

VINCENT J. DEROSE  
T 613.787.3589  
vderose@blg.com

Borden Ladner Gervais LLP  
World Exchange Plaza  
100 Queen St, Suite 1300  
Ottawa, ON, Canada K1P 1J9  
T 613.237.5160  
F 613.230.8842  
F 613.787.3558 (IP)  
blg.com



Our File #339583/000193

**By electronic filing**

February 12, 2016

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> floor  
Toronto, ON M4P 1E4

Dear Ms. Walli

**Re: Union Gas Limited ("Union")  
Burlington Oakville Pipeline Project**  
**Board File #: EB-2014-0182**

In Procedural Order No. 8, the Board provided Canadian Manufacturers & Exporters ("CME") the opportunity to file additional comments on Union Gas Limited's ("Union") objection to the costs claimed by the Federation of Rental-housing Providers of Ontario ("FRPO") and the Ontario Greenhouse Vegetable Growers ("OGVG") of January 14, 2016, and the responding correspondence of January 25, 2016 filed by DR Quinn & Associates. We are filing this correspondence in order to assist the Board in understanding the role that CME and OGVG had in co-sponsoring Ms. Aggie Cheung as an expert.

When CME initially reviewed Union's application, it was concerned that Union had not adequately addressed whether the anticipated growth and demand for natural gas services in the Town of Oakville and the City of Burlington could be met without building new infrastructure. Consistent with the practice of cooperation amongst intervenors, which has evolved in an effort to make efficient use resources and minimize duplication in complex proceedings, CME contacted Mr. Quinn to ask whether any of his clients would be participating in this application, and if so, whether they shared similar concerns. Shortly thereafter, OGVG filed a notice of intervention.

After discussions with Mr. Quinn (on behalf of OGVG), it was clear that assessing the technical and economic feasibility of a "no-build" alternative to Union's proposed Burlington Oakville Pipeline Project was very complex, and that the parties and the Board would benefit from the assistance of an independent expert.

CME and OGVG jointly identified possible experts, of whom Ms. Cheung was one. In this regard, Mr. Quinn initially took a lead role in contacting Ms. Cheung and having initial discussions with her to determine – on a preliminary basis – whether she could assist in this matter.

Once Ms. Cheung confirmed that she had the necessary expertise and was willing to take on the mandate, CME and OGVG jointly worked with Ms. Cheung. CME took the lead role in providing legal perspectives on evidence and witness preparation, while Mr. Quinn took the role of technical lead addressing the Ontario market context and pipeline developments. As the Board will see from the detailed dockets provided with CME's Cost Claim, from May through to presenting Ms. Cheung's evidence in-chief, CME was directly involved in the development and filing of Ms. Cheung's written evidence, and in presenting her evidence in-chief.

The evidence provided by Ms. Cheung is consistent with the Board's objectives in relation to gas as set out in the *Ontario Energy Board Act, 1998* ("OEB Act"). Specifically, section 2(3) of the *OEB Act* establishes that one of the objectives of the Board in carrying out its responsibilities in relation to gas is "to facilitate rational expansion of transmission and distribution systems". In order to determine whether the proposed pipeline was a "rational" expansion required consideration of all alternatives. By retaining Ms. Cheung to explore the "no-build" alternative, CME acted in a manner consistent with this objective of the Board.

In assessing the cost awards, the Board should also be aware that throughout July, August and September, Union had multiple meetings and telephone calls with CME and OGVG in order to discuss the concerns raised by Ms. Cheung. These meetings allowed all the parties to understand the matters at issue and to proactively address them. These meetings, in turn, resulted in Union filing additional evidence on the "no-build" alternative. In our submission, much of this evidence would not have been on the record if it were not for CME and OGVG co-sponsoring Ms. Cheung's evidence.

There should be no doubt that Ms. Cheung's evidence facilitated the exploration of whether the "no-build" alternative provided a more advantageous option to the Proposed Pipeline. Her evidence, along with the Reply evidence filed by Union, permitted the parties to properly test whether Union's Proposed Pipeline constituted "rational" expansion within the meaning of the *OEB Act*. Having the benefit of Ms. Cheung's assistance in this complex matter, along with the additional evidence provided by Union in response to Ms. Cheung's opinion, ultimately allowed CME to support Union's application. In this regard, as a result of the numerous meetings with Union, as well as the exchange of evidence, CME also determined that it did not need to cross-exam any of Union's witnesses at the hearing. The fact that CME did not prepare for and cross-exam any of Union's witnesses, in contrast to Mr. Quinn who did prepare and cross-exam Union witnesses, provides further explanation for the 22 hour difference between Mr. Quinn's Cost Claim and CME's.

For all of these reasons, we submit that the costs of Ms. Cheung should be approved, along with the costs claimed by CME. To this end, CME and OGVG both acted responsibly in retaining Ms. Cheung. Her participation in the proceeding was in the public interest.

Yours very truly

For:   
Vincent J. DeRose  
VJD/kt

c. Paul Clipsham and Ian Shaw (CME)  
Dwayne Quinn

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