



**EB-2015-0179**

## **Union Gas Limited**

### **Application for approval to expand natural gas service to certain rural and remote communities in Ontario; for certain exemptions to meet revenue recovery requirements that apply to pipeline projects and approval to construct facilities to serve the communities of Milverton, Prince Township and the Chippewas of Kettle and Stony Point and Lambton Shores**

#### **PROCEDURAL ORDER NO. 3 December 10, 2015**

Union Gas Limited (Union) filed an application with the Ontario Energy Board (OEB) on July 23, 2015, seeking approval to provide natural gas service to certain rural and remote communities in Ontario. Union has also proposed changes to how it recovers revenues to meet the investments required, including a proposal to collect a surcharge from new customers and a proposal to collect a contribution from the municipalities of the new communities. Union is also seeking a change to the financial viability tests established by the OEB for natural gas distribution system expansion (E.B.O. 188) which would result in existing Union customers paying a portion of the costs to serve the new communities.

Union has indicated that under its proposal, it can complete approximately 30 projects to provide natural gas service to 20,000 homes and businesses in 34 communities at an estimated cost of \$150 million. In this application, Union has identified five specific projects for which it is seeking rate recovery under section 36 of the *Ontario Energy Board Act, 1998*. The five projects will provide service to the communities of Milverton, Prince Township, Chippewas of Kettle and Stony Point First Nation and Lambton Shores, Walpole Island First Nation and Delaware Nation of Moraviantown.

Of the five communities identified above for expansion, Union is seeking approval to construct facilities under section 90(1) of the *Ontario Energy Board Act* for the communities of Milverton, Prince Township and the Chippewas of Kettle and Stony Point First Nation and Lambton Shores.

In Procedural Order No. 2 issued on November 30, 2015, the OEB set timelines for a Pre-Hearing Day, oral examination and final arguments on the funding aspect of the application. The OEB also directed parties that wished to file evidence, to notify the OEB of their intent and provide a description of the nature of the evidence by December 7, 2015.

Four parties (Epcor Utilities Inc., Enbridge Gas Distribution Inc., Northeast Midstream LP and the Canadian Propane Association) filed letters informing the Board of their intent to file evidence in the proceeding.

The OEB considers it necessary to make provision for the following matters related to this proceeding. The OEB may issue further procedural orders from time to time.

#### **IT IS ORDERED THAT:**

1. Parties that have informed the OEB of their intention to file evidence in the proceeding must file a detailed description of the evidence on or before **December 16, 2015**. Parties must also be prepared to explain the intended purpose and objective of the intervenor evidence, and scheduling matters related to that evidence, on the Pre-Hearing Day scheduled for December 18, 2015.

All filings to the OEB must quote the file number, EB-2015-0179 and be made electronically in searchable / unrestricted PDF format through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>. Two paper copies must also be filed. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <http://www.ontarioenergyboard.ca/OEB/Industry>. If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

**ADDRESS**

Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27th Floor  
Toronto ON M4P 1E4  
Attention: Board Secretary

E-mail: [boardsec@ontarioenergyboard.ca](mailto:boardsec@ontarioenergyboard.ca)  
Tel: 1-888-632-6273 (Toll free)  
Fax: 416-440-7656

**DATED** at Toronto, December 10, 2015

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary