

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B; and in particular section 40(1) thereof.

AND IN THE MATTER OF an Application by Enbridge Gas Inc. to the Ministry of Natural Resources for licences to drill wells in the Ladysmith Storage Pool;

ENBRIDGE GAS INC

1. Enbridge Gas Inc. (“Enbridge Gas”) is proposing to drill a stratigraphic test well in the Ladysmith Storage Pool (“LSSP”) in the Township of St. Clair, in the County of Lambton. The LSSP is considered a designated storage area pursuant to section 36.1(1) of the *Ontario Energy Board Act* (“OEB Act”).
2. Pursuant to section 40 of the *OEB Act*, Enbridge Gas seeks a favourable report from the Ontario Energy Board (the “Board”) to the Ministry of Natural Resources and Forestry (“MNRF”). Enbridge Gas has applied to the MNRF for a licence to drill a stratigraphic test well.
3. The stratigraphic test well (TL9) is required to provide data to complete geomechanical studies that will provide assurance that any increase to the delta pressure in the Ladysmith storage formation will not adversely affect the caprock and/or overlying formations. The TL9 well will not be completed within the gas storage zone of the LSSP.

4. Pending the outcome of the data and geomechanical studies the stratigraphic test well will be converted to a horizontal injection/withdrawal well (TL9H) at a later date. A separate well drilling application will be submitted to the MNRF for the conversion of the stratigraphic test well to the horizontal injection/withdrawal well.
5. Enbridge Gas respectfully submits that a hearing is not required by the OEB in order to issue a report to the MNRF. Section 40(2) the OEB Act states *“The Board may hold a hearing before reporting to the Minister if the application does not have the authority to store gas in the area or, in the Board’s opinion the special circumstances of the case require a hearing.”*
6. In this case, there is no evidence or special circumstance that require the need for a hearing since Enbridge Gas has the authority to store gas in the area pursuant to the Board’s E.B.L.O. 269, E.B.O. 212/213, E.B.R.M 112 decision. Also as mentioned above, the TL9 well will not be completed within the gas storage zone of the LSSP. Enbridge Gas has consulted with the affected parties and Indigenous groups and there are no concerns expressed with the drilling of the TL9 well.
7. Enbridge Gas respectfully requests a favorable report for the stratigraphic test well to the MNRF by early July 2019. Additionally, Enbridge Gas is requesting that the Board issue a favourable report for the stratigraphic well without holding a hearing.
8. Enbridge Gas requests that a copy of every document filed with the Board in this proceeding be served on the Applicant and the Applicant’s counsel, as follows:

The Applicant:

Regulatory Contact:

Mr. Mark Kitchen
Director, Regulatory Affairs
Enbridge Gas Inc.

Address for personal service:

500 Consumers Road
Willowdale, Ontario M2J 1P8

Mailing address:

P. O. Box 650
Scarborough, Ontario M1K 5E3

Telephone:

416-495-5499 or 1-888-659-0685

Email:

EGlregulatoryProceedings@enbridge.com

The Applicant's counsel:

Mr. Guri Pannu
Senior Legal Counsel
Enbridge Gas Inc.

Address for personal service:

500 Consumers Road
Willowdale, Ontario M2J 1P8

Mailing address:

P. O. Box 650
Scarborough, Ontario M1K 5E3

Telephone:

(416) 758-4761

Email:

guri.pannu@enbridge.com

Dated at the City of Toronto, Ontario this 3rd day of May, 2019.

Guri Pannu
Senior Legal Counsel