

UNION GAS LIMITED – SUDBURY EXPANSION PROJECT

EB-2015-0120

ONTARIO ENERGY BOARD (OEB) STAFF INTERROGATORIES

Interrogatory #1

Ref: Evidence Page 2 of 21, paragraph 7

Union plans to construct the proposed facilities during the summer 2015 season in order to construct the pipeline during favourable weather conditions. Therefore, Union requests the timely approval of this application by July 2015.

What would be the consequences if the application is approved in August or September 2015?

Interrogatory #2

Ref: Evidence Page 8 of 21, paragraph 32

In its evidence, Union has indicated that a portion of the proposed project estimated at \$4.2 million is attributed to system reinforcement and general service growth in the City of Greater Sudbury.

- a) Is Union aware of any future large industrial or mining projects that could lead to further constraints in the distribution system after the proposed project is completed and in service?
- b) If yes, please provide a detailed response including timelines and Union's approach to dealing with future system constraints.

Interrogatory #3

Ref: Evidence Page 9 of 21, paragraph 37

Union Gas Limited (Union) has indicated that a capital contribution of \$4.7 million will be required to serve the FNX Victoria Mine.

- a) Will there be an impact on the capital contribution to be paid by FNX Victoria Mine in case of the project being over budget due to a delay in completion or some other reason?
- b) If yes, please explain how the additional costs will impact the capital contribution amount to be paid by FNX Victoria Mine.

Interrogatory #4

Ref: Evidence Page 11 of 21, paragraph 45

Union has noted that in 2000, it replaced the pipeline between Frood and Azilda with an NPS 12 pipeline adjacent to the existing pipeline. Union abandoned the existing pipeline in place.

Why did Union abandon the existing pipeline?

Interrogatory #5

Ref: Schedule 2

In the letter of support from FNX Victoria Mine, it is stated that the mining company is presently negotiating with Union Gas for a supply contract that will be signed no later than May 2015.

Please confirm whether Union has entered into a supply contract with FNX Victoria Mine. If the contract has not been entered into, please provide the estimated timeline for entering into a contract with the mining company.

Interrogatory #6

Ref: Evidence page 15, paragraph 62

According to Union, an Environmental Protection Plan (EPP) has been submitted to the Ontario Pipeline Coordinating Committee (OPCC), local municipalities, the Conservation Sudbury, First Nations and Metis. Union stated that a summary of

comments from these parties and Union's responses will be filed when received as Schedule 15.

Please file a summary of comments and concerns received to date and Union's responses and planned actions to mitigate each of the issues and address each of the concerns.

Interrogatory #7

Ref: Evidence page 17, paragraph 71

Union has indicated that it will have to acquire crossing permits or agreements with the Municipalities, Conservation Sudbury, railways and other utilities along the proposed pipelines.

What is the status of the permits and agreements Union needs to complete the construction of the project?

Interrogatory #8

Ref: Evidence page 17, paragraph 74

For the location of the Frood to LaSalle Road section of the pipeline Union needs permanent and temporary land rights for permanent easement from Vale Canada Limited.

Please describe the prospects of acquiring all of the permanent and temporary land rights from Vale Canada Limited in time to adhere to the planned construction schedule for the pipeline.

Interrogatory #9

Ref: Evidence page 20, paragraphs 85 and 86

Regarding First Nations and Metis Nations consultation, Union indicated that it notified by letter First Nations potentially affected by the project. Union also stated that it would continue to consult with the First Nations and Metis organizations.

Please provide an update on Aboriginal consultation undertaken since the application was filed. Identify any concerns raised in the consultation and describe how is Union planning to address the concerns raised by First Nations and Metis affected by the proposed project.

Interrogatory #10

Ref: Evidence page 1, paragraph 1

Union applied for OEB order for leave to construct facilities-under section 90(1) of the OEB Act.

If Union does not agree to any of the draft conditions of approval noted below, please identify the specific conditions that Union disagrees with and explain why.

For conditions that Union does not accept or would like to recommend minor changes, please provide the proposed changes.

Draft

Leave to Construct Conditions of Approval Application under Sections 90 of the OEB Act

Union Gas Limited

EB-2015-0120

- 1 Union Gas Limited (Union) shall construct the facilities and restore the
land in accordance with the Board's Decision and Order in EB-2015-

0120 and these Conditions of Approval.

- 2 (a) Authorization for leave to construct shall terminate 12 months after the decision is issued, unless construction has commenced prior to that date.

(b) Union shall give the Board notice in writing:

- i. of the commencement of construction, at least ten days prior to the date construction commences;
 - ii. of the planned in-service date, at least ten days prior to the date the facilities go into service;
 - iii. of the date on which construction was completed, no later than 10 days following the completion of construction; and
 - iv. of the in-service date, no later than 10 days after the facilities go into service.
- 3 Union shall implement all the recommendations of the Environmental Report filed in the proceeding, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee review.
- 4 Union shall advise the Board of any proposed change to Board-approved construction or restoration procedures. Except in an emergency, Union shall not make any such change without prior notice to and written approval of the Board. In the event of an emergency, the Board shall be informed immediately after the fact.
- 5 Union shall file, in the proceeding where the actual capital costs of the project are proposed to be included in rate base, a Post Construction Financial Report, which shall indicate the actual capital costs of the project and shall provide an explanation for any significant variances from the cost estimates filed in this proceeding.

- 6 Both during and after construction, Union shall monitor the impacts of construction, and shall file with the Board one paper copy and one electronic (searchable PDF) version of each of the following reports:

a) a post construction report, within three months of the in-service date, which shall:

- i. provide a certification, by a senior executive of the company, of Union's adherence to Condition 1;
- ii. describe any impacts and outstanding concerns identified during construction;
- iii. describe the actions taken or planned to be taken to prevent or mitigate any identified impacts of construction;
- iv. include a log of all complaints received by Union, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions; and
- v. provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licences, and certificates required to construct, operate and maintain the proposed project.

b) a final monitoring report, no later than fifteen months after the in-service date, or, where the deadline falls between December 1 and May 31, the following June 1, which shall:

- i. provide a certification, by a senior executive of the company, of Union's adherence to Condition 3;
- ii. describe the condition of any rehabilitated land;
- iii. describe the effectiveness of any actions taken to prevent or mitigate any identified impacts of construction;
- iv. include the results of analyses and monitoring programs and any recommendations arising therefrom; and

- v. include a log of all complaints received by Union, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions.