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BY COURIER

March 10, 2016

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Suite 2700
Toronto, ON
M4P 1E4

Dear Ms. Walli:

**EB-2016-0013 - Union Gas Ltd Application to Construct a Pipeline in the Municipality of
Leamington – Interrogatory Questions**

Please find attached Hydro One Networks Inc.'s interrogatory questions to Union Gas Ltd.

A copy of this cover letter and the attached interrogatory questions have been filed in text-searchable electronic form through the Ontario Energy Board's Regulatory Electronic Submission System.

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson

c. Union Gas Ltd.

**Union Gas Ltd. (“Union”) Leamington Expansion Project
EB-2016-0013**

**Hydro One Networks Inc. Interrogatory Questions
List 1**

UTILITY MAPPING

Interrogatory # 1

References:

- (i) “Attached hereto as Schedule “A” is a map showing the general location of the proposed pipeline and the municipalities, highways, railways, utility lines and navigable waters through, under, over, upon or across which the proposed pipeline will pass” - **EB-2016-0013, Page 1 of 2, paragraph 2**
- (ii) “As this is a continuation of the Leamington Phase I Project (EB-2012-0431) no other alternatives were considered except to extend the NPS 12 pipeline further south from County Road 14” - **EB-2016-0013, Page 5 of 15, paragraph 35**
- (iii) Hydro One applied to the Ontario Energy Board (“OEB”) for leave to construct the Supply to Essex County Transmission Reinforcement (“SECTR”) project in accordance with Section 92 of the *Ontario Energy Board Act, 1998* on January 22, 2014. The OEB issued its decision on July 16, 2015 granting Hydro One Networks Inc. approval to proceed with the construction of the SECTR project – **EB-2013-0421**.

Interrogatory

- a) Please update Schedule “A” to show Hydro One’s approved SECTR Project.
- b) On the same map, please provide the current route and run of the existing NPS 12 pipeline, north of County Road 14.

Interrogatory # 2

References:

- (i) “Union was not able to satisfy all of requested capacity from the expressions of interest due to limited capacity on the pipeline system that feeds the Proposed Facilities. Union is in the process of reviewing additional projects to reinforce the pipeline system which supplies the Proposed Facilities” – **EB-2016-0013, Page 4 of 15, paragraph 24**

Interrogatory

- a) Are any of these additional projects currently planned to cross the same corridor? If so, please provide detailed mapping.
- b) Do any of these projects cross the Hydro One approved SECTR Project route?

CORRIDOR AVAILABILITY/CONSULTATIONInterrogatory # 3**References:**

- (i) “Due to the availability of the abandoned railway/recreational trail for routing the pipeline no alternative routes were considered. Any alternative route beyond the abandoned railway/recreational trail within the municipality would have utilized road allowances or agricultural land” – **EB-2016-0013, Schedule 12, Page 3 of 111.**
- (ii) “Consultation with the Municipality of Leamington confirmed the availability of the abandoned railway/recreational trail for the proposed pipeline” – **EB-2016-0013, Schedule 12, Page 4 of 111.**
- (iii) “During the 2012 Phase I study for reinforcing the natural gas supply to Leamington area the Municipality of Leamington was approached regarding the use of the railway. At that time Hydro One was proposing to use the railway for a transmission line which limited the availability of the lands for a pipeline. Union Gas contacted the Municipality during this project again regarding the availability of the railway lands and Leamington staff confirmed Hydro One no longer had an interest in the lands” – **EB-2016-0013, Schedule 12, Page 24 of 111**
- (iv) “Leamington public works and engineering staff will be consulted during detailed engineering regarding the most appropriate location for the pipeline within the railway property. Union Gas is aware of the municipality’s concerns and will be contacting them during detailed design” – **EB-2016-0013, Schedule 12, Page 21 of 111.**
- (v) **Table 1, EB-2016-0013, Schedule 12, Page 51**

Interrogatory

- a) When did Union confirm with Municipality of Leamington staff that Hydro One no longer had an interest in the abandoned railway lands?
- b) Please provide documented evidence of this confirmation. If the confirmation was oral, who at the Municipality told Union that Hydro One had lost or given up its interest in the railway lands?
- c) Please confirm whether Union was aware of Hydro One’s proposed SECTR Project. If Union was aware of Hydro One’s SECTR Project, did Union consult with Hydro One regarding the Leamington Expansion Project proposed in this application? Did Union seek to confirm with Hydro One that Hydro One no longer had an interest in the railway lands and, if not, why?
- d) Please provide any alternate route for Union to complete the Leamington Expansion Project if Union’s proposed route is determined to be unfeasible?
- e) Please provide the specifics of the Municipality’s concerns documented in reference iv and v above.
- f) Further to the meeting of February 25, 2016, that Hydro One initiated, would Union be amenable to a meeting to discuss opportunities to develop both projects? If so, would Union be willing to request a temporary stay or adjournment of the proceeding while these discussions are in progress?

ER AND CUMULATIVE IMPACT

Interrogatory # 4

References:

- (i) “A cathodic protection system is placed on the pipeline to prevent corrosion from occurring during operation” - **EB-2016-0013, Schedule 12, Page 10 of 111**
- (ii) “Utilities in the area are limited to natural gas transmission/distribution lines, Bell phone lines, municipal water lines and rural distribution lines for electricity that serve the area residents and communities” – **EB-2016-0013, Schedule 12, Page 21 of 111.**
- (iii) “The Ontario Energy Board (OEB) environmental guidelines require proponents to follow a decision-making process for the identification, evaluation and comparison of alternative routes, and to have regard for environmental, land use, socio-economic, heritage and pipeline engineering and construction requirements” - **EB-2016-0013, Schedule 12, Page 24 of 111.**
- (iv) “Mitigation and restoration measures will be completed in accordance with established procedures as outlined in the Ontario Energy Board, *Environmental Guidelines For Locating, Constructing and Operating Hydrocarbon Pipelines in Ontario, 2003, Fifth Edition*” - **EB-2016-0013, Schedule 12, Page 26 of 111.**
- (v) “Based on the ability to restore the affected lands to the pre-development use, financially compensate affected landowners for all temporary disturbances and utilize railway for utility placement there are no significant cumulative effects anticipated from the construction and operation of the proposed natural gas pipeline and the associated facilities for the Leamington Phase II Pipeline Project” - **EB-2016-0013, Schedule 12, Page 46 of 111.**

Interrogatory

- a) In 2009, Hydro One worked with Union to have an AC Interference Study conducted in the area of the proposed transmission RoW. Will Union take the Hydro One approved SECTR transmission line into account when developing the cathodic protection for the proposed pipeline?
- b) During Hydro One’s SECTR Class Environmental Assessment, Hydro One worked closely with Union to ensure that the mandatory separation between a transmission line and a pipeline was taken into account during the planning process. In January 2014, Hydro One notified Union that Hydro One had applied for Leave to Construct approval from the OEB. If Union builds in the proposed location, and Hydro One builds in the approved location as per the Class EA, will the mandatory separation between pipeline and transmission line be maintained?
- c) Will the existence of Hydro One’s already-approved SECTR Project require Union to assess alternatives in accordance with the OEB environmental guidelines? For ease of reference, the SECTR Project includes the construction of 13km of new 230kV transmission line along the same abandoned railway corridor and a new transmission station.
- d) If the answer to the preceding question is “no,” why will Union not need to assess alternatives?
- e) With consideration of the fact that Hydro One’s SECTR Project has already been approved by the Ontario Energy Board, if Union must accommodate the SECTR Project, can Union’s Leamington Expansion Project still be considered to have no significant cumulative effect?

- f) Hydro One corresponded with Union between 2009 and 2014 about Hydro One's plans to build a transmission line along the abandoned rail corridor since, as noted in the ER, Hydro One was known to have an interest in the lands. It appears from Hydro One's reading of the ER that Union did not consult with Hydro One on the ER. Please confirm. If so, is Union considering revisiting the Environmental Report, considering that Union failed to consult Hydro One and that Union failed to take the Hydro One SECTR Project into account in the planning process? If not, please explain.

STATUS OF CURRENT NEGOTIATIONS – LAND MATTERS

Interrogatory # 5

References:

- (i) "Union has discussed the Project with all directly affected landowners. These landowners have not identified any concerns with the Project. Union expects to have all the necessary land rights in place by March 2016" – **EB-2016-0013, Page 1 of 15, Paragraph 7, Lines 23 - 25.**
- (ii) "Temporary Land Use Agreements are usually required for a period of two years. This allows Union the opportunity to return in the year following construction to perform further clean-up and remediation work as may be required. Union will offer a form of Temporary Land Use Agreement previously approved by the Board and utilized by Union in the past on similar pipeline projects." **EB -2016-0013, Page 13 of 15, Paragraph 84, Lines 13 - 17.**

Interrogatory

- a) What is the current status of negotiations with current affected landowners?
- b) What size of easement is Union currently seeking from these landowners?
- c) Will the easement being requested by Union from the affected landowners be large enough to account for a safe operating distance from the approved SECTR Project?
- d) How would Union accommodate Hydro One's approved SECTR project where temporary land use requirements conflict?
- e) Given the duration of the Union Temporary Land Use Agreement, do these agreements allow owners to enter into temporary land use agreements with another party, e.g., Hydro One?

COST IMPACTS

Interrogatory # 6

References:

- (i) "Union has entered into negotiations with the customers who had successful bids during the expression of interest, for capacity to serve their greenhouse operations. Union expects to have signed contracts with these growers by February 29, 2016" – **EB-2016-0013, Page 1 of 15, Paragraph 2, Lines 10 - 12.**
- (ii) "The total capital costs of the Proposed Facilities, including all pipeline and station costs, are estimated to be approximately \$12,344,000" – **EB-2016-0013, Page 1 of 15, Paragraph 3, Lines 13 - 14.**
- (iii) **EB-2016-0013 Schedules 6 and 7**

Interrogatory

- a) What is the current status of negotiations with customers who had successful bids?
- b) Does the cost of Union's application include any potential costs that will be incurred by Hydro One if Hydro One needs to move the location of the approved SECTR Project?