



Canada Energy  
Regulator

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du Canada

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File OF-Fac-OtherComm-Z066-2020-01 02  
22 February 2021

Ms. Ashley Graham  
Project Manager, Sustainability  
Zibi Community Utility  
6 Booth Street  
Ottawa, ON K1R 6K8  
Email [agraham@zibi.ca](mailto:agraham@zibi.ca)

Dear Ms. Graham:

**Zibi Community Utility (ZCU)  
Application for the Zibi Community Utility Project (Project)  
under section 214 of the *Canadian Energy Regulator Act* (CER Act)**

**1. Background**

On 7 August 2020, ZCU filed an application (Application) with the Commission of the Canada Energy Regulator (Commission) to construct and operate the Project. The Project consists of six pipelines that are each approximately 150 meters (m) in length. Zibi is a 34 acres mixed use re-development project transforming former industrial lands and islands in Ottawa, Ontario and Gatineau, Quebec.

The proposed pipelines are part of a closed hydronic closed loop system and will be installed on supports beneath the deck of the Chaudière Bridge, a Public Services and Procurement Canada (PSPC) asset that crosses the Ottawa River. The pipelines will be conveyed between the Chaudière Bridge and the shoreline of Gatineau, Quebec, on existing pipe bridges for which the trusses will be replaced as part of the Project. On the Quebec side, the pipelines are proposed to be connected to an above-ground valve which will be located approximately 5 m from the northern riverbank of the Ottawa River within an existing right of way which crosses National Capital Commission (NCC) property. On the Ontario side, the pipelines will be connected to existing buried pipes on the Chaudière Islands, approximately 50 m from the Chaudière Bridge.

In addition to its Application, ZCU also filed an Environmental and Socio-Economic Assessment on 12 August 2020 as well as responses to Information Requests (IR) on the following dates:

- 30 October 2020 – ZCU Response to IR No. 1 - [C09227](#)
- 16 December 2020 – ZCU Response to IR No. 2 – [C10457-1](#)
- 7 January 2021 – ZCU Response to IR No. 3 – [C10785-1](#)
- 27 January 2021 – ZCU Response to IR No. 4 - [C11226-1](#)

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As discussed in further detail below, on 16 November 2020, the Canada Energy Regulator (CER) posted a [Notice](#) on the Canadian Impact Assessment Registry ([Reference No. 81146](#)).

## **2. Relief requested**

ZCU applied to the Commission pursuant to section 214 of the CER Act for an order approving the construction and operation of the Project as well as an exemption from the provisions of paragraph 180(1)(a) and section 198 of the CER Act.

## **3. Decision**

For the reasons noted below, the Commission approves the applied for Project and grants an exemption from the provisions of paragraph 180(1)(a) and section 198 of the CER Act for the Project.

### *3.1 Engineering*

Pursuant to Conditions 1 and 6 of Order XC-001-2021 (Order), ZCU must file any technical specification updates for the Project listed in the Application concurrently with its Leave to Open Application. Technical specification updates are limited to differences in pipe length, diameter, wall thickness, grade or material that do not impact any other information provided in the Application. Any other changes will require advance approval from the Commission. The Commission will evaluate all final technical specification updates, when filed, and issue an Amending Order as appropriate.

### *3.2 Environmental and Socio-Economic Matters*

ZCU indicated that no in-water work is expected to occur in the Ottawa River. The replacement trusses for the pipe bridges will be prefabricated off-site and installed, along with the pipelines, using cranes operating from the Chaudière Bridge deck. On the Chaudière Bridge, ZCU will install the pipes beneath the bridge using a crane, also operating from the bridge deck, and using scaffolding from PSPC bridge restoration work that is scheduled to occur at the same time.

ZCU provided an Environmental and Socio-Economic Assessment with its Application outlining the expected interactions of the Project with valued environmental components. ZCU noted that Project activities over the Ottawa River are not expected to interact with the river, or fish or fish habitat. Additionally, ZCU noted that the pipes would be equipped with a leak detection system embedded in the insulation material. Due to the limited scale of the Project activities and its proposed mitigation measures, ZCU was of the view that the significance of any Project's residual effects would have low impact (impacts that are low in magnitude, low or medium term in duration and low in geographical extent). Because the Project activities are taking place on a previously disturbed, heavily industrialized area, ZCU further expected that the proposed activities will not have any lasting adverse effects on the public and Indigenous peoples.

