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May 12, 2015

BY EMAIL & COURIER

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge St, Suite 2701  
Toronto ON M4P 1E4

Dear Ms. Walli:

**Board File No. EB-2015-0120**  
**Union Gas Limited – Sudbury Expansion Project**  
**Energy Probe – Interrogatories to Applicant**

Pursuant to Procedural Order No. 1, issued April 24, 2015 attached please find the Interrogatories of Energy Probe Research Foundation (Energy Probe) to Union Gas Limited in the EB-2015-0120 proceeding.

Should you require additional information, please do not hesitate to contact me.

Yours truly,

David S. MacIntosh  
Case Manager

cc: Mark Murray, Union Gas Limited (By email)  
Chris Ripley, Union Gas Limited (By email)  
Roger Higgin, Consultant to Energy Probe (By email)  
Shelley Grice, Consultant to Energy Probe (By email)  
Parties of Interest (By email)

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**Energy Probe Research Foundation** 225 BRUNSWICK AVE., TORONTO, ONTARIO M5S 2M6

Phone: (416) 964-9223 Fax: (416) 964-8239 E-mail: [EnergyProbe@nextcity.com](mailto:EnergyProbe@nextcity.com) Internet: [www.EnergyProbe.org](http://www.EnergyProbe.org)

**Ontario Energy Board**

**Union Gas Limited**

**Application for leave to construct three natural gas pipelines to serve a mine site and the City of Greater Sudbury.**

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**Interrogatories of  
Energy Probe Research Foundation**

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**May 12, 2015**

## **UNION GAS LIMITED – SUDBURY EXPANSION PROJECT**

**Board File No. EB-2015-0120**

### **Interrogatories of Energy Probe Research Foundation**

#### **Energy Probe-IR #1**

Ref: Evidence Page 1, Paragraph 2

Please discuss the current status of Union's Distribution Contract with FNX Victoria Mine for the proposed facilities and identify any key issues that could impact i) negotiations and ii) the project schedule.

#### **Energy Probe-IR #2**

Ref: Evidence Page 1, Paragraph 3

Please explain and discuss further the growth over the past several years and forecast growth related to residential, commercial and industrial segments on the Sudbury system.

#### **Energy Probe-IR #3**

Ref: Evidence Page 12, Paragraph 49

- a) Please provide the anticipated metres of bedrock along the proposed route.
- b) Please provide Union's assumptions regarding the percentage of bedrock that will require blasting compared to mechanical removal.
- c) Please compare mechanical removal costs per metre to blasting.

#### **Energy Probe-IR #4**

Ref: Evidence Page 13, Paragraph 50

Construction of the Proposed Facilities is expected to begin in July 2015 with in-service dates for the pipeline serving the FNX Victoria Mine of September 2015 and in-service dates for the other facilities of December 2015.

- a) In Union's view, which issues pose the largest threat to the existing schedule and project costs?
- b) Please confirm the party that will undertake the construction work.

#### **Energy Probe-IR #5**

Ref: Evidence Page 15, Paragraph 62

The evidence indicates a copy of the EPP was submitted to the Ontario Pipeline Coordination Committee (OPCC) on March 11, 2015 and copies were also sent to local municipalities, the Conservation Sudbury, First Nations, Metis and upon request, to interested parties. A summary of the comments and Union's response to concerns from agencies and interested parties will be filed, when received, as Schedule 15.

- a) Please confirm when Union expects to have comments back from the OPCC and the other agencies and interested parties listed.
- b) Please identify any issues raised by the parties to date.

#### **Energy Probe-IR #6**

Ref: Evidence Page 16, Paragraph 68

- a) Please confirm the portion of the pipeline that will be constructed within Union's existing easement and the portion of the pipeline that will be constructed in the new easement.
- b) Please explain the need for the temporary lands required along the route of the proposed facilities.

### **Energy Probe-IR #7**

Ref: Evidence Page 17, Paragraph 73

Union has met or spoken with all of the directly affected landowners along the Proposed Facilities route.

- a) Please confirm the number of directly affected landowners along each route.
- b) Please discuss any issues and/or concerns raised by the directly affected landowners and Union's response.
- c) Please discuss any project refinements as a result of landowner consultations.
- d) Please discuss if there are any outstanding landowner matters.

### **Energy Probe-IR #8**

Ref: Evidence Page 19, Paragraph 79

Union indicates it has implemented a comprehensive program to provide landowners, tenants and other interested persons with information regarding the Proposed Facilities.

- a) Please provide details of Union's comprehensive program and how it plans to keep residents informed of the project plans, construction and mitigation activities.
- b) Please outline Union's Plan to provide its consultation notes as part of the public record in this proceeding.

### **Energy Probe-IR #9**

Ref: Evidence Page 20, Paragraph 85

- a) Please provide a copy of the letter regarding the Project that was provided to First Nations and Metis organizations.
- b) Please discuss if Union has met with any First Nations and Metis organizations to date. If not, why not?

- c) Please provide a summary of any issues and/or concerns raised by First Nations and Metis organizations to date and Union's response.
- d) Please discuss any project refinements as a result of any consultations.
- e) Please provide Union's future plan to meet with First Nations and Metis organizations pre construction.

#### **Energy Probe-IR #10**

Ref: Evidence Page 21, Paragraph 88

Please provide the status of the archaeological assessments for the project and the estimated date of completion.

#### **Energy Probe-IR #11**

Ref: Evidence Schedule 4, Pipeline Costs

The construction and labour costs per metre to lay NPS 10 is approximately 80% more than the cost to lay NPS 6. Please explain.

#### **Energy Probe-IR #12**

Ref: Evidence Schedule 5, Station Capital Costs

The contingencies for Stations Capital Costs are approximately 10% whereas the contingencies for Pipeline Costs are 15%. Please explain.

#### **Energy Probe-IR #13**

Ref: (1) Evidence Page 9, Paragraph 40 & (2) Schedule 7

- a) Ref 1: Please provide the PI calculation estimated to be at 1.20 and 1.41, respectively.
- b) Ref 2: Please provide references and discuss the derivation of the Discount Rate of 5.28% and Change in Working Capital of 5.0513% applied to O&M.