

November 4, 2015

BY RESS & Courier

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
Toronto, Ontario  
M4P 1E4

Dear Ms. Walli:

**Re: Union Gas Limited (“Union”)  
2016 Storage Enhancement Project  
Board File # EB-2015-0250**

Further to the interrogatories received in the above noted matter, please find attached two copies of Union’s responses.

Sincerely,

*[original signed by]*

Shelley Bechard  
Administrative Analyst, Regulatory Projects

Encl.

cc: Pascale Duguay, Ontario Energy Board  
Zora Crnojacki, Ontario Energy Board OPCC  
Andrew Mandyam, Enbridge Gas Distribution Inc.  
Tania Persad, Enbridge Gas Distribution Inc.

UNION GAS LIMITED

Application for approval to increase the operating pressures  
in certain of its natural gas storage pools.

Answers to Interrogatories from  
Board Staff

Interrogatory 1

Ref: Evidence pages 1-2, paragraphs 3, 4, 5, 9

Preamble:

Union filed an application for the OEB to vary certain conditions related to maximum operating pressure of three pools: Bentpath East Pool (EB-2009-0144), Booth Creek Pool (EBO 207) and Mandaumin Pool (RP-1999-0047). The conditions of approval of Booth Creek Pool and Mandaumin Pool state that a leave of the OEB is required for Union to increase the maximum operating pressure of the pools and that Union shall file with the OEB engineering, geological and economic studies in support of any leave application. The condition of approval for Bentpath East Pool requires Union to file engineering and geological studies but not an economic study.

Union's evidence includes engineering and geological studies for all three pools but no economic studies.

Questions:

- a) Please explain the rationale for not including the economic information, as required by the original conditions of approval for Booth Creek Pool and Mandaumin Pool.
- b) For each of the three pools, please provide itemized and total estimated construction and operational costs for increasing the operating pressure.
- c) How will these costs be tracked and recovered by Union?

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**Response:**

Union did not include any information on the costs or economics for the project as this project will form part of Union's unregulated storage business. Since the Natural Gas Electricity Interface Review ("NGEIR") EB-2005-0551, Union has not been required to file cost or economic information for unregulated storage projects. Union's ratepayers will not incur any rate impacts as a result of the 2016 Storage Enhancement Project.

Interrogatory 2

Ref: Evidence, pages 2-3, paragraph 9

Preamble:

Engineering and geological studies are completed by Geofirma Engineering. Union stated that it provided these studies to the Ministry of Natural Resources and Forestry (MNRF) for review.

Questions:

- a) Regarding the engineering and geological studies filed with the MNRF please describe the process and status of MNRF's review.
  - b) Please file any documentation issued by the MNRF confirming that the studies have been completed to the satisfaction of the MNRF and in compliance to the CSA 341.1-14 requirements.
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**Response:**

On July 29, 2015 Union met with representatives of the Ministry of Natural Resources and Forestry ("MNRF") to discuss the 2016 Storage Enhancement Project. At that meeting, Union provided an overview of the proposed 2016 Delta Pressuring Program, and identified the storage pools that are to be delta pressured in 2016. Union also provided the MNRF with: Delta Pressuring Study Modeling Reports; Assessment of Neighbouring Activities Reports; and a "What If" Analysis of Hazards and Operability Issues Report for each of the Storage Pools proposed to be Delta Pressured in 2016.

Since the July meeting, Union has discussed the project with MNRF and no new concerns from MNRF have been identified.

Attached is Schedule 1 MNRF's position on Union's 2016 Storage Enhancement Project.

**From:** Manocha, Jug (MNRF)  
**Sent:** November-04-15 4:07 PM  
**To:** [Zora.Crnojacki](#)  
**Cc:** Kappos, Demetrius (MNRF); Pardy, Steve; Pineo, Sherry (MNRF)  
**Subject:** RE: EB-2015-0250 -- Union Gas 2016 Storage Enhancement Project - Amendment  
November 4, 2014

Good Afternoon Zora,

Please note that MNRF supports the Unions Gas submission to place the condition of restricting the operation of Mandaumin Pool to 16.5 kPa/m (0.73 psi/ft) until further Engineering and Geological studies are filed.

Jug Manocha, P.Eng.  
Operations Engineer  
Petroleum Operations Section  
Ministry of Natural Resources & Forestry  
659 Exeter Road, London, ON  
N6E 1L3

**From:** Manocha, Jug (MNRF)  
**Sent:** November 4, 2015 4:00 PM  
**To:** [Zora.Crnojacki](#)  
**Cc:** Kappos, Demetrius (MNRF); 'Pardy, Steve'; Pineo, Sherry (MNRF)  
**Subject:** EB-2015-0250 -- Union Gas 2016 Storage Enhancement Project

Good Afternoon Zora,

This e-mail is to confirm that MNRF received the information packages on July 29, 2015 for Bentpath East Pool, Booth Creek Pool, and Dawn 59-85 Pool and Mandaumin Pool Storage Enhancements for 2016 Storage Enhancement Project.

The information provided to the MNRF consisted of:

- Assessment of Neighbouring Activities – Union Gas Limited
- What if Analysis of Hazards and Operability Issues UGM engineering / Union Gas Limited
- Delta Pressuring Study Modeling Report – Gefirma Engineering Ltd.

This information has been reviewed by the MNRF engineering and geological staff. MNRF is satisfied that the applicant, Union Gas Limited, provided the technical information to increase delta pressure to 0.76 psi per foot. This increase is within the requirements of CSA Z341-Storage of Hydrocarbons in Underground Formations Standard.

If you require any additional information, please let us know.

Jug Manocha, P.Eng.  
Operations Engineer  
Petroleum Operations Section  
Ministry of Natural Resources & Forestry  
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