate representative.

In addition to Wet Soils Shutdown issues, the Joint Committee’s purpose is to:

i) provide a mechanism to address issues/concerns that arise during and following construction including concerns related to wet soil shutdown decisions made by the

Company;

ii) provide a brief overview of issues/concerns raised during and following construction; and, iii) consider which items should be included in a Post Construction Report.

The objective of the Joint Committee is to:

- i) to provide a vehicle to address issues/concerns which arise during and following construction;
- ii) to deal with any unforeseen circumstances which may arise during or following construction; and,
- iii) to provide an opportunity for landowners to comment on how Company might improve future construction practices.

In reviewing the foregoing, the types of issues which may be addressed are as follows:

- i) Landowner concerns that arise during and following construction;
- ii) unusual or unanticipated impacts of the construction process which show up only after construction is completed;
- iii) methods of anticipating and avoiding these circumstances in the future; and,
- iv) review of ongoing construction practices and procedures which might be improved in future construction.

Duration of the Joint Committee

- i) The Joint Committee shall be formed during the year of construction of the Project in advance and prior to the commencement of construction. CAEPLA-DCLC shall be responsible for recruiting the CAEPLA-DCLC Landowner members and advising the Company thereof. The Committee shall continue for a period of two (2) years from the date of commencement of construction and so long thereafter as the Joint Committee determines is necessary.

Payment to Landowner members

- i) The Company will pay to each Landowner member of the Joint Committee including both CAEPLA-DCLC primary and alternate representatives, at his or her direction, a total payment of \$5,000 plus H.S.T. as an honorarium for his or her participation on the committee.

32. Survival

Unless otherwise identified, all agreements, covenants and indemnifications in this LOU made by the Company shall survive for a period of twenty-four (24) months following completion of the Project.

33. Electronic Transmission and Counterparts

All parties agree that this LOU may be transmitted by fax or by email via PDF transmission and in counterparts and that the reproduction of signatures by way of fax or email via PDF transmission and in counterparts will be treated as though such reproductions and counterparts were executed originals and each party undertakes to provide the other with a copy of this LOU bearing original signatures within a reasonable time after the date of execution.

Kindly execute both copies of this LOU and initial all pages including all schedules attached hereto to indicate your acceptance of our arrangements and return one fully executed copy for our records.

Dated at _____, Ontario this ____ day of _____, 2022.

ENBRIDGE GAS INC.

Name & Title:

Dated at _____, Ontario this ____ day of _____, 2022.

Witness:

Landowner:

Landowner:

Landowner:

Landowner:

SCHEDULE 1: SETTLEMENT

Property No.: ____, Landowner(s): _____

The parties to this Letter of Understanding dated the ____ day of _____, 2022, in consideration of making this settlement have summarized below all the obligations, claims, damages and compensation arising from and for the required land rights and the pipeline construction across the Landowner(s)' property, name: _____.

(Check all applicable items of compensation)

Yes No

LAND RIGHTS

- | | | | | | |
|--------------------------|--------------------------|-----|----------------------------|----|-----------|
| <input type="checkbox"/> | <input type="checkbox"/> | (a) | Easement @ | \$ | per acre. |
| <input type="checkbox"/> | <input type="checkbox"/> | (b) | Temporary Land Use @ | \$ | per acre. |
| <input type="checkbox"/> | <input type="checkbox"/> | (c) | Topsoil Storage Land Use @ | \$ | per acre. |

DAMAGES

- | | | | | | |
|--------------------------|--------------------------|-----|-------------|----|-----------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | (a) | disturbance | \$ | per acre of easement. |
| <input type="checkbox"/> | <input type="checkbox"/> | (b) | disturbance | \$ | per acre of Temporary Land Use |
| <input type="checkbox"/> | <input type="checkbox"/> | (c) | disturbance | \$ | per acre of Top Soil Storage area |

