

Enbridge Gas Inc. 918 South Service Road Hamilton, ON L8E 5M4 Canada

February 14, 2020

City of Hamilton City Clerk's Office City Hall, 71 Main Street West Hamilton, Ontario L8P 4Y5 Clerk@hamilton.ca

Subject: Follow-up to Feb. 7, 2020 delegation to City of Hamilton General Issues Committee

Dear Mayor Eisenberger and Members of City Council,

I am writing as a follow-up to the Enbridge Gas delegation appearing at the February 7, 2020 General Issues Committee meeting regarding our proposed Kirkwall-Hamilton natural gas pipeline project.

During our presentation, several important points were raised by the Enbridge Gas delegation about the project. I wanted to take this opportunity to reiterate those important points:

1. This project benefits Ontario, primarily Hamilton and the GTA.

- The Dawn-Parkway transmission system is essential in the movement of natural gas to supply homes and businesses across Ontario. This pipeline is nearing capacity.
- Currently, 75 percent of Ontario homes rely on natural gas for home and water heating, including 161,000 residential customers and 12,000 commercial and industrial customers in Hamilton.
- As Ontario's population increases–almost a million people added between the 2011 and 2016 censuses–energy demand has increased along with it. Growth in new home construction, new businesses and industries all want access to affordable and reliable natural gas.
- Ontario-based demand represents <u>89 percent</u> of the total demand driving the project; 68 percent of which is existing demand growth.

2. The project route follows an established natural gas pipeline corridor.

- The project route was chosen by following the Ontario Energy Board's "Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario."
- The project route follows an existing pipeline utility corridor and benefits from overlapping easements.
- This corridor has been safely in operation since 1957.
- Three other pipelines currently operate safely in the proposed route area.

3. Enbridge has extensive construction experience in the project area.

- Enbridge Gas has extensive experience constructing pipeline projects of similar size in the area of this project:
 - o Brantford-Kirkwall Project, 2015.
 - Hamilton-Milton Project, 2016.
- We seek to minimize impacts to the environment and restore the project area as close as practicable to its previous state.
- The goal is to leave an area post-construction with minimal indication we were ever there.
- We have extensive construction experience in natural environments such as this project.

4. The natural gas in this pipeline will be sourced from a diverse mix of North American natural gas supply basins including Alberta and the US.

- The natural gas for this pipeline, like all other natural gas pipelines in this area, will be sourced at the Dawn Hub near Sarnia, Ontario, which is connected to all major North American supply basins including Alberta and the US.
- Natural gas from shale currently makes up about a quarter of the North American natural gas supply. The North American natural gas supply is fully integrated, and as such, natural gas from shale is intermixed with gas produced by other extraction methods.

5. The additional natural gas capacity that the project provides will go to homes and businesses - lowering energy costs for Ontario residents.

• There is no increased power generation capacity being contracted for as part of this project.

6. This project will not have a material impact on the rates Enbridge Gas customers pay for natural gas.

- The total project cost is \$204 million. Customers will share in a portion of the cost as this pipeline will serve an increased demand for natural gas for homes and businesses.
- The total increase to a residential customer bill is estimated to be less than \$1.50 per year.

Sincerely,

Nick Klip Operations Manager, Hamilton/Halton Enbridge Gas Inc.