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April 13, 2009

Via electronic filing

Attention: Kirsten Walli, Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge St.
Toronto, ON M4P 1E4

Dear Madam Secretary:

**RE: GAPLO-Union (Dawn Gateway) / CAPLA
Interrogatories to Union Gas
Union Gas Application for Leave to Sell Natural Gas Pipeline
EB-2008-0411**

Further to the Board's Procedural Order No. 1, please find enclosed interrogatories submitted by GAPLO-Union (Dawn Gateway), CAPLA and directly affected landowners to Union Gas.

Yours very truly,

COHEN HIGHLEY LLP

John D. Goudy
email: goudy@cohenhighley.com

Encl.

ONTARIO ENERGY BOARD

IN THE MATTER OF The Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B, and in particular, s.43(1) thereof;

AND IN THE MATTER OF an Application by Union Gas Limited (“Union”) for an Order granting leave to sell 11.7 kilometres of 24 inch diameter steel natural gas pipeline running between the St. Clair Valve Site and Bickford Compressor Site in the Township of St. Clair.

**WRITTEN INTERROGATORIES
TO UNION GAS LIMITED
SUBMITTED BY
GAPLO-UNION (Dawn Gateway)**

April 13, 2009

- 1. Issue:** 1.0 Jurisdiction
2.0 Impact on Union's Transmission and Distribution Systems
- References:** Union Gas Pre-filed Evidence, Section 3 Benefits of Integrating the St. Clair Line into the Dawn Gateway Line
- Preamble:** Union Gas states that the proposed Dawn Gateway Line will eliminate the capacity constraint that currently exists on the Bickford-Dawn line and restricts the use of the St. Clair line. The removal of this constraint will allow greater access to gas storage for Ontario customers, improve the security of supply and increasing storage connectivity.
- Request:**
- a) Please confirm that none of the benefits cited by Union Gas in Section 3 are dependent upon the transfer of jurisdiction of the St. Clair-Bickford pipeline from OEB to NEB jurisdiction. If this confirmation is not provided, please explain why not.
 - b) Please confirm that none of the benefits cited by Union Gas in Section 3 are dependent upon the Bickford-Dawn section of the proposed Dawn Gateway pipeline being regulated by the NEB as opposed to the OEB. If this confirmation is not provided, please explain why not.
 - c) Please confirm that the removal of the capacity constraint referenced by Union Gas in Section 3 through the construction of a new Bickford-Dawn line can be achieved without the transfer of jurisdiction of the St. Clair-Bickford line from the OEB to the NEB jurisdiction. If this confirmation is not provided, please explain why not.
- 2. Issue:** 1.0 Jurisdiction
2.0 Impact on Union's Transmission and Distribution Systems
- References:** Union Gas Application to OEB for St. Clair-Bickford Line – E.B.L.O. 226, Pre-filed Evidence, para. 87
- Preamble:** Agreements involving Union Gas, St. Clair Pipelines and MichCon were required in order to ensure the proposed facilities were constructed and operated in a manner which met the requirements of the parties. Formal agreements were being prepared.
- Request:**
- a) Please provide a copy of the agreement(s) referenced in this paragraph.
 - b) Please provide a copy of the operating agreement currently in place between MichCon, Union Gas and St. Clair Pipelines.

