

By RESS & Courier

July 6<sup>th</sup>, 2010

Mr. Neil McKay,  
Manager, Facilities  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
Toronto, Ontario  
M4P 1E4

Dear Mr. McKay:

**Re: Union Gas Limited  
East Owen Sound Project – Phase II  
EB-2008-0139**

Pursuant to the Conditions of Approval for the above captioned project, I wish to confirm the following:

- a) With respect to Condition 2.7, please find attached the Move Order for Phase II of this project as issued by the Ministry of Transportation.
- b) With respect to Condition 2.8, please find attached our estimated project costs and environmental report for Phase II of the project;
- c) With respect to Condition 2.9, please find attached a detailed map (contained in the Environmental Report) showing the location of Phase II of the proposed pipeline.
- d) With respect to Condition 2.3, and further to conversations with the Manager of Facilities on June 25, 2010, we confirm that we have given informal notice of commencement of construction.

Satisfaction of further Conditions of Approval will follow to you upon their completion.

Sincerely,



Mary Jane Patrick  
Administrative Analyst, Regulatory Projects

cc: Z. Crnojacki (Chair, OPCC)  
Kevin Schimus  
G. Marvel

**Ministry of  
Transportation**

Contracts and Operations Office  
West Region

1450 7<sup>th</sup> Avenue East  
Owen Sound, Ontario N4K 2Z1  
Telephone: (519) 376-7350  
Facsimile: (519) 376-6842

**Ministère des  
Transports**

Bureau des contrats et des services  
opérationnels  
Région de l'Ouest

1450, 7<sup>th</sup> avenue Est  
Owen Sound (Ontario) N4K 2Z1  
Téléphone: (519) 376-7350  
Télécopieur: (519) 376-6842



Union Gas Ltd  
P.O. Box 2001  
50 Keil Drive  
Chatham, ON  
N7M 5M1

**THE PUBLIC SERVICE WORKS ON HIGHWAYS ACT R.S.O. 1990, Chapter P.49 and  
Amendments thereto**

Notice to Take-Up, Remove or Change the Location of Appliances or Works

REGISTERED MAIL .....

Date: June 23, 2010

To: Ms. Brigitte B Jones

Dear Madam:

Re: W.P. No.: 167-91-00 MOU No.: WR 1042

Contract No.:

Highway No.: 26

Location: Woodford to Meaford

Pursuant to the above Act you, are hereby notified to take-up, remove or change the location of your appliances or work on or before the 30th day of November, 2010.

If you fail to take-up, remove or change the location of your appliances or works by the above date, the Ministry shall claim compensation, according to the Act, for any loss or expense that it incurs as a result of your default.

Your co-operation is anticipated and appreciated.

Yours truly,

  
\_\_\_\_\_  
Helmut Welker, P. Eng.  
Manager, Contracts & Operations Office  
West Region

c.c. Project Manager, Head of Construction Admin



## MOVING OF UTILITIES

REGION: **West**

### Financial Breakdown

INVOICES IN DUPLICATE  
MUST SHOW THIS  
NUMBER  
**WR 1042**

**TO:** Union Gas Ltd,  
P. O. Box 2001  
50 Keil Drive North  
Chatham, ON  
N7M 5M1

Attention: Ms. Brigitte B Jones

WORK PROJECT NO.: **167-91-00**

CONTRACT NO.: HWY NO.: **26**

LOCATION: Woodford to Meaford

This ministry acknowledges receipt of your estimate dated **April 15, 2010** in the amount of **\$2,600,876** to make the following alterations to your plant:

Relocation of conflicts with the construction of Highway 26 corridor.

Subject to audit by the ministry's auditors, the ministry approves paying according to  
**GROUP 2, CASE A of 50% of Labour Costs**

Estimated M.T.O. share to be **\$1,321,275** upon completion of the work, please submit invoices in duplicate with complete breakdown of all costs associated with the work and details to:

Ministry of Transportation  
1450 7<sup>th</sup> Avenue East  
Owen Sound, N4K 2Z1

**"NOTE "**: Goods and Services ordered or purchased for use of the Crown in Right of Ontario are subject to the H.S.T. tax. Please include H.S.T. as a separate line item on all invoices.

