

Answers to Enbridge Questions

Answer to Enbridge Question #1:

Jim or James Babirad is the applicant and there is only one person of that name.
Theresa Anne Marie Babirad was Jim Babirad's wife.
Theresa Babirad was Jim Babirad's mother.

Answer to Enbridge Question #2:

Please see Attachment at the end of this document.

Answer to Enbridge Question #3:

As of the "Designation Date" the size of the property was 42 acres. In July of 1975 Jim Babirad and Theresa A.M. Babirad subdivided their property and sold 24 acres to Mike Lazowski. The current owners of the 24 acres are:

Derek Terelly
Daryl Terelly
3841 Miller Road
Port Colborne ON L3K 5V5

Terry Chupa spoke with the current owners by telephone in 2013 and wrote a memo to these owners on February 21, 2014. (Tab "S" in Enbridge's evidence submission)

The current owners have been aware of these proceedings from the very beginning. They fully support the application and assumed that whatever outcome applies to Mr Babirad will also apply to them. Derek and Daryl Terelly are fully aware and agree to the fact that Paul Babirad is representing their interests in this application. The current owners are willing to provide any document necessary in order to show their agreement of the current application.

At a settlement meeting with Enbridge on January 27th, 2015 Enbridge was again informed that Paul Babirad was negotiating on behalf of both Jim Babirad and Derek Terelly and Daryl Terelly.

Answer to Enbridge Question #4:

Please see Attachment at the end of this document.

Answer to Enbridge Question #5:

Mr Babirad confirms that he did receive the letter dated June 25 2013 from Terry Chupa. Mr Babirad did respond in writing on March 6, 2015 with a clarification of the memo in Mr Babirad's submission "Questions for Enbridge". As can be seen in the clarification, Mr Babirad does not agree with bullet points (1) and (2) from Terry Chupa's June 25, 2013 letter.

Answer to Enbridge Question #6:

Mr Babirad also does not agree with bullet point (4) in the "2013 Letter". The gas well (F014912) on the property was abandoned prior to Mr Babirad taking ownership in April 1957. Referencing Enbridge Submission Tab "F" OGSr library well records for F014912. Quoting from the Remarks section:

"Drilled as natural gas well (August 4/1953). Plugged in 1953 then recompleted in 1965 as an observation well for the "Crowland Storage Project"

It appears from the OGSr library well records that the well was drilled and abandoned in 1953. In December of 1965 the well was reopened and completed for observation. The well was plugged again on July 12, 1966 and remains plugged to this day.

No one from the Babirad family ever signed a P&NG lease. No one from the Babirad family ever received compensation related to gas well F014912.

Answer to Enbridge Question #7:

The source of all data presented relating to Ontario's storage reservoirs came from the Ontario Oil, Gas and Salt Resources Library (OGSR) in London, Ontario. Mr Jug Manocha of the Ministry of Natural Resources recommended the OGSR library as the best public source for data related to Ontario's natural gas storage reservoirs. The data and its source were disclosed to Enbridge at a settlement meeting held at 500 Consumers Road on January 27, 2015. Mr Guri Pannu, Mr Fred Cass and Mr Harold Brecht of Enbridge were present.

Answer to Enbridge Question #8:

The applicant does not agree with the changes that have been made by Enbridge. The applicant is unable to independently verify the accuracy of the revised numbers. The applicant is not suggesting that the revised data is inaccurate only that the applicant has no way of verifying the accuracy of the Enbridge data. The applicant utilized the best publicly available information regarding Ontario's natural gas storage reservoirs. Perhaps the Board would consider generating an independent, complete and accurate set of data relating to the capacity and deliverability of all of Ontario's natural gas storage reservoirs if a subset of the current set of data at the OGSR library is incorrect. This data could then be uploaded to the OGSR library database.

Answer to Enbridge Question #9:

The applicant is unable to confirm that the Edy's Mill Pool is integrated into Union's Lambton area storage system. The applicant does not understand what "integrated" means in the context of natural gas storage operations. From the applicant's perspective, "integrated" means connected and by definition all storage pools including the Crowland Pool must be connected to other pipelines in order to inject or withdraw natural gas and provide balancing services.

