




Hamilton

INFORMATION UPDATE

TO:	Mayor and Members City Council
COMMITTEE DATE:	January 7, 2021
SUBJECT/REPORT NO:	Enbridge Pipelines Inc. Sale of Line 10 to Westover Express, a Subsidiary of the United Refining Company (Wards 11, 12 and 13)
WARD(S) AFFECTED:	(Wards 11, 12 and 13)
PREPARED BY:	Alvin Chan (905) 546-2424 Ext. 2978
SUBMITTED BY:	Tony Sergi Senior Director, Growth Management Planning and Economic Development Department
SIGNATURE:	

The purpose of this Information Update is to advise Council with respect to the Enbridge Pipeline Inc.'s Line 10 Westover Segment Replacement Project, whereby the Owner of the Line 10 pipeline, chose to exercise an option for sale with United Refining Company. The sale was approved by the National Energy Board (now the Canadian Energy Regulator) in May 2019 who will continue to regulate Line 10.

In order to facilitate this sale, there are a variety of assets that must be separated, requiring additional infrastructure and equipment. In particular, the proposal will mechanically and physically separate assets, primarily via a metering facility west of the existing Westover Terminal; thereby enabling Line 10 to operate independently of Enbridge's Westover Terminal.

Accordingly, per the attached letter, being Appendix "A" to this Information Update, Enbridge Pipelines Inc. has applied to the Canadian Energy Regulator "CER" for approval of the construction and operation of Line 10 anticipated to commence in April 2022.

Of note, Enbridge Pipeline Inc. had applied for a Formal Consultation (File No. FC-20-024) pertaining to the above noted separation of assets. In response, City staff determined that additional details and drawings are required.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

**SUBJECT: Enbridge Pipelines Inc. Sale of Line 10 to Westover Express, a
Subsidiary of the United Refining Company (Wards 11, 12 and 13)
Page 2 of 2**

In discussion with Enbridge Pipeline Inc., a future submission of the outstanding materials will be forthcoming. Should you have questions pertaining to the Formal Consultation of future Site Plan Control Application, please contact the planner on file Elyse Meneray at 905-546-2424 Ext 6360 or by email at Elyse.Meneray@hamilton.ca, or the Senior Project Manager, June Christy at 905-546-2424 Ext 5863 or by email at June.Christy@hamilton.ca.

Therefore, the proposed CER application and the City's Formal Consultation application will run concurrently, providing the ability for the City to impose any necessary conditions through either the CER application or the future Site Plan Control Application.

Based on the foregoing, staff have no comments or concerns at this time, and will continue to monitor and respond to the two applications accordingly. Should you have any questions or concerns with the above, please contact Alvin Chan at 905-546-2424 Ext 2978 or by email at Alvin.chan@hamilton.ca.

APPENDICES ATTACHED

Appendix "A" – Enbridge Pipelines Inc. Letter – November 27, 2020

AC/sd

Subject: Appendix "A" to Information Update for Enbridge Pipelines Inc. Sale of Line 10 to Westover Express, a Subsidiary of the United Refining Company (Wards 11, 12 and 13) (Page 1 of 4)

DEC 10 2020



Enbridge Pipelines Inc.
Western Research Park
1086 Modeland Road
Building 1050, First Floor
Samia, ON N7S 6L2
www.enbridge.com

Friday, November 27, 2020

CITY OF HAMILTON
C/O TREASURY DEPT
71 MAIN ST W
PO BOX 2040 STN LCD 1
HAMILTON ON L8N 0A3

Enbridge Pipelines to conduct work at Westover Facility in support of Line 10 sale to Westover Express Pipeline Ltd.

As a valued neighbor, Enbridge would like, to inform you of a proposed Line 10 Westover Facility Project located at our Westover Terminal, 1430 and 1442 Concession 6 West in Flamborough, Ontario.

Line 10 pipeline starts at the Westover Terminal and safely transports crude to United Refining Company's (URC) Kiantone Pipeline in West Seneca, New York. Approximately 105 km of Line 10 is located within Ontario.

On May 3, 2020, Enbridge received approval from the Canada Energy Regulator (CER) to sell Line 10 to Westover Express Pipeline Limited (WEX), a wholly owned subsidiary of URC. On June 1, the sale closed. To ensure a seamless transition of ownership, Enbridge will continue to operate Line 10 until at least April 2023. Operation of Line 10 will continue under the oversight of the CER.

Enbridge is applying to the CER, pursuant to the *Canada Energy Regulator Act* (CER Act), for an Order approving the construction and operation of the Line 10 Westover Facility Project. Preliminary engineering, environmental studies and construction planning are underway. We anticipate construction work will commence in April 2022.

The purpose of the Line 10 project is to mechanically and physically separate assets, enabling Line 10 to operate independently of Enbridge's Westover Terminal. The new facilities will include a small (less than 0.3 hectares) metering facility immediately west of the existing Westover Terminal, on Enbridge-owned property.

Enbridge is notifying agencies, landowners and residents near the Westover Facility. We have also begun outreach to nearby Indigenous communities, municipalities, businesses and industrial/environmental associations to explain the Project -- these engagements will continue in the coming months. Due to the limited scope of work required, we expect any impacts to the local community to be very minimal during construction.

Should you have questions or wish to learn more about the Line 10 Nanticoke Junction Project please contact Chad Bolger, Landowner Liaison at (416) 351-4595 or Maria Wood, Agency Liaison at (416) 548-8602, ext. 3566 or email consultation@canacre.com. To find out more about the CER process and how to get involved go to www.cer-rec.gc.ca/prtcptn/lndwnrgd/index-eng.html.

