Enbridge's Feedback on Proposed Amendments to the Greenbelt Plan

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About Enbridge Inc.

At Enbridge, we safely connect millions of people to the energy they rely on every day, fueling quality of life through our North American natural gas, oil or renewable power networks and our growing European offshore wind portfolio. Enbridge Gas, a subsidiary of Enbridge Inc., is Canada's largest natural gas storage, transmission and distribution company based in Ontario, with more than 170 years of service to customers. The distribution business provides safe, affordable, reliable energy to about 3.8 million homes, businesses and industries and is leading the transition to a clean energy future through net-zero emissions targets and investments in innovative low-carbon energy solutions. We're investing in modern energy delivery infrastructure to sustain access to secure, affordable energy and building on two decades of experience in renewable energy to advance new technologies including wind and solar power, hydrogen, renewable natural gas and carbon capture and storage. We're committed to reducing the carbon footprint of the energy we deliver, and to achieving net zero greenhouse gas emissions by 2050.

Headquartered in Calgary, Alta., Enbridge's common shares trade under the symbol ENB on the Toronto (TSX) and New York (NYSE) stock exchanges.

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Introduction

Enbridge Inc. and its affiliate companies, including the natural gas utility Enbridge Gas Inc. (collectively referred to as "Enbridge" throughout), appreciate the opportunity to submit feedback on the proposed amendments to the Greenbelt and commend the Government of Ontario (Government) for its action to address Ontario's housing supply crisis.

Within the Greenbelt, Enbridge has vital natural gas distribution and transmission assets, supplying over 95% of Ontario's natural gas needs and serving residents, major commercial and industrial customers, hospitals, schools, government buildings, and power producers in the area and beyond. Enbridge also has massive liquid pipeline assets within the Greenbelt, delivering nearly 300,000 barrels of crude oil and liquids every day and maintaining the petrochemical industry in Montreal. Therefore, it is imperative that the amendments to the Greenbelt consider the safety, environmental, compatibility, accessibility and financial implications of withdrawing lands from the greenbelt on the public, who would be located in close vicinity to high-pressure pipelines, and Ontario's energy supplies.

Enbridge's recommendations for the Amendments to the Greenbelt are very similar in nature to the recommendations that will be submitted to the Parkway Belt consultation.

When the government considers removing lands from the Greenbelt, the Environmental Registry of Ontario process should be followed, and we believe all impacts should be considered, Enbridge recommends the following:

- Ensuring all developments' property lines have a standard minimum setback distance of 30m from
 the center of existing pipelines and other assets in the Greenbelt and keeping pipeline easements as
 open spaces to maintain access and clearance for operational, maintenance, and expansion
 activities.
- Setting a minimum standard setback of 50m from all complex infrastructure, highway, and river crossings developments to provide enough space to execute work safely.
- Mandating that contractors follow safe ground disturbance practices around high-pressure vital
 pipelines and that pipeline companies are afforded the ability to provide onsite inspection during
 excavation and construction activities that may impact their infrastructure.
- Considering the Technical Standards and Safety Authority's (TSSA) recommendation that buildings
 and institutions, where rapid evacuation may be difficult, have a minimum setback distance of 200m
 from existing pipelines.
- Reserving access points to pipelines in the Greenbelt through any released Greenbelt lands.
- Exempting Greenbelt projects from or modifying the standard OEB leave to construct (LTC) process
 to minimize total time requirements and regulatory costs should the amendments create the need for
 a large number of pipeline construction projects.
- Reducing red tape by increasing the LTC process's cost threshold to at least \$10M and pipe size to 16" for smaller pipeline construction projects to connect more communities and businesses faster.
- Ensuring the completion of any required pipeline construction projects prior to any development works in close vicinity to pipelines in the Greenbelt.
- Affording pipeline operators the ability to recover their costs from developers for engineering assessments, onsite inspection, and relocating and upgrading assets.



Safety

Changing land use adjacent to a high-pressure pipeline comes with risks related to having high-stress vital pipelines in close vicinity to population centers. This may require changing the class location designation of the existing pipelines, resulting in, without limitation:

- pressure modifications, which would impact the ability to meet customer demands on the gas and liquid pipeline systems;
- the need to replace the pipelines with heavier walled pipes;
- · restricted access to the pipelines in the event of an emergency; and
- the need to access the pipelines through developed lands for operation, maintenance, and expansion purposes.

In addition, the replacement of pipelines would require:

- new easements, given that the existing easements are not wide enough for additional pipelines; and
- federal and provincial regulatory approvals for the liquid and natural gas pipeline systems, which could take 1-2 years at a minimum; thus, challenging Enbridge's ability to continue meeting our customers' demands in the area and beyond.

Moreover, increasing the building density in the vicinity of high-pressure vital pipelines and facility infrastructures would require more intensive pipeline patrols, creating potential operational challenges and potentially resulting in increased costs to operate and maintain existing energy infrastructure, which, for gas pipeline systems, would be passed onto residents in the form of increased rates.

In addition, having high pressure pipelines in close proximity to and incorporated into residential properties creates the risk of encroachments on top of the pipeline and damages during construction activities, given that residential homeowners may not be informed of pipeline easements during the transition of ownership.

To mitigate these impacts and risks on residents in the vicinity, Enbridge recommends that the Government ensures all developments' property lines have a standard minimum setback distance of 30m from the center of existing pipelines and other assets in the Greenbelt lands and keeping pipeline easements as open spaces to maintain access and clearance for operational, maintenance, and expansion activities.

