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## **EMAIL AND RESS**

March 18, 2015

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street  
27h Floor  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Union Gas Limited 2016 Dawn Parkway Expansion Project  
EB-2014-0261**

We are counsel to Union Gas Limited in the above noted proceeding. Attached are Union's reply submissions.

Yours truly,

[original signed by Myriam Seers for Crawford  
Smith]

Crawford Smith

MS/lt

cc: Intervenors

11229-2133 19032524.1

**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 approval of recovery of the cost consequences of all facilities associated with the development of the proposed Lobo C Compressor/Hamilton-Milton Pipeline project;

**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 City of Hamilton, City of Burlington, and the Town of Milton, and leave to construct a compressor and ancillary facilities in the Municipality of Middlesex Centre.

**REPLY SUBMISSIONS OF  
UNION GAS LIMITED**

**A. Overview**

1. The Board should refuse to give effect to GAPLO's proposed amendments to the forms of easement and of Letter of Understanding. In Union's submission, the Board should not prescribe today the method of abandonment that will be employed many decades in the future. The best method with respect to abandonment, as well as applicable laws, regulations, standards and guidelines, are likely to change substantially between now and the time of abandonment. For the Board to mandate a specific mode of abandonment now would mandate a result that is not necessarily in line with the state of the art at the time of abandonment, that impinges the consultation and approvals process and that potentially conflicts with applicable requirements. The Board should not do so.

2. The Board also should not accede to GAPLO's request that the Board interfere with the form of LOU. The Board has declined to do so in the past, and lacks jurisdiction in certain important respects. Further, GAPLO represents no affected agricultural landowners and only one residential landowner. Its concerns are therefore not necessarily representative of the concerns of affected landowners on this pipeline, and it would not be appropriate for the Board to give effect to them in circumstances where Union is in the process of engaging in landowner-specific negotiations with individual landowners. In any event, the specific modifications that GAPLO proposes are impractical, ineffective and not desirable in all situations. For these reasons, the Board should reject GAPLO's proposals.

**B. The Board Should Not Include a Condition of Approval Dealing with Pipeline Abandonment**

3. GAPLO argues that the form of easement agreement should be amended to provide that, upon the abandonment of the pipeline, Union shall remove the pipeline at the option of the landowner.<sup>1</sup>
4. Union submits that it would not be appropriate for the Board to mandate today the form of abandonment that will be employed if and when the pipeline is abandoned many decades from now. Union maintains its position that the appropriate time for decisions as to mode of abandonment to be made is at the time of abandonment. Board Staff supports Union's position on this point.<sup>2</sup>
5. First, the Board cannot know that removal will be the preferred mode of abandonment at the time of abandonment. Even today, removal is not always the preferred mode of abandonment. For example, even the limited evidence adduced in this proceeding establishes that the use of the property at the time of abandonment (here, decades from now), can have an impact on the preferred form of abandonment. This consideration is particularly relevant given the fact that the pipeline traverses the Niagara Escarpment.<sup>3</sup>

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<sup>1</sup> GAPLO submissions, para. 11.

<sup>2</sup> Board Staff's submissions, p. 5.

<sup>3</sup> Transcript from Oral Hearing held March 5, 2015 ("Transcript"), p. 62, lines 16-25.

The Board, Union and GAPLO simply cannot know what the state of the art will be for pipeline abandonment at the time of abandonment.

6. Second, to mandate a specific mode of abandonment today would circumvent the decision-making process that must take place at the time of abandonment. This process includes consultations with or approvals from landowners, environmental agencies, conservation authorities, the Niagara Escarpment Commission and the Technical Standards and Safety Authority (“TSSA”), based on site-specific requirements and applicable regulations, codes and guidelines in force at the time.<sup>4</sup> That process would be thwarted if the Board were to give effect to GAPLO’s request that the mode of abandonment automatically be removal, at the landowner’s option.<sup>5</sup>
7. Third, the Board should decline to mandate the form of abandonment because any order the Board makes in that regard has the potential to conflict with future regulations, codes and guidelines.
8. Indeed, contrary to Board Staff’s submission, the TSSA has jurisdiction to regulate the technical requirements associated with pipeline removal. Sections 2, 3 and 6 of the *Oil and Gas Pipelines Systems Regulation* provide:

2. (1) This Regulation applies to the design, construction, **operation and maintenance** of oil and gas industry pipeline systems that convey,

(a) liquid hydrocarbons, including crude oil, condensate, liquid petroleum products, natural gas liquids and liquefied petroleum gas; and

(b) gas.

