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2 New Brunswick Board of Commissioners of Public Utilities
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4 IN THE MATTER OF an application dated Jan. 13, 2003 by
5 Enbridge Gas New Brunswick Inc., for a permit to construct a
6 pipe line to the town of Riverview

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11 Coverdale Centre, Riverview, N.B.
12 October 18th 2005 - 2:00 p.m.
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Coverdale Centre, Riverview, N.B.
October 18th 2005

CHAIRMAN: David C. Nicholson, Q.C.

COMMISSIONERS: Ms. Patricia LeBlanc Bird
Brian Tingley

BOARD COUNSEL: Ms. Ellen Desmond

BOARD SECRETARY: Lorraine Légère

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CHAIRMAN: This is in the matter of an application by Enbridge Gas New Brunswick for a
permit to construct a pipe line in order to provide natural gas distribution service to
Riverview in the province of New Brunswick. It's a town.

MR. HOYT: It's a town.

MR. TINGLEY: Yes, we are only a town.

CHAIRMAN: The town of Riverview. Could I have the appearances for Enbridge Gas
New Brunswick?

MR. HOYT: Len Hoyt, McInnes Cooper on behalf of Enbridge Gas New Brunswick. I am
joined by Mike Gruttner, who is

the Manager of Distribution Operations. Shelley Black, the Manager of Regulatory and Upstream. Ritch Murray, the Manager of Planning and Technical Services. And Janet Blackadar from AMEC, Enbridge's environmental consultant.

CHAIRMAN: Thanks, Mr. Hoyt. My understanding, Madam Secretary, is that there have been no filings of interventions, is that correct?

MS. LEGERE: None.

CHAIRMAN: No. Okay.

MR. HOYT: But there have been three letters in support of the application. Mr. Chair, I do have a couple of affidavits of publication and mailing for construction applications. There were a number of ministers who we were obligated to provide the application to, and in addition it just confirms that all members of the PCC were provided with the application as well.

CHAIRMAN: Good. Let's see them then. The affidavit of Ms. York, you have taken the signature, Mr. Hoyt, and you checked off the various ministers that had to be served. And the rest are, I presume, all the members of the Pipeline Coordinating Committee.

MR. HOYT: Yes. And the other additional one would be the Mayor of the Town of Riverview.

CHAIRMAN: Good. Thanks. All right. I will just mark

those and they will be part of the record. Today is October the 18th. Anything else?

MR. HOYT: A couple of things. By letter dated September 23rd, we filed amendments to the application that resulted from the Pipeline Coordinating Committee process, which I must say worked quite well subject to the discussion I guess we will have here shortly.

The amendments were requests that were made by various members of the PCC. Subsequent to that, a letter was received from Mr. McQuinn confirming that in fact PCC was happy with the process and prepared to move forward with conditions as set out in that letter. And those aren't the amendments provided today.

CHAIRMAN: Those amendments have been made in our binders.

MS. LEGERE: Yes.

CHAIRMAN: Yes. So now today you have further amendments, Mr. Hoyt?

MR. HOYT: Yes, Mr. Chair. The amendments that we have provided to the Board today deal with a change in the pipeline crossing costs. The cost estimates that were filed with this application were preliminary. And as a result of additional engineering work that has been done since that time, Enbridge determined that the proposed river crossing is beyond the expertise of their primary

consultant or primary contractor, rather, area of expertise. So they now plan to retain a

specialized subcontractor to perform that function.

And as a consequence, the total estimated Riverview construction costs for 2005

have increased, but there has been no change in terms of the preferred rate.

CHAIRMAN: You just handed this to me before we began this afternoon. And how many pages is there?

MR. HOYT: There are five pages that are amended. All in exhibit A, which is the information in support of Enbridge's application.

CHAIRMAN: And so there -- the amendments would include to page 5 of 15, 6 of 15, 7 of 15, 9 of 15 and exhibit A, page 13 of 15?

MR. HOYT: That's correct.

CHAIRMAN: Okay. Great. Well, the Board will certainly accept those amendments at this time. Any other preliminary matters?

MR. HOYT: No, Mr. Chair. Other than the fact that, you know, we note that there are no Intervenor in this process. The PCC did a thorough review from an environmental point of view, have signed off on the application. Enbridge is anxious to commence construction this fall to connect customers in Riverview.

And based on

all of those things would request a permit today.

CHAIRMAN: 'Tis always that way, want it yesterday. Madam Secretary, do you have a copy of Mr. McQuinn's letter to the Board?