The Commission notes that ZCU has committed to filing its Project-specific Environmental Protection Plan (EPP) with the CER prior to commencement of construction. While the Commission finds the mitigation measures proposed by ZCU to be appropriate, the Commission is of the view that the measures are somewhat broad. Specifically, the Commission is of the view that there is insufficient detail to fully understand how the measures are to be implemented and enforced, and at what locations (e.g., installation of silt

fencing adjacent to riverbanks to prevent sedimentation of the Ottawa River during construction). Accordingly, the Commission has imposed Condition 4 which requires ZCU to submit its construction EPP for Commission review 45 days prior to commencement of construction. The Commission expects the EPP to be sufficiently detailed and to include the mitigation measures and plans outlined by the Commission in Condition 4 a) to e).

Further, the Commission notes that barn swallows, a species listed on Schedule 1 of the *Species at Risk Act*, were observed by ZCU to be nesting on two nearby bridges within the Project study area during its field studies. ZCU's commitment to conduct bird nest sweeps prior to construction activities is limited to ZCU's pipe bridges and not the Chaudière Bridge itself. The Commission reminds ZCU that the attached Order applies to the entire Project regardless of who is undertaking the work. In that regard, ZCU is responsible for ensuring that the appropriate environmental protection measures are in place for all Project activities. The Commission is of the view that, for locations where Project activities are to commence during the bird nesting season, ZCU must conduct pre-activity bird nest sweep(s) of those areas. This includes the areas of work on the Chaudière Bridge and any onshore areas where vegetation is present. The Commission has imposed Condition 4 d) and e) requiring ZCU's EPP to include both a requirement for pre-activity bird nest sweep(s) of any areas in the Project footprint where construction activities are scheduled to commence during the nesting period, and for the plan to include the contingency mitigation measures that will be implemented to protect any nests discovered.

The Commission is of the view that, with ZCU's standard mitigation measures and the implementation of Condition 4, there is limited potential for the Project to interact with valued environmental and socio-economic components. The Commission concludes that the Project's residual adverse environmental and socio-economic effects, including any resulting cumulative effects, would be low magnitude, limited in extent and duration, reversible, and not significant.

### *3.3 Public Consultation*

The Commission assessed ZCU's public engagement program and has determined that it was adequate for the size, scope, and scale of the Project. Since the Project occurs on designated Federal Lands, the CER also published a notice on the Impact Assessment Agency's online Registry on 16 November 2020 for the required 30 day period and the Commission notes that no comments or concerns were raised.

The Commission recognizes that public involvement is an important component during each phase in the life cycle of a project, and reminds ZCU of the importance of establishing and maintaining strong relationships throughout this entire life cycle.

### *3.4 Engagement with Indigenous<sup>1</sup> Peoples*

The Commission assessed the activities conducted by ZCU to engage Indigenous peoples and learn about their concerns and interests in relation to this proposed Project. As a result of its examination, the Commission is satisfied with the design and implementation of ZCU's engagement activities regarding the proposed Project to date, as well as its commitment to continue engagement activities prior to and during Project activities. The Commission has also considered the anticipated effects of the proposed Project, as well as mitigation measures proposed to address any potential effects of the proposed Project.

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<sup>1</sup> The use of the term "Indigenous" has the meaning assigned by the definition of "aboriginal peoples of Canada" in subsection 35(2) of the *Constitution Act, 1982* which states:

In this Act, "aboriginal Peoples of Canada" includes the Indian, Inuit, and Métis Peoples of Canada.

In coming to its decision, the Commission determined that the Project has no or negligible potential impacts on the exercise of Treaty or Indigenous rights in the Project area. The Commission also determined that the Project has no or negligible environmental or socio-economic effects.

The Commission has taken into account considerations that appear to be relevant and directly related to the Project as well as matters under section 56 of the CER Act, and is satisfied with ZCU's engagement activities with Indigenous peoples.

