

May 24, 2016

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 Sudbury Replacement Project
Board File # EB-2016-0122**

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, OEB
Zora Crnojacki, OPCC
Ian Mondrow, Gowling WLG
Shahrazad Rahbar, IGUA
Cindy Kou, Gowling WLG

UNION GAS LIMITED

Answers to Interrogatories from
Board Staff

1. Ref: Evidence, paragraph 4, page 1 and Evidence paragraphs 30-31, page 5

Preamble:

Union stated the proposed project is needed to satisfy the pipeline integrity and class location requirements and increase the capacity on the Sudbury System in anticipation of future growth. Union has indicated that it did not conduct a Discounted Cash Flow (DCF) analysis for the proposed project. The evidence does not include information on economic feasibility of the project. Union noted that no new contracts are associated with the expansion.

Questions:

- a) Please explain in more detail the rationale for not conducting a DCF analysis?
- b) Please describe the method Union applied to determine economic feasibility of the project?
- c) What is the economic feasibility of the project?
- d) Please indicate the timing and the method for recovery of the construction costs of the project?

Response:

There has been growth in the City of Greater Sudbury since the original NPS 10 pipeline was constructed such that it no longer meets the class location requirements of the CSA Z662 code. As the pipeline is no longer code compliant Union is required to bring the system into compliance.

Union considered two options to bring the pipeline back to code compliance:

- Replace the pipe size for size, or
- Replace the pipeline with a NPS 12 pipeline.

In the Board's decision in the Panhandle NPS 16 2014 Replacement Project (EB-2013-0420), the Board found *"that replacing the pipeline with a larger diameter pipe involves a modest incremental expense, but is an efficient means by which to meet expected incremental demand."*¹ Consistent with the Board's previous decision, Union choose to upsize the pipeline.

¹ Decision and Order, EB-2013-0420, Dated March 28, 2014 page 4

As the primary objective of the project is to address class location issues, an Economic Analysis/Discounted Cash Flow analysis was not completed.

The cost to upsize the pipeline is \$117,988.50 or 5.4% of the total costs. Increasing the size of the pipeline is a very efficient method of increasing the capacity of the Sudbury system. The additional capacity realized by upsizing the pipeline will be used to meet growth along the Sudbury lateral.

During the current IRM period Union will be responsible for the costs of construction within Union's existing Capital budget. These costs will form part of Union's rebasing application in 2019.

2. Ref: Evidence, paragraphs 43-47, page 7 and Evidence, Schedule 10, “Form of Pipeline Easement Agreement”

Preamble:

For Section One of the pipeline Union needs permanent easements from two private landowners and the City of Greater Sudbury and temporary land rights from Hydro One and the City of Greater Sudbury. For Section Two Union needs temporary land use agreements from the City of Greater Sudbury.

Question:

- a) Please describe the prospects of acquiring all of the necessary permanent and temporary land rights in time to adhere to the planned construction schedule for the pipeline.
- b) Has the form of the easement agreement filed with the evidence in Schedule 10 been previously approved by the OEB? If so, in which proceedings?

Response:

- a) In regard to permanent easements Union has obtained two of the three permanent easements required. The outstanding easement requires signatures from two parties, to date one party has signed and the other party is expected to sign when they return to the Sudbury area.

In regard to temporary easements Union has obtained one of the two temporary easements required. The outstanding temporary easement is with Hydro One. Union has provided Hydro One with the necessary documentation and they have not identified any issues with granting Union the temporary rights.

Union gas will acquire all necessary permanent and temporary land rights prior to construction.

- b) The form of easement was previously approved by the Board in the Dawn Parkway 2016 System Expansion EB-2014-0261.

3. Ref: Evidence 58-63, pages 8-9 and Evidence, Schedule 11, “Environmental Protection Plan” and Schedule 11, Appendix 2, “Environmental Report”.

Preamble:

According to Union, an environmental screening was conducted and two reports Environmental Protection Plan (EPP) prepared by Union and an Environmental report prepared by Azimuth Environmental Consulting Inc. (Azimuth) were filed in support of the application.

Questions:

- a) Please describe agency and public consultation process to date.
- b) What is the rationale for conducting environmental screening and the reasons for not having the reports subject to Ontario Pipeline Coordinating Committee review?
- c) Please file a summary of comments and concerns received to date and Union’s responses and planned actions to mitigate each of the issues and address each of the concerns.

Response:

- a/b) With the limited size of the project and the fact that the new pipeline would be installed within the same trench or same general area, a full Environmental Assessment was not undertaken.

An OPCC review was completed for the project. Union sent notification letters of the project on March 16 and 17, 2016 to the Landowners, affected Agencies, and First Nations, and on March 24, 2016 to the OPCC which included the Environmental Protection Plan and Environmental Report. These letters requested the Agencies, Landowners, First Nations and OPCC review the documents and provide Union with their comments.

All recommendations and mitigation techniques as outlined in the Environmental Protection Plan and Environmental Report will be followed.

- c) Please find attached at Schedule 1 the OPCC Review Summary for the 2016 Sudbury Replacement Project.

4. Ref: Evidence, paragraphs 64-70, pages 9-10

Preamble:

Regarding First Nations and Metis Nation of Ontario consultation, Union indicated that it notified First Nations and Metis Nation of Ontario potentially affected by the project. Union also stated that it would continue to consult with the First Nations and Metis organizations.

Question:

Please provide an update on Aboriginal consultation undertaken since the application was filed. Identify any concerns raised in the consultation and describe how is Union planning to address the concerns raised by First Nations and Metis affected by the proposed project.

Response:

A Project description was sent to the First Nations and Metis Communities in the area of the Sudbury Replacement project. During follow up calls to the communities, Union offered that when the project was approved, it would meet in person to discuss the project time lines and final construction plans.

