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Reply to the Attention of
Direct LineLaura Brazil
416.865.7814
Laura.Brazil@mcmillan.ca
231915
DateOur File No.231915
December 16, 2015

RESS AND DELIVERED BY COURIER

Ontario Energy Board 2300 Yonge Street, 27th Floor Toronto, ON M4P 1E4

Attention: Kristen Walli Board Secretary boardsec@ontarioenergyboard.ca

Dear Ms. Walli:

Re: EB-2015-0179 Union Gas Limited Application for Community Expansion Project Detailed Description of Evidence (Procedural Order No. 3 dated December 10, 2015)

Canadian Propane Association ("**CPA**") submits this letter further to OEB Procedural Order No. 3 requesting that intervenors who intend to file evidence in this application, including CPA, provide a detailed description of the evidence they intend to file. A detailed description of the evidence CPA intends to file is set out below.

- 1. Expert report of Gerry Goobie, Principal at Gas Processing Management Inc. ("**Expert Report**"), regarding the some or all of following:
 - (i) residential end-user prices for propane, in lieu of the automotive propane prices submitted by Union Gas Limited ("**Union**");
 - (ii) average costs of conversion from propane to natural gas, on a more accurate basis than Union's estimates;
 - (iii) the impact of inaccurate attachment forecasts on the project, its costs and benefits, existing ratepayers, and other stakeholders;
 - (iv) economic harm to propane users, members of the propane industry and associated industries, and local economies resulting from the proposed expansions;

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- (v) risks to new municipalities and existing customers, and the absence of any risk to Union shareholders, that will result if Union's forecasts are inaccurate;
- 2. Affidavit of Andrea Labelle, Executive Director at CPA ("**Labelle Affidavit**"), regarding some or all of the following:
 - (i) residential end-user prices for propane, in lieu of the automotive propane prices submitted by Union;
 - (ii) average costs of conversion from propane to natural gas, on a more accurate basis than Union's estimates;
 - (iii) customer motivations in the decision whether and when to convert to natural gas;
 - (iv) economic harm to propane users, members of the propane industry and associated industries, and local economies resulting from the proposed expansions;
 - (v) risks to new municipalities and existing customers, and the absence of any risk to Union shareholders, that will result if Union's forecasts are inaccurate;
- 3. Excerpts from documents published by the Ontario Energy Board in EB-2015-0156.
- 4. Briefing note prepared for The Municipality of Red Lake Town Council demonstrating that Union's proposed reliance on a financial contribution from the municipality has been tried before in Red Lake, Ontario, and was not successful.
- 5. Materials and decisions published by the Ontario Energy Board and other utility regulators related to utility expansion and government policy on utility expansion.
- 6. Transcripts of public statements and publications by Union and other distributors, and their respective representatives, relative to Union's position in this Application.
- 7. Revised versions of certain charts, graphs and figures provided in Union's application, developed on the basis of the evidence listed above, and other evidence that is already on the record in this Application.

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CPA intends to submit all of its evidence in writing, provided however that such intention is subject to the Board's order on the timing for submission of written evidence. CPA is prepared to make Mr. Goobie and Ms. Labelle available for cross-examination if it is requested to do so.

Yours truly,

Bros

Laura Brazil

cc by email: Charles Keizer (Torys LLP) Mike Richmond (McMillan LLP)