- 3. Issue:** 1.0 Jurisdiction
2.0 Impact on Union's Transmission and Distribution Systems
- References:** Union Gas Pre-filed Evidence, para. 2
- Preamble:** Dawn Gateway LP will be owned jointly by Spectra Energy Corp. and DTE Pipeline Company through various affiliates.
- Request:**
- a) Please identify the "various affiliates" referenced in this paragraph.
 - b) Please provide details of the ownership structure of the "various affiliates" referenced in this paragraph.
- 4. Issue:** 1.0 Jurisdiction
2.0 Impact on Union's Transmission and Distribution Systems
3.0 Land Matters
- References:** Union Gas Pre-filed Evidence, paras. 9, 12
- Preamble:** It is expected that the portion of the Dawn Gateway Line that would be located in Ontario would be regulated by the NEB.
Dawn Gateway LP intends to make applications to the NEB.
- Request:**
- a) Has Union Gas, Spectra, DTE and/or Dawn Gateway LP had any communications with the NEB regarding the Dawn Gateway project? If so, please provide details of and documentation related to these communications with the NEB.
 - b) Has a preliminary information package (PIP) been prepared for the Dawn Gateway project? If so, please provide a copy.
- 5. Issue:** 1.0 Jurisdiction
2.0 Impact on Union's Transmission and Distribution Systems
- References:** Union Gas Pre-filed Evidence, paras. 8-10
- Preamble:** Description of the Dawn Gateway line
- Request:**
- a) Who will be responsible for the operation of each of the individual component pipelines listed in paragraph 8 if those lines become part of the Dawn Gateway pipeline?
 - b) Who will be responsible for the integrity management of each of the individual component pipelines listed in paragraph 8 if those lines become part of the Dawn Gateway pipeline?
 - c) Please provide details of the current integrity management program for the St. Clair-Bickford line.

- d) What was the physical life expectancy of the St. Clair-Bickford pipeline at the time of installation?
- e) What is the current physical life expectancy of the St. Clair-Bickford pipeline?
- f) What was the expected economic life of the St. Clair-Bickford pipeline at the time of installation?
- g) What is the current expected economic life of the St. Clair-Bickford pipeline?
- h) Would any of the responses to parts (e) and (g) change if the St. Clair-Bickford line is sold to Dawn Gateway? If so, please explain why.
- i) Who will be responsible for the operational monitoring of each of the individual component pipelines listed in paragraph 8 if those lines become part of the Dawn Gateway pipeline?
- j) Will system monitoring for the Dawn Gateway line be centralized in one location? If so, please identify the location and the party responsible for system monitoring.
- k) Who will be responsible for lands management for Dawn Gateway JV in Ontario?
- l) Who will be responsible for landowner relations for Dawn Gateway JV in Ontario?
- m) For each of the parties identified in parts (e) and (f), please describe the party's experience in dealing with NEB regulations and landowner issues related to NEB regulations.

6. Issue:

1.0 Jurisdiction

2.0 Impact on Union's Transmission and Distribution Systems

References:

Union Gas Pre-filed Evidence, para. 13

Preamble:

Union Gas requests leave to sell after the Dawn Gateway JV has completed all other steps necessary to put the Dawn Gateway Line into service, including obtaining all required regulatory approvals and completing construction of the new Bickford to Dawn line.

Request:

- a) Please identify all required regulatory approvals referenced in paragraph 13, including the underlying legislative or regulatory provisions.
- b) Please provide a copy of any application made with respect to any of these required regulatory approvals.

- c) Please provide a copy of any environmental assessment or environmental study report prepared for the Dawn Gateway pipeline or any part of it.

7. Issue:

1.0 Jurisdiction

2.0 Impact on Union's Transmission and Distribution Systems

3.0 Land Matters

References:

Union Gas Pre-filed Evidence, para. 8

Preamble:

The St. Clair-Bickford line is currently regulated by the OEB, but if it is transferred to Dawn Gateway LP and becomes part of the Dawn Gateway line it is expected that it would then be regulated by the NEB.

Request:

- a) Please identify any Union Gas pipelines located adjacent to or which cross the St. Clair-Bickford line.
- b) Please provide a diagram showing the location of any pipelines and surrounding pipeline easements identified in part (a) relative to the location of the St. Clair-Bickford pipeline. Please include the distance(s) between the centre line of the St. Clair Pipeline and any adjacent Union Gas pipeline.
- c) For each of these pipelines, if any, please provide a copy of the Ontario Energy Board Order pursuant to which the pipeline was constructed.
- d) For each of these pipelines, if any, please provide a copy of the easement agreement or agreement for land use approved by the Ontario Energy Board as part of the decision granting leave to construct the pipeline.
- a) Please identify and provide details of any land use restrictions related to pipelines identified in part (a) that apply to lands outside the applicable Union Gas permanent easement for the pipeline.
- e) Please identify and provide details of any minimum setback requirements that apply to pipelines identified in part (a).