At this time there have not been any concerns raised from the First Nations or Metis regarding the project.

5. Ref: Application, page 1, paragraph 1

Union applied for OEB order for leave to construct facilities-under section 90(1) of the OEB Act. If Union does not agree to any of the draft conditions of approval noted below, please identify the specific conditions that Union disagrees with and explain why. If Union would like to recommend changes, please provide the proposed changes.

Draft

**Leave to Construct Conditions of Approval Application
under Sections 90 of the OEB Act Union Gas Limited
EB-2016-0122**

- 1 Union Gas Limited (Union) shall construct the facilities and restore the land in accordance with the Board's Decision and Order in EB-2016-0122 and these Conditions of Approval.
 - 2 (a) Authorization for leave to construct shall terminate 12 months after the decision is issued, unless construction has commenced prior to that date.

(b) Union shall give the OEB notice in writing:
 - i. of the commencement of construction, at least ten days prior to the date construction commences;
 - ii. of the planned in-service date, at least ten days prior to the date the facilities go into service;
 - iii. of the date on which construction was completed, no later than 10 days following the completion of construction; and
 - iv. of the in-service date, no later than 10 days after the facilities go into service.
 - 3 Union shall implement all the recommendations of the Environmental Protection Report filed in the proceeding.
-

- 4 Union shall advise the OEB of any proposed change to OEB- approved construction or restoration procedures. Except in an emergency, Union shall not make any such change without prior notice to and written approval of the OEB. In the event of an emergency, the OEB shall be informed immediately after the fact.
- 5 Union shall file, in the proceeding where the actual capital costs of the project are proposed to be included in rate base, a Post Construction Financial Report, which shall indicate the actual capital costs of the project and shall provide an explanation for any significant variances from the cost estimates filed in this proceeding.
- 6 Both during and after construction, Union shall monitor the impacts of construction, and shall file with the OEB one paper copy and one electronic (searchable PDF) version of each of the following reports:
 - a) a post construction report, within three months of the in-service date, which shall:
 - i. provide a certification, by a senior executive of the company, of Union's adherence to Condition 1;
 - ii. describe any impacts and outstanding concerns identified during construction;
 - iii. describe the actions taken or planned to be taken to prevent or mitigate any identified impacts of construction;
 - iv. include a log of all complaints received by Union, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions; and
 - v. provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licences, and certificates required to construct, operate and maintain the proposed project.
 - b) a final monitoring report, no later than fifteen months after the

in-service date, or, where the deadline falls between December 1 and May 31, the following June 1, which shall:

- i. provide a certification, by a senior executive of the company, of Union's adherence to Condition 3;
- ii. describe the condition of any rehabilitated land;
- iii. describe the effectiveness of any actions taken to prevent or mitigate any identified impacts of construction;
- iv. include the results of analyses and monitoring programs and any recommendations arising therefrom; and
- v. include a log of all complaints received by Union, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions.

Response:

Union can accept all of the above Proposed Conditions of Approval.

OPCC Review Summary **2016 Sudbury Replacement Project**

AGENCY	COMMENT	RESPONSE
Meeting with Union Gas representatives and Dennis Lenzi, Regulation Officer Conservation Sudbury at the Conservation Sudbury Office March 23, 2016.	Meeting discussed the projects and permit requirements.	Must apply for two permits required for temporary bridge installation and watercourse crossing.
Emails received by Alicja Pagaduan Land Resource Agent Union Gas Limited March 23, 2016 From: Lisa Myslicki Environmental Specialist Infrastructure Ontario	Requesting copy of the Environmental Report (ER) and environmental information in response to questions within an "Integrity Dig Letter" supplied by IO.	Copy of the ER sent March 23, 2016 Response to Integrity dig Letter sent May2, 2016
Email received by Norm Dumouchelle Environmental Planner Union Gas Limited March 30, 2016 From: Oscar Alonso Fuel safety Engineer Technical Standards & Safety Authority	Comments from project notification letter with design and pipeline specifications dated March 24, 2016.	Response letter dated April 11, 2016 attached.
Letter received by Lisa Moran Azimuth Environmental Consulting April 6, 2016 From: Dennis Lenzi, Regulations Officer Conservation Sudbury	Authorization for watercourse crossing. No objection to the remainder of the project.	Permits received April 6, 2016.
Letter received by Norm Dumouchelle Environmental Planner Union Gas Limited April 6, 2016 From: Dennis Lenzi, Regulations Officer Conservation Sudbury	Permit for watercourse crossing.	Permits received April 6, 2016.
Letter received by Bill Wachsmuth Sr. Administrator, Regulatory Projects Union Gas Limited April 6, 2016 From: Dennis Lenzi, Regulations Officer Conservation Sudbury	Advising Conservation Sudbury has approved a permit for the watercourse crossing.	Permits received April 6, 2016.
Letter received by Bill Wachsmuth Sr. Administrator, Regulatory Projects Union Gas Limited April 7, 2016 From: Oscar Alonso Fuel safety Engineer Technical Standards & Safety Authority	Notice of application from Union Gas.	Acknowledges the receipt of letter dated April 4, 2016 from Mr. Wachsmuth.
Email received by Paul Neals Vice President Azimuth Environmental Consulting April 28, 2016 From: Eric Cobb, Planner District Planner Ministry of Natural Resources and Forestry, Sudbury, Ontario.	Upon review of the Environmental Report the MNR has no concerns with the project.	N/A

From: [Myslicki, Lisa \(IO\)](#)
To: [Pagaduan, Alicia](#)
Cc: [Roman.Dorfman@HydroOne.com](#); [Lai, Pearl \(IO\)](#); [Zhang, Yolanda \(IO\)](#)
Subject: Neelon Twp 632.5-5443
Date: March-23-16 10:46:12 AM
Attachments: [image001.jpg](#)
[Integrity Dig Letter 2.pdf](#)

Good morning, this is a request for information in the attached letter to be provided to IO at your earliest convenience. IO cannot signoff on the environmental due diligence portion until this information has been provided. The request for information is related to pipeline replacement on hydro corridor land at Maley Drive and Lansing Avenue. Although this is not an integrity dig, the principles regarding due diligence for pipelines still applies to this particular project. Please note that an environmental consultant is not required to be on site, because this is a gas pipeline; however, if any environmental investigations are undertaken, IO requires full reliance on these reports. No archaeological assessments are required. I will be on leave all of next week, but if you have any questions, please contact Pearl Lai, who is cc'd on this email.

