

June 2, 2015

COURIER, EMAIL AND RESS

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: EB-2014-0182 – Union Gas Limited (“Union”) – Burlington Oakville Pipeline Project – Response to OGVG and CME Letter

We are legal counsel to Union in this matter. Union is in receipt of a letter from Ontario Greenhouse Vegetable Growers (“OGVG”) and Canadian Manufacturers & Exporters (“CME”) dated May 29, 2015. The letter indicates that CME and OGVG may request an extension to the intervenor evidence filing deadline set out in Procedural Order No. 3 in this proceeding. Apparently, the potential delay is due to OGVG and CME asking a consultant to help them assess non-build solutions that might be available to Union from TCPL as alternatives to the Burlington Oakville Pipeline Project (the “Proposed Project”).

Contrary to the assertion made by OGVG and CME, Union fully clarified alternatives related to TCPL’s ability to provide service to Union for purposes of serving Oakville and Burlington. In fact, non-build commercial services from TCPL have already been fully incorporated into Union’s assumptions as Union has clearly stated that it has assumed that TCPL can provide the service and has factored that into its alternatives analysis. Witnesses responded to extensive questioning in this regard during the Technical Conference held on May 21, 2015. As such, there is no reason for a delay in the procedural timeline. However, should the Board determine a delay is necessary, it should be minimal.

In respect of the foregoing, in the Technical Conference, starting at page 5, line 1 of the transcript, Mr. Isherwood states that Union’s evidence and interrogatory responses assume that TransCanada PipeLines (“TCPL”) can provide a service which would be an alternative to the proposed project. He then states that in comparison to the five commercial alternatives Union assessed,

“the proposed project has an NPV benefit of 48.7 million relative to the best commercial alternative, and that alternative was using TCPL services to fill the current need, replacement of the exchange, and plus future growth, all through TCPL services.”

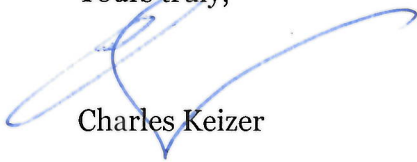
In their letter, OGVG and CME make reference to a TCPL application before the National Energy Board. This TCPL application was also referenced at the Technical Conference. When

considering the suggestion that Union could contract with TCPL from Niagara to Union ECDA, Mr. Isherwood states:

"the path from Niagara to Parkway is limited to 200 a day. That's what TCPL could do at an economic threshold. Any volumes above 200 would need to go to Kirkwall and Kirkwall to Parkway, so Enbridge has taken the 200. That's basically a full line at this point in time. Any future growth would have to go back to Kirkwall and through Parkway." (page 133, lines 22 to 28)

Union also notes that contrary to OGVG and CME's claim, Union's existing arrangements cannot accommodate an in-service date of November 2017. As Union states in its response to Exhibit B.BOMA.7, the combined capacity of the existing Union pipelines and the current contracts with Union CDA delivery points falls short of the 2016/2017 design day demand on the Burlington Oakville System.

Yours truly,



Charles Keizer

CK/

cc (by email): Zora Crnojacki, Board Staff
Mark Kitchen, Union
All Intervenors (IB-2014-0182)