MS. LEBLANC: Yes, I do.

CHAIRMAN: I have a xerox here, but if you have the original. Can you find it?

MR. HOYT: This is a letter about the PCC?

CHAIRMAN: Yes.

MR. HOYT: I have a copy of it.

CHAIRMAN: Yes. I have a copy as well, but I would like to mark the original so that it will form part of the record.

MR. HOYT: And Mr. Chair, I should point out where the information about the pipeline costs have just been provided to you, I should ask you to turn to page 7, just so that you are clear in terms of the changes that are being made. If you look -- have you got the black-lined version? That's probably the easiest one to follow. You see in the box in the middle of the page, the preferred route shows the increase?

CHAIRMAN: Okay. I have got it.

MR. HOYT: It shows the pipeline costs increasing from approximately \$400,000 to the 842,000. That's the result of the use of the specialized subcontractor that I

mentioned.

In terms of the alternate routes, just to demonstrate that the preferred routes not changing, you will note in Alternate A, the price hasn't changed. It remains \$169,000. That's a crossing on the existing causeway, which is eliminated or -- yes, from consideration, for a couple of reasons. One, because of potential causeway modifications, it creates a lot of uncertainty. And in addition it in effect involves a bridge crossing where the pipeline would be attached to the bridge, and is not the preferred method of crossing of either Enbridge or the Department of Transportation.

Similarly, Alternate B is the crossing on the new Riverview bridge. Again, because it involves a bridge crossing, despite the fact there have been no changes in costs on that alternate, the bridge crossing alternative is not a preferred route.

Crossing C, which is a crossing similar to the preferred route, but much closer to the actual causeway, it's only at an offset of 20 metres from the causeway, rather than the 200 metres as is proposed by Enbridge.

So despite the fact that the cost is somewhat less, it's much closer to the causeway and more likely to be impacted by causeway modifications.

And finally Alternate D is a crossing of the headpond on the other side of the causeway, which although it doesn't impact -- or it doesn't involve a bridge crossing or the wetlands, it's significantly more expensive.

So I did want to just bring those to your attention.

CHAIRMAN: Good. Thank you. Now before we get into the presentation of your -- well, whatever you wish to address the Board with by way of presentation -- the Chair of the Pipeline Coordinating Committee, Mr. McQuinn, our Safety Director, was in consultation with you folks before the beginning of the hearing and has, of course, briefed the Board Panel as well.

But could you or one of your party indicate and put on the public record what the nature of the problems now with the Department of Transportation are?

MR. HOYT: Maybe I will take a crack at it and if I don't get into sufficient detail, I will ask Mr. Gruttner.

My understanding is that the Department of Transportation this morning indicated that it has concerns about the location of Enbridge's pipe at the traffic circle on the Moncton side of this project. Apparently there are flooding issues in that area and DOT is looking at reconfiguring the traffic circle. And because they haven't nailed down their final design is a concern if

Enbridge's pipe is put in that location that it may somehow be impacted.

CHAIRMAN: Would you point out to the panel, Mr. Hoyt, where the pipe comes from that gets into the centre of that traffic circle?

MR. HOYT: This is the Riverview side. It goes -- the directional drill would take place -- it would take place from this location on the Riverview side and be drilled until this point. This is when the pipe is then in the wetlands portion of the crossing along here. The wetlands stop in here at some point. They then -- the pipeline would then continue out into the traffic circle on the Moncton side and then be connected with existing pipe that is already present on the Moncton side.

CHAIRMAN: Yes. What I was interested in, Mr. Hoyt -- maybe I didn't make myself clear -- where is the existing pipe now?

MR. HOYT: Perhaps I will ask one of the -- ask Mike Gruttner to show you that.

MR. GRUTTNER: Back in 2000, Mr. Chair, we laid the pipeline along the Salisbury Road and we finished just adjacent to the traffic circle in this vicinity right here. So the intent is that we would connect into this -- the end of the existing gas main here, go into the traffic circle and

then out into the wetlands and across the river.

CHAIRMAN: I guess I have got a simplistic question to you is what I -- the lay of the land now, the simplistic question is why go into the centre of that traffic circle at all? Why not just carry on towards where the pipe is coming out of the wetland?

MR. GRUTTNER: You are suggesting that we cross on an angle like this?

CHAIRMAN: That's to me --

MR. GRUTTNER: There is underground infrastructure in this vicinity. There is actually a storm sewer outfall in this area. And we had originally looked at coming across here, but through discussions with Moncton, who looks after the sewage -- the storm sewage system in this area, they recommended that we don't cross in this vicinity. That we go back over here and across that way. And since we have learned that DOT is proposing work there.

