

DECISION AND ORDER

EB-2022-0247

ENBRIDGE GAS INC.

Application for leave to construct natural gas pipelines in the City of Toronto

BEFORE: Emad Elsayed

Presiding Commissioner

Fred Cass
Commissioner

May 9, 2023



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1 OVERVIEW

On December 7, 2022, Enbridge Gas Inc. (Enbridge Gas) applied to the Ontario Energy Board 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 approximately 831 metres of natural gas pipelines in the City of Toronto. Enbridge Gas also plans to relocate an existing district regulator station and bollard protection system onto a permanent easement. This work is collectively referred to as the Project in this Decision and Order. As part of its application, Enbridge Gas requested OEB approval under section 97 of the OEB Act of the form of land-use agreements it has offered or will offer to landowners affected by the routing and construction of the project.

Enbridge Gas stated that the Project is needed to accommodate the construction of the Scarborough Subway Extension Transit Project (Subway Extension), which is being completed by Metrolinx in collaboration with the Province of Ontario and the City of Toronto. Metrolinx has requested that Enbridge Gas relocate certain existing natural gas pipeline assets that are in conflict with the Subway Extension.

Enbridge Gas stated that the Project will be constructed in two phases as tunnelling work for the Subway Extension needs to be completed between the two phases. The first phase is proposed to commence in September 2023 and be placed into service in December 2023. The second phase is expected to commence in April 2025 and be placed into service in July 2025. The general location of the Project is shown on the map in Schedule A to this Decision and Order.

For the reasons provided in this Decision and Order, the OEB grants Enbridge Gas's application for leave to construct the Project. The OEB finds that the Project is in the public interest based on an examination of the Project need, alternatives, cost and economics, environmental impacts, land use requirements, and Indigenous consultation.

The OEB also approves the forms of easement agreement and temporary land use agreement that Enbridge Gas has offered or will offer to landowners affected by this project.

The leave to construct is subject to the OEB's conditions of approval, attached as Schedule B to this Decision and Order.

2 PROCESS

The OEB held a written hearing to consider this application.

A Notice of Hearing was issued on January 13, 2023. Environmental Defence and Pollution Probe applied for intervenor status and cost eligibility. On February 14, 2023, the OEB issued Procedural Order No. 1, approving Environmental Defence and Pollution Probe as intervenors and set a schedule for the filing of interrogatories and submissions.

In accordance with the procedural schedule, interrogatories by OEB staff, Environmental Defence, and Pollution Probe were filed on February 24, 2023. Enbridge Gas responded to interrogatories on March 10, 2023. OEB staff, Environmental Defence, and Pollution Probe filed written submissions by March 24, 2023, and Enbridge Gas filed a reply submission on April 6, 2023.

On April 10, 2023, Enbridge Gas updated its evidence by filing a Letter of Opinion from the Ministry of Energy confirming that the procedural aspects of Indigenous consultation undertaken by Enbridge Gas to date for the purposes of the OEB's leave to construct for the Project are satisfactory.

3 DECISION

In its consideration of whether the Project is in the public interest, the OEB has been guided by the issues set out in the OEB's Standard Issues List for natural gas leave to construct applications, as follows:

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

3.1 Project Need

Enbridge Gas stated that the Project is driven by Metrolinx's request to relocate various existing natural gas assets that are in conflict with the construction of Metrolinx's Subway Extension and to ensure that Enbridge Gas is able to maintain the provision of safe and reliable natural gas services for its existing customers. The Project entails the relocation and construction of approximately 455 metres of natural gas pipelines in Phase 1 and approximately 376 metres of natural gas pipelines in Phase 2.1

In response to interrogatories, Enbridge Gas stated that Phases 1 and 2 of the Project are physically interdependent and must both be completed in their entirety to ensure that the integrity of natural gas services to existing customers are maintained.² Enbridge Gas also confirmed that the scope of the Project work is to maintain existing service to meet the current demands of the network, and not to create any incremental capacity now or in the future.³

OEB staff submitted that there is a need for the Project, based on the evidence filed by Enbridge Gas. Pollution Probe submitted that the proposed facilities will become stranded, abandoned and/or inadequate in the near future as commercial customers impacted by the Project will be closed and demolished within a few years.⁴ Enbridge Gas responded to Pollution Probe's submissions, stating that the OEB should assign no

¹ EGI IRR, Exhibit I. STAFF.6

² EGI IRR, Exhibit I. PP.2 and EGI reply submission, p.4

³ EGI IRR, Exhibit I. STAFF.1

⁴ PP submissions, p. 3, 4

weight to Pollution Probe's claims as it provided no evidentiary basis to support its claims ⁵

Findings

The OEB finds that the Project is needed to accommodate the Subway Extension which is being completed by Metrolinx in collaboration with the Province of Ontario and the City of Toronto.

Certain portions of Enbridge Gas's pipelines would be in conflict with the Subway Extension and need to be relocated. The Project is intended to resolve these conflicts while maintaining natural gas services to Enbridge Gas's existing customers. The Project does not entail the creation of any incremental natural gas capacity.

The Project will be constructed in two phases which the OEB finds to be interdependent even though the construction start of the two phases is separated by a period of approximately 1.5 years to accommodate tunnelling work.

The OEB finds that Pollution Probe has not provided sufficient evidence to support its argument that the proposed Project will result in stranded assets.

3.2 Project Alternatives

Enbridge Gas stated that it assessed several facility alternatives to address the identified project need using a mix of quantitative and qualitative criteria including cost, timing, safety and reliability, and environmental and socio-economic impacts. Based on its evaluation, Enbridge Gas determined that the proposed Project is the optimal solution to meeting the identified system need as it:

- Represents the lowest total project cost
- Meets the December 2023 and July 2025 in-service dates for Phase 1 and Phase 2 respectively, as required by Metrolinx
- Maintains existing network connections and reliability and enables Enbridge Gas to readily access its facilities to ensure safe operation and maintenance
- Results in the least significant environmental and socio-economic impacts relative to other alternatives assessed.

⁵ EGI reply submission, p. 7

Enbridge Gas stated that it applied the Binary Screening Criteria contained in the Integrated Resource Planning (IRP) Framework approved by the OEB.⁶ Enbridge Gas determined that the need for the Project does not warrant further IRP consideration based on the timing criterion, as the need must be met in under three years and is also driven by a customer-specific build, where Metrolinx will pay the full cost of the Project through a Contribution in Aid of Construction (CIAC).

OEB staff submitted that based on Enbridge Gas's evidence, the Project is the best alternative to meet the stated need and that Enbridge Gas appropriately applied the Binary Screening Criteria contained in the IRP Framework to determine that the Project does not warrant further IRP consideration.

Environmental Defence and Pollution Probe submitted that Enbridge Gas has not appropriately applied the Binary Screening Criteria. They argued that Enbridge Gas should not have applied the timing criterion to screen out this Project as Enbridge Gas was made aware of the Project more than three years ago and there was sufficient time for Enbridge Gas to consider more cost-effective long-term alternatives.⁷

In its reply submission, Enbridge Gas explained that while it was first made aware of the general location of the Subway Extension in 2019, it was not provided sufficient detail to initiate work on preliminary asset relocation designs until 2020. Given the densely populated urban location of the Subway Extension and the complexity of Enbridge Gas's existing facilities within close proximity, any deviations in the Subway Extension plans or location (from its preliminary plans) would require Enbridge Gas to complete additional modelling work to ensure that it could maintain the reliability of its existing network and could have vastly changed the design/nature of relocations of Enbridge Gas's facilities required and the customers impacted. Enbridge Gas submitted that it would not have been reasonable or prudent to commence work to assess any alternative, facility or non-facility (IRP), until the Subway Extension plans were sufficiently detailed and certain. Enbridge Gas further submitted that the nature of Metrolinx's project design and execution process is such that even now it is regularly working with Metrolinx to resolve novel conflicts as they finalize the Subway Extension plan. Enbridge Gas stated that it has advanced project design and the current application as efficiently as possible.8

Environmental Defence argued that the customer-specific build criterion applies where a facility or group of facilities wants more capacity whereas in this case, Metrolinx is not a