Attention: Glen Hill  
Technical Services Officer

JUNE 24, 2010  
DATE

  
for Helmut Welker, P. Eng.  
Manager, Contracts & Operations Office, West Region

DISTRIBUTION: 1. - Utility Company; 2. - T.S.S; 3 - Planning & Design; 4. - Contracts, 5. - File

**EAST OWEN SOUND REPLACEMENT**  
**HIGHWAY 26 WOODFORD TO MEAFORD PART B**  
**TOTAL ESTIMATED PROJECT COSTS**

**Pipeline and Equipment**

9,870 m of NPS 8	\$ 519,557
Valves, fittings, misc.	\$61,071
Stores Overhead	<u>45,376</u>

**Total Pipeline and Equipment** \$ 626,004

**Construction and Labour**

Prime Contract	\$2,957,951
Ancillary Contracts	283,766
Company Labour	112,240
Land Rights	<u>47,000</u>

**Total Construction and Labour** \$3,400,957

**Total Pipeline and Equipment and Construction and Labour** \$ 4,026,961

Contingencies	299,582
Interest During Construction	<u>47,070</u>

**Total Estimated Project Costs** \$ 4,373,613



**Stantec Consulting Ltd.**  
70 Southgate Drive Suite 1  
Guelph ON N1G 4P5  
Tel: (519) 836-6050  
Fax: (519) 836-2493

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**Stantec**

May 14, 2010  
File: 160960589

Union Gas Limited  
Attention: Mr. Doug Schmidt  
750 Richmond Street  
Chatham, ON N7M 5J5

**Reference: Environmental Review – Woodford to Meaford Replacement Project**

Dear Mr. Schmidt:

The following analysis identifies potential environmental and socio-economic impacts that may occur as a result of the Woodford to Meaford Replacement Project. The Project involves the installation of an 8-inch natural gas pipeline in coordination with Ontario Ministry of Transportation improvements to Highway 26. Environmental and socio-economic features potentially impacted by the proposed pipeline relocation were identified through a review of terrestrial and aquatic field investigations completed for the detail design of the Highway 26 improvements. The presence of the identified features was confirmed through a pipeline route survey conducted on May 5, 2010.

**Background**

The Ontario Ministry of Transportation is undertaking improvements to Highway 26 from 0.3km east of the former St. Vincent/Sydenham Township boundary, easterly to 0.8 km east of the Town of Meaford west limit. Preliminary design for the improvements is documented in the report *Highway 26 Improvements Owen Sound to Meaford Preliminary Design Class Environmental Assessment* (EarthTech, 2000). Detailed design work for the improvements is on-going, and terrestrial and aquatic field investigations have been completed.

In conjunction with the road improvements, Union Gas Limited is required to relocate an existing natural gas pipeline. The new 8-inch natural gas pipeline will be located along Highway 26 between the westerly project limits and Grey Road 112, will continue south along Grey Road 112 to Grey Road 12, then will continue east along Grey Road 12 to 7<sup>th</sup> Line (see attached map). Pipeline construction activities are planned to commence in June of 2010.

**Environmental Constraints**

***Soil Erosion & Sediment Control***

Soil erosion and watercourse sedimentation is a possibility for road construction activities due to vegetation clearing, watercourse crossings and landscape gradients.

**Pipeline Review**

Pipeline construction activities will face similar soil erosion potential as road work activities. Efforts to minimize erosion and sedimentation should follow applicable Union Gas Limited standards and procedures, including the use, inspection and maintenance of sediment barriers, erosion control measures and revegetation practices. Sediment and erosion control for watercourse crossings should follow plans outlined in the agreement letter between Union Gas Limited and Fisheries and Oceans Canada, Ontario Great Lakes Area (*DFO-OGLA/UGL Agreement 2008*).

**Reference: Environmental Review – Woodford to Meaford Replacement Project*****Watercourse Crossings***

Road construction activities include twenty watercourse crossings. Four of the watercourses were considered low sensitivity fish habitat, exhibiting common tolerant fish species, a warm water thermal regime and containing no identified species at risk. The remaining sixteen watercourses were classified as not providing fish habitat.

