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Our File # 339583-000193

By electronic filing

May 29, 2015

Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street, 27<sup>th</sup> floor Toronto, ON M4P 1E4

Dear Ms. Walli

Re:

Union Gas Limited ("Union")

**Burlington Oakville Pipeline** 

Board File #:

EB-2014-0182

We are writing to alert the Board to the likelihood that Ontario Greenhouse Vegetable Growers ("OGVG") and Canadian Manufacturers & Exporters ("CME") will collectively be seeking an extension of the June 4, 2015 intervenor evidence filing deadline specified in Procedural Order No. 3 dated May 13, 2015.

The need for this likely deadline extension arises because of Union's refusal at the Technical Conference to undertake to make inquiries of TransCanada PipeLines Limited ("TCPL") about its ability to use its existing and evolving facilities to provide Union with what it needs to continue to serve the communities of Burlington and Oakville. TCPL did not provide any information at the Technical Conference about this issue.

Absent the provision of such information from either Union or TCPL, OGVG and CME have asked Aggie Cheung, P.Eng., an expert in these matters, to help them assess the non-build solutions available to Union from TCPL. A copy of Ms. Cheung's CV is enclosed.

Ms. Cheung is in the midst of assessing publicly available information related to an application by TCPL under section 58 of the *National Energy Board Act* ("*NEB Act*") for approval of facilities to reverse the flow and increase the capacity on its domestic line. TCPL's section 58 application is entitled the "Greater Golden Horseshoe Facilities Project".



Ms. Cheung is reviewing this information in consultation with Mr. Quinn in an attempt to identify and evaluate whether a non-build alternative to the Burlington to Oakville Pipeline is available to Union under the auspices of a tariff service from TCPL.

We will know more about this alternative next week when Ms. Cheung has completed her review of this information.

If Ms. Cheung advises us that a cheaper non-build alternative likely exists, then our plan is to describe that alternative in a document which we will then present to Union and TCPL for their comments.

Union is obliged to lead evidence on alternatives to the pipeline project which it asks the Board to approve in this proceeding.

We are hopeful that the expert assistance Ms. Cheung is providing will prompt Union and TCPL to submit pre-filed evidence which addresses any non-build alternative that she identifies.

We appreciate that a request for an extension of the evidence filing date could cause some slippage in the currently estimated date for the release of a final decision in this case. However, such a delay will not be prejudicial because, in its evidence, Union acknowledges that its existing arrangements can accommodate an in-service date for its proposed pipeline of November 2017.

The additional time needed to ensure that the pipeline build Union proposes, rather than the no-build alternative, is in the public interest will not compromise Union's ability to provide service to Burlington and Oakville.

Either Mr. Quinn or someone from this office will provide an update on this issue next week as soon as we hear from Ms. Cheung.

Yours very truly

Vincent J. DeRose

enclosure

Vanessa Innis (Union)

Charles Keizer (Torys LLP)

It Rose per PX

Dwayne Quinn (OGVG)

Intervenors EB-2014-0182

Paul Clipsham and Ian Shaw (CME)

OTT01: 7024131: v1

# A.S. Cheung P.Eng.

A multi-faceted, resourceful, bottom line focused individual with over 30 years' experience in numerous aspects of the natural resource industry. An expert in regulatory and rate matters.

## **Skills**

#### Regulatory

- Provided consulting services to stakeholders of TransCanada PipeLines, ENMAX, Langdon Waterworks, Nevada Power Company and Sierra Pacific Power Company before the National Energy Board, Alberta Energy and Utilities Board/Alberta Utilities Commission and Nevada Public Utilities Commission. Services included participation and recommendation of positions during the negotiation phase; analysis and critique of applications for the purposes of developing expert evidence and final arguments; preparation of information requests, expert evidences and testimony, cross examination questions and final arguments; and developing and conducting witness preparation.
- Directed and prepared a general rate application for 2014 and 2015 for Langdon Waterworks in Alberta. The GRA was submitted to the AUC in March 2014.
- Provided comments on whether a pipeline under National Energy Board jurisdiction can recover future abandonment costs in its current tolls to Canadian Alliance of Pipeline Landowners' Association. The report was submitted as evidence to the NEB.
- Directed the successful execution of several major facilities applications to the National Energy Board including justification of the new pipeline and compression facilities, presentation to interested parties, preparation of the application, responses to information requests, oral testimony and final argument. Applied-for facilities were approved with minimal conditions.