Lisa Myslicki, M.Env.Sc.,
Environmental Specialist
Infrastructure Ontario
1 Dundas Street West, Suite 2000, 20th Floor
Toronto, ON M5G 2L5

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From: [Pagaduan, Alicia](#)
To: [Dumouchelle, Norm](#)
Cc: [O'Malley, Tom](#)
Subject: FW: Neelon Twp 632.5-5443
Date: March-23-16 11:17:00 AM
Attachments: [image001.jpg](#)
[Integrity Dig Letter 2.pdf](#)
[image002.jpg](#)
Importance: High

Hi Norm,

Please see note below and letter attached from IO regarding the Sudbury West project. Can you please provide the environmental and archeological requirements required?

Let me know if you have any questions.

Thanks,

Alicja Pagaduan
Land Resource Agent
Union Gas Limited | A Spectra Energy Company
50 Keil Drive North | Chatham, ON N7M 5M1
Tel: 519-436-4600 ext 5002951
Mobile: 519-350-1838
apagaduan@uniongas.com

cid:image001.jpg@01CF0BBA.EA7C48F0



From: Myslicki, Lisa (IO) [mailto:Lisa.Myslicki@infrastructureontario.ca]
Sent: March 23, 2016 10:46 AM
To: Pagaduan, Alicia
Cc: Roman.Dorfman@HydroOne.com; Lai, Pearl (IO); Zhang, Yolanda (IO)
Subject: Neelon Twp 632.5-5443

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From: Myslicki, Lisa (IO) [<mailto:Lisa.Myslicki@infrastructureontario.ca>]
Sent: March 23, 2016 12:02 PM
To: Pagaduan, Alicja
Subject: RE: Neelon Twp 632.5-5443

Hi Alicja, no I don't have it.

Lisa Myslicki, M.Env.Sc.,
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1 Dundas Street West, Suite 2000, 20th Floor
Toronto, ON M5G 2L5

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From: Pagaduan, Alicja [<mailto:APagaduan@uniongas.com>]
Sent: Wednesday, March 23, 2016 11:45 AM
To: Myslicki, Lisa (IO) <Lisa.Myslicki@infrastructureontario.ca>
Subject: RE: Neelon Twp 632.5-5443

Hi Lisa,

I believe we provided Roman with an Environmental report for this project. Have you not received it? Please let me know and we can send that off to you asap. Also, below you say no archaeological assessments are required but the letter reads that it is required. I just want confirmation on that. We are in the process of conducting archaeological assessments however the report may not be ready for a couple of months.

Thanks,

Alicja Pagaduan
Land Resource Agent
Union Gas Limited | A Spectra Energy Company
50 Keil Drive North | Chatham, ON N7M 5M1
Tel: 519-436-4600 ext 5002951
Mobile: 519-350-1838
apagaduan@uniongas.com

cid:image001.jpg@01CF0BBA.EA7C48F0



From: Myslicki, Lisa (IO) [<mailto:Lisa.Myslicki@infrastructureontario.ca>]
Sent: March 23, 2016 10:46 AM
To: Pagaduan, Alicja
Cc: Roman.Dorfman@HydroOne.com; Lai, Pearl (IO); Zhang, Yolanda (IO)
Subject: Neelon Twp 632.5-5443

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From: Pagaduan, Alicia
To: Myslicki, Lisa (IO)
Subject: RE: Neelon Twp 632.5-5443
Date: March-23-16 3:28:00 PM
Attachments: [PR_53_735650010_03.23.2016.14.30.33.pdf](#)
[PR_53_735650016_03.23.2016.14.27.29.pdf](#)
[PR_53_735650389_02.11.2016.10.53.21.pdf](#)
[PR_53_735650459_03.23.2016.14.28.07.pdf](#)
[PR_53_735650468_03.23.2016.14.29.21.pdf](#)
[PR_53_735650469_03.23.2016.14.29.54.pdf](#)
[PR_53_735650470_03.23.2016.14.28.45.pdf](#)
[PR_53_735650503_12.10.2015.13.33.34.pdf](#)
[PR_53_735650548_12.10.2015.13.32.25.pdf](#)
[PR_53_735650571_12.10.2015.13.34.31.pdf](#)
[PR_53_735650795_12.14.2015.12.25.58.pdf](#)
[PR_53_735661073_03.23.2016.14.31.53.pdf](#)
[image002.jpg](#)
[image003.jpg](#)

Lisa,

Attached are the parcel registers for adjoining lands to the bill 58 lands as outlined in the letter.
Please let me know if you need anything further on this?