⁶ EB-2020-0091, Decision and Order, July 22, 2021, Appendix A

⁷ ED submission, p.2 and PP submission, pp.5,6

⁸ EGI reply submission, p.10

customer seeking expanded gas service. Environmental Defence also submitted that even if the Project can be characterized as a customer-specific build, under the IRP Framework, Enbridge Gas is required to discuss IRP options with customers who are requesting a facility option underpinned by a CIAC or long-term contract and that Enbridge Gas has provided no evidence that this kind of IRP discussion took place.⁹

In its reply submission, Enbridge Gas argued that Environmental Defence's interpretation of the intent of the Binary Screening Criteria is not correct, as the IRP Framework does not constrain applicability of the customer-specific build criterion in the manner suggested by Environmental Defence solely to projects designed to serve customers seeking incremental natural gas volumes. Enbridge Gas also submitted that there would be limited value in discussing IRP with Metrolinx as such investments would not resolve the system need underpinning the Project.¹⁰

Findings

The OEB finds that the Project is the best alternative to meet the stated need. Enbridge Gas evaluated several alternatives based on a number of factors such as cost, schedule, system safety and reliability, and environmental and socio-economic impacts.

The OEB also finds that the Project is excluded from IRP considerations for the following reasons:

- The Project addresses a system need that must be met in under three years.
- Because Metrolinx will pay all project costs, the project is within the intent of the findings made by the OEB in the IRP Framework decision regarding customerspecific builds where the customer fully pays for incremental infrastructure cost.

That said, the OEB expects Enbridge Gas to undertake timely in-depth quantitative and qualitative analyses of alternatives that specifically include IRP impacts in future leave to construct applications.

3.3 Project Cost and Economics

Enbridge Gas estimated the total cost of the Project to be \$5.4 million, comprised of \$4.6 million of pipeline facilities costs and \$0.79 million in ancillary facilities costs. Enbridge Gas provided a breakdown of the Project costs for each of Phase 1 and

⁹ ED submission, p.3

¹⁰ EGI reply submission, p.11

Phase 2 separately, as shown in Table 1 below: 11

Table 1

Description		Phase 1 Total Costs		Phase 2 Total Costs	
Material	\$	7,031.05	\$	84,956.42	
Labour & Construction	\$	1,489,710.81	\$	1,423,174.78	
Outside Services (Consulting, Professional Services)	\$	60,970.09	\$	96,638.65	
Contingency	\$	381,003.09	\$	386,696.67	
Sub-Total	\$	1,938,715.04	\$	1,991,466.52	
Direct Overhead	\$	421.86	\$	5,097.39	
Indirect Overhead	\$	678,550.26	\$	697,013.28	
Interest During Construction	\$	23,802.00	\$	24,478.00	
Total Project Cost		2,641,489.17	\$	2,718,055.19	
Less CIAC	\$	(2,641,489.17)	\$	(2,718,055.19)	
Net Project Costs	\$	-	\$	-	

Enbridge Gas stated that Metrolinx will pay for the Project costs through a CIAC.

Enbridge Gas provided the proposed forms of Preparatory Activities Agreement, RFP Agreement and Utility Work Agreement that it will enter into with Metrolinx, which include a provision for the payment by Metrolinx's contractor of a CIAC for the full amount of the Project construction costs. ¹² In response to interrogatories, Enbridge Gas confirmed that the Metrolinx contractor will reimburse Enbridge Gas for all its actual costs and expenses incurred in completing the Project even if the actual costs exceed the estimated total Project costs of \$5.4 million. ¹³ Enbridge Gas also confirmed that section 3.1 (a) of the Preparatory Activities Agreement and section 1.4 (a) of the Utility Work Agreement set out the contractual terms to ensure cost recovery from Metrolinx regardless of any Metrolinx project deferral or cancellation. ¹⁴

In its submissions, OEB staff noted that Enbridge Gas is in the process of executing the agreements with Metrolinx but as these agreements have not yet been executed, no binding agreement currently exists between Enbridge Gas and Metrolinx for the payment by Metrolinx of the actual final Project construction costs.