### Analytic

- Analyzed various pipeline configurations to bring Arctic gas to market for the Aboriginal Pipeline Group. The analysis included designing the high pressure natural gas transmission systems, developing a rough capital cost estimate, determining the cost of service and tolls for several volume scenarios.
- Analyzed the potential cost savings through the direct purchase of natural gas in several provinces for Public Works and Government Services Canada.
- Undertook analysis of Langdon Water Works' 2004-2006 rate application to the Alberta Energy and Utilities Board for the purposes of developing positions to be taken by the resident group and preparing written evidence, testimony and final argument.
- Undertook analysis of the Mackenzie Valley Project applications to the National Energy Board for the purposes of developing scenarios and preparing written evidence in support of Sahdae Energy Ltd's position.
- Undertook analyses of ENMAX's Regulated Rate Tariff and/or Distribution Tariff
  applications before Calgary's Electrical Utility Regulation Committee and the Alberta
  Energy and Utilities Board for the purposes of developing and supporting the positions
  taken by the City of Calgary.
- Undertook analyses of the fuel and power purchases of Nevada Power Company and Sierra Pacific Power Company for the purposes of developing and supporting the positions taken by the expert witnesses representing the Regulatory Operations Staff of the Nevada Public Utilities Commission.
- Undertook analyses of different aspects of TransCanada Pipelines tolls and tariff applications before the National Energy Board as required by clients.

#### Employment

## 2000 to Present Independent Consultant

Clients List: Gaz Metropolitain, TransCanada Energy Ltd., TransCanada PipeLines Limited, Canadian Association of Petroleum Producers, B.C. Gas, Calgary Health Region, El Paso. PG&E. City of Calgary, Acres Parsons E&C (TransAlta, ENMAX, Petro-Canada), Nevada Public Utilities Commission, Sahdae Energy, Deline Lands Corporation, Voluntary Steering Committee of the community of Langdon, Alberta, EnCana Corporation, Hatch Energy, Petro-Canada, ENMAX, BP Energy Company, Canadian Alliance of Pipeline Landowners' Association, NWT Energy Corporation, Public Works and Government Services Canada, Swan Hills Synfuels L.P., TransAlta Corporation, Mackenzie Valley Aboriginal Pipeline L.P., BowMont Capital & Advisory, Alberta Health Services and Langdon Waterworks.

1999 to 2000

Calgary Health Region, Energy Advisor

(1-year half-time volunteer position)

1981 to 1999

TransCanada PipeLines Limited

1997 to 1999, Director, Health, Safety & Environment

1995 to 1997, Senior Manager, Transportation Planning & Development

1993 to 1995, Senior Manager, Transportation Planning

1992 to 1993, Manager, Evaluations

1991 to 1992, Manager, Pipeline Systems Analysis

1990 to 1991, Assistant Manager, Pipeline Systems Analysis

1989 to 1990, Supervisor, Special Projects

1987 to 1989, Engineer II to Supervising Engineer, Facilities Planning

1985 to 1987, Engineer II, Pipeline Cost Analysis

1984 to 1985, Engineer I to Engineer II, Facilities Planning

1981 to 1984, Graduate Engineer to Engineer I, Energy Projects

## Education

1977 - 1981

University of Toronto

# **Bachelors of Applied Science**

Chemical Engineering

1984 - 1991Society of Management Accountants

Completed all the Certified Management Accountant courses on a part time basis. Did not obtain accreditation because the courses were taken to enrich personal understanding.