



Region of Waterloo

CORPORATE RESOURCES

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January 9, 2013

SENT BY EMAIL

Ontario Energy Board
PO Box 2319
27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Attention: Board Secretary

Dear Sir/Madam:

Re: Application by Union Gas – Owen Sounds Replacement Project
OEB File No. EB-2012-0430

We have now had an opportunity to confer with Regional Transportation and Water Services staff with respect to the above-noted applications. Regional staff have been meeting with Union Gas staff over the past months with regard to the project, the location of the pipeline and how it may impact future Regional road works and ground water supply.

Union Gas has been advised that Municipal Consent and Permits are required once the location of the pipeline is finalized. Below is the text of comments provided to Union Gas in June, 2012 for consideration in this application.

"Thank-you for forwarding the letter dated May 7, 2012 (attached) regarding the Environmental Assessments and approvals pertaining to the proposed Union Gas Limited Owen Sound Pipeline Project. In addition to Delton Zehr's comments emailed on June 6, 2012, Transportation Division staff has the following comments.

As you may or may not be aware, Transportation Division staff have been working directly with staff from Union Gas (George Adams and Nancy Suzuki) with regards to Municipal Consent including location, routing and the necessary Permits. Through these discussions and meetings it is our understanding that there is a proposal to replace a portion of the existing gas pipeline and re-route other sections of pipeline in 2013 from the Trafalgar Pipelines (Owen Sound Valve -17-502V) north of Ayr to the Waterloo Gate Station 19S-601 on Fischer-Hallman Road (RR58) north of Erb Street (RR9).

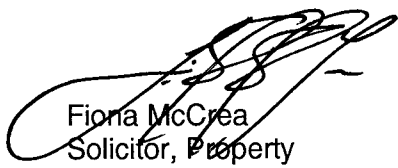
It is our understanding that from the Owen Sound Valve and the Kitchener Gate Station (18T-101), the majority of pipeline will be located within a Union Gas easement through private properties. However, the proposed pipeline will cross Cedar Creek Road (RR97), Roseville Road (RR46), New Dundee Road (RR12) and Bleams Road (RR56). Both parties have agreed that the pipeline will be bored under each of these Regional roads with gas markers located on either side at property line. The works at the proposed Regional road crossings will not affect traffic and or pedestrian flow.

The proposed pipeline, when located at Bleams Road will split. One leg will continue to the Kitchener Gate Station (adjacent to Fischer-Hallman Road) and the other leg routing west along Bleams Road to Trussler Road (RR70). The leg continuing north to the Kitchener Gate Station remains within the Union Gas easement adjacent to Fischer-Hallman Road and shifts into the Region of Waterloo's right-of-way just north of Cotton Grass Street. There will be approximately 800m of pipe placed within the Region's right-of-way on the east side of Fischer-Hallman Road where it will continue north to the Kitchener Gate Station. The leg heading west along Bleams Road to Trussler Road, also with the Region of Waterloo's right-of-way, and is proposed on the south side of Bleams Road.

At Trussler Road the pipeline will shift north and remain within the Region's Trussler Road right-of-way. The pipeline will continue north running along Ira Needles Boulevard (RR70) continuing up to Erb Street (RR9). It should be noted that this running line will cross the GEXR rail line which will require approval from GEXR to cross. The pipeline will head east along Erb Street to Fischer-Hallman Road and head north to the Waterloo Gate Station. No location has been discussed with regards to the pipeline location along Trussler Road, Ira-Needles, Erb Street and north Fischer-Hallman Road. Staff anticipate further meetings with Union Gas staff with regards to Municipal Consent on the location of the proposed pipelines."

Regional staff expect further consultation and meetings with Union Gas staff with respect to finalizing the location and design of the pipeline and obtaining the necessary Municipal Consent and Permits prior to commencement of the Project. Should you have any questions or require clarification of the Region's comments please contact the undersigned.

Yours truly,



Fiona McCrea
Solicitor, Property
FMM/cdl

Cc: Dan Jones, Assistant General Counsel for Union Gas Limited – Sent by Email
Murray Costello, District Manager – Union Gas Limited – Sent by Email
Mike Jones, Supervisor, Traffic Engineering –Sent by Email
Eric Hodgins, Manager, Hydrogeology & Source Water –Sent By Email