### *3.5 Navigation Safety*

The Commission is required to consider project effects on navigation and navigation safety for CER-regulated pipeline crossings of navigable waters prior to making decisions under section 214 of the CER Act. Given that the Project would cross the Ottawa River, the Commission has taken into account the Project's potential effects on navigation and navigation safety, in accordance with subsection 219(2) of the CER Act. The Commission notes that Project construction will occur on the Chaudière Bridge and that impacts to navigation are anticipated to be minimal. The Commission finds that ZCU's commitments to notify Transport Canada, post proper signage, and place booms if required to prevent boaters entering the area below the construction of the pipe works are adequate mitigation for the minimal impacts on the Ottawa River.

### *3.6 Federal Lands*

The Project occurs partially on federally-owned lands: the Chaudière Bridge, which are administered by PSPC and NCC lands located on the northern shore of the Ottawa River in Gatineau, Quebec. Section 82 of the *Impact Assessment Act* (IA Act) requires that, for projects being carried out on Federal Lands, the Commission must determine whether carrying out the Project is likely to cause significant adverse environmental effects<sup>2</sup>. Subsection 84(1) of the IA Act lists the factors that the Commission must consider when making that determination:

- (a) any adverse impact that the Project may have on the rights of the Indigenous peoples of Canada recognized and affirmed by section 35 of the *Constitution Act, 1982*;
- (b) Indigenous knowledge provided with respect to the Project;
- (c) community knowledge provided with respect to the Project;
- (d) comments received from the public under subsection 86(1); and
- (e) the mitigation measures that are technically and economically feasible and that would mitigate any significant adverse environmental effects of the Project that the authority is satisfied will be implemented.

On 16 November 2020, as per subsection 86(1) of the IA Act, the CER posted a description of the Project ([Reference No. 81146](#)) and [a notice](#) inviting public comment on the Impact Assessment Agency's online Registry. The 30 day public comment period closed on 16 December 2020. No comments from the public or Indigenous peoples were received by the CER.

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<sup>2</sup> Section 81 of the *IA Act* defines "environmental effects" as changes to the environment and the impact of these changes on the Indigenous peoples of Canada and on health, social or economic conditions.

#### 4. Decision of the Commission

Pursuant to section 82 of the IA Act, the Commission determines that, with ZCU's project design and proposed mitigation measures, the carrying out of the Project is not likely to cause significant adverse environmental effects to Federal Lands.

The Commission finds that the protection of the environment and public safety have been appropriately addressed by ZCU in the Project Application and materials. Further, the Commission evaluated the financial viability, economic justification, and proposed design and operations of the Project. Additionally, the Commission considered its duty under subsection 56(1) of the CER Act to consider any adverse effects on the rights of Indigenous peoples. Having considered the above, the Commission finds it in the public interest to approve the proposed Project.

The Commission, therefore, issues Order XC-001-2021 pursuant to section 214 of the CER Act, the effect of which is to approve the Project. A copy of the Order and its Schedule A, which together outline the specifics of the Project as approved, is attached.

As indicated in the Order, the Commission grants ZCU an exemption from the provisions of paragraph 180(1)(a) and section 198 of the CER Act for the Project.

The Commission approves ZCU's Abandonment Cost Estimate of \$268,069.84 in 2021 dollars. ZCU is directed to submit an irrevocable letter of credit or surety bond for approval, consistent with the National Energy Board's [MH-001-2013](#) Reasons for Decision, at least 30 days prior to commencing construction.

The Commission provided an updated model Letter of Credit (Filing ID: [C03406-3](#)) and an updated model Surety Bond (Filing ID: [C03406-5](#)) alongside its letter dated 3 December 2019 to Group 2 Companies (Filing ID: [C03406-1](#)). ZCU must also file a reporting form by 31 January each year. That [Appendix XVI \(December 2019\) reporting form](#) can be found on the CER website. Further guidance on the annual reporting form can be found in the CER's letter dated 20 November 2020 (Filing ID: [C09805-1](#)).

Additionally, the Commission reminds ZCU to apply for Leave to Open pursuant to section 213 of the CER Act, prior to the facilities being placed in operation.

