

December 19, 2012

By RESS & Courier

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

Dear Mr. McKay:

**Re: Union Gas Limited
Trenton Area Reinforcement Project
Board File # EB-2010-0329**

Pursuant to Condition 1.5 of the Board's Conditions of Approval for the above-noted project, please find enclosed herein Union's Post Construction Financial Report.

Sincerely,



Mary Jane Patrick
Administrative Analyst, Regulatory Projects
Encl.

cc: Z. Crnojacki (Chair, OPCC)
A. Meyer

Post Construction Financial Report

Category	Estimated	Actual	Difference	Notes
Pipeline and Equipment				
11,740 m of NPS 6 ST	615,499	583,517	31,982	
1,160 m of NPS 8 ST	74,588	57,710	16,878	
Valves, fittings, misc	676,429	644,821	31,608	
Plant Items	94,054	40,165	53,889	
Store Overhead	74,312	143,657	-69,345	
Total Pipeline and Equipment	\$1,534,882	\$1,469,870	\$65,012	
Construction and Labour				
Prime Contract	4,835,724	4,512,533	323,191 ¹	
Ancillary Contracts	1,105,000	624,209	480,791 ²	
Company Labour	111,080	114,227	-3,147	
Land Rights	192,575	167,281	25,294	
Total Construction and Labour	\$6,244,379	\$5,418,250	\$826,129	
Total Pipeline/Equipment/Construction/Labour	\$7,779,261	\$6,888,120	\$891,141	
Contingencies	513,568	0	513,568 ³	
Sub-Total	8,292,829	6,888,120	1,404,709	
Interest During Construction	0	0	0	
Total Estimated Project Costs	\$8,292,829	\$6,888,120	\$1,404,709	
(Includes estimated environmental costs identified in Schedule 18)				
CFB Trenton Invoiced Amount	\$8,500,000	\$6,873,102	\$1,626,898 ⁴	

1. Efficiencies were found through changes to running line resulting in a shorter project schedule. HDD drilling fluid was estimated to be disposed as hazardous waste, but Union Gas was able to obtain environmental approval to bury the dried returns on our property resulting in savings of roughly \$105,000.

2. Union Gas was required under IFRS accounting principles to budget \$500,000 for engineering design, drafting, and project management. This money was never charged directly to the project but instead absorbed through regular departmental O&M budgets.

3. Contingency was not required.

4. High level estimate of \$8.5 million was approved by Department of National Defence in letter dated October 21 2010. DND was billed on actual costs from our financial tracking system SAP. Late charges after the final invoicing date were not charged to the DND.