8. Issue:

1.0 Jurisdiction

References:

Union Gas Pre-filed Evidence, para. 8

Preamble:

The St. Clair-Bickford line is currently regulated by the OEB, but if it is transferred to Dawn Gateway LP and becomes part of the Dawn Gateway line it is expected that it would then be regulated by the NEB.

- Request:**
- a) On what basis does Union Gas expect that the St. Clair-Bickford line would then be regulated by the NEB?
 - b) What changes to management systems and processes for the St. Clair-Bickford line would be required by a transfer of jurisdiction over the line from the OEB to the NEB because of differences between federal and provincial requirements?
 - c) What benefit(s) does Union Gas expect to derive from the transfer of the St. Clair-Bickford line from the OEB to the NEB jurisdiction?
 - d) What detriment(s) does Union Gas expect to result from the transfer of the St. Clair-Bickford line from the OEB to the NEB jurisdiction?
- 9. Issue:** 1.0 Jurisdiction
- References:** Union Gas Pre-filed Evidence, para. 8
- Preamble:** It is expected that the Bickford to Dawn portion of the Dawn Gateway line will be regulated by the NEB.
- Request:** On what basis does Union Gas expect that Bickford-Dawn line would be regulated by the NEB?
- 10. Issue:** 1.0 Jurisdiction
- References:** Union Gas Pre-filed Evidence, para. 8
- Preamble:** The Belle River Mills Line is currently regulated by the Michigan Public Service Commission (MPSC).
- Request:**
- a) Does Union Gas expect that the Belle River Mills Line will be regulated by a regulator other than the MPSC if the line becomes part of the Dawn Gateway line? Please explain.
 - b) Does MichCon intend to apply for a change of jurisdiction of the Belle River Mills Line? If so, please provide a copy of the application.
 - c) Please provide a copy of any land use legislation and/or regulations, including minimum setback requirements, that apply to lands affected by the Belle River Mills Line.
- 11. Issue:** 1.0 Jurisdiction
2.0 Impact on Union's Transmission and Distribution Systems
- References:** Union Gas Pre-filed Evidence, para. 29
- Preamble:** Union understands that Dawn Gateway JV will try to implement a reduction of transportation costs on the Michigan portion of the Dawn

Gateway Line party by applying to its regulator for a lower fuel charge.

- Request:**
- a) Please confirm that the jurisdiction of the Ontario portion of the Dawn Gateway Line (whether it is OEB or NEB) will have no effect on the application referenced in this paragraph.
 - b) If this confirmation cannot be provided, please explain why not.

12. Issue: 2.0 Impact on Union's Transmission and Distribution Systems
5.0 Appropriate Test

References: Union Gas Application

Preamble: Union Gas applies for leave to sell 11.7 km of NPS 24 pipeline.

- Request:**
- a) Has Union Gas or Spectra Energy Corp. made any previous application to the Ontario Energy Board for leave to sell a pipeline, part of a pipeline or associated assets?
 - b) If so, please provide a copy of the application(s) filed by Union Gas or Spectra Energy Corp. and a copy of any decision or order rendered by the regulator in response to the application(s).

13. Issue: 3.0 Land Matters

References: Union Gas Pre-filed Evidence, para. 8

Ontario Energy Board Act, s.96

National Energy Board Act, s.86

Preamble: Bickford to Dawn Line will be a newly constructed line consisting of approximately 17 km of NPS 24 pipe to be owned by Dawn Gateway LP.