CHAIRMAN: So what -- basically you are not connecting to your existing pipe in the traffic circle?

MR. GRUTTNER: That's correct. There is no existing pipe in the traffic circle or adjacent to it.

MR. TINGLEY: What are the implications if you have to do something in the future? Say you go with your plan, take a chance, what are the implications in the future, as
a

guess? I am not --

MR. GRUTTNER: Ideally, we would be able to work out an arrangement with DOT that we would place the pipe today, so that it would not impact any future works that DOT has in this traffic circle.

MR. TINGLEY: Sure.

MR. GRUTTNER: On the other side of the coin, then we would have to do a relocation in that vicinity. Pending on what proposal --

MR. TINGLEY: What kind of ballpark figures off the top of your head are you looking at if you have to do something like five years, 10 years down the road?

MR. GRUTTNER: Dollar amount just to relocate that small portion? About 20,000, \$25,000. Because by that -- it would be a live gas main. So we would have to do the hot taps, live --

MR. TINGLEY: Sure. Yes.

MR. GRUTTNER: -- as opposed to working with brand new.

MR. TINGLEY: It doesn't sound all that significant in the overall scheme of things?

MR. GRUTTNER: In the big scheme of things, no, it's not. It's just it would be an unfortunate circumstance.

MR. TINGLEY: Sure. You know, maybe you have to take a chance.

MR. GRUTTNER: Correct.

MR. TINGLEY: Depending on what your priorities are.

CHAIRMAN: Where does that storm sewer you were mentioning come from?

MR. GRUTTNER: I need my glasses now. The storm sewer, well the outfall is here into the creek, comes into the traffic circle, crosses the roundabout and then down Salisbury Road. As well, it goes underneath the overpass to the other side of I guess it's Main Street.

CHAIRMAN: Well, you chaps are the engineers, and I will say, you know, sitting here simplistically and looking at it, I would go under the storm sewer.

MR. GRUTTNER: That was the discussions we have had with DOT is that we would install our plant as deep as we could to avoid any future conflicts. And that would be still our intent today.

MR. HOYT: And that, Mr. Chair, is consistent with a couple of the responses that Enbridge gave to the PCC during that process, that they would look at installing at extra depths to avoid any issue.

CHAIRMAN: I understand the use of the ground in the traffic circle, in the middle of the circle as it were, has always sort of been an issue with this ongoing process of review. And therefore, you say, we will bury it as far down as we

are able to avoid any problems that way.

MR. HOYT: Well, I think it was an issue when the PCC process began and I guess as it played out, but Enbridge gave answers that presumably were acceptable until the issue arose this morning.

CHAIRMAN: Ms. Black, would you open the door? It's a public hearing.

MS. BLACK: Sure.

CHAIRMAN: What sort of problems do you think that the discussion with the Department of Transportation has engendered? What sort of problems are they thinking might happen that would cause difficulties when you bury your pipe?

MR. GRUTTNER: I can't foresee any problems, but like anybody who has proposed work to do, they would like to have the least amount of other utilities in the vicinity of any proposed construction, so it would -- I think we are sitting on their side, they would probably like to have nothing in there by way of any proposed construction. If there is something there then they may have to do a work around. I am not sure what else they would be thinking of. Particularly, if we could install that extra depth and avoid any future conflict.

CHAIRMAN: This has been a rather casual hearing so far. Do

you want to call a -- make a presentation to the Board in reference to this project or what

is your pleasure, Mr. Hoyt?

MR. HOYT: No. I guess I would look at it more as the pre-hearing and was quite prepared to update you on particular things, permit, plans in terms of completing the -- or I guess commencing the project. And then really it would just revert to the submission I just made in terms of the fact that the evidence has been submitted. There is no one appearing in opposition to it. There has been a thorough PCC process and Enbridge is ready to go.

MR. TINGLEY: Your proposed alternate is P, correct?

MR. HOYT: That's the preferred route, right.

MR. TINGLEY: That's your preferred route. And it's you say a couple of hundred metres below the existing causeway itself?

MR. HOYT: 200 metres, straight line parallel to the causeway is 200 metres offset from the causeway.

MR. TINGLEY: At its widest point is roughly 200 metres and then it sort of tapers in at one point?

MR. HOYT: That's correct.

MR. TINGLEY: Putting on your -- having a crystal ball in front of you, and the reports that are coming out with the causeway, and what if some crazy things happens like they

decide to take the whole causeway?

