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Figure 1.0 – Route Map

Schedule A – Environmental Assessment

Schedule B – Environmental Protection Plan

Schedule C – Excerpts from EGNB 2000 Construction Application

Schedule D – Public Information Program

Schedule E – Material Safety Data Sheet

Schedule F – Dorchester Expansion Analysis

Schedule G – Proposed Conditions

Schedule H – Table of Concordance

1.0 Introduction

1.1 Summary

In August 1999, Enbridge Gas New Brunswick (“EGNB”) was granted a 20 year general franchise to distribute natural gas and provide customer services in the Province of New Brunswick.

EGNB is applying to the New Brunswick Energy and Utilities Board (“Board”) for a Permit to Construct under the Pipeline Act, 2005. The purpose of this filing is to provide information to the Board regarding the proposed construction of a natural gas distribution system by EGNB for Dorchester, New Brunswick. The information provided focuses on pipeline construction in 2011.

The specific wording of the permit requested (that is set out in EGNB’s application) is similar to EGNB’s existing Permits to Construct for Sackville, Fredericton, Oromocto, Hanwell, Saint John, St. George, Moncton, Dieppe, St. Stephen and Riverview.

The proposed route is shown in Figure 1.0 and extends for 7100 meters along King Street from Salem Street (Route 940) to Woodlawn Avenue, southwest 5600 meters along Woodlawn Avenue from King Street to Main Street, north 900 meters along Main Street from Woodlawn Avenue to Penitentiary Road. The 13.6 kilometers of pipe will be nominal pipe size (“NPS”) 4 high pressure steel. Outside of Dorchester, the pipe is expected to be installed in the New Brunswick Department of Transportation (“NBDOT”) highway right of way (“RoW”), two meters from the edge of RoW limits. Within Dorchester, mains will typically be located within the streets RoW, avoiding any existing utilities and infrastructure. Depth of cover will be a minimum of 1.2 meters below ground surface outside the Village and 0.9 meters within the Village of Dorchester.

EGNB is also requesting that its permit extend to all infill pipelines required to service customers along the 2011 pipeline route and in the Village of Dorchester. Infill work will be constructed as demand necessitates, starting in 2012.

EGNB retained Stantec to carry out an Environmental Assessment (see Schedule A). The Study Area considered by Stantec for the field assessment included the immediate area surrounding the preferred and alternate routes and the Dorchester portion (as described in the Environmental Assessment). Background research incorporated an Assessment Area having a five kilometer radius around the Study Area and a larger 10 kilometer radius for archaeology and heritage resources. This enabled Stantec to identify potential environmental issues not only along the route of the pipeline to be constructed in 2011, but also in potential infill areas.

In carrying out its Environmental Assessment, Stantec did not identify any potential affects on sensitive features in the Assessment Area, provided appropriate mitigation is carried out. Stantec concluded that through EGNB’s Environmental Protection Plan (“EPP”) (see Schedule B), Site Specific Environmental Protection Plans (“SSEPPs”) and EGNB’s standard construction practices, there will be no significant affect on sensitive features.

EGNB has been constructing and operating natural gas mains to serve customers in New Brunswick for 11 years. During this time, EGNB has maintained excellent environmental and safety records. EGNB’s standard construction methodologies, as well as details regarding typical pipeline construction activities such as trench excavation, watercourse crossings, road and rail crossings, pipe

installation, and maintenance and design specifications are outlined in Schedule C. These details are useful in understanding the general specifications of a pipeline.

EGNB has undertaken a Public Information Program in the form approved by the Board. This program provided information to stakeholders, the aboriginal community and interested members of the public, as well as, sought input on EGNB's preferred and alternate route and any environmental concerns. The map included in the newspaper notices advertising EGNB's Open House and displayed at the Open House showed both the preferred and alternate routes.

EGNB's Application and Information in Support of Application has been reviewed by the Board's Pipeline Coordinating Committee (the "PCC"). Based on EGNB's commitment to address certain concerns raised during the PCC process, the PCC has signed off on EGNB's application with one exception described in Section 15.0.

1.2 Application Format

For items previously described in EGNB's year 2000 Construction Application, and where no modification of the information is necessary for this application, the applicable sections of EGNB's year 2000 Construction Application are found in Schedule C. The remaining information is in a format similar to EGNB's previous Construction Applications.

2.0 Market Potential

2.1 Community Profile

Dorchester is located west of the Nova Scotia border and east of the City of Moncton. The land area of the Village encompasses 5.7 square kilometers.

There are 229 residential dwellings, five churches and 32 commercial buildings in the Village of Dorchester. The residential dwellings are primarily single-family dwellings.

