



uniongas

A Spectra Energy Company

July 27, 2015

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

Dear Ms. Walli:

**Re: Natural Resource Gas
Franchise Agreement with Township of Malahide
Board File No. EB-2015-0205**

Union Gas Limited (“Union”) has been notified that Natural Resource Gas (“NRG”) has submitted an application to the Ontario Energy Board seeking approval of a proposed franchise agreement with the Township of Malahide. While Union does not have a concern with respect to the Malahide franchise agreement, there are issues of overlapping rights associated with the County of Elgin Certificate of Public Convenience and Necessity identified in NRG’s Application.

The County of Elgin consists of the Town of Aylmer, the Municipality of Bayham, the Municipality of Central Elgin, the Municipality of Dutton/Dunwich, the Municipality of West Elgin, the Township of Malahide and the Township of Southwold. The City of St. Thomas is geographically within the boundaries of the County of Elgin and part of the Elgin census division, but is separated from county administration.

NRG notes in its Application that it has a Certificate of Public Convenience and Necessity (E.B.C. 212) granting it the right to construct works to supply gas and to supply gas in the County of Elgin. NRG’s Application indicates in paragraph 7 that the E.B.C. 212 Certificate was issued February 17, 1994, but Appendix F to NRG’s application correctly indicates that the E.B.C. 212 Certificate was issued February 9, 1996 after an oral hearing on the application.

Union also has a Certificate of Public Convenience and Necessity for the County of Elgin (F.B.C. 259, issued June 10, 1958) which was issued 38 years prior to the E.B.C. 212 Certificate issued to NRG. Union currently has a significant level of assets in place along County of Elgin roads related to the F.B.C. 259 certificate.

Union’s understanding is that NRG has limited facilities on County of Elgin roads related to the E.B.C. 212 certificate and we question why overlapping certificate rights are currently in place when the granting of a Certificate of Public Convenience and Necessity provides geographically exclusive rights to supply gas and to expand gas service within a specific area.

Union is concerned that NRG's unlimited E.B.C. 212 Certificate of Public Convenience and Necessity for the County of Elgin may directly interfere and be in conflict with Union's F.B.C. 259 Certificate. Union asks that the Board direct NRG to identify specifically where they have assets on County of Elgin roads so that their related E.B.C. 212 Certificate can be limited in this regard.

Should you have any questions, please do not hesitate to contact me.

Yours truly,

[Original signed by]

Patrick McMahon
Manager, Regulatory Research and Records
pmcmahon@uniongas.com
(519) 436-5325

c.c. (email only): Patrick Welsh, Osler, Hoskin & Harcourt LLP
Michelle Casavecchia-Somers, Township of Malahide