CROP LOSS

- | | | | | |
|--------------------------|--------------------------|--------------------|----|-----------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | One Time Payment @ | \$ | per acre of easement. |
| <input type="checkbox"/> | <input type="checkbox"/> | One Time Payment @ | \$ | per acre of Temporary Land Use |
| <input type="checkbox"/> | <input type="checkbox"/> | One Time Payment @ | \$ | per acre of Top Soil Storage area |

- | | | | | |
|--------------------------|--------------------------|--------------------------|----|----------|
| <input type="checkbox"/> | <input type="checkbox"/> | Non-agricultural Lands @ | \$ | per acre |
| <input type="checkbox"/> | <input type="checkbox"/> | Woodlots @ | \$ | per acre |

OBLIGATIONS

- a) This Letter of Understanding
- b) Attached as Schedule 2 any other special requirements or compensation issues.

Initialed for identification by owner(s): _____.

Approval (Enbridge Gas Inc.): _____.

SCHEDULE 2: SITE SPECIFIC ISSUES

Property No.:____, Landowner(s): _____

SCHEDULE 3

WOODLOT EVALUATION

Woodlots will be assessed in the following manner:

- A forestry consultant will cruise the woodlot to determine the amount of volume which could be harvested on a periodic basis from the woodlot under sustained yield management.
- The compensation to be paid will be determined by the forestry consultants report.

SCHEDULE 4

AESTHETIC TREE EVALUATION

The following procedure would be followed where a Landowner wishes to have trees on his property evaluated for aesthetic values.

During discussions for the Letter of Understanding, the Landowners would identify the trees he wishes to have evaluated for aesthetic purposes.

Enbridge Gas Inc. would contract a qualified person to complete an evaluation of the trees.

The Landowners would be paid the evaluated price for the trees in addition to other payments.

If trees are less than 5 inches in diameter replacement of the trees may be considered in lieu of a payment.

If the Landowner disagrees with Enbridge Gas Inc.'s evaluation a second evaluation may be completed using the same criteria as the original evaluation.

EVALUATION CRITERIA

A four part evaluation criteria will be completed for aesthetic trees:

Tree Value = Basic Value X Species Rating X Condition Rating X Location Rating

Basic value is estimated without consideration of condition, species or location. It is calculated by multiplying the cross-sectional area of the tree trunk by an assigned value per square inch of trunk area.

Species rating is a percentage rating based on the relative qualities of the tree species.

Condition rating is a percentage rating based on the health of the tree.

Location rating is a percentage rating based on the location of the tree.

SCHEDULE 5

Schedule of Rates for Work Performed by Landowners

Typically all work will be done by the Company. If the parties agree that the Landowner will perform work on behalf of the Company, the Company will remunerate the Landowner in accordance with the following;

- | | | | |
|----|-----------------|------|--|
| 1. | Stone picking | - \$ | per hour/per person picking by hand
contractor. |
| | | - \$ | per hour for use of tractor and wagon |
| 2. | Chisel Plowing | - \$ | per hour |
| 3. | Cultivation | - \$ | per hour |
| 4. | Tile Inspection | - \$ | per hour * |