Thanks,

Alicja Pagaduan
Land Resource Agent
Union Gas Limited | A Spectra Energy Company
50 Keil Drive North | Chatham, ON N7M 5M1
Tel: 519-436-4600 ext 5002951
Mobile: 519-350-1838
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From: Myslicki, Lisa (IO) [mailto:Lisa.Myslicki@infrastructureontario.ca]
Sent: March 23, 2016 10:46 AM
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To: [Myslicki, Lisa \(IO\)](#)
Subject: RE: Neelon Twp 632.5-5443
Date: March-23-16 11:45:00 AM
Attachments: [image002.jpg](#)
[image003.jpg](#)

Hi Lisa,

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Sent: March 23, 2016 10:46 AM
To: Pagaduan, Alicia
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From: Pagaduan, Alicja
To: Myslicki, Lisa (IO)
Subject: FW: Neelon Twp 632.5-5443
Date: May-02-16 3:32:00 PM
Attachments: [image002.jpg](#)
[image003.jpg](#)

Hi Lisa,

I believe I provided everything you require for this one with the exception of our confirmation to point 6. Please see below:

Union Gas confirms that, when dealing with contaminated soils, either known or suspect that Union Gas agrees to follow items listed as 6 a through f of the Integrity Dig Letter.

Again, this is a natural gas pipeline and no liquids will be moved through this pipe.

Please let me know if you require anything else on this project.

Thanks,

Alicja Pagaduan
Land Resource Agent
Union Gas Limited | A Spectra Energy Company
50 Keil Drive North | Chatham, ON N7M 5M1
Tel: 519-436-4600 ext 5002951
Mobile: 519-350-1838
apagaduan@uniongas.com

cid:image001.jpg@01CF0BBA.EA7C48F0



From: Myslicki, Lisa (IO) [<mailto:Lisa.Myslicki@infrastructureontario.ca>]
Sent: March 23, 2016 1:17 PM
To: Pagaduan, Alicja
Subject: RE: Neelon Twp 632.5-5443

Section 6.0 of the letter

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From: Pagaduan, Alicja [<mailto:APagaduan@uniongas.com>]

Sent: Wednesday, March 23, 2016 1:13 PM

To: Myslicki, Lisa (IO) <Lisa.Myslicki@infrastructureontario.ca>

Subject: RE: Neelon Twp 632.5-5443

Hi Lisa, I just read through the letter again and I don't see anything on site restoration. As for environmental investigations, I know Norm for Union Gas is meeting with the conservation authority today. I'm not sure what type of documentation you require. Please provide clarification on what's required and I'll get that to you as soon as possible.

Thanks,

Alicja Pagaduan
Land Resource Agent
Union Gas Limited | A Spectra Energy Company
50 Keil Drive North | Chatham, ON N7M 5M1
Tel: 519-436-4600 ext 5002951
Mobile: 519-350-1838
apagaduan@uniongas.com

cid:image001.jpg@01CF0BBA.EA7C48F0



From: Myslicki, Lisa (IO) [<mailto:Lisa.Myslicki@infrastructureontario.ca>]

Sent: March 23, 2016 1:03 PM

To: Pagaduan, Alicja

Subject: RE: Neelon Twp 632.5-5443

Hi Alicja, can you please confirm the site restoration and environmental investigations piece of the letter?

Lisa Myslicki, M.Env.Sc.,
Environmental Specialist
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Toronto, ON M5G 2L5

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From: Pagaduan, Alicja [<mailto:APagaduan@uniongas.com>]
Sent: Wednesday, March 23, 2016 12:55 PM
To: Myslicki, Lisa (IO) <Lisa.Myslicki@infrastructureontario.ca>
Subject: RE: Neelon Twp 632.5-5443

Lisa,

Please find attached our Environmental report.

I will send you the parcel register's for all the properties as well later today.

Please let me know if you have any questions or require anything else.

Thanks,

Alicja Pagaduan
Land Resource Agent
Union Gas Limited | A Spectra Energy Company
50 Keil Drive North | Chatham, ON N7M 5M1
Tel: 519-436-4600 ext 5002951
Mobile: 519-350-1838
apagaduan@uniongas.com

cid:image001.jpg@01CF0BBA.EA7C48F0



Oscar Alonso

From: Oscar Alonso
Sent: Wednesday, March 30, 2016 2:28 PM
To: 'npdumouchelle@uniongas.com'
Cc: 'Zora.Crnojacki@ontarioenergyboard.ca'; Kourosh Manouchehri
Subject: Union Gas Ltd. Pipeline Project, 2016 Sudbury Replacement Project

Deal Mr. Dumouchelle,

This is in response to your letter dated March 24, 2016 and the attachment on design and pipe specifications.

We will appreciate to have the following information regarding this project:

1. The NPS 12 is going to be designed for a future maximum operating pressure (MOP) of 6895 kPa as per your information. It would appear that clause 4.3.4.9 (Section 2.(5) of document FS-196-12, Oil and Gas Pipeline Systems Code Adoption Document Amendment) on High Consequence Areas would be applicable to a segment of this pipeline, in the area of houses at Benita Blvd. Please specify the time that the company plans to operate this segment at 6895 kPa and provide the copy of the written program required in clause 4.3.4.10.1, addressing the risk of this covered transmission pipeline segment prior to increase the pressure to this MOP .
2. There is no indication if the NPS 10 segment of the existing pipeline to be replaced is going to be removed or abandoned in place. Please provide the company's procedure for the method adopted.
3. Please indicate if components for in-line inspections such as pig of scraper sending and/or receiving devices will be installed in this segment.

Yours Truly,

Oscar Alonso



Oscar Alonso | Engineer Specialist

Fuels Safety
3300 Bloor Street West
Centre Tower, 16th Floor
Toronto, Ontario M8X 2X4
Tel: +1-416-734-3353 | Cell: +1-416-720-5814 | Fax: +1-416-231-7525 | E-Mail: osalonso@tssa.org
www.tssa.org





Also Operating as Nickel District Conservation Authority
199 Larch Street, Suite 401, 4th Floor
199 rue Larch, bureau 401, 4ième étage
Sudbury, ON P3E 5P9
☎ (705) 674-5249 📠 (705) 674-7939
www.nickeldistrict.ca

April 6, 2016

Lisa Moran, Terrestrial Ecologist
Azimuth Environmental Consulting, Inc.
642 Welham Road
Barrie, ON L4N 9A1

Dear Madam:

Re: Environmental Protection Plan - 2016 Sudbury Replacement Project

We have reviewed your correspondence regarding the Frood Road/Lasalle Blvd. project. Standard erosion and sediment control measures must be applied.