2.2 Customer Additions Forecast

In 2011, EGNB plans to construct facilities specifically for the provision of distribution service to Dorchester penitentiary, which has signed and represents an annual load of 50,000 GJs.

Infill will begin as demand necessitates, possibly starting in 2012. At the end of its initial franchise period (2019), EGNB expects to have added 20 residential and 14 commercial customers for total forecast customer additions of 34.

The projections for the area under review are based on available information and general research aimed at assessing key conversion potential in the residential and commercial markets. The quantitative research was then validated with "drive-by" surveys. All projections of customer attachment were reviewed and finalized based on natural gas distribution experience.

3.0 Public Information Program

The elements of EGNB's Public Information Program for Dorchester approved by the Board are found in Schedule D. The purpose of the Public Information Program is to provide information, seek public input and identify, document and monitor issues and concerns. The feedback from the public information session program was used as a tool to identify planning, design and management measures that will mitigate or resolve public issues and concerns.

An invitation to the Open House Information Session was delivered on February 1, 2011 to the residents and businesses along the proposed route. Invitations were also delivered to M.P. Hon. Dominic LeBlanc, M.L.A. Mike Olscamp, Minister of Energy Craig Leonard, Chief Joseph Knockwood of the Fort Folly First Nation, and the Village of Dorchester municipal office. Notices were placed in the Sackville Tribune, Times Transcript and L'Acadie Nouvelle as well as on the EGNB website inviting the public to attend. The notice included a map illustrating the preferred and alternate routes and described the purpose of the session.

The Open House Information Session was conducted at St. Ed's Community Hall in Dorchester on February 15, 2011 from 6:00 p.m. to 8:00 p.m. Information available at the session included maps illustrating the preferred and alternate routes of the pipeline, as well as maps showing all wetlands and water crossings within the Environmental Assessment Study Area. Pieces of pipe and a natural gas meter were on display. Other information available included safety brochures and marketing information. The Board's coordinates and information concerning the Board's procedures were made available so that interested parties can contact the Board directly. EGNB's contact information, including telephone, internet, mail and email addresses, was also made available. The Open House was staffed by EGNB planning, operations, marketing and regulatory personnel as well as an environmental consultant from Stantec.

There were 13 attendees at the Open House Information Session. The reaction of the attendees to the proposed project was positive, and several expressed favourable comments about potentially converting to natural gas service. The following is a summary of the inquiries from the public information session:

- Why and how was the preferred route selected?
- How safe is natural gas and the current natural gas distribution system?
- What pressure does the system operate at?
- How will construction impact the newly paved section of King Street?
- What is the cost of natural gas and the cost of conversion?

There were no concerns related to the preferred route of the distribution pipeline raised at the Open House, with the exception of the identification of rock near the surface along the preferred route, as experienced during the installation of underground linear infrastructure. In accordance with its normal operating procedures, EGNB will modify its construction techniques to address any rock encountered along the route.

Answers were given to all questions at the Open House. No attendees requested or required any follow-up to the answers given, and therefore no further action is required.

Stantec advised EGNB that Fort Folly First Nation is the First Nation community closest to Dorchester. EGNB sent information to Chief Joseph Knockwood of the Fort Folly First Nation. The letter, dated October 6, 2010, was sent to inform Fort Folly First Nation of the project, and to provide details about its location. Contact information for EGNB was provided to Fort Folly First Nation, should they have any questions or concerns regarding the project. Information on the Assessment Area for potential areas of interest was provided by Ms. Mary Knockwood of the Fort Folly First Nation during an environmental assessment for another project within Sackville. She indicated a heightened potential for archaeological finds, especially near stream confluences and southern embankments of streams with navigable potential, and natural wetland areas. A follow up phone call to Chief Knockwood was made by the Stantec archaeology team on October 25, 2010. Chief Knockwood did not express concern related to project activities because the area has been previously disturbed. Fort Folly First Nation will be provided with a copy of the Environmental Assessment.

EGNB representatives met with the Dorchester village council on February 21, 2011.

4.0 Facilities

In 2011, EGNB plans to construct approximately 14 kilometers of NPS 4 high pressure steel pipeline to service the Dorchester penitentiary.

5.0 Route Description

5.1 Preferred Route

The proposed route (which incorporates the preferred route) is shown in Figure 1.0 and extends for 7100 meters along King Street from Salem Street (Route 940) to Woodlawn Avenue, southwest 5600 meters along Woodlawn Avenue from King Street to Main Street, north 900 meters along Main Street from Woodlawn Avenue to Penitentiary Road. The 13.6 kilometers of pipe will be nominal pipe size (“NPS”) 4 high pressure steel. Outside of Dorchester, the pipe is expected to be installed in the NBDOT highway RoW, two meters from the edge of RoW limits. Within Dorchester, mains will be located within the street RoW, avoiding existing utilities and infrastructure. Depth of cover will be a minimum of 1.2 meters below ground surface outside the Village and 0.9 meters within the Village of Dorchester.

