

December 19, 2014

COURIER, EMAIL AND RESS

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Greenfield South Power Corporation
Application for Certificate of Public Convenience and Necessity
Board File No. EB-2014-0299**

We are legal counsel to Union Gas Limited in respect of the above referenced matter. This letter is further to the Board's Procedural Order No. 3 wherein the Board indicated that an oral hearing would be held on January 16, 2015. In particular, Union Gas Limited requests that it be provided with an opportunity at the January 16 proceeding to cross examine witnesses of Greenfield South Power Corporation (the "Applicant") on the Applicant's evidence and Mr. John Todd in respect of his report filed in support of the application.

Union recognizes that the Board stated in its Procedural Order No. 2 that it intended to proceed with a written discovery process to be followed by oral submissions. However, as a result of the interrogatory process arising from the Board's Procedural Order No. 2, there is additional factual information required which is of sufficient probative value to the Board's decision making to merit cross examination of the Applicant and Mr. Todd.

The Board stated in EB-2012-0365¹:

"As indicated by the Board in EB-2011-0394, an oral hearing will be held if there is additional evidence or cross-examination required, but the matters must be of sufficient probative value to the Board's decision-making:

"The Board will conduct an oral hearing where it is determined to be the appropriate means of acquiring additional factual evidence which is required to reach a decision, or as a means of allowing parties to cross-examine on the written evidence. The Board has concluded that given the scope of the proceeding and the matter on which MCSEA proposed to cross-examine, an oral hearing on McLean's evidence would be of insufficient probative value to warrant its conduct."

¹ Decision with Reasons and Procedural Order No. 4, March, 19, 2013

In the current proceeding there are a number of facts in dispute. For example, both the Applicant and Union filed evidence showing the comparison between the various service options available. The conclusions reached by Union and the Applicant are different and as indicated in the Applicant's interrogatory responses (Applicant's IR responses: OEB-1, Union-4, Union-6), the Applicant disagrees with Union's calculations and the Applicant has included in its calculations factors that require further examination. These include amounts relating to storage, estimates cost arising from interruption and capital cost.

Likewise there remains unresolved issues associated with storage and service requirements related to Vector Pipeline's firm service and the impact of no firm service being available from Dawn to Dawn-Vector. In addition, the Applicant has provided no insight as to the storage service providers or gas supply arrangements with whom the Applicant has contracted in conjunction with Vector's firm service (Applicant IR responses: Union-2, Union-3, Union-5)

An examination of these aspects, among others, go directly to the Board's determination on Issue #1 being "what are the cost/economic factors related to serving the GEP by Greenfield or Union, on both Greenfield and Union's other customers?" And Issue #4 "Is Greenfield a competent builder and operator of the proposed gas supply project?"

There is clearly different factual evidence lead by each of Union and Greenfield that is directly relevant to these issues that only full cross examination can resolve to inform final submissions and to enable the Board to make a decision not just in respect of those aspects, but generally, as to whether the granting of a certificate would satisfy the broad public interest and not just the Applicant's interest in obtaining lower gas delivery rates. Cross examination will enable a full and fair hearing.

Yours truly,



Charles Keizer

CK/

cc (by email): Hubert Vogt, Greenfield South Power Corporation
Mike Richmond, McMillan Binch LLP
Miriam Heinz, Ontario Power Authority