- Request:**
- a) Please provide a copy of any regulatory filing made with respect to this proposed new construction.
 - b) Please provide a copy of the easement agreement or agreement for land use to be offered to landowners along this proposed new construction.
 - c) What is the proposed width of the easement to be acquired for the proposed pipeline?
 - d) Have any land rights necessary for the construction and operation of the Bickford to Dawn portion of the proposed Dawn Gateway pipeline been acquired to date? If so, please identify what land rights have been acquired.
 - d) From how many landowners will permanent and temporary easement rights be required for the Bickford to Dawn portion?

- e) Of these landowners, how many have provided the permanent easement rights necessary for the Bickford to Dawn portion?

- 14. Issue:** 3.0 Land Matters
- References:** E.B.L.O. 226 and 226A Decision granting leave to construct the St. Clair-Bickford line and related facilities
- Preamble:** The St. Clair-Bickford line was approved by the OEB by Order dated September 1, 1988. The Order included conditions of approval.
- Request:**
- a) Please provide copies of interim and final monitoring reports filed with the OEB as required by the condition of approval (g) (from Appendix “B” to the Order) for the project.
 - b) Please provide copies of approvals issued by or through the Federal Energy Regulatory Commission, the Michigan Public Service Commission and the National Energy Board that are referenced the OEB’s condition of approval at Appendix “C” to the Order.
 - c) Please provide records of complaints made by landowners with respect to the St. Clair-Bickford line and records of the resolution or non-resolution of those complaints from the time of its construction to present.
- 15. Issue:** 3.0 Land Matters
- References:** Union Gas Application to OEB for St. Clair-Bickford Line – E.B.L.O. 226, Pre-filed Evidence, para. 71
National Energy Board Act, s.112
National Energy Board Act Pipeline Crossing Regulations
- Preamble:** Union Gas required an 18 metre wide permanent easement for the proposed St. Clair-Bickford line except for the portion of the pipeline within the Ontario Hydro corridor which required a 6.0 metre wide easement.
- Request:**
- b) On what basis did Union Gas determine that an 18 metre wide permanent easement was required generally for the line?
 - c) On what basis did Union Gas determine that a 6.0 metre wide easement was required for the pipeline within the Ontario Hydro corridor?
 - d) Would it have been possible for Union Gas to construct and operate the St. Clair-Bickford line with a narrower easement than as described in paragraph 71? Please explain.

- e) Please identify and provide details of any land use restrictions related to the St. Clair-Bickford pipeline that apply to lands outside the Union Gas permanent easement.
- f) Please identify and provide details of any minimum setback requirements that apply to the St. Clair-Bickford pipeline.
- g) Please identify and provide details, including the location, of any facilities, structures and/or buildings located on the St. Clair-Bickford pipeline easement or within 30 metres on either side of the easement boundaries.
- h) Please identify all locations along the St. Clair-Bickford pipeline where a property boundary is located in the areas extending 30 metres from either side of the Union Gas permanent easement.
- i) Please identify all locations along the St. Clair-Bickford pipeline where someone who is not a Union Gas landowner (having executed an easement agreement or owning lands expropriated by Union Gas) owns land within the areas extending 30 metres from either side of the Union Gas permanent easement.

16. Issue:	3.0 Land Matters
References:	Union Gas Application to OEB for St. Clair-Bickford Line – E.B.L.O. 226, Pre-filed Evidence, para. 30
Preamble:	The minimum depth of cover required was 1.0 metres to the top of the pipe and appurtenances. Additional depth would be provided to accommodate existing or planned underground facilities, such as tile drainage.
Request:	<ul style="list-style-type: none"> a) What was the source of the requirement for minimum depth of cover referenced in this paragraph? Please provide a copy of any standard or document relevant to the requirement. b) Please provide an account of depth of cover monitoring conducted by Union Gas on the St. Clair-Bickford pipeline since its construction. c) Has Union Gas identified any locations along the St. Clair-Bickford line where depth of cover is less than 1.0 metres? Please identify these locations and the depth of cover. d) Has Union Gas identified any locations along the St. Clair-Bickford line where depth of cover is less than 0.6 metres? Please identify these locations and the depth of cover.

