



File OF-Fac-Oil-E101-2017-07 01
26 April 2017

Ms. Sarah McKenzie
Regulatory Specialist
Enbridge Pipelines Inc.
10201 Jasper Avenue
Edmonton, AB T5J 2J9
Facsimile: 780-420-5166
Email: sarah.mckenzie@enbridge.com

Dear Ms. McKenzie,

**Enbridge Pipelines Inc. (Enbridge)
Application for the Line 21 Segment Replacement Project (Project)
Pursuant to section 58 of the *National Energy Board Act* and section 45.1 of the
National Energy Board Onshore Pipeline Regulations (Application)
Ruling No. 1 – Liidlii Kue First Nation (LKFN) Letter/Application to Participate
(Motion)**

Background

On 27 March 2017, the Board received LKFN's Motion raising a number of issues regarding the Application. On 6 April 2017, the Board requested comments on LKFN's Motion before proceeding with next steps in the MH-001-2017 process. The Board received a letter from the Government of Northwest Territories on 12 April 2017 stating that it has no comments on LKFN's concerns. On 12 April 2017, the Board received Enbridge's reply. On 18 April 2017, the Board received a letter from the Sambaa K'e First Nation in support of the sentiments conveyed in LKFN's Motion.

The Board's Ruling

Sufficiency of Information

The LKFN are concerned that insufficient study has been done with respect to the impact of the Project on fish health and habitat, hydrogeology and on aquifers.

Enbridge indicated that it has completed an appropriate level of study with respect to the potential impacts of the Project on fish health and habitat, hydrogeology and on aquifers.

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Regarding hydrogeology and aquifers, Enbridge has assessed the potential impacts of the Project on the hydrogeology of the area, including aquifers. Enbridge completed a geotechnical investigation which found that no high permeability fractures, faults or formations providing direct mud flow migration path from the HDD hole to the Mackenzie River or ground surface have been identified (see HDD Geotechnical Feasibility Report, section 4.2.2; NEB Filing ID [A82415-2](#)).

With respect to timing, Enbridge stated:

Enbridge is supportive of a full and fair hearing of the Application on its merits and considers such a process to be achievable within the timeline outlined by the Application, particularly given the minimal potential environmental impacts associated with the proposed Project activities and the fact that Enbridge seeks only to repair an existing NEB approved pipeline using an industry best practice construction method.

In this letter, the Board will rule on one of the issues prior to addressing the balance of the matters raised in LKFN's Motion and provide direction in regards to the identification of Aboriginal Groups.

The Board has considered all of the comments on this matter and has preliminarily reviewed Enbridge's *Geotechnical Report on Proposed Directionally Drilling Crossing, Mackenzie River Crossing, KP 529 Enbridge Line 21 Final Report* (referred to by Enbridge above as the HDD Geotechnical Feasibility Report) (the Report) ([A82415-2](#)). In the Board's view, it fails to provide sufficient information regarding the feasibility and successful completion of the HDD. The Report contains only a portion of what would be considered a complete HDD feasibility report.

The Report indicates that the proposed directional drill path is considered to have a low chance of success on the first attempt. An increase in the chances of success to an estimated moderate or better level will occur with multiple attempts combined with a consideration of the geotechnical/geological condition and use of a straight hole unconstrained by the existing right of way. This geotechnical complexity suggests that more information concerning the mitigation to reduce the risk of features and hazards impeding the installation of the pipeline segment is required, in order to assess whether the HDD could be successful. The Report is also missing a contingency plan for pipeline installation in the event that HDD is not successful (e.g., possibly open cut/micro tunneling).

In light of Enbridge's proposed timeframe and in the interests of efficiency and fairness, the Board will not proceed with further assessment until such time as Enbridge submits additional information containing:

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- a preliminary feasibility report detailing the assessment that was completed to determine that horizontal directional drilling could be successfully completed; and

- a description of the contingency plan to be used if the horizontal directional drill is not successful.

CSA-Z662-15 Clause 4.22 Requirements for pipelines installed by horizontal directional drilling

- a) A feasibility assessment is made to assess the suitability of subsurface conditions (this requirement has already been met by Enbridge).
- b) The drill path is designed with due consideration given to the location and type of all subsurface features influencing installation operations.
- c) An assessment is made to determine the risk of accidental release of drilling fluids from the drilling annulus and an appropriate mitigation plan is prepared.
- d) For steel pipe, longitudinal stresses during installation do not exceed the specified minimum yield strength of the pipe.

CSA-Z662-15 Clause 6.2.11.1

Prior to commencement of horizontal directional drilling, designed in accordance with Clause 4.22, a written drilling execution plan shall be developed that outlines the procedures to be used in the completion of such drilling. The plan shall include, as a minimum,

- a) use of drill bit directing and tracking equipment to confirm the drill path while avoiding the no-drill zone and providing acceptable “as-built” information;
- b) workspace requirements for equipment at entry and exit points;
- c) workspace requirements to construct and lay out the pipe drag section;
- d) drilling mud and water requirements;
- e) environmental protection and monitoring plan;
- f) drilling fluid management plans (trucking, pits, or tanks);
- g) spill or fluid loss contingency, response, cleanup, and mitigation plans;
- h) equipment specifications, condition, and integrity; and
- i) mitigation of potential detrimental effects of geological formations.

To the extent that the information referred to above is missing, the Board agrees with LKFN’s concerns regarding the sufficiency of information. The Board will consider the balance of the matters raised in LKFN’s Motion once it receives the missing information it has requested from Enbridge.

Decommissioning

The Board also notes that the Application contains limited information regarding slope stability concerns on the south side of the Mackenzie River. Enbridge is requested to provide further details as to how the slope will be monitored or stabilized to reduce or remove the potential of slope failure impacting the decommissioned line.

Identification of Aboriginal Groups

In Information Request No. 1, the Board advised Enbridge that it had identified that the Project potentially includes proposed activities within or overlapping with the known or asserted traditional territory of Acho Dene Koe First Nation (ADKFN) and Fort Liard Metis Local 67 (FLM) ([A82479-2](#)) and sought confirmation that the above noted groups were notified of the Project.

In response, Enbridge stated it has not engaged with the ADKFN or FLM on the proposed Project based on their understanding of the ADKFN and FLM asserted traditional territory and that should ADKFN or FLM come forward with concerns, Enbridge will work with the community to fully understand their concern and to appropriately and reasonably mitigate the concern, where possible. ([A82522](#))

The Board has considered Enbridge's response and is concerned that without notice, the potentially impacted groups may not be aware of the Project. Consequently, the Board directs Enbridge to serve a copy of the Project description, including the location, and main components of the Project, on ADKFN and FLM by 1 May 2017.

If you have any questions, please contact Brian Chambers, Professional Leader – Northern Engagement at 867-766-8408, or Brian.Chambers@neb-one.gc.ca.

Enbridge is directed to serve this letter on its updated stakeholder list¹.

Yours truly,

Original signed by

Sheri Young
Secretary of the Board

c.c: Mr. Dean Holman, Land and Resource Manager, Liidlii Kue First Nation, resources@liidliikue.com
Ms. Liza McPherson, Executive Director, Liidlii Kue First Nation, exdir@liidliikue.com

¹ Stakeholder list as described on PDF pages 15-17 (of 25) in Enbridge's Section 58 Application ([A82026-2](#)) and the Board letter issued on 6 April 2017. ([A82479-2](#))