

March 4th, 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") Owen Sound Replacement Project Board File # EB-2012-0430

Please find attached Union's Reply Submissions in this matter.

Sincerely,

[original signed by]

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

cc: Neil McKay, Manager Facilities Applications Zora Crnojacki, Project Advisor All intervenors IN THE MATTER OF the Ontario Energy Board Act 1998, S.O.1998, c.15, (Schedule B);

AND IN THE MATTER OF an Application by Union Gas Limited for orders pursuant to sections 90 and 97 of the Ontario Energy Board Act, 1998, granting leave to construct a natural gas pipeline and facilities in the Region of Waterloo.

REPLY SUBMISSIONS OF UNION GAS LIMITED

1. These submissions, filed on behalf of Union Gas Limited ("Union") are in Reply to the submissions of The Corporation of the City of Kitchener ("Kitchener") and the submissions of Board Staff, both issued on February 21, 2013.

2. Board Staff Submissions - OPCC update

Board Staff has requested that Union update the Board on any recent comments it has received as part of the OPCC review. On February 8, 2013 the Ministry of Tourism, Culture and Sport provided the OPCC chairman and Union with comments on the Owen Sound Environmental Report. The concerns identified by the Ministry were in relation to Archaeology and Cultural resources. Please refer to Attachment # 1 which is a copy of a letter that has been sent to the Ministry that identifies what action have been taken regarding this issue and what actions Union proposes to complete before construction commences.

3. Kitchener Submissions - Paragraph 5

Kitchener requested that Union address the concerns of the Waterloo Regional District School Board ("School Board"). The School Board has requested a 200 meter set back from the proposed pipeline to a proposed public school in the Rosenberg Community. The School Board has not provided any approved codes or regulations that document or require this setback distance. Union is proposing to construct the pipeline in compliance with all CSA and TSSA requirements. Board Staff supports Union's position in this regard in their argument where they state "Union should continue to follow the Regulation and Standards referenced above which specifically govern the proposed Pipeline".

Union will offer to meet with the School Board to review construction and operation of the proposed pipeline before construction to determine if any additional measures can be implemented to address the concerns of the School Board. These measures could include increased depth of cover, increase use of buried caution tape used to identify the location of pipeline, and additional line markers.

4. Kitchener Submissions - Paragraph 10

Kitchener has requested that Union provide information about when and where pipelines are being proposed to be realigned. In Union's pre-filed evidence, Union proposed to replace the pipelines on the properties owned by 2040796 Ontario Limited and Tru-Villa Inc. operating as Mattamy Homes ("Mattamy") and Big Spring Farms Limited c/o Schlegel Urban Developments ("Schlegel") in its existing location. Both developers requested that Union relocate the proposed pipelines in alternative locations on their property.

Union's practice has been that if a developer makes a request of this type and is willing to pay the incremental costs for locating the pipeline in the new location on their property, Union will relocate the pipeline. In reviewing the Rosenberg Secondary Plan, prepared by Kitchener in 2011, it appears that changes of this type were anticipated. The Servicing and Utilities section of the Secondary Plan, Policy 3 (page 18) states the following "Portion of the high pressure gas pipeline that run north/south through the community may be relocated, in consultation with the utility company, to coincide with the proposed street pattern".

Please refer to Attachment # 2 which are aerial photos of the proposed re-locations and it can be noted that the pipeline is being moved from a mid lot location to road allowance or an area adjacent to a road allowance. If agreements can be reached with Mattamy and Schlegel, the pipeline will be placed in the new locations and Union will notify the Board of this change.

5. Kitchener Submissions - Paragraph 16

Kitchener has requested that Union provide Kitchener Utilities with the historical delivery pressures that it has received from Union. Union is not proposing any significant changes to the operation of the Owen Sound system. Union will continue to abide by the terms, conditions, and parameters for the T3 contract between Union and Kitchener. Union will

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continue to be contractually obligated to deliver gas to Kitchener at the minimum gauge

pressure (minimum delivery pressure) of 175 psi. Union will continue to deliver natural gas

to Kitchener at pressures above the Minimum Delivery Pressure on any Day when Union

determines it is able to do so.

6. Kitchener Submissions - Paragraph 17

Kitchener has requested that Union confirm that there would be no changes needed to the

replacement facilities upstream of the station to allow for an increase in the maximum

hourly flow to Kitchener Utilities. Union cannot make this confirmation at this time. A

number of factors that are not known at this time would have to be reviewed before it could

be determined that no additional facilities would be required. These factors would include:

the increase in the hourly flow, the pressure of the increased flow, and the year that the flow

is to increase.

SUMMARY

Based on the above responses to the issues raised by Board Staff and Kitchener and the fact that

both Parties support the project, Union requests that the Board approve the project in a timely

manner.

ALL OF WHICH IS RESPECTFULLY SUBMITTED

Dated: March 4th, 2013

Mark Murray,

Manager, Regulatory Projects & Land Acquisitions

uniongas ATTACHMENT # 1



March 2, 2013

Ministry of Tourism, Culture and Sport Culture Services Unit Programs and Services Branch 401 Bay Street, Suite 1700 Toronto, ON M4P 1E4

Attn: Mr. Joseph Muller, Heritage Planner

Re: Union Gas Limited Pipeline Project, Owen Sound Replacement Project

EB-2012-0430

Location: Region of Waterloo

MTCS File 42EA016

Dear Mr. Muller,

Thank you for your letter dated February 8, 2013 directed to Ms Zora Crnojacki, of the Ontario Pipeline Coordination Committee regarding the Owen Sound Replacement Project and specifically the Environmental Report (ER) prepared for the Project.

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

To date, our archaeological consultants, Timmins Martell Heritage Consultants Inc., have completed a stage 1 assessment. A stage 2 assessment of the area impacted by Project was completed in the fall 2012 except for a small portion of the Project area. Completion of the stage 2 work and any required stage 3 work is planned for the spring of 2013.

You have indicated in your letter that the report did not provide details on any built heritage and cultural heritage landscapes. The checklist attached with your letter has been completed and will be returned to you within a week. There are no built or cultural features that will be impacted by the proposed Project. With regards to the identified built heritage resource at 1192 Fischer Hallman Rd, this building is greater than one kilometer from the project and will not be impacted.

Sincerely,

Tony Vadlja / ND.

Lead Environmental Planner

Union Gas Limited

CC: Zora Crnojacki