3. (1) Every person engaged in an activity, use of equipment, process or procedure to which the Act and this Regulation apply shall comply with the Act and this Regulation.

(2) For the purpose of subsection (1), the reference to an activity, use of equipment, process or procedure includes, but is not limited, to design, construction, erection, maintenance,

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<sup>4</sup> Transcript, p. 55, lines 13-28, p. 56, lines 1-28, p. 57, lines 1-28, p. 58, lines 1-4, p. 62, lines 16-25

<sup>5</sup> Transcript, p. 57, lines 10-12.

alteration, repair, service or **disposal**.

6. No person shall install, alter, purge, activate, repair, service **or remove** any pipeline or equipment or other thing employed or to be employed in the handling or use of oil or gas unless the person is the holder of a certificate for the purpose.<sup>6</sup>

9. The TSSA has jurisdiction with respect to the operation and maintenance of gas pipelines, persons who “dispose” of gas pipelines are subject to the Act and the Regulation, and persons who “remove” gas pipelines must hold certificates issued by the TSSA. In Union’s submission, these provisions confer on the TSSA jurisdiction with respect to pipeline abandonment and removal. Contrary to Board Staff’s argument at p. 3 of its submissions, the TSSA’s jurisdiction is not limited to the active lifecycle of a pipeline. Board Staff’s submissions ignore sections 3(2) and 6 of the Regulation. The TSSA has exercised its jurisdiction over pipeline abandonment by adopting a Pipeline Abandonment Checklist.<sup>7</sup>

10. Moreover, the *Technical Standards and Safety Act, 2000* provides that the Lieutenant Governor in Council may make further regulations relating to gas pipelines, which would be administered by the TSSA. Indeed, section 34(1)(b) provides the power to make regulations:

regulating, governing and providing for the authorization of the design, fabrication, processing, handling, installation, operation, access, use, repair, maintenance, inspection, location, construction, **removing, alteration, service, testing, filling, replacement, blocking, dismantling, destruction, removal from service** and transportation of any thing, whether new or used, or part of a thing, and any equipment or attachment used in connection with it.<sup>8</sup>

11. Thus, regulations could be adopted in the future that provide specific requirements or procedures relating to pipeline abandonment – the Board and the parties simply cannot know today what those will be.

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<sup>6</sup> O. Reg. 210/01 (emphasis added), Exhibit K1.4.

<sup>7</sup> TSSA Pipeline Abandonment Checklist, Appendix A to Board Staff’s submissions.

<sup>8</sup> *Technical Standards and Safety Act, 2000*, s. 34(1)(b), Exhibit K1.5.

12. Further, the Canadian Standards Association is in the process of adopting a standard that will expressly set out the requirements for pipeline abandonment.<sup>9</sup> That standard mandates comprehensive list of items and risk factors that should be used in the evaluation and development of a pipeline abandonment plan.<sup>10</sup> Among other things, the standard provides for a site-specific assessment of the various sections of the pipeline and for a determination of the best course of action in the abandonment plan. Depending on the circumstances, the best course of action may be to remove the pipe or to abandon it in place.<sup>11</sup> Of course, that standard (once adopted), will apply to pipelines that are abandoned while the standard is in effect.
13. For the Board to order today that removal is the required form of abandonment could well create a conflict with future regulations, codes or guidelines adopted by the TSSA, CSA or others that would mandate a different form of abandonment. We simply cannot know today what the requirements for abandonment will be in the future, or whether removal will be a permissible or desirable mode of abandonment. The decision as to mode of abandonment must be made at the time of abandonment, based on the regulations, codes and guidelines that are in place at the relevant time.
14. Fourth, GAPLO's argument that a requirement as to the form of abandonment should be included in the form of easement because this was done in the Strathroy-Lobo project should be rejected. The fact that a particular agreement was reached with landowners as part of comprehensive negotiations in another proceeding is not relevant here. But in any event, the regulatory approach to abandonment and the science relating to abandonment have changed substantially since 2005, as evidenced by the reports filed by GAPLO and the development of the new CSA standard.<sup>12</sup> As noted above, it would not be desirable to mandate in advance the mode of abandonment, particularly given these changes.
15. There is no need for the Board to give effect to Board Staff's submission that an independent third party consultant be retained to make a determination as to the method

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<sup>9</sup> Canadian Standards Association Draft Standard Z662-15, Exhibit K1.2.