5.2 Alternate Route

An alternate route was considered for serving the Village of Dorchester, which is shown on Figure 1.0. The alternate route considered begins at the corner of King and Salem streets in Sackville, travels south along Salem Street, then follows Queens Road and Route 106 westward to Dorchester, a total of 14.7 kilometers.

5.3 Comparison of Routes

The preferred and alternate routes are similar in length and follow provincial and municipal roads. The preferred route was chosen based on the following criteria:

- the alternate route passes through more wetlands and watercourses
- lower construction costs and decreased construction timeline

- the preferred route does not impact the Fort Folly First Nation

6.0 Project Construction Activities

A description of pipeline construction activities are found in Sections 5.1.1 to 5.1.5 of Schedule C - Excerpts from EGNB 2000 Construction Application. The reference to CAN/CSA Z662-96 in Section 5.1.1.7 should be changed to CAN/CSA Z662-07.

7.0 Design Specifications

EGNB confirms that the design of its pipeline and related facilities are in accordance with all applicable regulations, and that the pipeline and facilities provide for the safety of the public and EGNB employees and the protection of the environment.

7.1 Pipeline Specifications

Refer to Schedule C - Excerpts from EGNB 2000 Construction Application, Sections 5.3 and 5.4 for a description of EGNB's pipeline design specifications.

7.2 Odourant

The natural gas odourant will be "Spotleak 1009" manufactured by Arkema Canada Inc. or equivalent. The Material Safety Data Sheet for the product is included in Schedule E.

The odourant is introduced by flow computer at a rate to be adjusted as necessary in order that the presence of odourized gas is readily detectable at all gas concentrations not less than one fifth of the lower explosive limit as required by Clause 4.21.1 of CSA Code Z662-07.

8.0 Environmental Issues

8.1 Environmental Assessment

EGNB engaged Stantec to prepare an Environmental Assessment of the proposed construction within the Study Area. This assessment is included in Schedule A.

The Environmental Assessment concluded:

"The results of this Environmental Assessment indicate that the proposed construction will not "affect sensitive features", as EGNB adheres to its EPP, as well as SSEPPs developed for specific sensitive features (*i.e.*, watercourses and wetlands). The identified mitigation measures are based on industry standards and have been demonstrated by EGNB to be effective for similar projects when applied properly and incorporated into the Project design. Areas identified as having the potential for adverse environmental effects can be effectively mitigated, and the residual environmental effects are considered to be not significant."

8.2 Application of Environmental Protection Plan

As with all of EGNB's construction, its EPP will be followed. The EPP found in Schedule B is essentially identical to the EPP filed with EGNB's application for Permit to Construct in Hanwell.

8.3 Site Specific Environmental Protection Plans

Stantec, in the Environmental Assessment, identified watercourse crossings and wetlands within the Study Area. Upon determination by the New Brunswick Department of Environment ("NBENV") and EGNB that an SSEPP is required in such an area, the SSEPP will form part of EGNB's EPP.

8.4 Acid Rock

With the exception of relatively thin coal bed deposits associated with the Pictou Group, there are no direct indications that the Study Area contains acid generating rock, and no outcrops (i.e., road cuts) were noted during field studies by Stantec. To mitigate against remaining potential for acid generating rock, EGNB will follow its Acid Rock Drainage Mitigation Plan included in the EGNB Construction Manual.

9.0 Manuals

During its 2000 Construction Application, EGNB filed its Emergency Procedures Manual, Safety Awareness Manual, Operations and Maintenance Policy Manual, Quality Acceptance Operations Manual, Joining of Pipelines Operations Manual and Firefighters Awareness Manual. The Quality Acceptance Operations Manual and Joining of Pipeline Operations Manual were filed on a confidential basis.

All manuals are maintained and regularly updated at EGNB's office in Fredericton and are available, upon request, to Board staff for review. EGNB complies with the requirements of the Pipeline Regulation under the Pipeline Act, 2005.

10.0 Land Issues

Easements are not expected to be required for the pipeline construction in 2011 as the proposed pipeline is proposed to be located within existing road allowances. Section 14.0 outlines the permits required for such road allowance utilization.

11.0 Dorchester Expansion Analysis and Estimated Costs

A financial analysis for Dorchester is found in Schedule F which indicates that the net present value of the project is positive and a profitability index (the ratio of the net present values of the revenues to the net present values of the costs) that is greater than 1. Both of these metrics indicate that the project is economically feasible.