We also have no objection to the Maley Drive and Old Falconbridge Road directional drilling project. We have no objection to this project, based upon the report, "2016 Sudbury Replacement Project Environmental Protection Plan" prepared by Azimuth Environmental Consulting, Inc. dated March 16, 2016, and also the Generic Sediment Control Plan, Horizontal Directional Drill, Union Gas, dated May 18, 2012.

The Nickel District Conservation Authority has also reviewed and approved a temporary crossing of Junction Creek for this project. A copy of the Section 28 permit is attached.

I trust this is the information you require.

Yours truly,

Dennis Lenzi
Regulations Officer

ljl
Enc.



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April 6, 2016

Norm Dumouchelle
 Union Gas Ltd.
 P.O. Box 3040, 36 Charles St.
 North Bay, ON P1B 8K7

Dear Sir:

Re: Application under Section 28 of the Conservation Authorities Act - Temporary Bridge over Junction Creek, Lot 10, Conc. 6, Neelon (near Old Falconbridge Road & Maley Drive)

Please be advised that the Nickel District Conservation Authority has reviewed the above noted application under Section 28 of the Conservation Authorities Act. We are hereby approving your application under the Act. This approval will expire 2 years from the date of issue.

The issuance of this permit does not relieve the applicant from the responsibility of acquiring any other approvals as required under federal, provincial or municipal legislation.

If any changes are made to the work plan after the permit is issued, you must advise this office in writing, so the changes can be reviewed.

The following conditions will apply to the construction: No in-water work will occur. All work must be supervised and verified by the design engineer, if applicable. In addition, all work must be undertaken on your own property. Grading of the property shall NOT create any drainage problems, or adversely affect adjacent properties. Existing drainage courses and patterns are to be accommodated and maintained at all times.

The construction will be according to the approved protocol for Sediment Control for Temporary Bridges dated January 28, 1994 and the Typical Swamp Mat Bridge - Generic Plan, dated 2003-07-22.

Sediment and erosion control measures such as silt fences and turbidity curtains should be implemented prior to work and maintained during the work phase, to prevent entry of sediment into the water.

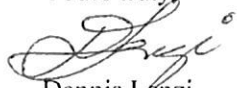
1. A siltation curtain must be installed at the point of entry into the water.
2. All sediment and erosion control measures should be inspected daily to ensure that they are functioning properly and are maintained and/or updated as required.
3. If the sediment and erosion control measures are not functioning properly, no further work should occur until the sediment and/or erosion problem is addressed.
4. All disturbed areas on the work site should be stabilized as soon as possible after project completion.
5. Sediment and erosion control measures should be left in place until all disturbed areas on the work area have been stabilized.
6. Materials to be used for the project should not be taken from the shoreline or below the high water level of any waterbody.

Union Gas
April 6, 2016
Page Two

7. All materials and equipment used for the purpose of site preparation and project completion should be operated and stored in a manner that prevents any deleterious substance (e.g. petroleum products, silt, etc.) from entering the water.

When the work is completed, please contact this office so a final site inspection can be made and the file closed.

Yours truly,

A handwritten signature in cursive script, appearing to read "D. Lenzi", with a small superscript "e" at the end.

Dennis Lenzi
Regulations Officer

ljl



Filed: 2016-05-24
EB-2016-0122
B.Staff.3
Schedule 1
Page 18 of 20
Also Operating as Nickel District Conservation Authority
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April 6, 2016

W. T. Wachsmuth
P.O. Box 2001, 50 Keil Dr. N.
Chatham, ON N7M 5M1

Dear Sir:

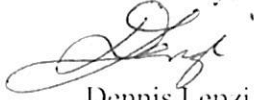
Re: 2016 Sudbury Replacement Project Board File EB-2016-0122

Please be advised that the Nickel District Conservation Authority has reviewed the application submitted for this project. We have approved a permit for the Maley Drive creek crossing.

Please see the correspondence attached addressed to Lisa Moran.

I trust this is the information you require.

Yours truly,


Dennis Lenzi
Regulations Officer

ljl
Enc.



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April 7, 2016

File: EB-2016-0122

Mr. W.T. (Bill) Wachsmuth,
Senior Administrator, Regulatory Projects,
Union Gas Limited,
P.O. Box 2001, 50 Keil Drive North
Chatham, ON N7M 5M1

Re: 2016 Sudbury Replacement Project.

Dear Mr. Wachsmuth,

This is in response to your letter of April 4, 2016 on the referenced project.

As a section of this transmission line, that in the future would operate at 6895 kPa, appears to be relatively close to a developed area, near Benita Blvd. in Sudbury, we would like to see if the segment would be subject to the requirements the document FS-196-12, clause 4.3.4.9 on High Consequence Areas.

Please see attached a copy of the e-mail sent to Mr. Dumouchelle on March 30, 2016.

If you have any further questions, please call me.

Yours truly,

A handwritten signature in black ink, appearing to read "Oscar Alonso", is written over a large, stylized circular flourish.

Oscar Alonso, P. Eng.
Fuels Safety Engineer
Tel.: 416 734 3353
Fax.:416 231 7525
e-mail: oonsonso@tssa.org

Attachment

F:\feshb\oa\2016 Sudbury Replacement Project, OEB File EB-2016-0122

----- Forwarded message -----

From: Cobb, Eric (MNRF) <eric.cobb@ontario.ca>

Date: 28 April 2016 at 10:31

Subject: EPP for 2016 Sudbury Replacement Project (AEC 16-052)

To: "paul@azimuthenvironmental.com" <paul@azimuthenvironmental.com>

Good Day Paul:

The Sudbury MNRF office has no concerns with the Environmental Protection Plan prepared for the replacement of two line sections in the City of Greater Sudbury.

