

ONTARIO ENERGY BOARD

IN THE MATTER OF The Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B, and in particular, S. 36 thereof;

AND IN THE MATTER OF The Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B, and in particular, S.90.(1) thereof;

AND IN THE MATTER OF The Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B, and in particular, S.91 thereof

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders for pre-approval of recovery of the cost consequences of all facilities associated with the development of the proposed Parkway West site;

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders granting leave to construct natural gas pipelines and ancillary facilities in the Town of Milton.

**FINAL SUBMISSIONS OF
ENERGY PROBE RESEARCH FOUNDATION
("ENERGY PROBE")**

November 15, 2013

EB-2012-0433 Union Gas Limited

ENERGY PROBE RESEARCH FOUNDATION

FINAL ARGUMENT

SUMMARY

For the reasons outlined in Energy Probe's Submissions herein, we recommend that:

- i. Union's Section 36 Application requesting approval for rate recovery of the full cost of the Parkway West investment effective January 1, 2014; and approval of an accounting order to establish the Parkway West Cost Deferral Account be approved;
- ii. Union's Section 90 Application for leave-to-construct a NPS42 pipeline from the existing Parkway Compressor Station ("Parkway") to the proposed Parkway West Compressor Station ("Parkway West") be approved; and
- iii. Union's Section 91 application for leave to construct a measurement and control station which will connect to the Enbridge pipeline system; for connections to Union's Dawn-Parkway system to flow gas to the proposed Parkway West site; a Loss of Critical Unit Compressor C; and general infrastructure and land necessary to construct and operate Parkway West site be approved.

HOW THESE MATTERS CAME BEFORE THE BOARD

1. Union Gas Limited Filed an Application dated January 29, 2013 under Docket number EB-2012-0433 for Approval of the Parkway West Loss of Critical Unit Project.
2. The Board issued a Notice of Application for Union Parkway West Project on March 5, 2013.
3. On April 17, 2013, the Board issued Procedural Order No. 1 and its Cost Eligibility Decision for both the Enbridge GTA Project and Union Parkway West Project. Within Procedural Order No. 1 the Board provided dates for both an Issues and Process Conference and an Issues and Process Day.
4. On April 26, 2013, the Board held an Issues and Process Conference for parties to discuss the Draft Issues List and the process the Board should follow when hearing these applications.
5. On May 8, 2013 The Board Issued Procedural Order #2 in which the Board determined it will combine the EB-2012-0451, EB-2012-0433 and EB-2013-0074 proceedings. The Order established the dates for filing Interrogatories on the Applicants evidence.
6. On Wednesday, June 12, 2013 a Technical Conference was held.
7. On, June 21, 2013 Union and Gaz Metro filed a motion with the Board requesting inter alia:
 - A declaration that the Board's Storage and Transportation Access Rule ("STAR") applies to Segment A of the Enbridge Gas Distribution Inc.'s ("Enbridge") GTA Project,

An order staying the GTA Project until such time as Enbridge has initiated an open season pursuant to STAR in respect of the new capacity on Segment A of the GTA Project.

8. On Monday, July 22, 2013 Enbridge filed an update to its evidence in relation to Segment A of the GTA Project. Amongst other things, Segment A is now proposed to begin at the Parkway West Station as opposed to Bram West interconnect.
9. On July 23, 2013 In Procedural Order #6 the Board established a new Notice Period and new Schedule including a second round of IRs on the updated Evidence.
10. On Monday, August 28, 2013 a Settlement Conference was held. No Settlement was reached.
11. On September 11, 2013 The Applicants, Gaz Metro and TCPL filed a Settlement Term Sheet that set out collaborative approach to resolving matters in dispute between TCPL and the LDCs.
12. On Thursday, September 13, 2013 a Technical Conference was held on the Term Sheet.
13. On September 16 2013 the Oral Hearing commenced. It was completed on October 9, 2013.

