

February 15, 2013

BY RESS & Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

**Re: Union Gas Limited (“Union”)
Leamington Expansion Pipeline Project
Board File # EB-2012-0431**

Further to the interrogatories received in this matter, please find attached two copies of Union’s responses.

Sincerely,

[original signed by]

Mary Jane Patrick
Administrative Analyst, Regulatory Projects
:mjp
Encl.

cc: Neil McKay, Manager Facilities Applications
Zora Crnojacki, Project Advisor

UNION GAS LIMITED
Response to Interrogatory
from Board Staff

1. Reference: Pre-filed Evidence, Page 12
 - a) Please provide the anticipated timeline for obtaining the necessary permits for location and construction of the project.

Response:

- a) The anticipated timeline for obtaining all permits for location and construction is April 15th, 2013.

UNION GAS LIMITED
Response to Interrogatory
from Board Staff

2. Reference: Pre-filed Evidence, Page 12
- a) Please provide an update on the anticipated timeline for obtaining the required land rights for the project location and construction.

Response:

- a) Union requires land rights from two municipalities and one private landowner.

In the Town of Lakeshore, the pipeline will be constructed under the Franchise Agreement in road allowance. The Town of Lakeshore Council accepted the construction of the proposed pipeline on February 12th, 2013.

For the portion of the pipeline on the abandoned railway line owned by the Town of Leamington, Union has an agreement in principle and is waiting for it to be presented to Council on March 4th, 2013. For the private landowner there is an agreement in principle and the documents are currently being reviewed by the landowner's solicitor.

UNION GAS LIMITED
Response to Interrogatory
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3. Reference: Pre-filed Evidence

- a) Please list any outstanding or unresolved issues as a result of any of the consultations undertaken with respect to this project and indicate when any such issues are expected to be resolved.

Response:

- a) See attached as Attachment # 1 to this interrogatory.

OPCC Review Summary

Leamington Expansion Pipeline Project

AGENCY	COMMENT	RESPONSE
Essex Region Conservation Authority (ERCA) Letter dated December 14, 2012	No significant natural heritage features within the area of the proposed works. With respect to natural hazards there are several municipal drains/or watercourses that are under the jurisdiction of ERCA and will require a permit or clearance.	Not Required. Union Gas has submitted its application to ERCA for the crossing of several municipal drains/watercourses.
Ministry of Tourism, Culture & Sport (MTCS) Letter dated January 31, 2013	Provided several edits or suggested changes to the Environmental Report text. No reference of municipal contact with respect to designated heritage properties.	Letter Response dated February 8, 2013 Suggested edits to text have been noted and passed onto the author of the Environmental Report, Azimuth Environmental Consulting Inc. The public consultation program for the project did include contacting local municipalities for applicable information. Confirmed no disturbance to the right-of-way until an archaeological assessment Stage 2 is completed.



Essex Region
Conservation
Authority



360 Fairview Avenue West, Suite 311, Essex, ON, Canada, N8M 1Y6 | P 519-776-5209 | F 519-776-8688 | erca.org | ourgreenlegacy.org

14 December 2012

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ONTARIO
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Union Gas
P. O. Box 2001
50 Keil Drive North
Chatham, Ontario
N7M 5M1

Attention: Mr. Doug Schmidt, Principal Environmental Planner

Dear Mr. Schmidt:

Re: Leamington Expansion Project
Environmental Report
Prepared by: Azimuth Environmental Consulting Inc.
November 2012

We acknowledge receipt of your Environmental Report for the proposed Leamington Expansion Project. We have undertaken a review of this report and have the following information to provide.

There are no significant natural heritage features within the area of the proposed works. The preferred route includes lands which are within road allowances, an abandoned railway, and cultivated agricultural lands.

With respect to natural hazard issues for this project, it should be noted that there are several crossings proposed for municipal drains and/or watercourses. Please be advised that these crossings are located within an area that is under the jurisdiction of the Essex Region Conservation Authority (ERCA) and subject to Section 28 of the *Conservation Authorities Act*. Prior to undertaking a crossing, a permit (or a clearance) is required from this office. In addition, it appears that a portion of the proposed pipeline is to be installed within the road right-of-way of Lakeshore Road 245. We note the Potts Drain flows along the western roadway limit and the 8th Concession Drain flows along the eastern roadway limit. It is unclear from the report as to which drain will be affected by the proposed pipeline installation works. The installation of the proposed pipeline along the drain bank will also require a permit from this office. There may be additional mitigation measures necessary to address any potential adverse effects on fish and fish habitat.