Answer to Enbridge Question #10:

See answer to Enbridge Question #9

Answer to Enbridge Question #11:

The applicant is not an expert as it relates to the operation of a natural gas storage reservoir.

However, the applicant does know that on September 6, 1977 The Consumers' Gas Company applied to the Minister of Natural Resources under The Petroleum Resources Act 1971 for permits to drill wells.

Quoting from the Report:

"By drilling the proposed wells the Applicant anticipates increasing deliverability of the pool from 35mmcf/day to 45mmcf/day. The turnover capacity of the pool, presently about 500mmcf should increase to about 1Bcf."

There must be value to having higher peak day deliverability for the Crowland Pool otherwise why would Enbridge drill more wells to increase the peak day deliverability? Whether this peak day deliverability is used for "cycling" so as to address market changes and opportunities or just servicing its franchise area customers is not the point. All other things being equal, higher peak day deliverability makes the storage reservoir more attractive.

The final point on this topic is that while the Crowland Pool may only be connected to the distribution system servicing the Niagara Region it is providing the storage services needed for these Enbridge customers. If the Crowland Pool did not exist then 300 mmcf of storage space within the "integrated" Dawn Hub would have to be devoted to servicing the storage needs of the Niagara Region. Because the Crowland Pool does exist 300 mmcf of storage space is "opened up" or "released" within Enbridge's "integrated" system in order to pursue all the revenue generating services provided by the Dawn Hub.

Answer to Enbridge Question #12:

The applicant confirms that no member of the Babirad family ever made any application for determination of compensation payable in respect of Crowland Pool storage rights until the filing of the current application in November 2014.

Mr Babirad negotiated with Consumers Gas about a storage rights lease agreement from 1962 to 1965. After several years of unsuccessful negotiations Consumers Gas suggested binding arbitration. Mr Babirad accepted binding arbitration as long as he was allowed to choose the arbitrator. Consumers Gas agreed. Once Mr Babirad revealed who he had chosen as his arbitrator Consumers Gas declined arbitration. The negotiations were abruptly ended by Consumers Gas.

Throughout these negotiations neither Consumers Gas nor the Ontario Energy Board made Mr Babirad aware of his right to seek “just and equitable” determination of compensation via the OEB Act Section 38(3).

Given that Consumers Gas refused binding arbitration and abruptly ended the storage rights lease negotiation and given that Mr Babirad was unaware of his right to seek “just and equitable” determination by the Board his only remaining option at that time was to hire a lawyer in order to pursue a valid storage rights lease agreement.

Mr Babirad calculated that the legal cost of further pursuit of an acceptable storage lease agreement with Consumers Gas significantly overwhelmed the benefit of achieving such an agreement at that time.

From June 1965 to June 2013 Consumers Gas/Enbridge never contacted Mr Babirad regarding renewing efforts to agree upon a valid storage lease agreement. In fact, Mr Babirad never received any communication about anything from anybody regarding the Crowland Pool since 1965 until Terry Chupa of Enbridge contacted Mr Babirad in 2013.

Why did Consumers Gas/Enbridge not have the necessary systems and internal controls in place from 1965 to 2013 in order to flag to the Company that Mr Babirad, or any other uncompensated landowner within an Enbridge storage pool, was not being compensated for their storage rights that were expropriated?

Indeed, when Mr Chupa called Mr Babirad on June 25, 2013 Mr Chupa started off the conversation by stating that he works for Enbridge and after going over Enbridge’s files he cannot understand why Enbridge has not been paying Mr Babirad compensation for storage rights over the past 50 years.

If Consumers Gas/Enbridge had contacted Mr Babirad at any time during the period from June 1965 to June 2013 to investigate the absence of compensation payments to Mr Babirad similar to what Mr Chupa did in 2013 then this issue would have been resolved a long time ago.