<sup>10</sup> Transcript, p. 41, lines 20-28, p. 42, lines 1-28.

<sup>11</sup> Transcript, p. 43, lines 1-12.

<sup>12</sup> Transcript, p. 60, lines 5-25.

of abandonment at the time of abandonment. There is also no need for the Board to include a condition of approval that Union comply with its obligations and with all applicable standards in place at the time of abandonment. Union is required to comply with its obligations, and commits to doing so.

16. In the event that the Board considers it appropriate to mandate that an independent third party consultant be **involved** in the decision-making process or that Union comply with its obligations under applicable legislation, regulations, codes and guidelines, such a requirement should be included as a condition of approval rather than included in the form of easement.

**C. The Board Should Not Give Effect to GAPLO's Proposed Changes to the Letter of Understanding**

17. The Board should reject GAPLO's arguments that the form of Letter of Understanding should be amended in the manner proposed by GAPLO. The LOU is a negotiated agreement which deals with compensation matters and general construction practices specific to individual landowners. It provides a benchmark for individual negotiation of land rights.<sup>13</sup>
18. First, GAPLO's proposed amendments to the LOU address matters of compensation and construction methodology that are highly landowner and site-specific, and would be of particular concern to agricultural landowners. Yet GAPLO does not represent **any** of the affected agricultural landowners. GAPLO represents only one affected landowner, whose land is a residential (not agricultural) property.<sup>14</sup> The terms proposed by GAPLO have not been requested by, let alone agreed to by, any of the affected landowners. The matters GAPLO raises should not be part of the form of LOU. Instead, to the extent that individual affected landowners raise the same or similar concerns, they will be negotiated

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<sup>13</sup> Transcript, p. 67; Union's Pre-Filed Evidence in EB-2007-0633, para. 74, filed in GAPLO's Pre-Filed Evidence, Attachment 4.

<sup>14</sup> Transcript, p. 40, lines 15-24.

on a case-by-case basis with each landowner based on that landowner's specific needs and interests.<sup>15</sup>

19. Second, contrary to GAPLO's suggestion, Union is not "backtracking" on "improvements" to the LOU. On the contrary, the current form of LOU is the product of a comprehensive review of the standard form of LOU that Union completed following the adoption of the Strathroy-Lobo LOU in 2005. Union revised the standard form of LOU to remove internal inconsistencies and bring it into line with Union's current actual practices based on its experience with building at least ten pipeline projects.<sup>16</sup> The revised form of LOU was first used for the Brantford-Kirkwall project, and all but one of the affected landowners accepted it without amendments.<sup>17</sup> GAPLO is advocating rigid adherence to the construction practices set out in the Strathroy-Lobo LOU, without regard to the efficacy or desirability of those practices.
20. Third, there is no evidence from anyone with expertise in pipeline construction that GAPLO's proposed amendments to the LOU would be effective. Indeed, the evidence of Union's construction engineers and environmental consultant are that the amendments suggested by GAPLO may not be preferred by landowners in all cases and are impractical, counterproductive or ineffective in many cases. For example:
  - (a) *Provision for a mulch layer:* Union's evidence is that GAPLO's proposal is not practical, would add no value and could in fact harm the soil by introducing invasive species. None of the affected landowners have asked for this.<sup>18</sup>
  - (b) *Overwintering of stripped topsoil at the request of the landowner:* This requirement would generally not be appropriate to include in an LOU with a landowner, because the overwintering of topsoil would impact not just the affected landowner but also the landowner's neighbors, for up to three years. The

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<sup>15</sup> As the Board noted in EB-2006-0305: "The Board approves a standard form agreement which represents the initial offering to the affected landowner. Once the Board is satisfied with the standard form agreement, and in this case the Board is satisfied with the form as filed by Enbridge, the parties are free to negotiate whatever terms they believe to be necessary to protect their specific interests. The Board does not become involved in the detailed negotiation of the clauses in the agreements between one landowner and the Applicant. It is also accepted that a review by this Board under Section 97 does not extend to the amount of compensation or the structure of compensation arrangements." Decision and Order dated June 1, 2007 in EB-2006-0305, Exhibit K1.6.