**Pipeline Review**

Pipeline construction activities have potential impacts upon four watercourses (see attached map):

- SC#1 – Tributary to Whitelaw's Creek
- SC#2 – Tributary to Whitelaw's Creek
- SC#3 – Whitelaw's Creek
- SC#4 – Tributary to East Meaford Creek

The watercourse at SC#1 exhibits permanent flow, a warm water thermal regime and contains potential creek chub spawning habitat. The watercourses at SC#2 and SC#3 exhibit intermittent flow, a warm water thermal regime and contain feeding and rearing habitat. All three watercourses contain common tolerant fish species such as Brook Stickleback and Northern Redbelly Dace. The watercourse at SC#4 appears to exhibit intermittent flow. Channel characteristics suggest that the watercourse contributes flow and allochthonous inputs to areas of fish habitat downstream, but does not provide direct fish habitat. No species at risk have been identified in the existing field investigations or DFO's Species at Risk mapping for any of the four watercourse crossing locations.

Three of the watercourse crossings are anticipated to be crossed via horizontal directional drill (HDD). The watercourse crossing at SC#2 is anticipated to be trenched above the existing culvert; if this method of crossing is not approved by the Ontario Ministry of Transportation (MTO), crossing will occur by HDD. Should a trenchless crossing prove not practical for any of the watercourse crossings, a dam and pump procedure will be utilized. For crossings completed using dam and pump, in-stream timing windows should be determined through consultation with the Grey Sauble Conservation Authority.

Watercourse crossings should follow applicable Union Gas Limited standard practices and procedures, and the DFO-OGLA/UGL Agreement (2008). As per the Agreement (2008), provided that crossings are carried out as specified by the DFO-OGLA/UGL approved generic sediment control plans, dry and trenchless crossings are not anticipated to contravene the *Fisheries Act* (1985). Prior to watercourse crossings notification should occur to DFO as per the Agreement (2008), and a permit from the Grey Sauble Conservation Authority should be obtained as per Section 28 of the *Conservation Authorities Act* (1990).

***Vegetation***

Road construction will occur within a study area containing a variety of forest, cultural and swamp vegetation communities.

**Pipeline Review**

Pipeline construction activities will occur within disturbed road allowance and across one pasture field, and therefore will not impact any identified vegetation communities. Union Gas Limited anticipates a "Move Order" from the MTO in the middle of June, which will make it necessary to perform some tree removal between May 1 and August 15. It is recommended a qualified ornithologist survey the areas of tree removal a maximum of 48 hours prior to clearing to ensure avian nesting will not be disturbed. Where active nests are encountered, consultation should occur with the Ontario Ministry of Natural Resources to establish an adequate buffer around the nest; construction activities within the buffer should only occur when the nest is

**Reference: Environmental Review – Woodford to Meaford Replacement Project**

no longer active. It is understood that clearing and revegetation will follow standard Union Gas Limited practices and procedures. It is also understood that potential interactions with the maple swamp located between 12<sup>th</sup> Line and 11<sup>th</sup> Line will be avoided through the use of HDD.

***Species at Risk***

No aquatic species at risk are noted as occurring in watercourses crossed by road construction activities. Habitat for the Loggerhead Shrike (*Lanius ludovicianus*) is potentially found in the road construction study area, and a single Hooded Warbler (*Wilsonia citrina*) was observed during road construction preliminary design field investigations; both species are protected under the provincial *Endangered Species Act* (2007), the federal *Species at Risk Act* (2002) and the *Migratory Birds Convention Act* (1994).

**Pipeline Review**

Habitat for both the Loggerhead Shrike and Hooded Warbler may be impacted by pipeline construction activities. To avoid impacts to the two bird species, tree cutting should be avoided May 1 – August 15. Mitigation measures for clearing activities within this window are noted under the section 'Vegetation'.

A search of the Ministry of Natural Resources' Biodiversity Explorer identified three snake species with legal status in the general area: Eastern Massasauga (*Sistrurus catenatus*), Eastern Milksnake (*Lampropeltis triangulum*) and Eastern Ribbonsnake (*Thamnophis sauritus*). The Eastern Massasauga is characterized as threatened under Ontario's *Endangered Species Act* (2007), while the Eastern Milksnake and Eastern Ribbonsnake are designated as special concern and therefore are not regulated by federal or provincial legislation. In addition to the historical nature of the species record (last observed 1975) for Eastern Massasauga, a review of habitat in the area of pipeline construction indicates that the presence of the species is unlikely. The main range for Eastern Massasauga is on the Bruce Peninsula and eastern Georgian Bay shoreline, and the construction area does not contain the rocky and scrub habitat in which they are found.