Regards,

Eric Cobb | District Planner | Ministry of Natural Resources and Forestry | Sudbury District | 3767 Highway 69 South, Suite 5, Sudbury, ON, P3G 1E7 | Tel: (705) 564-7876 | Fax: (705) 564-7879

--

Paul Neals

Vice-President

Azimuth Environmental

cell - 705-794-7107

UNION GAS LIMITED

Answers to Interrogatories from
Industrial Gas Users Association (IGUA)

1. Ref: Not applicable.

Preamble:

IGUA intervened in EB-2015-0120, being Union's application for leave to construct three natural gas pipelines to serve a mine site and the City of Greater Sudbury. In that intervention IGUA expressed its Sudbury area members' concerns regarding the sufficiency and reliability of Union's distribution capacity in the area. We are aware of another application by Union for facilities in the Sudbury area – EB-2015-0042 – which was disposed of without a hearing. A search of the OEB's RESS for all filings by Union did not, as at May 9, 2016, show the foregoing applications. In the interests of ensuring that we are able to consider Union's recent overall work program on the Sudbury system:

Questions:

- a) Please provide the OEB docket numbers of all of Union's applications for leave to construct facilities in or around the City of Greater Sudbury in 2015 and 2016.
- b) Please provide a map of the Sudbury system showing the proposed construction locations of all facilities subject to the applications listed in 1(a), and indicate the application related to each particular segment.
- c) Please indicate the incremental capacity relating to the expansion provided for in EB-2015-0042 as well as from any other expansion which occurred in 2015 and 2016, apart from the one contemplated in EB-2015-0120.

Responses:

- a) Union Gas has filed three leave to construct applications in and around the City of Greater Sudbury in 2015/2016.
 - EB-2015-0042 Sudbury NPS10 Replacement Project
 - EB-2015-0120 Sudbury Expansion Project
 - EB-2016-0122 2016 Sudbury Replacement Project
- b) Attached at Schedule 1 is a drawing showing the location of the Proposed Facilities.
- c) The facilities constructed as part of the EB-2015-0042 provided approximately 400 m³/hr of incremental capacity.

2. Ref: Page 6 of 101 of the Application and Prefiled Evidence (at paragraphs 1 and 4).

Preamble:

The evidence indicates that Union seeks to upsize two sections of the existing Sudbury Lateral NPS 10 Line to NPS 12 hydrocarbon pipeline to address, *inter alia*, “some” additional capacity for future growth requirements.

Questions:

- a) Please explain how upsizing two segments of an NPS 10 line with NPS 12 pipeline will improve the capacity of the Sudbury Lateral Line.
- b) Please indicate how much future growth (i.e. how much demand capacity) is provided for by the current project, in aggregate.
- c) If upsizing two segments of an NPS 10 line with NPS 12 pipeline will not improve the overall capacity of the Sudbury Lateral Line, please advise whether it will be necessary to upsize all of the Sudbury Lateral Line to NPS 12 pipeline to accomplish an improvement in the overall capacity of this line.
- d) Please explain what other steps Union intends to take regarding the future growth requirements which the facilities which are the subject of this application will not, in and of themselves, address.
- e) Please confirm that all anticipated future growth in the demands of Union’s current industrial customers of which Union is aware, including all requests made of Union for future capacity, the precise volume of which is still being determined, has been provided for in the current expansion proposal. If this is not the case, please quantify approximately how much anticipated future growth has not been provided for and why.
- f) Please indicate when Union anticipates that the Sudbury system will next be operating below the minimum design day specifications according to Union’s forecasts, after completion of the upsizing contemplated by this application.

Responses:

- a) The capacity of the Sudbury lateral system will be improved by the construction of a larger diameter pipeline as it will allow for increased gas flows through these two segments.
- b) The facilities constructed as part of the EB-2016-0122 will provide approximately 700 m³/hr of incremental capacity.
- c) Please see Union’s response to IGUA Interrogatory 2 b.

d/e)

When Union receives a request for firm incremental service from a contract customer Union evaluates system expansion requirements for the customer on an individual basis. To begin the evaluation process, Union requires information from the customer that includes at minimum, the in service date, peak hourly gas demand and delivery pressure requirements. Once the above information is received, Union then determines if the current facilities can support the request or if additional facilities are required. If additional facilities are required, Union then prepares a feasibility estimate for the work. Once this is shared with the customer and union receives confirmation that the customer wishes to further proceed with the project a budget level estimate for the work is completed. The customer would determine if the project should proceed. At this time there are no industrial customers indicating an interest in proceeding beyond feasibility level estimations for expansion.

- f) Based on Union's current forecasts and the proposed facilities being constructed Union predicts that the Sudbury System would be operating below minimum design specifications in the winter 2020/2021.

3. Ref: Page 7 of 101 of the Application and Prefiled Evidence (at paragraph 8).

Preamble:

The evidence indicates that Union proposes undertaking the Project during the 2016 summer construction season. In Union's application bearing OEB docket number EB-2015-0120, Union sought and received, by letter from Ms. Pascale Duguay on November 25, 2015, approval from the OEB to defer construction of the proposed Victoria Mine pipeline until 2016.

Question:

- a) Please explain whether and how the deferral of the construction contemplated in EB-2015-0120 will impact the timeline Union proposes in the present application.

Response:

- a) The only portion of the EB-2015-0120 leave to construct application that was not constructed in 2015 was the service lateral to serve the Victoria Mine. Union has worked with Victoria Mine to confirm that they do not require the service in 2016. The delay of construction for Victoria Mine has no impact on the system or current application.