THE APPLICATION

14. By application dated January 29, 2013 and later amended July 3, 2013 and August 23, 2013 for a cost update, Union Gas Limited ("Union") applied to the Ontario Energy Board ("OEB" or "Board") for approval of the following three requests:

(1) a section 36 application requesting approval for rate recovery of the full cost of the Parkway West investment effective January 1, 2014; and approval of an accounting order to establish the Parkway West Cost Deferral Account;

(2) a section 90 application for leave-to-construct a NPS42 pipeline from the existing Parkway Compressor Station ("Parkway") to the proposed Parkway West Compressor Station ("Parkway West"); and

(3) a section 91 application for leave to construct a measurement and control station which will connect to the Enbridge pipeline system; for connections to Union's Dawn-Parkway system to flow gas to the proposed Parkway West site; a loss of critical unit compressor; and general infrastructure and land necessary to construct and operate Parkway West site.

BACKGROUND

15. The proposed Parkway West Project (the "Project") provides for the construction of new facilities on a new site immediately west of Highway 407, directly across from the existing Parkway Station. As part of this project Union is proposing a loss of critical unit ("LCU") compressor for the discharge volumes that flow through Parkway, the provision of an additional pipeline connection to Enbridge, and the provision of upgrades to existing Union transmission pipelines and other required infrastructure.
16. Parkway is the only site on the Dawn-Parkway System which does not have loss of critical unit coverage. The construction of a compressor to provide reserve horsepower will ensure that Union will be able to meet its contractual commitments and ensure that natural gas continues to be delivered to customers downstream of Parkway, including those customers which will be served by Enbridge's GTA Project application.

**ENERGY PROBES SUBMISSIONS ARE STRUCTURED ACCORDING TO THE APPROVED ISSUES LIST
 \ RELATED ISSUES**

Issue A1: Are the Proposed Facilities Needed? / Issue A5: Is the proposed timing of the various components of the project appropriate?

17. The current Parkway Site has two Compressors Compressor A and Compressor B. Loss of critical unit protection was provided for Dawn and Lobo/Bright.
18. Union's evidence is that in the winter months, the direction of flow was from Union's Dawn-Parkway system into the TransCanada system to meet peak winter demand in the GTA, eastern Ontario, Québec and the U.S. Northeast has increased from 2005/2006, with design-day flow through Parkway compression into the TransCanada system was less than 0.54 PJ/d.
19. With new market access demands, deliveries to TransCanada at Parkway are forecast to grow further to approximately 2.3 PJ/d on design day by November 1, 2013. This quantity is similar to the design day throughput on the Dawn-Parkway System when loss of critical unit protection was installed at Lobo/Bright and Dawn and is within 0.2 PJ/d of the maximum capability of the two existing Parkway compressors.
20. Further Growth evidenced in EGD's GTA Project will add a further 0.8Pj/d for Enbridge and 0.35 Pj/d for Union and Gaz Métro, starting in 2015 which will take deliveries to EGD and TCPL at Parkway to over 3Pj/d.
21. Accordingly on Design Day 2015, if the forecast flows occur, Parkway will be subject to loss of critical unit that results in a loss of upstream supply of 0.3-0.4 PJ/d and a loss of service to approximately 150,000-225,000 GTA customers.

22. The Parkway West Project is **not** dependent on other projects before the Board going ahead. The facilities and timing of the Project are not impacted by a lack of pipeline capacity expansion downstream of Parkway or a delay in such a project. The Project does not depend on system growth, but rather is predicated on providing loss of critical unit coverage for the compression at Parkway and increased reliability for the substantial interconnection with Enbridge at Parkway. In addition, a rejection of the proposed Enbridge GTA Project or a delay in the proposed Enbridge GTA Project does not impact the facilities or timing of Union's proposed Parkway West Project.¹

ISSUE A2: DO THE PROPOSED FACILITIES MEET THE BOARD'S ECONOMIC TESTS / ISSUE B5: SHOULD THE PRE-APPROVAL TO RECOVER THE COST CONSEQUENCES OF THE PROPOSED FACILITIES BE GRANTED?

23. Since the Parkway West Compressor C LCU project is a compression project, the Board's EBO 134 Guidelines and the EB-2012-0092 Filing Guidelines for Transmission Pipeline Applications do not apply.