The Commission directs ZCU to serve a copy of this letter, the attached Order and its Schedule A on all interested parties.

Yours sincerely,

*Signed by*

Jean-Denis Charlebois  
Secretary of the Commission

Attachment



## ORDER XC-001-2021

**IN THE MATTER OF** the *Canadian Energy Regulator Act* (CER Act) and the regulations made thereunder; and

**IN THE MATTER OF** an application made by Zibi Community Utility (ZCU), pursuant to section 214 of the CER Act, dated 7 August 2020, filed with the Canada Energy Regulator (CER) under File OF-Fac-OtherComm-Z066-2020-01 02.

**BEFORE** the Commission of the CER (Commission) on 22 February 2021.

**WHEREAS** ZCU filed an application pursuant to section 214 of the CER Act, dated 7 August 2020 to construct and operate the Zibi Community Utility (Project);

**AND WHEREAS** the information about the Project is set out in Schedule A, attached to and forming part of this Order;

**AND WHEREAS** ZCU filed subsequent submissions dated 12 August 2020, 30 October 2020, 16 December 2020, 7 January 2021, and 27 January 2021, in response to information requests made by the CER;

**AND WHEREAS** the Commission has had regard to all considerations that are relevant and directly related to the Project, including matters under section 56 of the CER Act, and environmental matters pursuant to Part 3 of that Act;

**AND WHEREAS** the Commission has examined the application and subsequent filings and considers it to be in the public interest to grant the following relief;

**AND WHEREAS** the Project occurs partially on federal lands, administered by Public Services and Procurement Canada (PSPC), and section 82 of the *Impact Assessment Act* (IA Act) requires that, for Projects being carried out on federal lands, the Commission must determine whether carrying out the Project is likely to cause significant adverse environmental effects;

**AND WHEREAS** the scope of work on federal lands traversed by the Project is limited to the Chaudière Bridge (a PSPC asset) and National Capital Commission lands in Gatineau, Quebec;

**AND WHEREAS** the CER published a notice on the Canadian Impact Assessment Registry on 16 November 2020 pursuant to subsection 86(1) of the IA Act, providing a thirty (30) day period for public comment;

**AND WHEREAS** the Commission received no comments about the Project from interested persons;

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**AND WHEREAS** pursuant to section 82 of the IA Act, the Commission determines that, with ZCU's proposed mitigation measures, the carrying out of the Project is not likely to cause significant adverse environmental effects to federal lands;

**IT IS ORDERED** that, pursuant to section 214 of the CER Act, the applied-for Project, as specified in Schedule A, is exempt from the provisions of paragraph 180(1)(a), and section 198 of the CER Act, the effect of which is to approve the Project subject to the following conditions:

1. ZCU must comply with all of the conditions contained in this Order unless the Commission otherwise directs.
2. ZCU must cause the approved Project to be designed, located, constructed, installed, and operated in accordance with the specifications, standards, commitments made and other information referred to in its application or in its related submissions.
3. ZCU must implement or cause to be implemented all of the policies, practices, programs, mitigation measures, recommendations, procedures and its commitments for the protection of the environment included in or referred to in its application or in its related submissions.
4. ZCU must file with the CER, at least 45 days prior to commencement of construction, a Project-specific Environmental Protection Plan (EPP). The EPP shall describe all environmental protection procedures, and mitigation and monitoring commitments, as set out in ZCU's application and subsequent filings. The EPP shall also include sufficient detail to fully understand how the measures are to be implemented and enforced, and at what locations. The EPP must include, but not be limited to, the following:
  - a) the contingency measures to be implemented in the event historical contamination is discovered;
  - b) sediment and erosion control measures;
  - c) spill prevention and clean-up measures;
  - d) requirement for pre-activity bird nest sweeps two days prior to the commencement of construction in any areas of the Project footprint (including the sections of the Chaudière Bridge where work will be conducted by the PSPC and any onshore areas where vegetation is present) where construction activities are scheduled to commence during the nesting period; and
  - e) contingency mitigation measures to be implemented to protect any nests discovered during the pre-activity breeding bird nest sweeps or during construction.
5. ZCU shall file with the CER, for Commission approval, at least 30 days prior to commencing construction, an irrevocable letter of credit or surety bond consistent with the requirements of the National Energy Board's MH-001-2013 Reasons for Decision.
6. ZCU must, at least 14 days prior to the commencement of construction of the approved facilities, file with the CER a detailed construction schedule or schedules identifying major construction activities and must notify the Commission of any modifications to the schedule or schedules as they occur.