1957 - 1975

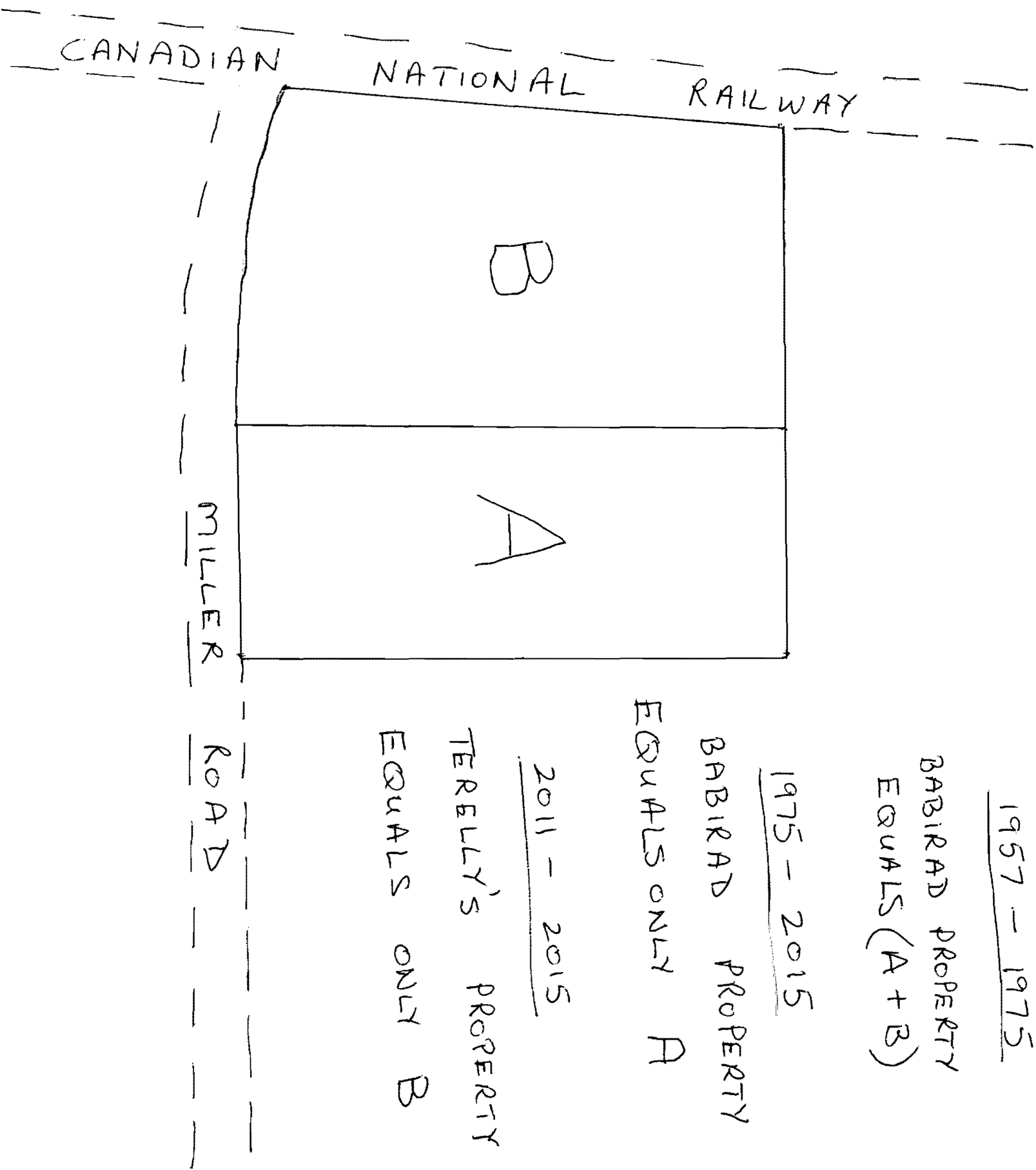
BABIRAD PROPERTY
EQUALS (A + B)

1975 - 2015

BABIRAD PROPERTY
EQUALS ONLY A

2011 - 2015

TERRELLY'S PROPERTY
EQUALS ONLY B



G. SMITH MACDONALD, B.A.

BARRISTER AND SOLICITOR

NOTARY PUBLIC

24 CHARLOTTE ST.
PHONE TEMPLE 4-3686

P.O. BOX 171,
PORT COLBORNE, ONT.