Enbridge also recommends that the Government sets a minimum standard setback of 50m from all complex infrastructure, highway, and river crossings developments to provide enough space to execute work safely.

Moreover, high-pressure pipelines are put at risk when construction occurs in close proximity to buried facilities and constructors fail to follow safe ground disturbance practices. The increased development and construction activity will also increase the request for utility field locates, impacting staff resources. Therefore, Enbridge recommends that the **Government mandates that contractors follow safe ground disturbance practices around high-stress vital pipelines and that pipeline companies are afforded the ability to provide onsite inspection during excavation and construction activities that may impact their infrastructure. Federally regulated pipelines will continue to require onsite inspection during excavation and construction activity within 30m of a pipeline.**



Environment

The proposed amendments to the Greenbelt Plan also have the potential to result in significant environmental impacts, particularly regarding noise levels and water crossings. New developments in the existing pipelines and infrastructure vicinity may result in subsequent changes to the applicable noise level requirements in the area, necessitating replacement or significant upgrades to the assets in the utility corridor.

In addition, increased urban development causes increased flow in the existing water courses leading to erosion over existing buried pipelines. As a result, replacing pipelines at water crossings is becoming more common to address erosion concerns. However, such replacement of pipelines would require new easement rights and space for the construction activities and a larger setback to develop water course crossings safely.

Compatibility

Enbridge's natural gas pipelines are constructed with consideration for and operate in accordance with TSSA recommendations, which include maintaining a minimum setback distance of 200m from the centerline of the pipe to institutions where rapid evacuation may be difficult, such as hospitals, nursing homes, or other institutions where occupants may have mobility challenges.

Enbridge recommends that the Government considers the TSSA's recommendation that buildings and institutions, where rapid evacuation may be difficult, have a minimum setback distance of 200m from existing pipeline.

Accessibility

With the Greater Toronto and Hamilton Area (GTHA) growth and associated infrastructure development in the Greenbelt, accessing the utility infrastructure and pipelines within these lands will need to be maintained.

Therefore, in addition to the recommended setbacks, Enbridge recommends that **the Government reserves access points to the assets and pipelines in** these lands as part of the changes to the Greenbelt.

Regulatory implications

The proposed amendments to the Greenbelt Plan could create the need for pipeline construction projects due to the need to relocate pipelines or changes to pipeline class location caused by the construction of new developments near high-pressure pipelines. The Canada Energy Regulator (CER) or Ontario Energy Board's (OEB) approval may be needed for many of these pipeline construction projects. As per the OEB's Natural Gas Facilities Handbook (March 31, 2022), the OEB's leave (approval) to construct (LTC) is required if certain pipeline project criteria are met, including but not limited to a total project cost of more than \$2M. Pipeline construction projects in the Greenbelt area subject to CER jurisdiction will likely trigger a combination of Operations and Maintenance Notifications to full applications under section 214 of the CER Act (which could include an oral hearing depending on potential opposition.



In addition, any construction or ground disturbance activities associated with the development of the Greenbelt lands and within areas prescribed by the CER Act (ex., within 30 m on either side of the pipeline) will be subject to the prohibitions and requirements set out in the CER Act and relevant regulations, including protection of the pipeline and public safety, pipeline owner consent prior to any activities as well as other technical requirements for any activities within the prescribed area.

The OEB's LTC process and the CER's application process can take up to 12 months or more from initiation of the regulatory process to approval. These regulatory processing time periods do not include the time required for project development in advance of the initiation of the regulatory process nor the time needed for construction following approval by the regulator—both of which can vary depending on project size and complexity.

Enbridge recommends that the Government exempts Greenbelt projects from or modifies the standard OEB LTC process to minimize total time requirements and regulatory costs should the amendments create the need for a large number of pipeline construction projects.

Enbridge recommends reducing red tape by increasing the LTC process's cost threshold to at least \$10M and pipe size to 16" for smaller pipeline construction projects to connect more communities and businesses faster.

If the revocation also requires pipeline construction projects subject to CER and OEB jurisdiction, then Enbridge recommends the Government ensures the completion of any required pipeline construction projects prior to any development works in close vicinity to pipelines in the Greenbelt.

Financial implications

The proposed amendment to the Greenbelt Plan could have significant financial implications on the companies operating in these lands. Such added costs for the gas pipeline systems would be part of future adjustments to the rate base and borne by ratepayers.

The relocation of assets, resulting from changing the class location designation of the existing pipelines, would entail cost recovery allocation and advanced notices for appropriate planning.

In addition, reviewing, approving, and providing inspection for construction activities in developed areas is labour-intensive. To meet quick turnaround times, pipeline companies often require support from external consultants.

Therefore, Enbridge recommends that the Government afford pipeline operators the ability to recover their costs from developers for engineering assessments, onsite inspection, and relocating and upgrading assets. Otherwise, the increased costs to relocate and operate the gas pipeline systems would eventually fall to the rate base and be passed onto ratepayers in the province who are also tax-payers in Ontario.

Conclusion

Enbridge appreciates the opportunity to provide feedback and recommendations to help guide the consultation on the proposed Amendments to the Greenbelt Plan. Enbridge requests consideration of the recommendations identified in this document and welcome the opportunity to meet with you to discuss the consultation and recommendations in further detail. If you have any questions or require additional information, please do not hesitate to contact Nicole Gruythuyzen, Senior Advisor Government Affairs (nicole.gruythuyzen@enbridge.com).