<sup>16</sup> Transcript, p. 38, lines 13-28, p. 39, lines 1-23, p. 65, lines 21-24, p. 69, lines 14-28, p. 70, lines 1-16.

<sup>17</sup> Transcript, p. 39, lines 24-27, p. 40, lines 1-9, p. 70, lines 12-14.

<sup>18</sup> Transcript, p. 76, lines 19-28, p. 77, lines 1-28, p. 78, lines 1-6, p. 94, lines 18-28, p. 95, lines 1-10.



decision as to whether to overwinter topsoil must be made in reliance on the opinion of a soils consultant, whose opinion may differ from the requests of individual landowners.<sup>19</sup>

- (c) *Restoration of identifiable subsidence in excess of 2 inches with the importation of topsoil, when the topsoil has been overwintered and a cover crop has been established:* Union's evidence is that requiring restoration of subsidence at a 2-inch level is too restrictive, is not practical and is not in line with normal farming practices from cultivation and ploughing, but that it is reasonable to restore subsidence at a 4-inch level as per Union's standard practice when topsoil is not overwintered.<sup>20</sup>
- (d) *Stone picking:* The evidence of Union's environmental consultant is that picking stones that are too small is not practical and can damage soil.<sup>21</sup> Union's proposal is to pick stone comparable to the adjacent land.<sup>22</sup> This proposal is consistent with report of the independent construction monitor for the Strathroy-Lobo project, filed by GAPLO in this proceeding, which states:

Specifications for the Union Gas NPS 48 Strathroy Lobo Pipeline Project required that the clean-up procedure remove all stones greater than two inches in diameter from the surface of the subsoil and the topsoil. This specification was too restrictive and exceeded normal stone picking practices for this agricultural area.

**Recommendations:**

*28. The specifications and procedures for stone picking should be revised to allow flexibility to adjust the requirements relative to natural soil conditions.*<sup>23</sup>

- (e) *Landowner approval of the source of any topsoil:* Union's evidence is that it is important to rely on specialists that have analyzed the topsoil to ensure that it is appropriate to bring back on the specific property to be consistent with the existing topsoil.<sup>24</sup>
- (f) *Application of a penalty or deterrent where Union conducts construction activities in wet soil conditions:* This is a compensation issue that must be addressed on an individual basis with landowners. When asked whether the

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<sup>19</sup> Transcript, p. 79, lines 22-28, p. 80, lines 1-28, p. 81, lines 1-24, p. 115, lines 10-28, p. 116, lines 1-28, p. 118, lines 11-28, p. 119, lines 1-28, p. 120, lines 1-11.

<sup>20</sup> Transcript, p. 84, lines 20-28, p. 85, lines 1-28, p. 86, lines 1-25.

<sup>21</sup> Transcript, p. 89, lines 1-28, p. 90, lines 1-11, p. 91, lines 3-7, 18-28, p. 92, lines 1-6.

<sup>22</sup> Transcript, p. 88, lines 9-13.

<sup>23</sup> Final Report of Cordner Science, *Construction Monitor Services – NPS 48 Strathroy Lobo Pipeline Project – Union Gas Limited*, pp. 35-36, Pre-filed Evidence of GAPLO, Attachment 10, pp. 217-18.

<sup>24</sup> Transcript, p. 102, lines 12-28, p. 103, lines 1-3, 26-28, p. 104, lines 1-13, 20-28, p. 105, line 1.

provision is a “penalty provision” that “would serve as a deterrent to working in wet soil conditions”, Union’s Manager of Projects Execution stated:

I think this is a compensation issue. We don’t look at it as a penalty. I mean, we are going to build the right way under the right conditions, as we have stated, through everything else. I don’t look at this clause and say: Ooh, that is a penalty. You know, I should not do this, because it is going to be this kind of a cost. We are going to do the right thing and minimize costs for everybody under any condition.<sup>25</sup>

The Board has no jurisdiction with respect to compensation issues between Union and landowners.<sup>26</sup> As the Board held in concluding that it had no jurisdiction to approve or not approve a Letter of Understanding in EB-2005-0550:

The Board finds that it does not have the authority to approve or not approve the Letter of Understanding. The agreement deals with compensation matters in great detail, both in framework and the amounts, and therefore is not appropriately included in the Board’s consideration.<sup>27</sup>