24. The facilities can be seen on K1.3 (reproduced later) and consist of a new NPS42 pipeline to connect the existing Parkway Station with the Parkway West site, connections to Union's Dawn-Parkway system to flow gas to Parkway West, one measurement and control station which will connect to the Enbridge pipeline system, a loss of critical unit compressor, station pipelines that will connect the different facilities, replacement of the NPS26 and NPS34 piping in the vicinity of the Parkway West site and general infrastructure necessary to operate the new station.

25. In addition, the Parkway West site will accommodate the proposed Parkway D compressor for which approval is sought as part of the EB-2013-0074 Application.

¹ Exhibit I.A5.UGL.CCC.26

26. The estimated Parkway West Project costs, including contingencies and interest during construction are \$219,430,000. A breakdown of these costs is available at the Updated Schedule 11-1, as filed August 23, 2013. As will be discussed later, under Issue A3, Energy Probe does not agree with allocating ALL of the Parkway West Site development/infrastructure costs to the Parkway C LCU project.

27. The revenue requirement associated with the Parkway West Project is approximately \$17.7 million. The rate impacts by rate class are provided at EB-2012-0433, Schedule 12-2 Updated and the in-franchise rate class reduction has been updated to \$0.9 million.

28. Union is seeking pre-approval of recovery of the cost consequences of all facilities associated with the development of the Project from ratepayers. Specifically, the facilities for which Union is seeking cost recovery pre-approval are:

- *Size of project.*
- *Need for certainty of cost recovery.*
- *Regulatory efficiency.*

30. Energy Probe disagrees with providing preapproval for the Parkway West project and notes the following:

- a) The cost of the project is very high relative to similar projects at Dawn and Lobo. However, the costs are increased by Union's allocation of 100% of common site costs to the Parkway C LCU Compressor.
- b) The risks of cost recovery are low. Union can charge its legitimate costs to downstream shippers including EGD and if Segment A of the GTA Project is approved, Gas Metro, TCPL and other shippers. If Union is concerned that

the downstream facilities, other than EGDs GTA Project, are delayed or may not receive NEB Approval, then it is still able to charge 86% of the Project costs to existing M12 shippers, the largest of which is EGD, unless the Board finds this is not appropriate, in which event Union can decide not to proceed with the project.

- c) The regulatory efficiency argument is not well supported since as Union has testified below, Parkway West LCU and Brantford-Parkway and Parkway D compressor are identified in the 2014 IRM Settlement Agreement as legitimate projects that will be treated as Y factors, unless unexpectedly they fail to meet the qualifying criteria. Accordingly, there will be no additional regulatory process.

29. Union has also applied for a deferral account to capture the variance to the estimated costs. We support this being approved.

30. As noted above on July 31, 2013, Union filed an application for a multi-year Incentive Regulation Mechanism ("IRM"), EB-2013-0202, based on a Settlement Agreement reached between Union and stakeholders. The Board approved the Application as filed on October 7, 2013. In Section 6.6 of the Settlement Agreement, filed as Exhibit A, Tab 2 of the IRM Application, the parties agreed to treat Major Capital Additions as Y factors during the IRM period provided that they meet the eight criteria set out in the Agreement.