4. Ref: Union Responses to IGUA Interrogatories in EB-2015-0120, filed on 2015-05-27, IGUA 1, Page 1 of 7.

Question:

a) Please provide an updated copy of the table provided showing the residential and small commercial volume per year for the Greater Sudbury area.

Response:

a)

Area (Subsystem)	Customer Type											Average Volume per Year (m ³ /hr)	Total Volume on subsystem (m ³ /hr)	Volume Percent Growth per Year
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014			
Hammer	Residential	45.7	21.3	47.8	27.2	33.8	27.7	41.6	35.5	16.2	42.3	33.9	2,251	1.26
	Commercial/Industrial	1.5	2.5	4.3	6.4	13.1	55.7	10.8	3.0	0.0	4.8	10.2	441	0.38
	Total	47.2	23.8	52.1	33.6	46.9	83.4	52.4	38.5	16.2	47.2	44.1	2,692	1.64
Val Therese	Residential	71.0	61.5	92.0	57.4	38.8	43.3	46.5	35.0	17.0	40.1	51.4	3,096	1.44
	Commercial/Industrial	0.0	46.9	1.1	4.2	0.0	0.0	0.4	8.7	0.0	18.3	6.8	462	0.19
	Total	71.0	108.4	93.1	61.6	38.8	43.3	46.9	43.7	17.0	58.4	58.2	3,558	1.64
Val Caron	Residential	37.9	60.6	57.9	58.0	47.7	65.5	68.2	47.1	33.3	32.7	52.9	2,687	1.36
	Commercial/Industrial	23.8	14.4	15.2	1.7	4.7	0.0	15.2	11.0	1.0	4.8	9.7	1,197	0.25
	Total	61.7	75.1	73.1	59.7	52.4	65.5	83.4	58.1	34.3	37.6	62.6	3,884	1.61
Azilda	Residential	13.9	25.7	22.6	30.1	35.6	20.8	20.2	28.2	24.6	28.9	24.6	1,672	1.01
	Commercial/Industrial	0.0	6.3	1.1	7.1	0.0	25.4	0.0	15.2	1.6	5.7	6.3	760	0.26
	Total	13.9	32.0	23.7	37.2	35.6	46.2	20.2	43.4	26.2	34.6	30.9	2,432	1.27
Chelmsford	Residential	40.8	37.1	53.4	91.2	31.6	43.9	59.3	68.8	55.6	51.8	53.5	3,938	0.87
	Commercial/Industrial	40.2	31.7	36.1	3.5	23.5	114.0	2.4	11.2	1.7	0.0	29.3	2,209	0.48
	Total	81.0	68.8	89.5	94.7	55.1	157.9	61.7	80.0	57.3	51.8	82.9	6,147	1.35
Espanola	Residential	5.9	8.3	12.0	12.9	6.4	15.7	14.9	10.6	19.7	13.9	11.8	1,415	0.46
	Commercial/Industrial	7.6	7.1	5.6	2.6	6.2	0.0	2.3	5.4	6.7	21.5	4.8	1,148	0.19
	Total	13.5	15.5	17.5	15.5	12.6	15.7	17.2	16.0	26.4	35.4	16.7	2,563	0.65
Nairn	Residential	0.7	2.6	0.7	1.2	1.0	1.8	2.0	0.0	1.1	0.0	1.2	1,422	0.08
	Commercial/Industrial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	86	0.00
	Total	0.7	2.6	0.7	1.2	1.0	1.8	2.0	0.0	1.1	0.0	1.2	1,508	0.08
Walden/Whitefish	Residential	47.3	55.3	71.2	53.6	16.2	21.2	36.9	22.9	31.3	40.1	39.5	3,980	0.50
	Commercial/Industrial	26.9	135.7	112.7	127.4	16.4	18.0	63.5	125.7	15.4	10.0	71.3	3,926	0.90
	Total	74.2	191.0	183.9	181.0	32.6	39.2	100.4	148.6	46.7	50.0	110.8	7,907	1.40
Sudbury	Residential	348.9	338.7	374.9	384.6	243.0	269.9	719.7	372.7	252.0	277.2	367.2	30,787	0.63
	Commercial/Industrial	156.5	152.1	178.8	119.6	249.9	681.0	135.0	93.1	424.1	200.2	243.3	27,321	0.42
	Total	505.5	490.7	553.7	504.2	492.9	950.9	854.8	465.8	676.1	477.4	610.5	58,108	1.05
Coniston	Residential	13.0	5.8	14.0	19.9	7.6	11.1	15.9	15.2	10.5	4.1	12.6	1584	0.57
	Commercial/Industrial	0.0	0.0	7.8	3.1	19.7	0.0	0.0	0.0	0.0	62.7	3.4	636	0.15
	Total	13.0	5.8	21.7	23.0	27.3	11.1	15.9	15.2	10.5	66.8	16.0	2219	0.72
Grand Total		882	1014	1109	1012	795	1415	1255	909	912	859	1033.6	91,019	1.14

5. Ref: Union Responses to IGUA Interrogatories in EB-2015-0120, filed on 2015-05-27, IGUA 1, Page 3 of 7.

Preamble:

The evidence in EB-2015-0120 indicated that a fall of 2014 review of industrial customer consumption on the Sudbury system indicated that the system is operating below the minimum design specifications.

Questions:

- a) Please indicate the number of customer service interruptions/curtailments (voluntary or otherwise) experienced on the Sudbury line during the winter of 2015/2016 (not including customer driven outages).
- b) Please provide the design day and average day demands in aggregate on the Sudbury system during each of the last 5 winters, and Union's forecast of these parameters for the next 5 winters.
- c) Please provide the aggregate daily contract demand (CD), firm hourly quantity (FHQ), and maximum hourly quantity (MHQ) for the contract customers served by the Sudbury system for the winter of 2015/2016.
- d) Please provide the total current installed capacity available to serve customers of the Sudbury system.