21. These and similar issues will be dealt with on landowner-specific basis. In addition to specific negotiations with Union, landowners who have specific concerns regarding construction practices may have their concerns addressed through the construction monitor or one of the two experts monitoring construction – the environmental monitor and the soils consultant. Landowners may also raise complaints through Union’s lands relations agent, who has the power to escalate complaints up to Union’s senior management.<sup>28</sup> Respectfully, the evidence adduced by GAPLO is limited and dated.
22. Fifth, contrary to GAPLO’s arguments, the fact that certain terms were agreed to in the Strathroy-Lobo proceeding is irrelevant. As noted above, the current form of LOU is based on Union’s current best practices, which have evolved since 2005. That agreement was also the subject of a comprehensive negotiation with landowners, which is not the case here. Union does not agree that these provisions constituted improvements to Union’s existing practices.

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<sup>25</sup> Transcript, p. 111, lines 26-28, p. 112, lines 1-7.

<sup>26</sup> Decision and Order dated June 1, 2007 in EB-2006-0305, p. 10, Exhibit K1.6.

<sup>27</sup> Procedural Order No. 2 and Decision on Issues List dated March 3, 2006 (EB-2005-0550), attached to these reply submissions.

<sup>28</sup> Transcript, p. 81, lines 20-28, p. 82, lines 1-23.

23. For these reasons, the Board should decline to approve GAPLO's proposed amendments to the forms of easement and of LOU.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED**

[original signed by Myriam Seers]

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Crawford Smith and Myriam M. Seers  
Lawyers for Union Gas Limited

**ATTACHMENT**



**EB-2005-0550**

**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, pursuant to subsection 90(1), for an Order or Orders granting leave to construct natural gas pipeline and ancillary facilities in the Township of Strathroy-Caradoc in the Township of Middlesex Centre in the County of Middlesex.

**PROCEDURAL ORDER NO. 2  
ISSUES LIST AND REASONS**

An application dated December 20, 2005 (the "Application") has been filed by Union Gas Limited ("Union" or the "Applicant") with the Ontario Energy Board (the Board) under section 90 of the *Ontario Energy Board Act, 1998* seeking an Order or Orders of the Board granting leave to construct two sections of natural gas pipeline along with associated compressor station modifications. The Application has been assigned Board File No. EB-2005-0550.

The proposed facilities will be constructed, owned and operated by Union. Construction is planned to commence in Spring of 2007, and the pipeline will be in-service later that year.

The proposed facilities consist of approximately 18.1 kilometres of 48 inch diameter steel natural gas pipeline in the County of Middlesex. Union will install additional compression at Parkway, known as Parkway B.

The construction of the proposed pipeline will allow Union to increase the capacity of the Trafalgar gas transmission system to meet the increasing gas requirements for current and future customers.

The Board issued a Notice of Application (the “Notice”) on January 9, 2006. Union served and published the Notice as directed by the Board. The last date for intervention was January 30, 2006. The list of registered intervenors with the addresses and contact information is attached.

Pursuant to a Procedural Order No. 1 issued on February 10, 2006, an Issues Conference, involving Board Staff, Intervenors and Union, convened in Toronto to review a Draft Issues List, which was drafted by Board staff and sent to all parties on February 20, 2006. The purpose of the Issues Conference was to discuss the Draft Issues List and develop a Proposed Issues List for presentation to the Board. A Proposed Issues List was developed.

The Proposed Issues List was presented to the Board by staff counsel on March 1, 2006. The Board accepts this list of agreed issues.

GAPLO-Strathroy-Lobo (the “Landowner Group”), a group of landowners with properties along the proposed route, proposed two additional issues:

1. Does the compensation structure proposed by Union adequately provide for residual biophysical and socioeconomic effects which have not been avoided or mitigated?
2. Does this form of easement agreement (and the related LOU) satisfactorily provide for the avoidance, mitigation and/or compensation of biophysical and socioeconomic effects of the proposed pipeline construction and operation?

Union opposed the addition of these issues. In its view, matters of compensation, both the amount and the framework, are beyond the Board’s jurisdiction. Union pointed out that sections 98, 100, 102, and 103 of the *Ontario Energy Board Act 1998* (the “*OEB Act*”) are the only sections which refer to compensation in relation to hydrocarbon pipelines. Union further noted that all of these provisions stipulate that compensation will either be determined by agreement or through the provisions of the *Expropriations Act* and the Ontario Municipal Board (the “OMB”).