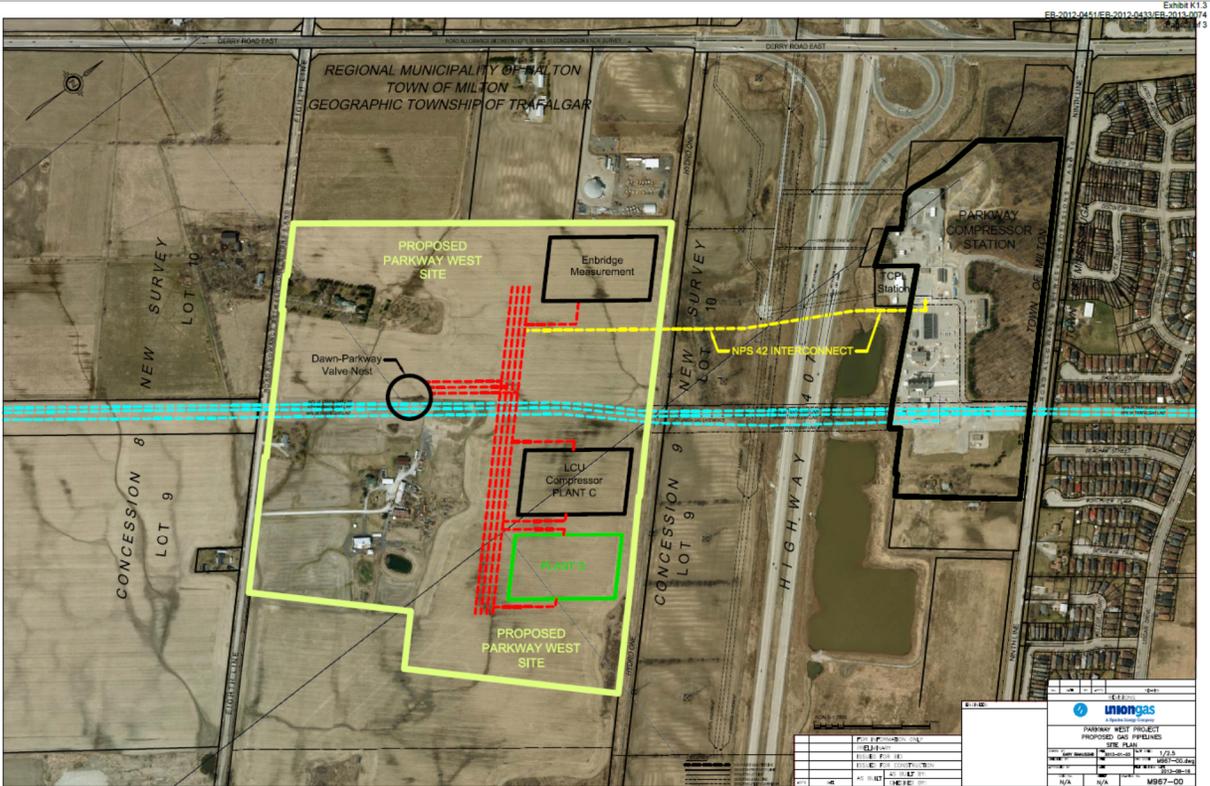
Mr. Birmingham:

The incentive regulation framework actually contemplates this very process; that is, to the extent that it meets the criteria, Union would be required to apply for leave-to-construct and rate recovery all at the same time so that the Board could deal with all the aspects of the project and all of the impacts from the projects at a single time.

So this would be the full regulatory review, which would include the typical leave-to-construct criteria and whether the project's in the public interest, as well as the section 36 rate-recovery application.²

Issue A3: Are the costs of the facilities and the rate impacts to customers appropriate?

31. The Site plan for Parkway West can be found at Exhibit K 1.3 page 3.



² Transcript, September 16, 2013, Volume 2, p. 138

32. The total estimated cost of the Parkway West Project is \$219.4 million, *making it the single largest project in Union's history*. As noted earlier, the Project has the support of many of Union's major shippers, including TransCanada, Enbridge and Gaz Métro, who will bear most of the costs of the proposed facilities.
33. The largest full-year revenue requirement associated with the Project (rate base, return, interest, tax, depreciation and O&M) is approximately \$17.7 million.³
34. This 220 million project is the largest undertaken by Union and results in a huge cost for LCU protection for EGD, Gas Metro and others that require this. In our view this high cost is because Parkway is a "green-fields site" and because Union is allocating all common site and infrastructure cost to the Parkway West LCU compressor and zero costs to the currently applied for Parkway D Compressor.
35. The Updated Parkway West Project costs are shown in the attachments to Union's August 23, 2013 Update that includes Attachment 1 and updates to Schedules 11-1, 12-1-12-6 and 12-8. Examination of the breakdown of the \$219.43 million, total Parkway West costs shows that excluding the new Parkway C LCU (\$82.5 million), the 42" connecting pipeline (\$17.7 million) and EGD Measurement costs (\$16 million), the remaining cost of land and facilities is \$103 million. It is clear that these common (\$103 million) costs provide the infrastructure for **both** Parkway C LCU and for Compressor D for the expansion of the Brantford-Parkway transmission project which is primarily a merchant transmission line.
36. The cost of this, in our view inappropriate, allocation decision by Union, is that the total cost of the Parkway C LCU is \$82.5 million, plus site development costs of \$105 million for a total of **\$187.5 million**. The proposed in-service costs of the same sized Parkway D compressor are, in contrast, \$108 million⁴.