As detailed in our Level III fish habitat agreement with the Department of Fisheries and Oceans (DFO), the ERCA is responsible for the evaluation of proposed works as to their impact on the fish habitat in the Essex Region

Mr. Schmidt
14 December 2012
Page 2

watershed. The proposed works will be reviewed to determine whether it is likely to result in impacts to fish and fish habitat which are prohibited by the habitat protection provision of the *Fisheries Act*. If it is determined that the proposed works will result in impacts to fish and fish habitat, Union Gas will be required to apply to the DFO for a Federal Authorization for Works or Undertakings Affecting Fish Habitat. As part of the application, Union Gas will be required to undertake a biological assessment of the drain. This biological assessment would then be used by Union Gas to develop a fish habitat compensation plan. This plan must be prepared by a qualified biologist. We cannot be more specific in this regard without an actual submission of proposed works from Union Gas.

Given our past experiences with Union Gas, we find that typically the proposed gas main is directionally drilled under the drain or watercourse and no in water works are proposed. In addition, the gas main is at least 1.2 metres (4 feet) below the theoretical or existing drain bottom (whichever is lower). Appropriate restoration plans and contingency plans are also supplied as part of the submission for approval.

If further information or clarification is required, please do not hesitate to contact this office. Enclosed is an Application for Permit form for your convenience.

Yours truly,



Tim Byrne,
Coordinator of Flood & Erosion Control

/cc
encl.



Ministry of Tourism, Culture & Sport Ministère du Tourisme et de la Culture

Culture Services Unit
Programs and Services Branch
401 Bay Street, Suite 1700
Toronto ON M7A 0A7

Unité des services culturels
Direction des programmes et des services
401, rue Bay, Bureau 1700
Toronto ON M7A 0A7
Tél. : 416 212-4019
Télé. : 416 314 7175

Tel. 416 212-4019
Fax: 416 314 7175

January 31, 2013

Zora Crnojacki,
Ontario Pipeline Coordination Committee,
Ontario Energy Board
2300 Yonge St, Suite 2601
Toronto, ON M4P 1E4

Project: Union Gas Limited – Leamington Expansion Pipeline Project ER
Location: Leamington and Kingsville, Ontario

Dear Ms Zora Crnojacki,

The Ministry of Tourism, Culture and Sport (MTCS) has an interest in the conservation of cultural heritage resources including archaeological resources, built heritage resources and cultural heritage landscapes.

MTCS has reviewed the above-referenced Environmental Report and has the following comments.

3.4 Cultural Environment and 3.4.1 Archaeology/Heritage

MTCS notes that the last sentence in the first paragraph could benefit from a revision to say "... County Roads 46, 8, and 14 and Highway 77 could have high potential for historic *archaeological sites*". (suggested text in italics)

In the third paragraph in this section beginning with "Due to..." in the next sentence it is recommended that the following is inserted to the end of the sentence "and is to be completed prior to any land disturbing impacts".

The fourth paragraph which refers to the *Ontario Heritage Act* (OHS) needs to be reworded as it refers only to Ontario Regulation 10/06 and properties that may be designated under Ontario Regulation 9/06 need to be addressed as well. In addition, there is no reference to any contacts made with the local municipalities to gather information on designated heritage properties under the OHA. The municipal Clerks in the appropriate municipalities would have information on OHA heritage designated properties within their jurisdiction.

8.5 Archaeology and Heritage Resources

The third sentence in the first paragraph in this section states "Prior to construction..." and it would be helpful if was modified to state: "Prior to land disturbing activities..." as other activities prior to construction may alter the lands.

These form the Ministry of Tourism, Culture and Sport's comments on the above noted project's Environmental Report (ER). In the event that any of the submission is modified, we would be pleased to provide further comment.

Should you have any questions, please feel free to contact me.

Sincerely yours,

Penny Young
Heritage Planner
416-212-4019
penny.young@ontario.ca

cc: D.F. (Doug) Schmidt, Union Gas

Project: Union Gas Limited - Leamington Expansion Pipeline Project ER
Location: Leamington and Kingsville, Ontario

The Ministry of Tourism, Culture and Sport (MTCO) has an interest in the conservation of cultural heritage resources including archaeological resources, built heritage resources and cultural heritage landscapes.