May 3rd, 1957.

Mr. and Mrs. James Babirad,
Port Colborne, Ontario.

Re: Purchase from Charles Kramer

Dear Mr. and Mrs. Babirad;

I have now completed the purchase of the Township of Humberstone property from Mr. Kramer having registered in your names, the title deeds, as joint tenants.

You have a good marketable title to this property, free of all encumbrances, in both your names, as joint tenants and not as tenants in common. I am enclosing Deed registered as No. 89606 for the Township of Humberstone, outlining the description of this property, to which I have attached the Sheriff's Certificate.

The description was prepared by Mr. Kramer, and under the circumstances was the best description that he was willing to give us, as he would not agree to having the property surveyed. However, as I explained to you, I have tied the measurements in with the Southern boundry of the Canadian National Railway lands and I think that this description is adequate at this time. Should you sub-divide your property or sell off any parts of this property, I advise you then to have the Surveyor mark it out and measure it for you.

I have also obtained from Mr. Kramer a Declaration that the Gas Lease dated 1930 against the property is no longer in force. I am enclosing this Declaration. I have not registered it on the title so would you please keep this carefully should any future questions arise.

This Declaration also states that Mr. Kramer has had quiet possession of the property since October 16, 1911 and that there are no taxes or any other charges owing against the property. As there is only one copy of this Declaration I wanted you to see it and if you like, for a very small registration fee, I can have it registered as a deposit on title at the Registry Office.

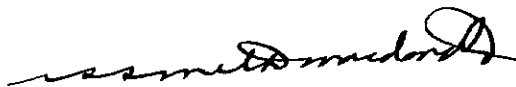
There is \$3,000.00 insurance on the barn and I have sent the Policy with the Bertie and Willoughby Farmers Mutual, to the head office at Ridgeway to have it transferred into your names. When it comes back I will either notify you or mail it to you.

You will notice by the Statement of Adjustments that the balance due to the Vendor was \$3,633.65. At the time of closing I gave Mr. Kramer's solicitor your written agreement concerning hay and other materials on the property, a copy of which I am enclosing. As a result of this undertaking, I succeeded in having the purchase price reduced by \$50.00, and therefore only paid to Mr. Kramer the amount of \$3,583.65.

I am enclosing a Statement showing the amount of money received from you and paid out, and my account which I have deducted from the balance on hand, and I am returning to you 12.00 which is the small credit balance on hand as shown.

I hope that I have settled this purchase for you satisfactorily and I appreciate your letting me handle this business on your behalf.

Yours truly,



G.S.M.-lm.

G. SMITH MACDONALD.

Enclosures.

SHERIFF'S CERTIFICATE

SHERIFF'S OFFICE

WELLAND

Nº 10565

I HEREBY CERTIFY that there are not any Writs of Execution or Extant in my hands up to date,
against the land and tenements of Charles A. Kramer

And that I have not sold any lands in the past six months under any Process whatever in which
the above named part 9 appeared as defendant.

Dated at Welland, this 1st day of May
A.D. 1957, at the hour of 3:15 o'clock P.m.

Searches.....
100

J. R. Harris
Sheriff, County of Welland.

Division of Canada

PROVINCE OF ONTARIO

COUNTY OF WELLAND

In the Matter of

Title of Part of Lot 16,
in the 4th Concession,
in the Township of Humberstone,
in the County of Welland

To Wit:

J,

CHARLES A. KRAMER

of the Township of Humberstone in the
County of Welland

Do Solemnly Declare, that

1. THAT I am the absolute owner of the within mentioned lands.
2. THAT the Gas Lease Registered #12457 dated 23rd June 1930 and registered on the 5th day of December 1930 in favour of W. C. Patterson has terminated and no renewal has been executed.
3. THAT there is no encumbrance or easement whatsoever affecting the said lands.
4. THAT, either personally or by my tenants, I have been in actual, peaceable, continuous, exclusive, visible, undisturbed, and undisputed, possession and occupation of the said lands, and of the houses and other buildings used in connection therewith, and every part thereof, since about October 16th, 1911.
5. All taxes, rates, assessments and other charges have been paid to and including 1956.
6. THAT I am of the full age of twenty-one years.
7. AND I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath, and by virtue of The Canada Evidence Act.