³ Schedule 12-1 updated August 23, 2013

⁴ EB-2013-0074 Schedule 9-2

COST ALLOCATION AND RATE IMPACTS

37. Union is not proposing any changes to the allocation methodology of Dawn-Parkway transmission system costs, including the allocation of Parkway costs, as a result of the Project. Based on the current Board approved allocation of Dawn- Parkway Costs, in-franchise rate classes are allocated approximately 16% of the costs directly attributable to the Project. The remaining 84% of costs directly attributable to Parkway West are allocated to ex-franchise rate classes.
38. If all of the common costs are allocated to the Parkway C LCU as Union proposes, this results in a bill impact for the average Rate M1 residential customer in Union South of approximately (\$0.84) reduction and for the average Rate 01 customer in Union North of approximately (\$0.33) reduction.⁵ The resulting M12/C1 Dawn-Parkway rate will be \$0.089 GJ/day compared to the current \$0.078 GJ/day.⁶
39. Union indicates that the same land and facilities are required for the Parkway West project, whether or not Parkway D is required.

MS. GEORGE:

So the site infrastructure costs would be of the same magnitude, and *we would have bought the same size land* because we do anticipate the future growth at Parkway, and land is very difficult to find in that area for this type of an application. So the land would have been the same size.

The other infrastructure costs are things like connecting to our Dawn-to-Parkway system, which is required whether you build one or two compressors, building the pipeline header system and building some of the other auxiliary systems that are required in a new site.

⁵ Schedule 12-3 updated August 23, 2013

⁶ Schedule 12-5 updated August 23, 2013

MS. CHAPLIN: So if you were not to do Parkway D at all, you're saying you would still have chosen as large -- purchased as large a site in anticipation of future growth, and all of the other site infrastructure projects would still be the same if you were just doing the loss of critical unit compressor?

MS. GEORGE: Yes. Everything that was listed under (sic) a \$103 million is still required regardless.⁷

To be clear, out of the \$103 million of Parkway West site development costs none are allocated to Compressor D associated with expansion of the Dawn-Parkway System.

40. Union indicates that the bill impacts are the same regardless of the scenarios proposed to allocate some the Parkway West project costs to the B-K/ Parkway D project. In response to a question about what the directional impact would be on which customers would bear the costs, Mr. Tetreault responded that there would be virtually no impact:

MR. TETREAULT:

Dr. Higgin, I would not expect there to be much, if any, rate impact associated with that. Reallocating the costs from one project to the other will have an impact on the individual impacts of the individual projects. *However, ultimately we'll be combining both projects and allocating the costs of both projects based on Board-approved cost-allocation methodologies, so when you combine them, I would expect the impact to be virtually nothing.*⁸

⁷ Transcript, Volume 4, September 19 p. 75 lines 21-28 plus p. 76 lines 1-11

⁸ Transcript, Volume 4, September 19, 2013, page 66 lines 21-28, Page 67 lines 1-6

41. This is a somewhat confusing statement to the effect that since both projects are needed, then the costs can be combined and the allocation will be similar to if they were treated separately. This is precisely Energy Probe's position- there are two separate projects before the Board and the common site development costs should be appropriately allocated.
42. If, for example the Brantford-Kirkwall project is delayed, because of regulatory or downstream infrastructure approvals, Union states in its EB-2012-0074 evidence that Compressor D is required to service EGD's distribution volume and pressure requirements⁹. If this is not the case, then the Parkway West site development/infrastructure costs should be reduced and/or placed in the requested Parkway West Capital Cost Deferral Account for future disposition.

IMPACT OF EQUAL ALLOCATION OF PARKWAY WEST SITE/DEVELOPMENT COSTS TO THE PARKWAY C LCU AND DAWN-PARKWAY EXPANSION PARKWAY D COMPRESSOR

43. Despite Union's position that 100% of common Parkway West costs be allocated to the Parkway LCU project, we suggest that the new site is required for four primary purposes:
- 42" pipeline connection to Parkway,
 - EGD monitoring facilities for which as noted, EGD will pay an annual lease,
 - Compressor C LCU, and
 - Compressor D.