OEB staff submitted that Section 23 of the OEB Act permits the OEB, when making an order, to impose such conditions as it considers proper. The OEB has established

¹¹ EGI IRR, Exhibit I. STAFF.6, p.1

¹² Exhibit I.PP.9 and attachments

¹³ EGI IRR, Exhibit I. STAFF.4 b)

¹⁴ EGI IRR, Exhibit I.PP.9 c)

standard conditions of approval for natural gas related leave to construct applications.¹⁵

Through its interrogatories, OEB staff suggested a modification to Condition 7, which requires Enbridge Gas to confirm that the actual final Project costs are fully funded by the CIAC paid to Enbridge Gas by Metrolinx. Enbridge Gas agreed with this suggestion.¹⁶

In its final submissions, OEB staff recommended that the OEB add the following condition:

Authorization for leave to construct is subject to Enbridge Gas Inc. notifying the OEB that it has executed the necessary agreements with Metrolinx that provide for the payment by Metrolinx of a contribution in aid of construction for the full amount of the project construction costs.¹⁷

In its reply submission, Enbridge Gas provided an update on the status of the agreements, confirming that the Preparatory Activities Agreement and RFP Agreement have been entered into with Metrolinx while the Utility Work Agreement between Enbridge Gas and Metrolinx's contractor is still being negotiated. Enbridge Gas confirmed that it agrees with and accepts OEB staff's proposed additional condition of approval.¹⁸

Findings

Enbridge Gas stated that Metrolinx will pay for the Project costs through a CIAC and that the Metrolinx contractor will assume full cost responsibility even if the actual costs exceed the estimated total Project costs.

This Decision and Order is contingent on Enbridge Gas notifying the OEB that it has executed the necessary agreements with Metrolinx that provide for the payment by Metrolinx of a CIAC for the full amount of the Project costs. This condition is included in the OEB's conditions of approval for this leave to construct attached as Schedule B of this Decision and Order.

¹⁵ OEB Natural Gas Facilities Handbook, Appendix D

¹⁶ EGI IRR, Exhibit I. STAFF.14 a)

¹⁷ OEB staff submission, p. 5

¹⁸ EGI reply submission, p.14

3.4 Environmental Impacts

Enbridge Gas retained Dillion Consulting Ltd. to undertake a route evaluation and 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 filed with the application. The Environmental Report also includes consultation input and mitigation measures to minimize impacts from the Project.

Enbridge Gas circulated the Environmental Report to members of the Ontario Pipeline Coordinating Committee, municipal officials, conservation authorities and potentially impacted Indigenous communities.

Enbridge Gas stated that a completed Stage 1 Archeological Assessment and a Cultural Heritage Screening will be submitted to Ministry of Citizenship and Multiculturalism for review in Spring 2023 and it expects to receive approval prior to the commencement of Project construction. The Project is also being reviewed by the Technical Standards and Safety Authority with respect to compliance with the Canadian Standards Authority standard CSA Z662.

Enbridge Gas stated it would prepare an Environmental Protection Plan prior to construction of the Project. The Environmental Protection Plan will incorporate the recommended mitigation measures identified in the Environmental Report and obtained through agency consultation for the environmental matters associated with the Project. Enbridge Gas stated that using the mitigation measures found within the Environmental Report, the Environmental Protection Plan and other additional mitigation measures provided by regulatory agencies through the permitting and approval process, no significant environmental or cumulative effects are anticipated from construction of the proposed Project.

The application identified potential environmental/land permits and approvals from 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. 19

OEB staff stated that the conditions of approval require Enbridge Gas to obtain all necessary approvals, permits, licences, and certificates needed to construct, operate and maintain the Project. In its reply submission, Enbridge Gas confirmed that it will

¹⁹ EGI IRR, Exhibit I. STAFF.10 and 11

obtain all necessary approvals, permits, licences, and certificates needed to construct, operate and maintain the Project.²⁰

OEB staff noted that Enbridge Gas completed the Environmental Report in accordance with the OEB's Environmental Guidelines.²¹ OEB staff submitted that it 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 Environmental Report and to complete the Environmental Protection Plan prior to the start of construction. OEB staff also submitted that Enbridge Gas's compliance with the OEB's conditions of approval will ensure that impacts of pipeline construction are mitigated and monitored.

