

## PURPOSE, NEED, PROPOSED FACILITIES & TIMING

### Purpose and Need for Proposed Facilities

1. The Georgian Sands Pipeline Project (the “Project”) is a system expansion project that is being built to serve the Georgian Sands planned subdivision in Simcoe County. The customer growth in the subdivision will reduce capacity within the gas network servicing the area. A reinforcement of the natural gas distribution system to this planned subdivision is required to service new residential and commercial customers in the proposed subdivision and ensure the reliability of gas to customers in the area.
2. The Project will create an extension from the existing natural gas distribution system and provide natural gas service to the future customers of Georgian Sands planned subdivision. The developer of the subdivision, ELM Development has requested for natural gas service which requires an expansion and reinforcement of the gas distribution system. Demand Side Management (“DSM”) was not considered as an alternative to the Project because it would not be practical to add the new customers to the system in the four phases in the timelines outlined in Table 1 (see paragraph 4). Further, since there are no incremental upstream facilities included in the LTC scope, DSM on existing customers on upstream networks would not reduce the scope of facilities to service the new customers.
3. The total number of customers to be added to the distribution network from the Georgian Sands subdivision will cause the existing network to experience low pressures. Should the existing network fail during the heating season Enbridge Gas Inc. (“Enbridge”) would risk the loss of gas supply to approximately 1,174 commercial and residential customers in the Georgian Sands subdivision. The Project will ensure

system pressures and network reliability is maintained once the Georgian Sands subdivision is in service.

4. Table 1 below sets out the projected customer growth in Georgian Sands subdivision over four phases.

Table 1: Projected Customer Additions for the project

	<u>Incremental Customer Adds</u>				
	<b>Phase 1 2020</b>	<b>Phase 2 2021</b>	<b>Phase 3 2022</b>	<b>Phase 4 2023</b>	<b>Total</b>
Residential units	325	160	318	369	1172
Apartment bldg	0	0	0	0	0
Commercial units	0	0	0	1	1
School	0	0	1	0	1
<b>Total</b>	<b>325</b>	<b>160</b>	<b>319</b>	<b>370</b>	<b>1174</b>

Proposed Facilities

5. The Project is comprised of approximately 8 m of NPS 8 Extra High Pressure (“XHP”) steel natural gas pipeline, and approximately 6.4 km of NPS 6 inch Intermediate Pressure (“IP”) polyethelene natural gas pipeline. The preferred route starts at the intersection of Flos Road 4 West and Vigo Road, heading north along Vigo Road and ending at the planned Georgian Sands subdivision at Flos Road 8 West and Rylan Road at the Town of Wasaga Beach boundary. Construction of a new district station will also be required. The new district station will be constructed at the intersection of Flos Road 4 West and Vigo Road which will reduce the NPS 8 XHP pipeline which will be tied into our existing XHP pipeline on Flos Rd 4 West to Intermediate pressure and feed the NPS 6 IP gas pipeline. A map of the location of the proposed pipeline and the new district station is provided as Attachment 1 to this Exhibit.

6. The route and location for the proposed facilities associated with the Project were selected by an independent environmental consultant through the process outlined in the Ontario Energy Board's (the "Board") "*Environmental Guidelines for the Location, Construction, and Operation of Hydrocarbon Pipelines and Facilities in Ontario*" (7<sup>th</sup> Edition, 2016) (the "Guidelines"). Enbridge sought input from the public during the route selection process, and then incorporated that input into the final route decision. The decision also came from several environmental and socio-economic factors. Due to technical and environmental constraints in this area, the preferred route is the only potential route because there are no feasible alternative routes.
7. Pursuant to the Guidelines, Enbridge requested that the Ontario Ministry of Energy, Northern Development and Mines (the "MOENDM") determine if there is any Duty to Consult requirements for the Project. The MOENDM has delegated the procedural aspects of the Duty to Consult for the Project to Enbridge. The details of Enbridge's consultations are detailed in the series of Exhibit G, Tab 1, Schedule 3.
8. Details on the route selection and the Environmental and Socio-Economic Impact Assessment of the proposed facilities can be found in the Environmental Report found at Exhibit C, Tab 1, Schedule 3. For ease of reference and for Notice of Application requirements a map of the final preferred route is provided as Attachment 1 to this Exhibit. The Environmental Implementation Plan found in Exhibit C, Tab 1, Schedule 2 will incorporate the recommended mitigation measures for the environmental issues and concerns associated with the proposed activities.

#### Timing

9. The proposed construction schedule will enable residents, businesses and industrial customers to use natural gas for the 2019/2020 heating season. To meet the in-service date and to avoid winter construction, Enbridge must therefore commence

construction by July 2019 and is requesting that the Board issue a decision for this proceeding no later than July, 2019.