7. ZCU must file with the CER any technical specification updates for the Project components listed in the application concurrently with its Leave to Open application. Technical specification updates are limited to differences in pipe length, diameter, wall thickness, grade or material that do not impact any other aspect of the Project as approved.
8. Within 30 days of the date that the approved Project is placed in service, ZCU must file with the CER a confirmation that the approved Project was completed and constructed in compliance with all applicable conditions in this Order. If compliance with any of these conditions cannot be confirmed, ZCU must file with the CER details as to why compliance cannot be confirmed. The filing required by this condition shall include a statement confirming that the signatory to the filing is the accountable officer of ZCU, appointed as Accountable Officer pursuant to section 6.2 of the *Canadian Energy Regulator Onshore Pipeline Regulations*.
9. ZCU must file with the CER, within one year after commencing operations, as built GIS data in the form of Esri® shapefiles. This must include:
  - a) a file that contains all pipeline segment center lines (with line geometry type), where each segment has unique attribute values of outside diameter, wall thickness, maximum operating pressure, external coating, field-applied girth weld coating, pipe manufacturing specification and depth of cover. If above values of the pipeline change at any point along the pipeline, the pipeline must be segmented at that point. Spatial reference is specified as: GCS\_North\_American\_1983\_CSRS. WKID: 4617 Authority: EPSG, Unit of Measure for linear attributes: Metric. This file must include details on the degree of accuracy of the GIS data: better than +/- 0.1m (7 Decimal Digits for geometry).
  - b) a file that depicts point locations and names of compressor stations, terminals, custody transfer meters, and block valves, as applicable. The datum must be NAD83 and projection must be geographic (latitudes and longitudes).

The filing required by the condition must include a statement confirming that the signatory to the filing is the [Accountable Officer](#) of ZCU.

10. This Order shall expire on 22 February 2023 unless construction of the Project has commenced by that date.

THE COMMISSION OF THE CANADA ENERGY REGULATOR

*Signed by*

Jean-Denis Charlebois  
Secretary of the Commission

**SCHEDULE A**  
**Order XC-001-2021**

**Zibi Community Utility (ZCU)**  
**Application dated 7 August 2020**  
**assessed pursuant to section 214 of the *Canadian Energy Regulator Act***

**Zibi Community Utility Project**  
**File OF-Fac-OtherComm-Z066-2020-01 02**

Pipeline Specifications – Hot Water Service

<b>Project Type</b>	New construction
<b>Location (endpoints)</b>	From an above ground valve at GPS coordinates: 45.422298, -75.718461 in Gatineau, Quebec to an above ground valve at GPS coordinates: 45.420997, -75.718031 in Ottawa, Ontario
<b>Approximate Length</b>	150 m
<b>Outside Diameter</b>	168.3 mm
<b>Wall Thickness</b>	4.0 mm
<b>Pipe Material</b>	Steel
<b>Pipe Material Standard</b>	EN 253 containing EN 10212-2
<b>Pipe Grade</b>	P235GH
<b>Pipe Manufacture Process</b>	Seamless
<b>External Coating Type</b>	HDPE jacket
<b>Maximum Operating Pressure</b>	690 kPa
<b>Product</b>	Potable water with treatment chemical(s)

**SCHEDULE A** (continued)  
**Order XC-001-2021**

Pipeline Specifications – Hot Water Service Return

<b>Project Type</b>	New construction
<b>Location (endpoints)</b>	From an above ground valve at GPS coordinates: 45.420997, -75.718031 in Ottawa, Ontario to an above ground valve at GPS coordinates: 45.422298, -75.718461 in Gatineau, Quebec
<b>Approximate Length</b>	150 m
<b>Outside Diameter</b>	168.3 mm
<b>Wall Thickness</b>	4.0 mm
<b>Pipe Material</b>	Steel
<b>Pipe Material Standard</b>	EN 253 containing EN 10212-2
<b>Pipe Grade</b>	P235GH
<b>Pipe Manufacture Process</b>	Seamless
<b>External Coating Type</b>	HDPE jacket
<b>Maximum Operating Pressure</b>	690 kPa
<b>Product</b>	Potable water with treatment chemical(s)