⁹ Union Evidence,EB-2013-0074 Section 9, p. 1, Exhibit K8.1

44. There are a number of possible alternatives for an appropriate reallocation of Parkway West site development costs these include:

- Separation of the land costs (\$29.9 million) as a base cost to be allocated 100% to Parkway C LCU project on the basis that the site is necessary for that project and then allocating the remainder of the \$105 million equally to each project.
- Allocate common development costs to both projects as well as to the EGD Monitoring facilities, however as noted above, for the latter land, capital and operating cost will be recovered in a lease to EGD.

This leaves the option of allocating the common land and site development costs equally to each Compressor Project (C&D). We suggest this is a reasonable compromise and we recommend this as most appropriate.

45. Undertaking J4.7 shows the impact of allocating the \$105 million common site development costs equally to the Parkway C LCU compressor and to the Parkway D Compressor.

Cost/Rate Class	Union Allocation^{10 11}	Alternative Allocation^{12 13}
2018 Revenue Requirement	17.7 million	14.05 million
M1 Rate Impact (rate change)	(0.84)	(0.81)
Rate 01 Impact	(0.33)	(0.46)
M12/C1 Dawn-Parkway	0.089 Gj/d	0.87 Gj/d

¹⁰ Schedule 12-3 Updated August 23,2013

¹¹ Schedule 12-5 Updated August 23,2013

¹² Schedule 12-3 updated per J4.7

¹³ Schedule 12-3 updated per J4.7

46. As Union will no doubt point out, these changes are relatively small when viewed on a unit rate basis. Nonetheless, Energy Probe suggests they result from a more appropriate cost allocation. As well being more appropriate, the impact particularly on M12/C1 Dawn-Parkway rates *is material* and Union should be directed to implement the revised allocation.
47. The counter point to this revised reallocation of Parkway West site development costs is the corresponding changes to the EB-2013-0074 Brantford-Parkway and Compressor D Project. Undertaking J4.8 shows the impact on the Economic Evaluation of the project. This will be discussed in Energy Probe's submissions on that Project.

Issue A4: What are the alternatives to the proposed facilities?

48. Union's evidence is that it reviewed a number of alternatives to determine the best option to meet the objectives of the Parkway West LCU Project. The alternatives included physical alternatives as well as contracting for services on other pipeline systems. Union reviewed and evaluated the following eight alternatives to provide LCU protection at Parkway:

Alternative 1: Install Reserve Horsepower at Existing Parkway Site

Alternative 2: Increase Compression at the Bright Compressor Station

Alternative 3: Purchase Spare Components

Alternative 4: ***Install Reserve Horsepower at New Parkway West Site***

Alternative 5: TCPL Relocates Existing Compressors to Parkway

Alternative 6: STFT Service from Empress Plus Exchange

Alternative 7: Great Lakes Backhaul and TCPL FT Service

Alternative 8: Kirkwall to Parkway Service¹⁴

¹⁴ Pre-filed evidence, Section 10 and Schedule 10-1

49. Union concluded that a physical solution was required, as opposed to a market-based solution, to provide LCU protection:

Mr. Isherwood

But the conclusion we came to was -- and especially with or without the oil line conversion -- the service options just don't work, because gas is trapped on the wrong side of Parkway. It's trapped at Dawn, essentially. And to get it to downstream markets, you would have to do either a physical movement back on Great Lakes, back-hauls, up -- if you look on that map there, basically Dawn, have all the way back up to Emerson, and back across northern Ontario, which doesn't make a lot of sense, and could not be done very cheaply for that volume or done through a market exchange, which, we actually went out to open season and had no interest at all from the market to provide that exchange. So the service on TCPL was something we did explore, and I think when we came to the conclusion with TCPL at the end of January, we all agreed that the best option at Parkway was an LCU¹⁵

50. Energy Probe agrees with Union that there is inadequate space at Parkway for a third compressor and noise considerations would be costly to mitigate. However, it is also clear that the new Parkway West Site is also required *now* for Compressor D and future Dawn-Parkway expansion.
51. Union has also clearly indicated that the Parkway C LCU compressor is a similar sized compressor as the existing Parkway B compressor and the proposed Parkway D compressor, and is larger than the existing Parkway A compressor. So the Parkway C LCU compressor can come on line and protect against a failure of any of the other (3) compressors on the 2 Parkway sites.