Pollution Probe submitted that the direct and indirect socio-economic impacts of the Subway Extension in conjunction with the proposed Project will be high, noting that disruption along the Metrolinx construction corridors is severe, which in some cases has led to loss of business, economic hardship and other negative impacts. Pollution Probe also submitted that Enbridge Gas did not have direct contact or communication with the customers impacted by the proposed Project, arguing that direct contact and coordination could have mitigated part or all of the need for the Project.²²

Enbridge Gas responded to Pollution Probe's submissions, arguing that the OEB should assign no weight to Pollution Probe's claims regarding the purported socio-economic impacts of the Subway Extension and Enbridge Gas's consultation with customers impacted by the Project, as it provided no evidentiary basis to support these claims.²³

Findings

The OEB finds that Enbridge Gas has completed the Environmental Report for this Project in accordance with the OEB's Environmental Guidelines. No significant environmental or cumulative effects are anticipated from construction of the proposed Project. The conditions of approval documented in Schedule B of this Decision and Order require Enbridge Gas to implement the mitigation measures set out in the Environmental Report and to complete the Environmental Protection Plan prior to the start of construction. Furthermore, the conditions of approval require Enbridge Gas to obtain all necessary approvals, permits, licences, and certificates needed to construct, operate and maintain the Project.

²⁰ EGI reply submission, p.15

²¹ Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario, 7th Edition

²² PP submission, p.7

²³ EGI reply submission, p.17

3.5 Landowner Matters

Enbridge Gas stated that the Project will be located primarily in public road allowance with limited permanent easements required and potential temporary working areas required.

With its application, Enbridge Gas filed forms of temporary working area and permanent easement agreements for the OEB's approval. Enbridge Gas stated that these agreements are the same as those approved for use in Enbridge Gas's NPS 20 Waterfront Relocation Project.²⁴

OEB staff submitted that the OEB should approve the proposed forms of permanent easement and temporary working area agreements as both were previously approved by the OEB.

Findings

The OEB approves the forms of easement agreement and temporary land use agreement proposed by Enbridge Gas. These forms have previously been approved by the OEB for similar projects.

3.6 Indigenous Consultation

In accordance with the OEB's Environmental Guidelines, Enbridge Gas provided the Ministry of Energy (ENERGY) with a Project description to determine if it triggers the Crown's duty to consult. ENERGY issued a letter, delegating the procedural aspects of the Crown's duty to consult for the Project to Enbridge Gas. In the delegation letter, ENERGY identified ten Indigenous communities²⁵ that Enbridge Gas should consult in relation to the Project:

- Alderville First Nation
- Beausoleil First Nation
- Chippewas of Georgina Island First Nation
- Chippewas of Rama First Nation
- Curve Lake First Nation
- Hiawatha First Nation
- Mississaugas of Scugog Island
- Mississaugas of the Credit First Nation
- Kawartha Nishnawbe
- Huron Wendat Nation

²⁴ EB-2022-0003 OEB Decision and Order

²⁵ Evidence, Exhibit H, Tab 1, Schedule 1, Attachment 2, p.2,3

Direct notice of this proceeding was provided to all of these 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 and provided an update on its Indigenous consultation activities as of March 7, 2023.²⁶

On April 10, 2023, Enbridge Gas filed ENERGY's Letter of Opinion with the OEB. In that letter, ENERGY expressed its opinion that the procedural aspects of the consultation undertaken by Enbridge Gas to date for the Project were satisfactory.

Findings

Based on the Letter of Opinion and the record of this proceeding, the OEB is satisfied that the duty to consult has been adequately addressed in this proceeding.

3.7 Conditions of Approval

As noted previously, the OEB has established standard conditions of approval for natural gas related leave to construct applications.

OEB staff suggested that the OEB's standard conditions of approval for leave to construct applications should apply to the Project with a modification to Condition 7, which requires Enbridge Gas to confirm that the actual final project costs are fully funded by the CIAC paid to Enbridge Gas by Metrolinx. Enbridge Gas agreed with this suggestion.

OEB staff noted that the agreements between Enbridge Gas and Metrolinx that provide for the payment by Metrolinx of the Project construction costs have not yet been executed. OEB staff submitted that the OEB should consider adding Condition 4, which requires Enbridge Gas to notify the OEB that it has executed the necessary agreements.