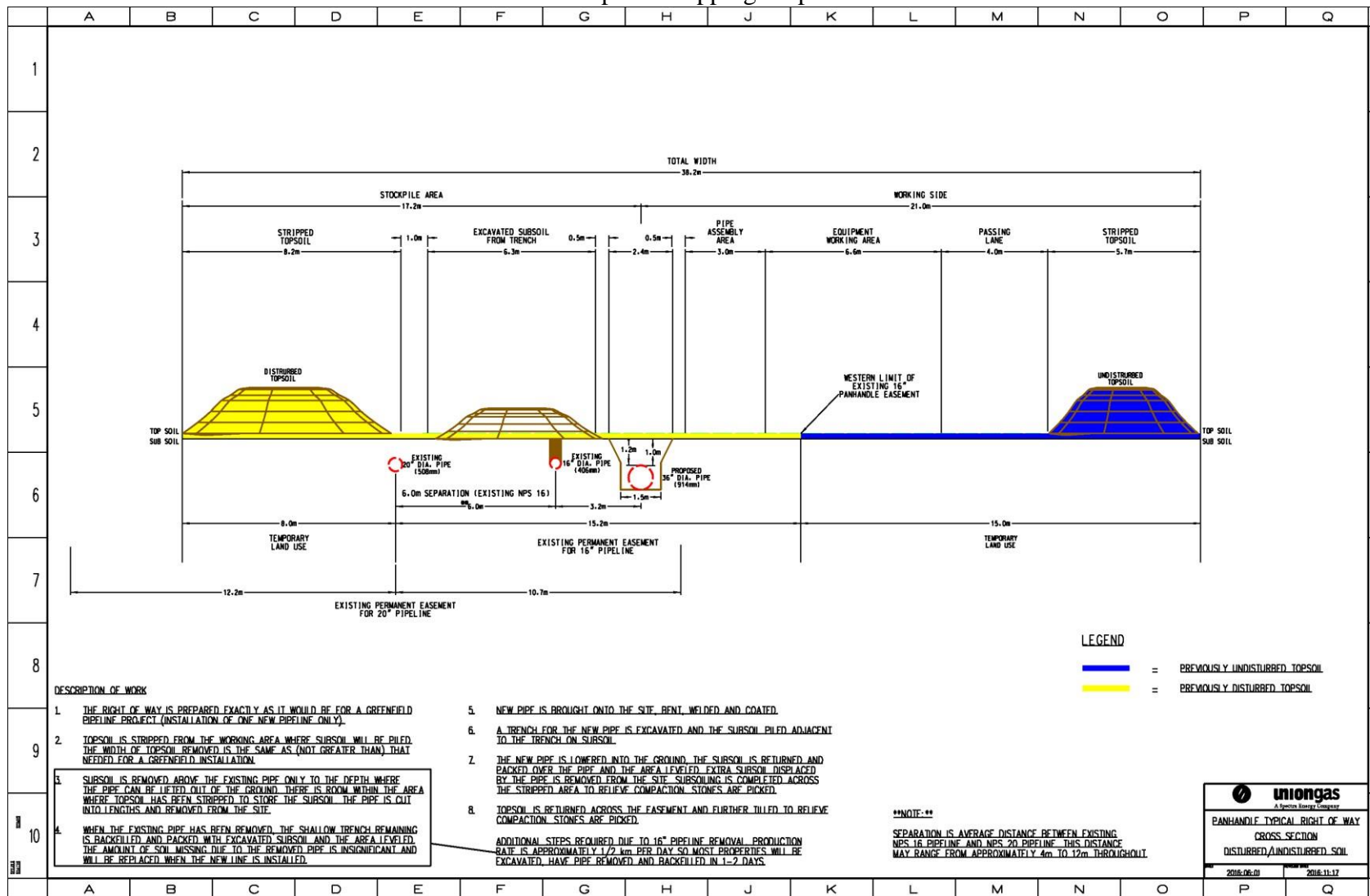
SCHEDULE 6

Wet Soils Shutdown

The Company's *Environmental Guidelines for Construction / 5.18 Wet / Thawed Soil* dated April 30, 2020 filed with the Canada Energy Regulator shall apply to pipeline construction, repair and maintenance on agricultural lands.

Where construction activities are undertaken by the Company in wet soil conditions, the Company shall pay to the landowner 150% of the Estimated Crop Damage Settlement Payment for the first year crop loss and Disturbance compensation as set out in Schedule 1. The 150% payment applies only once to any one area; on areas where the 150% payment is applied, the Landowner forfeits the right to top-up of crop damage compensation payments under this agreement. The 150% payment does not affect the Landowner's right to topsoil replacement where crop damage exceeds 50% in the fifth year following construction.

SCHEDULE 7 Topsoil Stripping Map



SCHEDULE 8

To be inserted

**Schedule "E" of Global Settlement Agreement
COMPENSATION PACKAGE**