**SCHEDULE A** (continued)  
**Order XC-001-2021**

Pipeline Specifications – Medium Temperature Service

<b>Project Type</b>	New construction
<b>Location (endpoints)</b>	From an above ground valve at GPS coordinates: 45.422298, -75.718461 in Gatineau, Quebec to an above ground valve at GPS coordinates: 45.420997, -75.718031 in Ottawa, Ontario
<b>Approximate Length</b>	150 m
<b>Outside Diameter</b>	355.6 mm
<b>Wall Thickness</b>	5.6 mm
<b>Pipe Material</b>	Steel
<b>Pipe Material Standard</b>	EN 253 containing EN 10212-2
<b>Pipe Grade</b>	P235GH
<b>Pipe Manufacture Process</b>	Seamless
<b>External Coating Type</b>	HDPE jacket
<b>Maximum Operating Pressure</b>	690 kPa
<b>Product</b>	Potable water with treatment chemical(s)

**SCHEDULE A** (continued)  
**Order XC-001-2021**

Pipeline Specifications – Medium Temperature Service Return

<b>Project Type</b>	New construction
<b>Location (endpoints)</b>	From an above ground valve at GPS coordinates: 45.420997, -75.718031 in Ottawa, Ontario to an above ground valve at GPS coordinates: 45.422298, -75.718461 in Gatineau, Quebec
<b>Approximate Length</b>	150 m
<b>Outside Diameter</b>	355.6 mm
<b>Wall Thickness</b>	5.6 mm
<b>Pipe Material</b>	Steel
<b>Pipe Material Standard</b>	EN 253 containing EN 10212-2
<b>Pipe Grade</b>	P235GH
<b>Pipe Manufacture Process</b>	Seamless
<b>External Coating Type</b>	HDPE jacket
<b>Maximum Operating Pressure</b>	690 kPa
<b>Product</b>	Potable water with treatment chemical(s)

**SCHEDULE A (continued)**  
**Order XC-001-2021**

Pipeline Specifications – Chilled Water Temperature Service

<b>Project Type</b>	New construction
<b>Location (endpoints)</b>	From an above ground valve at GPS coordinates: 45.422298, -75.718461 in Gatineau, Quebec to an above ground valve at GPS coordinates: 45.420997, -75.718031 in Ottawa, Ontario
<b>Approximate Length</b>	150 m
<b>Outside Diameter</b>	323.9 mm
<b>Wall Thickness</b>	5.6 mm
<b>Pipe Material</b>	Steel
<b>Pipe Material Standard</b>	EN 253 containing EN 10212-2
<b>Pipe Grade</b>	P235GH
<b>Pipe Manufacture Process</b>	Seamless
<b>External Coating Type</b>	HDPE jacket
<b>Maximum Operating Pressure</b>	690 kPa
<b>Product</b>	Potable water with treatment chemical(s)

**SCHEDULE A** (continued)  
**Order XC-001-2021**

Pipeline Specifications – Chilled Water Temperature Service Return

<b>Project Type</b>	New construction
<b>Location (endpoints)</b>	From an above ground valve at GPS coordinates: 45.420997, -75.718031 in Ottawa, Ontario to an above ground valve at GPS coordinates: 45.422298, -75.718461 in Gatineau, Quebec
<b>Approximate Length</b>	150 m
<b>Outside Diameter</b>	323.9 mm
<b>Wall Thickness</b>	5.6 mm
<b>Pipe Material</b>	Steel
<b>Pipe Material Standard</b>	EN 253 containing EN 10212-2
<b>Pipe Grade</b>	P235GH
<b>Pipe Manufacture Process</b>	Seamless
<b>External Coating Type</b>	HDPE jacket
<b>Maximum Operating Pressure</b>	690 kPa
<b>Product</b>	Potable water with treatment chemical(s)