MTCO has reviewed the above-referenced Environmental Report and has the following comments:

2.4 Cultural Environment and 2.4.1 Archaeology/Heritage

MTCO notes that the last sentence in the first paragraph could benefit from a revision to say: "County Roads 8, 9 and 14 and Highway 77 could have high potential for historic archaeological sites." (suggested text in italics)

In the third paragraph in the section beginning with "Due to..." in the next sentence it is recommended that the following is inserted to the end of the sentence "and is to be completed prior to any land disturbing impacts."

The fourth paragraph which refers to the Ontario Heritage Act (OHA) needs to be reworded as it refers only to Ontario Regulation 1005 and properties that may be designated under Ontario Regulation 1005 need to be addressed as well. In addition, there is no reference to any contacts made with the local municipalities to gather information on designated heritage properties under the OHA. The Municipal Clerk in the appropriate municipality would have information on OHA heritage designated properties within their jurisdiction.

2.5 Archaeology and Heritage Resources

The first sentence in the first paragraph in this section states "Prior to construction..." and it would be helpful if it was modified to state "Prior to land disturbing activities... as other activities prior to construction may affect the lands."



February 8, 2013

Ministry of Tourism, Culture & Sport
Cultural Services Unit
Programs and Services Branch
401 Bay Street, Suite 1700
Toronto, ON M7A 0A7

Re: Union Gas Limited – Leamington Expansion Pipeline Project

Dear Ms Penny Young,

Thank you for your comments dated January 31, 2013 directed to Ms Zora Crnojacki, of the Ontario Pipeline Coordination Committee regarding the Leamington Expansion Project (Project) and specifically the Environmental Report prepared in support of the Project.

Your comments with respect to a number of edits and suggested text have been noted and passed along to the author, Azimuth Environmental Consulting Inc.

With respect to contacting local municipalities please note that the public consultation program for this project did include contacting local municipal governments. During this process municipalities were contacted to request all applicable information that should be considered when developing the Project. Heritage features were not identified by the municipality as a concern nor were any identified during field investigations.

Finally, Union would like to assure you the only disturbance to the right-of-way at this time has been ploughing activities to support the archaeological stage 2 assessment which was completed by Timmins Martelle Heritage Consultants Inc. and has been submitted to the MTCS for acceptance.

Again, thank you for your comments and should you have any questions, please feel free to contact me.

Sincerely,

UNION GAS LIMITED

D.F. (Doug) Schmidt
Principal Environmental Planner
1 866-949-1595, Ext. 76954
dschmidt@uniongas.com

cc: Ms Zora Crnojacki, Ontario Energy Board

UNION GAS LIMITED
Response to Interrogatory
from Board Staff

4. Reference: Pre-filed Evidence, Pages 1-3 and 6
- a) If Union does not receive the approximately \$2,000,000.00 in contribution from the growers, will there be any impact on ratepayers? If yes, what will the impact be?
- b) If the negotiations with the 18 growers fail or if the remainder of the capacity on the Proposed Pipeline is not taken up by future contracts with growers, will there be any impact on ratepayers? If yes, what will the impact be?

Response:

- a) b) If contract negotiations are unsuccessful and the project is completed without any aid to construct or additional revenue from growers, the rate impact on a typical residential customer in Rate M1 would be less than \$0.50 per year. Union will not adjust base rates to recover the costs of this project until its next rebasing proceeding.

UNION GAS LIMITED
Response to Interrogatory
from Board Staff

5. Reference: Letter of Comment, Brookfield Renewable Energy Group, February 5, 2013
- a) Is Union aware that Brookfield has overhead and underground infrastructure crossing the Proposed Pipeline?
 - b) Will Union include Brookfield in the planning and construction stages of the project North of County Rd. 8 to minimize impacts on both Union and Brookfield? Please provide an explanation for Union's response.
 - c) Please respond to Brookfield's comment regarding their desire to have a crossing agreement developed where they have underground intersections.
 - d) Will Union be preparing a crossing agreement?
 - e) If the answer to (d) is yes, what is Union's anticipated timeline for completing the crossing agreement with Brookfield? If the answer to (d) is no, please explain why not.