- 17. Issue:** 3.0 Land Matters
- References:** Union Gas Pre-filed Evidence, para. 8
- Preamble:** The exact route for the Dawn Gateway line between Bickford and Dawn has not yet been determined.
- Request:**
- a) Please provide details of the routing alternatives being considered for the Bickford-Dawn portion of the proposed Dawn Gateway line.
 - b) Please provide a copy of any report or study prepared with respect to routing and routing alternatives for the Bickford to Dawn section of the proposed Dawn Gateway line.
- 18. Issue:** 3.0 Land Matters
- References:** Union Gas Pre-filed Evidence, para. 47
- Preamble:** All other affected landowners would be contacted to make them aware of the change in ownership.
- Request:**
- a) Please provide details of any public consultation with Ontario landowners, including those on the St. Clair-Bickford line and on the Bickford-Dawn section of the proposed Dawn Gateway line, carried out by Union Gas to date. Please provide a copy of any written communication made to landowners and a listing, including the dates, of any phone calls, meetings and other means that may have been used to provide information about this Application and hear any interests or concerns of landowners with respect to the application.
 - b) Please provide details of any public consultation with Michigan landowners on the MichCon section of the proposed Dawn Gateway pipeline carried out by Dawn Gateway JV or its participant companies to date. Please provide a copy of any written communications made to landowners.
 - c) Has Union Gas received any comments from landowners with respect to the proposed sale of the St. Clair-Bickford line and/or the proposed construction and operation of the Dawn Gateway line? Please provide details of any comments received from landowners to date and any response provided by Union Gas to the landowners. Provide any relevant written documentation regarding consultations, such as notes or minutes that may have been taken at meetings or from phone calls, or letters received from, or sent to, landowners.
 - d) Identify any specific issues or concerns that have been raised by landowners in respect of the proposed sale and how those issues or concerns will be mitigated or accommodated.

- e) Explain whether any of the concerns raised by landowners with respect to the applied-for proposed sale have been discussed with any government department or agencies and, if so, identify when contacts were made and who was contacted.
- f) If any of the landowners who were contacted are opposed to the application, identify those groups and provide any available written documentation of their position.

19. Issue: 3.0 Land Matters

References: Union Gas Pre-filed Evidence, para. 9

Preamble: The portion of the Dawn Gateway Line that would be located in Ontario would be regulated by the NEB.

- Request:**
- a) Does Union Gas currently operate any pipelines that are regulated by the NEB? If so, please identify these pipelines and provide copies of the NEB Certificate under which they operate.
 - b) Please describe any potential impacts on St. Clair-Bickford line landowners resulting from the expected change in regulatory oversight from OEB to NEB related to land use restrictions, land rights under existing agreements, pipeline abandonment, liabilities and/or costs to landowners, and the availability of costs awards related to regulatory proceedings.
 - c) Please describe any potential impacts on landowners resulting from the expected change in ownership of the St. Clair-Bickford line related to land use restrictions, land rights under existing agreements, pipeline abandonment, liabilities and/or costs to landowners, and the availability of costs awards related to regulatory proceedings.
 - d) Are any of the impacts identified in parts (b) and (c) negative for landowners? If so, please explain why.
 - e) For impacts that are identified as negative impacts in part (d), please describe how Union Gas intends to mitigate these negative impacts for landowners as part of the sale of the St. Clair-Bickford line or how Dawn Gateway JV intends to mitigate these negative impacts as part of the Dawn Gateway project.
 - f) Has Union Gas or any other of the companies involved in the Dawn Gateway JV abandoned a pipeline? If so, please provide a copy of any regulatory application made in respect of the abandonment and a copy of any order/decision approving or permitting the abandonment.