The estimated costs for 2011 construction are set out in the table below:

Item Description	Unit	Unit Cost	Cost
Pipe Construction and Materials	14,000m	\$184/m	\$2,576,000
Overhead (10%)			\$257,600
Total			\$2,833,600
Customer Contribution			350,000
Net Project Cost			\$2,483,600

12.0 Construction Schedule

Construction of the pipeline is to begin as soon as the Permit to Construct is granted with a target date for completion of December 2011.

13.0 Information to be Provided Annually

As required for other municipalities served by EGNB, EGNB agrees to file with the Board the following information:

Prior to a Fiscal Period

- Customer Additions – Forecast
- Proposed Infill Areas
- Capital Expenditure – Forecast
- Distribution Mains
- Services and Meters
- Other Facilities Required

At the end of a Fiscal Period

- Customer Additions – Actual
- Construction Update
- Capital Expenditure - Actual

14.0 Permits Required

In addition to the Board's Permit to Construct, the following permits are required:

Village of Dorchester - Municipal Operating Agreement

EGNB is negotiating a Municipal Operating Agreement with the Village of Dorchester similar to those entered with the other municipalities EGNB serves.

New Brunswick Department of Transportation - Highway Usage Permit

For the proposed 2011 pipeline construction, an addendum to the existing HUP for Sackville will be required for Dorchester. The HUP will follow the same format EGNB uses to serve other municipalities. The HUP will cover the entire pipeline route.

New Brunswick Department of Environment - Watercourse and Wetland Alteration Permit

As with all EGNB pipeline construction, Watercourse and Wetland Alteration Permits are required prior to the construction of a watercourse or wetland crossing. SSEPPs developed at watercourses with fish habitat will form part of EGNB's permit application. The SSEPPs will be created and submitted to the NBENV prior to commencement of construction. NBENV shares the application information with the New Brunswick Department of Natural Resources and the federal Department of Fisheries and Oceans.

Department of Natural Resources - Work Permit

EGNB will apply for a work permit under the Forest Fires Act, if required.

Department of Fisheries and Oceans/Coast Guard - Navigable Waters Approvals

A navigable water permit is required if any watercourses crossed by the pipeline construction are deemed navigable by Department of Fisheries and Oceans/Coast Guard. EGNB does not anticipate that there will be any navigable water permit issues on the proposed route.

15.0 Pipeline Coordinating Committee

EGNB's Application and Information In Support of Application were reviewed by the PCC. The PCC consists of representatives of Archaeology Services, Department of Wellness Culture and Sport, Department of Natural Resources, New Brunswick Emergency Measures Organization, Department of Energy, Department of Public Safety (Technical Inspection Services), Department of Environment, Department of Local Government, Department of Agriculture, Aquaculture and Fisheries, Department of Tourism and Parks, Department of Transportation and Infrastructure and the Pipeline Safety Division of the Board. Based on EGNB's commitment to address certain concerns raised during the PCC process, the PCC has agreed by letter dated June 3, 2011 (revised June 6, 2011), to the issuance of a construction permit based on the technical information presented in EGNB's application and with the conditions set out in Schedule G, with one exception.

In previous permits issued by the Board, one of the conditions read as follows:

Where blasting is required, the well location and water quality of all wells within 200 metres of the pipeline shall be tested before and after blasting operations.

The PCC indicated that this condition was modified to reflect the requirements for water well testing found in Environmental Impact Assessment determinations used in the Province of New Brunswick. See Condition 11 in the PCC letter dated June 3, 2011 (revised June 6, 2011). EGNB did not agree completely with Condition 11. EGNB has agreed to complete a water well survey for private wells

within 500 metres of blasting activities, but did not agree with the requirement for testing of water wells within 200 metres of excavation activities.

16.0 Conditions to Permit

EGNB proposes that the conditions found in Schedule G be imposed on the Permit to Construct.

17.0 Table of Concordance

A Table of Concordance identifying where the requirements of Section 5 of the Pipeline Filing Regulation are addressed is found in Schedule H.

18.0 EGNB and its Principal Officers

The name, address, telephone number, fax number and email address of EGNB is as follows:

Enbridge Gas New Brunswick
101 - 440 Wilsey Road
Fredericton, New Brunswick
E3B 7G5

Telephone: (506) 457-7702
Facsimile: (506) 457-7769

Contact: Derek Dunn, Project Manager
Derek.Dunn@enbridge.com

The principal officers of EGNB (the addresses, telephone numbers and fax numbers for whom are the same as EGNB), their positions and email addresses are as follows:

Glenn Beaumont	President	glenn.beaumont@enbridge.com
Dave Charleson	General Manager	dave.charleson@enbridge.com
Ed Armstrong	Manager, Distribution Operations	ed.armstrong@enbridge.com