MR. HOYT: I may let others add to this, but prior to the application being submitted, I think that Enbridge's plans were to go with -- I think it's Alternate C, which if you look at figure 2 in exhibit A, it shows the various alternates.

MR. TINGLEY: Yes, that's the drawing I am looking at.

MR. HOYT: Okay. That Alternate C is only offset 20 metres from the causeway. And as a result of discussions with various stakeholders and advice from Enbridge's environmental consultant, AMEC, a decision was made to increase the offset by 180 metres to a point where it is in a location where everyone is satisfied that the causeway modifications, whatever they might be, will not be impacted by it. And I should add to that, throughout the process, Enbridge has been dealing with -- I think it's Daniel LeBlanc, the Petitcodiac Riverkeeper, who obviously brings any environmental concerns or issues related to that river. And as I understand it, has been satisfied by the steps Enbridge has taken in the current location of their preferred route.

MR. TINGLEY: Thank you.

CHAIRMAN: So what you want the Board to do is to issue a

permit to construct today, Mr. Hoyt?

MR. HOYT: That would be our preference, Mr. Chair. And just to give you an idea, I mean assuming that the permit is issued today, Enbridge would intend to mobilize the 1st of November in terms of the river crossing with the intention to start drilling the week of November 7th. And in terms of construction on the Coverdale Road, Enbridge would be in touch with its contractor soon and begin early in November.

MR. TINGLEY: I have a question, Mr. Chairman. That proposed route, where it comes across the marsh, that would just be dug by machine? That's machine digging?

MR. GRUTTNER: Correct. That piece would be dredged in. The piece on an angle --

MR. TINGLEY: Yes.

MR. GRUTTNER: -- to the causeway, correct.

MR. TINGLEY: And then up to the river or up to the existing so-called river?

MR. GRUTTNER: I will just come up and show you. This piece of pipe here will be trenched. The piece of pipe running on an angle to the causeway would be trenched in and then this piece of pipe that's parallel to the causeway from out into the wetlands over to the Riverview side would be directionally drilled.

So the green line here is the proposed routing of the pipeline. So this piece of pipe here would be trenched in. This would be drilled in.

MS. LEBLANC BIRD: Can you tell us the difference between trenched in and drilled in?

MR. GRUTTNER: This drilling we would use a horizontal directional drilling machine that would be set up on the Riverview side and it would bore -- drill a hole literally underneath the river and the wetlands they would enter here and exit here and then we would pull the pipe through this bore hole underneath everything to avoid the river and the wetlands. This piece of pipe would be excavated in with a backhoe or a shovel, a mechanical shovel.

On this exhibit here on figure 3, it shows a profile of the crossing in its entirety. And the entry point is over here and the exit point is over here. So from here to here we are running at a depth of about one and a half metres below existing grade. So that would be trenched in, excavated from the surface. And then from here to here, this would be drilled in and we are going to be going at a proposed depth of 18 metres below the wetlands to avoid any future causeway modifications and river changes should the causeway be modified.

CHAIRMAN: Mr. Hoyt, tell us again what it is that you would

like to have happen today? In other words, that a permit be issued subject to --

MR. HOYT: Our preference would be that the permit be issued subject to the conditions set out in Mr. McQuinn's letter confirming the PCC was satisfied with the process. That's our preference.

CHAIRMAN: But we have an indication that a member of that PCC is not now satisfied.

MR. HOYT: Based on that then, it would continue then that the permit would be issued subject to Enbridge Gas New Brunswick and DOT agreeing on a method of installing pipe at the traffic circle, which would be subject to the Board's approval. So that we couldn't actually do anything until the Board was happy with the arrangements that had been made. So DOT and EGNB can't just go off and do it and the Board never hear about it again.

CHAIRMAN: Good idea. We will take a break.

(Recess - 2:22 p.m. - 2:25 p.m.)

CHAIRMAN: Mr. Hoyt, the Board has taken the opportunity to consider your last exchange and we will issue a permit to construct with those additional clauses that you so appropriately enunciated. And I would ask you as soon as you get back to Fredericton to send an e-mail down to the Board Secretary and Mr. McQuinn with your proposed wording

of that.

We are in Sackville tomorrow. So it will be Thursday before we can sign it and get it out.

MR. HOYT: That will be fine. Thank you, Mr. Chair.

CHAIRMAN: Thank you all.

(Adjourned)

Certified to be a true transcript of

the proceedings of this hearing as
recorded by me, to the best of my
ability.

Reporter