The Landowner Group argued that the compensation framework is a separate consideration from compensation amounts, and that while sections 98, 100, 102, and 103 refer compensation amounts to the OMB, the compensation structure could and should be addressed under section 97, which requires the Board to approve the form of agreement between Union and the landowners before granting leave to construct.

The Board does not agree with the Landowner Group. The Act does not distinguish between compensation framework and compensation amounts. In the Board's view, the references to compensation in sections 98, 100, 102, and 103 encompass compensation broadly, in other words both the framework and the amount, and therefore all compensation matters that are not resolved through agreement are to be determined under the *Expropriations Act* or by the OMB. There is no explicit reference to compensation in section 97, and the Board finds that no reference to compensation can be implied. (The same can be said for section 99 which addresses the Board's authority with respect to applications for expropriation.)

These provisions stand in contrast to the provisions related to storage compensation in section 38, where it is explicitly stated that the Board has jurisdiction over matters of compensation. The fact that this provision is clear and unequivocal supports our conclusion that the legislature intended a different approach in respect of compensation related to hydrocarbon pipeline construction, namely an approach grounded in the *Expropriations Act* and the authority of the OMB.

The Landowner Group also submitted that in addressing section 97, the Board should approve the form of the Letter of Understanding as well as the Easement Agreement. The Landowner Group further argued that in considering those agreements the Board must determine whether Union has complied with the provisions of the Board's *Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario* (the "*Environmental Guidelines*"), and in particular the provisions related to compensation for unmitigated cumulative impacts. Union, on the other hand, submitted that the Board only approves the form of the Easement Agreement, not the Letter of Understanding.

The Board finds that it does not have the authority to approve or not approve the Letter of Understanding. This agreement deals with compensation matters in great detail, both the framework and the amounts, and therefore is not appropriately included in the

Board's consideration of section 97, but rather is related to the other compensation-related provisions of Part VI.

The Board does agree that Union's compliance with the *Environmental Guidelines* is appropriately an issue in this proceeding. However, the Guidelines are not a code or a rule, and cannot supersede the *OEB Act*. If the Board does not have authority to deal with an issue under the *OEB Act*, the *Environmental Guidelines* cannot change that. The focus of the *Environmental Guidelines* is the identification of impacts and the analysis of appropriate mitigation strategies. This issue is before the Board and is included in the Issues List under Issues 9, 9.1, and 11.

In conclusion, the Board finds that issues related to compensation, both the framework and the amounts, are beyond the Board's jurisdiction and, therefore, we will not add the issues proposed by the Landowner Group to the Issues List.

The Issues List, as approved by the Board, is attached to this Decision and Order as Appendix A.

ISSUED at Toronto, March 3, 2006.

ONTARIO ENERGY BOARD

*Original signed by*

Peter H. O'Dell  
Assistant Board Secretary



**EB-2005-0550  
Union Gas Limited  
TFEP 2007**

**Appendix A**

**Board Approved Issues List**

**EB-2005-0550**  
**Union Gas Limited**  
**TFEP 2007**

**Issues List**

1. Is the need for the expansion supported by the awarded contracts?
2. Is the facility design appropriate for the forecast demand?
3. Is the need for the new compression capacity supported by the proposed expansion?
4. Are design specifications in accordance with the CSA safety and design requirements?
5. Did Union consider viable alternatives to the proposed expansion?
6. Is the proposed expansion economically feasible?
7. Are the estimated costs of the expansion reasonable?
8. What will be the impacts on Union's rate payers?
9. Has Union completed an environmental assessment and route selection including public review and the OPCC review according to the Board's environmental guidelines?
  - 9.1 In the context of the environmental assessment, has Union adequately identified and assess biophysical and socioeconomic cumulative impacts resulting from the construction of successive pipelines and the incremental increase of easement width?
10. Is the proposed pipeline route acceptable?
11. Are the proposed land restoration and construction impact mitigation measures acceptable?
12. Is the form of easement agreement offered to all directly affected landowners acceptable?
13. What is the status of the required permanent and temporary land rights?
14. Is Union committed to obtaining all permits required to construct, operate and maintain the proposed pipeline?