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**Commission de l'énergie
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BY E-MAIL

January 15, 2018

Union Gas Limited
Mark A. Murray J.D.
Manager, Regulatory Projects and Land Acquisitions
50 Keil Drive North
P.O. Box 2001
Chatham ON N7M 5M1
mmurray@uniongas.com

Dear Mr. Murray:

**Re: Panhandle Reinforcement Project – EB-2016-0186
Request to Vary
Change Requests No. 3 and 4**

The Ontario Energy Board (OEB) is in receipt of your letter dated December 18, 2017 in which Union Gas Limited (Union Gas) requests two variances to the OEB approved Panhandle Reinforcement Project (Project) - Change Requests No. 3 and 4.

Change Request No. 3 pertains to pipeline construction and the need for an additional two permanent and three temporary land use agreements. Union Gas submits that this change will not modify the Project's originally proposed construction and restoration methods, environmental mitigation measures, or schedule. Union Gas has consulted with the affected landowners and has obtained the necessary land rights. Union Gas submits that the additional land use requirements will not result in an increase to the Project budget.

Change Request No. 4 pertains to changes at the Dawn Compressor Station. The first change is a project delay because of extended delivery times associated with a new isolation valve. The second change is related to the station inlet valve, which has been changed from NPS 8 to NPS 10 in order to better accommodate pipeline pressures and flows. Union Gas submits that these changes will not modify the Project's originally proposed construction and restoration methods, environmental mitigation measures, consultation activities, or land use requirements. Union Gas indicated that the isolation valve component of the Project is now estimated to be complete in the summer of 2018 rather than the originally proposed summer 2017, but that the extended delivery of the isolation valve did not affect the operation of the pipeline or the in-service date of the overall Project. Union Gas submitted that there will not be an increase in Project costs associated with these changes.

As the Manager, Applications Supply and Infrastructure, I have been delegated the authority of the OEB under section 6 of the Ontario Energy Board Act, 1998 to determine whether Union's proposal will result in material changes to the leave to construct granted by the OEB in the EB-2016-0186 proceeding. I have been further granted the authority to approve any changes that I have concluded are not material.

As described above, Union Gas has informed the OEB that the requirement for additional land use agreements will not result in a cost increase or modification of the Project's originally proposed construction and restoration methods, environmental mitigation measures, or schedule. In addition, Union has already acquired the necessary land rights. With respect to changes at the Dawn Compressor Station, Union Gas has informed the OEB that there will not be modifications to the Project's originally proposed construction and restoration methods, environmental mitigation measures, consultation activities, budget or land use requirements, and that the operation of the pipeline and in-service date of the Project have not been impacted.

Based on my review of the information provided, I find that the described changes do not materially impact the leave granted by the OEB. I hereby approve the proposed change.

Yours truly,

Original Signed by

Nancy Marconi
Manager, Applications Supply and Infrastructure