Response:

- a) – e) Union is aware that Brookfield has overhead and underground infrastructure crossing the Proposed Pipeline and Union's existing infrastructure north of County Road 8. Union has contacted Brookfield to begin planning the crossing of Brookfield's infrastructure. This planning process will develop protocols that will ensure that both Brookfield's and Union's facilities can co-exist and not impact each other. Union will contact Brookfield before crossing Brookfield's infrastructure during the construction stages of the project

UNION GAS LIMITED
Response to Interrogatory
from Board Staff

6. Please comment on the following Board Staff Proposed Draft Conditions of Approval, and indicate any areas of these conditions that Union considers objectionable and the reasons for any such objection.

EB-2012-0431
Union Gas Limited
Leave to Construct Application Board Staff
Proposed Draft Conditions of Approval

1 General Requirements

- 1.1 Union Gas Limited (“Union”) shall construct the facilities and restore the land in accordance with its application and the evidence filed in EB-2012-0431 except as modified by this Order and these Conditions of Approval.
- 1.2 Unless otherwise ordered by the Board, authorization for Leave to Construct shall terminate December 31, 2014, unless construction has commenced prior to that date.
- 1.3 Union shall implement all the recommendations of the Environmental Report filed in the pre-filed evidence, and all the recommendations and directives identified by the members of the Ontario Pipeline Coordinating Committee (“OPCC”).
- 1.4 Union shall advise the Board's designated representative of any proposed material change in construction or restoration procedures and, except in an emergency, Union shall not make such change without prior approval of the Board or its designated representative. In the event of an emergency, the Board shall be informed immediately after the fact.
- 1.5 Within 15 months of the final in-service date, Union shall file with the Board Secretary a Post Construction Financial Report. The Report shall indicate the actual capital costs of the project and shall explain all significant variances from the estimates filed in the proceeding.

2 Project and Communications Requirements

- 2.1 The Board's designated representative for the purpose of these Conditions of Approval shall be the Manager, Natural Gas Applications.
- 2.2 Union shall designate a person as project engineer and shall provide the name of the individual to the Board’s designated representative. The project engineer will be responsible for the fulfillment of the Conditions of Approval on the construction site.

Union shall provide a copy of the Order and Conditions of Approval to the project engineer, within seven days of the Board's Order being issued.

- 2.3 Union shall give the Board's designated representative and the Chair of the OPCC ten days written notice in advance of the commencement of the construction.
- 2.4 Union shall furnish the Board's designated representative with all reasonable assistance for ascertaining whether the work is being or has been performed in accordance with the Board's Order.
- 2.5 Union shall file with the Board's designated representative notice of the date on which the installed pipelines were tested, within one month after the final test date.
- 2.6 Union shall furnish the Board's designated representative with five copies of written confirmation of the completion of construction. A copy of the confirmation shall be provided to the Chair of the OPCC.

3 Monitoring and Reporting Requirements

- 3.1 Both during and after construction, Union shall monitor the impacts of construction, and shall file four copies of both an interim and a final monitoring report with the Board. The interim monitoring report shall be filed within six months of the in-service date, and the final monitoring report shall be filed within fifteen months of the in-service date. Union shall attach a log of all complaints that have been received to the interim and final monitoring reports. The log shall record the times of all complaints received, the substance of each complaint, the actions taken in response, and the reasons underlying such actions.
- 3.2 The interim monitoring report shall confirm Union's adherence to Condition 1.1 and shall include a description of the impacts noted during construction and the actions taken or to be taken to prevent or mitigate the long-term effects of the impacts of construction. This report shall describe any outstanding concerns identified during construction.
- 3.3 The final monitoring report shall describe the condition of any rehabilitated land and the effectiveness of any mitigation measures undertaken. The results of the monitoring programs and analysis shall be included and recommendations made as appropriate. Any deficiency in compliance with any of the Conditions of Approval shall be explained.

4 Easement Agreements

- 4.1 Union shall offer the form of agreement approved by the Board to each landowner, as may be required, along the route of the proposed work.

5 Other Approvals and Agreements

- 5.1 Union shall obtain all other approvals, permits, licences, and certificates required to construct, operate and maintain the proposed project, shall provide a list thereof, and shall provide copies of all such written approvals, permits, licences, and certificates upon the Board's request.

Response:

Union does not have any concerns or objections on the draft conditions proposed by the Board Staff.