~~AND I make this solemn Declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.~~

Declared before me at the City

of Welland

in the County

of Welland

this 1st day of May

A.D., 1957.

A Commissioner, etc.

Charles A. Kramer

Dated May 1st A.D. 1957

In the matter of

Title of Part of Lot 16,
in the 4th Concession,
in the Township of
Humberstone,
in the County of Welland

Statutory Declaration

(Rev. Stat. of Canada 1906 Chap. 145, Sec. 39)

Newsome & Gilbert, Limited, Toronto

DAVID J. THOMAS,
Barrister &c.
26 Cross St.,
Welland, Ont. (BM)

This Indenture

made in duplicate the 24th day of April
in the year of our Lord one thousand nine hundred and Fifty-Seven
In pursuance of the Short Forms of Conveyances Act:
Between

CHARLES A. KRAMER, of the Township of Humberstone,
in the County of Welland, Widower,

hereinafter called the GRANTOR
OF THE FIRST PART:

- and -

JAMES BABIRAD, Process Labourer, INCO, and his wife,
THERESA BABIRAD, both of the Town of Port Colborne,
in the County of Welland, as joint tenants
and not as tenants in common,

hereinafter called the GRANTEEES
OF THE SECOND PART:

~~Whereof~~ that in consideration of

. THREE THOUSAND, EIGHT HUNDRED & FIFTY (\$3,850.00)

dollar \$ of

lawful money of Canada now paid by the said grantees to the said grantor (the receipt
whereof is hereby by him acknowledged) he the said grantor DO
GRANT and Convey unto the said grantees in fee simple as joint
tenants and not as tenants in common.

ALL and Singular that certain parcel or tract of land and premises, situate, lying and
being in the Township of Humberstone, in the County of Welland,
and being part of Lot 16, in the 4th Concession, more particularly
described as follows: COMMENCING at the north-east angle of
said Lot 16; THENCE southerly in and along the easterly limit
319'9" more or less to a point where the southern limit of the
Canadian National Railway (formerly the Great-West Railway Co.)
right-of-way intersects the eastern limit, which said point is
also the point of commencement for the hereinafter described
lands; THENCE continuing southerly in the said easterly limit

a distance of 1330'3" to a point; THENCE westerly parallel to the northern limit of said lot a distance of 20 chains more or less to a point in the said westerly limit; THENCE northerly in and along the said westerly limit 1407'3" more or less to a point where the southern limit of the Canadian National Railway (formerly the Great-West Railway Co.) right-of-way intersects the western limit; THENCE north-easterly 20 chains more or less to the point of commencement, ^{along said right-of-way}

James Babirad and Theresa Babirad
TO HAVE AND TO HOLD unto the said grantees/
~~her heirs and assigns forever~~ as joint tenants, and not
~~tenants in common~~ as tenants in common

SUBJECT NEVERTHELESS to the reservations, limitations, provisos and conditions expressed in the original grant thereof from the Crown.

The said grantor COVENANTS with the said grantee THAT he has the right to convey the said lands to the said grantees notwithstanding any act of the said grantor

AND that the said grantee shall have quiet possession of the said lands free from all encumbrances.

AND the said grantor COVENANT with the said grantee that he will execute such further assurances of the said lands as may be requisite.

AND the said grantor COVENANT with the said grantees that he has done no act to encumber the said lands.

AND the said grantor RELEASE to the said grantee ALL his claims upon the said lands.

IN WITNESS WHEREOF the said parties hereto have hereunto set their hands and seals.