¹⁵ Transcript, Volume 2, September 16, 2013, p. 153 line 1-17

ISSUE B1: DO THE FACILITIES ADDRESS THE OEB GUIDELINES FOR HYDROCARBON PIPELINES AS APPLICABLE?

52. Stantec Consulting Ltd. prepared the Environmental Reports (ERs) for the proposed Project with input from interested and potentially affected parties through a consultation program.
53. Environmental and socio-economic features were identified in the Study Area and a detailed review and cumulative effects analysis of the effect of the 42 inch pipeline on these features was provided in the report. The effects assessment considers physical features, aquatic features, terrestrial features, land use and soils, waste management, infrastructure, cultural heritage resources, residents and businesses and First Nations and Metis Nation interests.
54. Stantec proposes monitoring and contingency measures to ensure any mitigation and protective measures have been implemented and effective in both the short and long term. In Stantec's view, any potential adverse residual environmental and/or socio-economic effects of this project are not anticipated to be significant.¹⁶
55. As part of this proceeding Energy Probe asked interrogatories on the ER related to the review by OPCC, Union's stakeholder consultation activities and input from interested parties and any outstanding issues.

¹⁶ Parkway west Natural Gas Pipeline Project Environmental Report November 2012, Pages E.1-E.2

56. In its Argument-In-Chief, Union states it believes that by following its most current standard construction practices and adhering to the mitigation measures identified in the ER, construction of the project will have negligible impacts on the environment. Furthermore, Union indicates it will ensure the recommendations, commitments and conditions of approval are followed and an environmental inspector will be present to monitor construction activities to ensure compliance with all conditions of approval.¹⁷ Union indicates it will include the ER as part of its contract documents.¹⁸
57. In considering the above, Energy Probe submits the facilities appropriately address the OEB Environmental Guidelines for Hydrocarbon Pipelines. Energy Probe has suggested two additions to the wording of the Conditions of Approval for this project under Issue B6 for the Board's consideration.

ISSUE B6: IF THE BOARD APPROVES THE PROPOSED FACILITIES, WHAT CONDITIONS, IF ANY, ARE APPROPRIATE?

58. Union accepts the standard conditions of approval for s. 90 and s. 91 applications as proposed by Board Staff in Exhibit I.B6.UGL.Staff.25/26, with the exception of a date correction on December 31, 2015 as noted in response to Exhibit I.B6.UGL.Staff.25. Union states the conditions proposed by Board staff are consistent with those granted by the Board over the past five years and no other conditions are required.
59. Energy Probe notes many environmental permits, approvals and authorization are pending for this project¹⁹ that will include additional conditions that Union must satisfy some of which will relate to mitigation of environmental impacts from the project.

¹⁷ Union Argument-In-Chief, Page 18

¹⁸ EB-2012-0433 Application, Section 13, Page 111

¹⁹ EB-2012-0433 Application, Section 13, Page 111

60. In order to ensure the above conditions are adhered to Energy Probe suggests an addition to the wording under 1. General Requirements (paragraph 1.3) as follows:

1.3 Union shall implement all of the recommendations of the Environmental Report filed in the pre-filed evidence, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee (“OPPC”) review. **Union shall also adhere to the conditions of all other permits, approvals, licences, certificates and easement rights.**

61. In addition, Energy Probe suggests the following addition to the wording under 4. Other Approvals (paragraph 4.1) to further clarify that the Board is the party to receive the list:

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

COSTS

Energy Probe has participated actively in the prehearing and hearing stages of this Application and has managed its time in an efficient manner in cooperation with other intervenors.

Accordingly, we request that the Board grant a Cost Award to reimburse 100% of our legitimately incurred costs.

Respectfully Submitted at Toronto this 15th Day of November 2013.

A handwritten signature in black ink, appearing to read "R. Higgin", is centered on a light blue rectangular background.

Roger Higgin, SPA Inc.

Consultant to Energy Probe Research Foundation