Sincerely,

A handwritten signature in black ink, appearing to read 'Siamak Ahmadian', with a long horizontal stroke extending to the right.

Siamak Ahmadian
Manager, Projects
Major Projects Canada
Enbridge Pipelines Inc.

Subject: Appendix “A” to Information Update for Enbridge Pipelines Inc. Sale of Line 10 to Westover Express, a Subsidiary of the United Refining Company (Wards 11, 12 and 13) (Page 2 of 4)



► A bird’s-eye view of Enbridge’s Westover Terminal. With the sale of Line 10 completed in June 2020, we are finalizing engineering plans for new assets, both within and adjacent to the Westover Terminal property, to allow the new owner of Line 10 to operate independently.

With the Enbridge sale of Line 10, we are beginning the process of constructing a small crude oil handling facility to enable the new owner to operate the pipeline independently of Enbridge’s Westover Terminal in Hamilton, Ontario.

The new owner of Line 10 is Westover Express Pipeline (WEX), a wholly owned subsidiary of New York-based United Refining Company (URC), a successful independent refiner and marketer in business for more than 100 years.

To ensure a seamless transition of ownership, Enbridge will continue to operate Line 10 on behalf of WEX until at least 2023, under the ongoing oversight of the Canada Energy Regulator (formerly the National Energy Board). This includes stewarding construction of a small new, dedicated Line 10 facility and engaging with community stakeholders and interested parties as the project proceeds.

Engineering design is now being finalized for work within and immediately adjacent to the Westover Terminal on property owned by Enbridge. Most of the required construction will take place within the existing Terminal fence line with a small new property development located along the fence line on the northwest corner of the terminal. We anticipate construction to begin in the spring/summer of 2022, with the facility anticipated to be in service by the spring of 2023.

No public or third-party lands will be required for the project, which will ensure physical and mechanical separation of the new facility from the Westover Terminal. The project will include civil and grading work, installation of a cable tray, electrical connections, a new electrical switchgear building (ESB) and installation of new fencing.

Discussions are underway with the City of Hamilton planning and development department and Hamilton Conservation Authority to obtain the required construction approvals. Regulatory and permitting requirements include use of approved environmental mitigation measures for any sensitive features identified prior to construction.

Project timeline

Ongoing Environmental field studies	May 2021 Regulatory application submission to CER	Fall 2022 Construction complete
Ongoing Stakeholder and Indigenous engagement	Spring 2022 Construction begins	Spring 2023 New infrastructure in service

Subject: Appendix “A” to Information Update for Enbridge Pipelines Inc. Sale of Line 10 to Westover Express, a Subsidiary of the United Refining Company (Wards 11, 12 and 13) (Page 3 of 4)

Keeping our neighbours informed

Enbridge has begun engagement with landowners and residents as well as local Indigenous groups. We have consulted with Six Nations of the Grand River, Mississaugas of the Credit First Nation and the Haudenosaunee Development Institute to have First Nation monitors participate in recently completed archeological assessment and project-related environmental field studies. Enbridge will also be seeking additional opportunities for procurement of services from qualified local Indigenous businesses.

Both Enbridge and WEX are committed to keeping Indigenous groups, nearby landowners and residents, municipalities and local authorities informed throughout the construction process.

The Line 10 pipeline

Line 10 is a 143-kilometre (89-mile) pipeline that carries western Canadian oil from Enbridge's Westover Terminal in Hamilton to West Seneca, a suburb of Buffalo, New York. From there, the oil travels via URC's Kiantone Pipeline to Warren, Pennsylvania, where it is refined into gasoline, diesel, propane, butane, asphalt and other essential petroleum products. With its acquisition, URC adds Line 10 to its existing ownership of the Kiantone pipeline and Warren refinery.

In May 2019, the CER approved the sale of Line 10. Under the terms of our sale agreement with URC, highly trained Enbridge personnel will continue to monitor the pipeline around-the-clock and rigorously maintain it using proven inspection and monitoring technology.



➤ To ensure a seamless transition of ownership, Enbridge will continue to operate Line 10 until at least 2023, under the ongoing oversight of the CER.

We anticipate operating the line until at least April 2023, to the standards our stakeholders in the community expect and deserve.

The CER will continue to regulate the pipeline and any potential future changes to the approved capacity of the line would be subject to its review and approval. No change to the operation of the pipeline or its permitted capacity are contemplated in the sale agreement between Enbridge and URC.

The pipeline sale is pursuant to the previously announced agreement between the two companies, which included Enbridge's execution and completion of the Westover Segment Replacement. A 35-km segment of Line 10 between the Westover Terminal and the Nanticoke Junction was replaced with brand new pipe and went into service in early 2018.

We want to hear from you

For more information on the Line 10 Westover Facility Project, you can reach us as follows:

Website: enbridge.com/line10 | **E-mail:** projects@enbridge.com | **Toll-free:** 1-888-263-3654

Or you may contact one of the following Enbridge representatives:

Ken Hall,
Community Liaison
226-402-1366
ken.hall@enbridge.com

Kevin Berube,
Indigenous Liaison
416-666-6759
kevin.berube@enbridge.com

Maria Wood,
Agency Liaison
416-548-8602, ext. 3566
consultation@canacre.com

Chad Bolger,
Landowner Liaison
905-351-4595
consultation@canacre.com



Email: projects@enbridge.com
Phone (toll-free): 1-888-263-3654

Subject: Appendix "A" to Information Update for Enbridge Pipelines Inc. Sale of Line 10 to Westover Express, a Subsidiary of the United Refining Company (Wards 11, 12 and 13) (Page 4 of 4)