In its reply submission, Enbridge Gas confirmed that it accepts OEB staff's proposed conditions and will comply with the final conditions of approval established by the OEB.²⁷

²⁶ EGI IRR, Exhibit I. STAFF.13 b)

²⁷ EGI reply submission, p.19

Findings

This Decision and Order is subject to the conditions of approval attached as Schedule B. It should be noted that, compared to the standard conditions of approval for a leave to construct, Condition 4 has been added and Condition 7 has been modified to address the cost responsibility issue. Enbridge Gas is agreeable to these changes.

4 ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

- 1. Enbridge Gas Inc. is granted leave, pursuant to section 90(1) of the OEB Act, to construct the Project in the City of Toronto as described in its application.
- 2. Pursuant to section 97 of the OEB Act, the OEB approves the form of Easement Agreement and Form of Temporary Working Area Agreement that Enbridge Gas Inc. has offered or will offer to each owner of land affected by the Project.
- 3. Leave to construct is subject to Enbridge Gas Inc. complying with the Conditions of Approval set out in Schedule B.
- 4. Eligible intervenors shall file with the OEB and forward to Enbridge Gas Inc. their respective cost claims in accordance with the OEB's *Practice Direction on Cost Awards* on or before **May 16, 2023**.
- 5. Enbridge Gas Inc. shall file with the OEB and forward to intervenors any objections to the claimed costs of the intervenors on or before **May 23, 2023**.
- 6. If Enbridge Gas Inc. objects to any intervenor costs, those intervenors shall file with the OEB and forward to Enbridge Gas Inc. their responses, if any, to the objections to cost claims on or before **May 30, 2023**.
- 7. Enbridge Gas Inc. shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's <u>Rules of Practice and Procedure</u>.

Please quote file number, **EB-2022-0247** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the <u>OEB's online filing portal</u>.

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address
- Please use the document naming conventions and document submission standards outlined in the <u>Regulatory Electronic Submission System (RESS)</u>
 Document Guidelines found at the Filing Systems page on the OEB's website

- Parties are encouraged to use RESS. Those who have not yet <u>set up an account</u>, or require assistance using the online filing portal can contact registrar@oeb.ca for assistance
- Cost claims are filed through the OEB's online filing portal. Please visit the <u>File documents online page</u> of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the <u>Practice Direction on Cost Awards</u>.

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Managers, Judith Fernandes at Judith.Fernandes@oeb.ca and OEB Counsel, Michael Miller at Michael.Millar@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto May 9, 2023

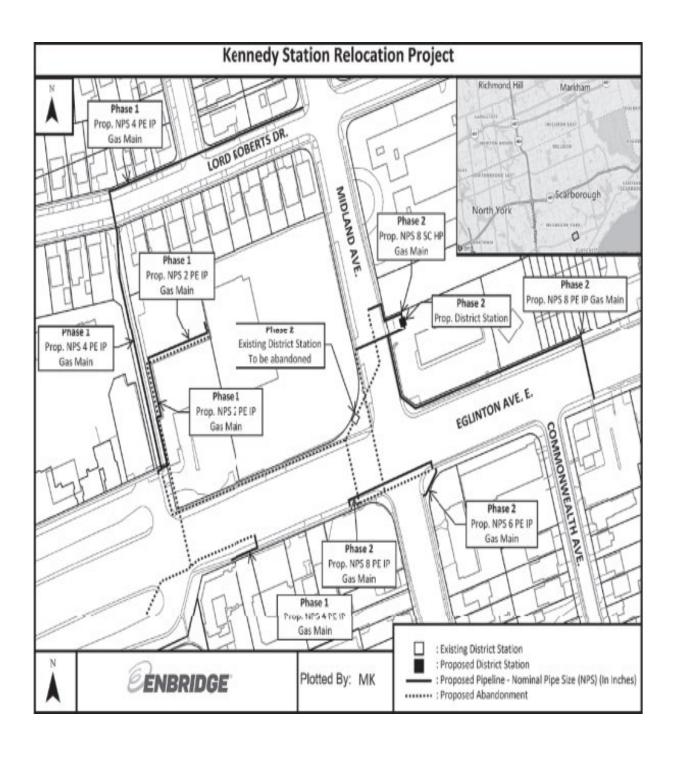
ONTARIO ENERGY BOARD

Nancy Marconi Registrar

SCHEDULE A DECISION AND ORDER ENBRIDGE GAS INC.