***Land Use***

Road construction will occur within a study area containing a variety of rural land uses.

**Pipeline Review**

Certain rural landowners along the pipeline construction route, and particularly along Grey Road 12, appear to have extended their landscaping into the road allowance. Consultation should occur with relevant landowners to allow them adequate lead time to salvage any desired landscaped plants and features prior to pipeline construction impacts.

Temporary easements on private land will be required for the planned east/west crossing of Grey Road 112, and may also be required at any of the three intersection crossings along the pipeline route. A permanent easement for the cross-country portion of the pipeline through pastured land from Grey Road 112 to Grey Road 12, northeast of the intersection, will be required. For construction activities outside of road allowance, consultation should occur with relevant landowners to identify potential impacts and appropriate compensation, including those to agricultural soils and/or agricultural field tiles. All such compensation measures should follow applicable Union Gas Limited practices and procedures.

**Reference: Environmental Review – Woodford to Meaford Replacement Project**

***Water Wells***

Road construction will occur within a study area containing a variety of rural properties.

***Pipeline Review***

The presence of water wells should be investigated with landowners and tenants along the pipeline route prior to construction. A qualified hydrogeologist should be retained to monitor potential impacts to water wells, as per Union Gas Limited's standard Water Well Monitoring Program.

***Archaeology***

An archaeological assessment is being conducted for the area disturbed by road construction activities.

***Pipeline Review***

The portion of pipeline relocation along Highway 26 will occur within the road construction footprint, and therefore findings of the road construction archaeological assessment should be reviewed. The portion of pipeline relocation along Grey Road 112 and Grey Road 12 will require a Stage 1 assessment of archaeological potential. Based on the findings of the Stage 1 assessment, further archaeological investigations may be recommended.

**Summary**

Based on the above review, and provided that all referenced mitigation measures are properly implemented, pipeline construction activities are not anticipated to have significant adverse environmental or socio-economic impacts.

Sincerely,

**STANTEC CONSULTING LTD.**

  
**Mark Knight, MA**  
Environmental Planner  
Tel: (519) 836-6050  
Fax: (519) 836-2493  
mark.knight@stantec.com

Attachment: Map

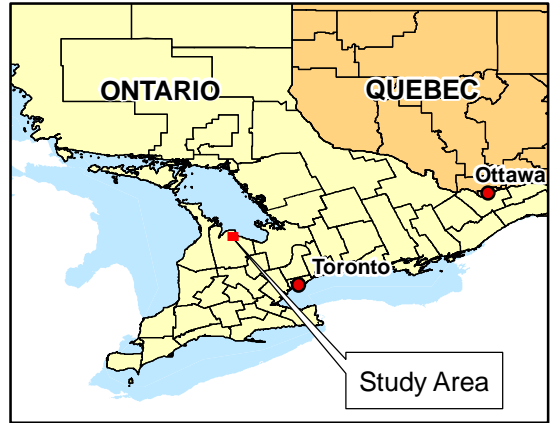
Cc: Bill Wachsmuth, Union Gas Limited





**Legend**

- Proposed Natural Gas Pipeline
- Start/End Point
- Stream Crossing Location
- Road
- Woodlot
- Watercourse
- Waterbody



**Notes**

- Coordinate System: UTM NAD 83 - Zone 17 (N).
- Data Sources: Ontario Ministry of Natural Resources  
© Queens Printer Ontario, 2009; © Union Gas, 2010.
- Image Sources: © Google Earth Pro, 2010 (© Cnes/Spot Image, 2010;  
© First Base Solutions, 2010 - Imagery Dates: May 9, 2004 and May 27, 2006).



**Stantec**

May, 2010  
160960589

Client/Project  
**UNION GAS LIMITED  
WOODFORD TO MEAFORD REPLACEMENT PROJECT**

Figure No.  
**1.0**

Title  
**SITE PLAN**