Signed, sealed and delivered
IN THE PRESENCE OF

George H. Murray

Charles A. Brown

Affidavit, Land Transfer Tax Act
IN THE MATTER OF THE LAND TRANSFER TAX ACT.

PROVINCE OF ONTARIO
COUNTY OF
WELLAND

I, **CHARLES A. KRAMER**
of the Township of Humberstone
in the County of **Welland**

for the

To wit:

named in the within (or annexed) transfer make oath and say:

This affidavit may be made by the purchaser or vendor or by any one acting for them under power of attorney or by an agent accredited in writing by the purchaser or vendor or by the solicitor of either of them.

1. I am **the Grantor**
named in the within (or annexed) transfer.

2. I have a personal knowledge of the facts stated in this affidavit.

3. The true amount of the monies in cash and the value of any property or security included in the consideration is as follows:

(a) Monies paid in cash \$ **2,000.00**

(b) Property transferred in exchange;

Equity value \$ **nil**
Encumbrance \$ **nil**

(c) Securities transferred to the value of \$ **nil**

(d) Balances of existing encumbrances with interest owing at date of transfer \$ **nil**

(e) Monies secured by mortgage under this transaction \$ **1,850.00**

(f) Liens, legacies, annuities and maintenance charges to which transfer is

subject \$ **nil**

Total consideration \$ **3,850.00**

4. If consideration is nominal, is the transfer for natural love and affection? **-- --**
5. If so, what is the relationship between Grantor and Grantee? **-- --**
6. Other remarks and explanations, if necessary **-- --**

Sworn before me at the
City of **Welland**
in the County of **Welland**
this **30th**
day of **April**

A.D. 19 **57**

Charles A. Kramer
A Commissioner etc.

THE REGISTRY ACT

COUNTY OF
Welland

AFFIDAVIT AS TO MARRIAGE STATUS

TO WIT:

I, **CHARLES A. KRAMER**
in the within instrument named make oath and say:

THAT at the time of the execution and delivery by me of the within instrument I was
~~unmarried~~ [a widower], and of the full age of twenty-one years or

Strike out words and parts not applicable and initial

THAT at the time of the execution and delivery by me of the within instrument I was
legally married to **the person joining**
~~therein as my wife to her then dowry and was of the full age of twenty-one years or~~

THAT at the time of the execution and delivery of the within instrument I was legally
married to **the person named therein as**
~~my husband, and he was of the full age of twenty-one years.~~

SWORN before me at the City
of **Welland**
in the County of **Welland**
this **30th** day of **April**
A.D. 19 **57**.

Charles A. Kramer
A Commissioner for taking Affidavits, etc.

CANADA

Province of Ontario

COUNTY
WELLAND

BERYL MURRAY

of the Village of Donthill
in the County of Welland

To Wit:

Stenographer make oath and say:

1. That I was personally present and did see the within Instrument and a duplicate duly signed, sealed and executed by Charles A. Dramer

2. That the said Instrument and duplicate were executed by the said party. One of the parts thereof.

at the City of Welland
in the County of Welland

3. That I know the said party.

4. That I am a subscribing witness to the said Instrument and duplicate.

Subscribed before me at the City
of Welland
in the County
of Welland
this 30th day of April
A.D. 19 57.

Beryl Murray

[Signature]

A Commissioner for taking Affidavits, &c.

CHARLES A. DRAMER

JAMES BABIBAD

TO

Deed of Land
SITUATE

TOWNSHIP OF HUMBERSTONE

Newsome & Gilbert, Limited, Toronto

I certify that the within instrument is duly
Entered and Registered in the Registry Office
for the Registry Division of the County
of Welland, in Book for the
Township of Humberstone
at 3:18 o'clock P.M. of the 1 day of
MAY 1957 NUMBER 89606
REGISTRAR

DAVID J. THOMAS
BARRISTER, SOLICITOR, ETC.
WELLAND
ONTARIO

Dated APRIL 19 57

4.65
7.70
1.08

*Not to be used
for 171
for volume*