EB-2022-0247

MAY 9, 2023



SCHEDULE B DECISION AND ORDER ENBRIDGE GAS INC. EB-2022-0247

MAY 9, 2023

Leave to Construct Application under Section 90 of the OEB Act

Enbridge Gas Inc. EB-2022-0247

Conditions of Approval

- 1. Enbridge Gas Inc. shall construct the facilities and restore the land in accordance with the OEB's Decision and Order in EB-2022-0247 and these Conditions of Approval.
- 2. (a) Authorization for leave to construct the Project shall terminate 12 months after this Decision and Order is issued unless construction has commenced on Phase 1 of the Project prior to that date.
 - (b) For both Phases 1 and 2, Enbridge Gas Inc. shall give the OEB notice in writing:
 - i. of the commencement of construction, at least 10 days prior to the date construction commences
 - ii. of the planned in-service date, at least 10 days prior to the date the facilities go into service
 - iii. of the date on which construction was completed, no later than 10 days following the completion of construction
 - iv. of the in-service date, no later than 10 days after the facilities go into service
- 3. Enbridge Gas Inc. shall obtain all necessary approvals, permits, licences, certificates, agreements, and rights required to construct, operate and maintain the Project.
- 4. Authorization for leave to construct is subject to Enbridge Gas Inc. notifying the OEB that it has executed the necessary agreements with Metrolinx that provide for the payment by Metrolinx of a contribution in aid of construction for the full amount of the Project construction costs.
- 5. Enbridge Gas Inc. shall implement all the recommendations of the Environmental Report filed in the proceeding, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee review.
- 6. Enbridge Gas Inc. shall advise the OEB of any proposed change to OEB-approved construction or restoration procedures. Except in an emergency, Enbridge Gas Inc. shall not make any such change without prior notice to and written approval of the OEB. In the event of an emergency, the OEB shall be informed immediately after the fact.

- 7. Concurrent with the final monitoring report referred to in Condition 8(b), Enbridge Gas Inc. shall file a Post Construction Financial Report, that:
 - (a) provides a variance analysis of project cost, schedule and scope compared to the estimates filed in this proceeding, including the extent to which the project contingency was utilized
 - (b) confirms that the actual final project costs are fully funded by the contribution in aid of construction payments from Metrolinx.

Enbridge Gas Inc. shall also file a copy of the Post Construction Financial Report in the proceeding where Enbridge Gas Inc. proposes to start collecting revenues associated with the Project.

- 8. Both during and after construction of the Project, Enbridge Gas Inc. shall monitor the impacts of construction, and shall file with the OEB one electronic (searchable PDF) version of each of the following reports:
 - (a) A post construction report, within three months of the in-service date of both Phases 1 and 2 of the Project, which shall:
 - i. provide a certification, by a senior executive of the company, of Enbridge Gas Inc.'s adherence to Condition 1
 - ii. describe any impacts and outstanding concerns identified during construction
 - iii. describe the actions taken or planned to be taken to prevent or mitigate any identified impacts of construction
 - iv. include a log of all complaints received by Enbridge Gas Inc., including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions
 - v. provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licenses, and certificates required to construct, operate, and maintain the proposed Project
 - (b) A final monitoring report, no later than fifteen months after the in-service date of both Phases 1 and 2 of the Project, or, where the deadline falls between December 1 and May 31, the following June 1, which shall:
 - i. provide a certification, by a senior executive of the company, of Enbridge Gas Inc.'s adherence to Condition 4
 - ii. describe the condition of any rehabilitated land
 - iii. describe the effectiveness of any actions taken to prevent or mitigate any identified impacts of construction

- iv. include the results of analyses and monitoring programs and any recommendations arising therefrom
- v. include a log of all complaints received by Enbridge Gas Inc., including the date/time the complaint was received; a description of the complaint; any actions taken to address the complaint; and the rationale for taking such actions
- 9. Enbridge Gas Inc. shall designate one of their employees as project manager who will be the point of contact for these conditions and shall provide the employee's name and contact information to the OEB and to all affected landowners and shall clearly post the project manager's contact information in a prominent place at the construction site.