Response:

- a) Union experienced one interruption to the Sudbury system on February 13th, 2016. The interruption was for one day and 10 contract customers were impacted.

b)

	Winter Design Day (51.9 HDD) Demands per Year in m ³ /hr									
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Total	154,957	155,901	160,044	177,627	183,523	184,895	186,284	187,692	189,117	190,561

	Winter Average Day (27 HDD) Demands per Year in m ³ /hr									
	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Total	101,237	101,971	102,503	103,036	107,536	108,209	108,890	109,581	110,280	110,988

- c) The aggregate values for contract demand, firm hourly quantity, and maximum hour quantity customers on the Sudbury System for the winter of 2015/2016 are:

- CD – Daily 2, 471, 500
- FHQ – 81, 991
- MHV – 99, 742

- d) The current installed capacity of the Sudbury System is 189,363 m³/hr.

6. Ref: Union Responses to IGUA Interrogatories in EB-2015-0120, filed on 2015-05-27, Board Staff 2,
Page 2 of 10

Preamble:

In its responses to interrogatories in EB-2015-0120, Union indicated that it was working with a group of IGUA members to obtain the information required to complete the process Union identified for planning and constructing further expansions of the Sudbury system.

Question:

- a) Please advise of the steps that Union has undertaken since May 2015 to obtain said information as well as of the outcome(s) of these steps.

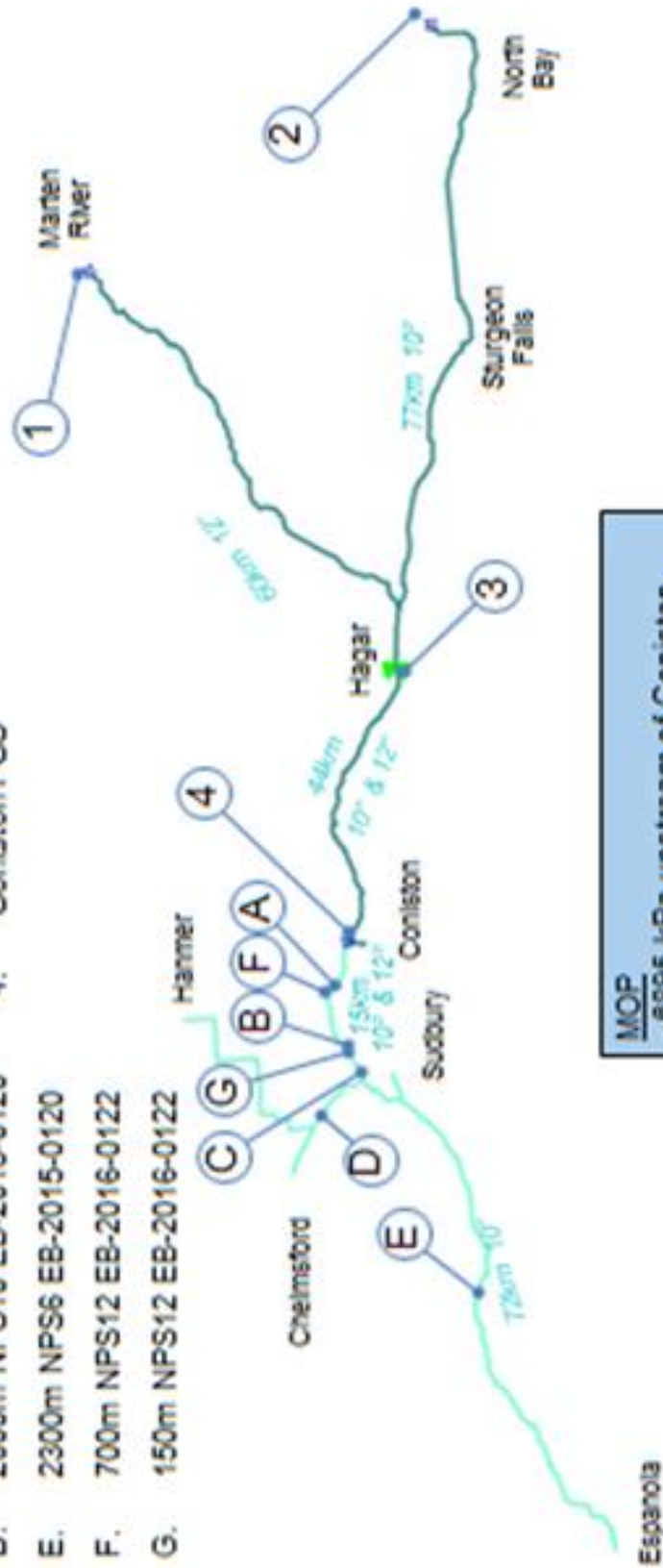
Response:

- a) Union has met with the contract customers in the Sudbury area a number of times in the past year to discuss their future natural gas requirements. . Union provided feasibility level estimates of the costs associated with expanding the gas service to their facilities to those customers expressing interest. All customers confirmed with Union by November of 2015 that they did not want to proceed to the next step of budget level estimates to expand existing facilities. No customers committed to firm incremental capacity.



Sudbury System Overview

- | | |
|-----------------------------|--------------------------------|
| A. 250m NPS12 EB-2015-0042 | 1. Marten River Control Valves |
| B. 450m NPS12 EB-2015-0042 | 2. North Bay Control Valves |
| C. 1550m NPS12 EB-2015-0120 | 3. Hagar LNG Facility |
| D. 2000m NPS10 EB-2015-0120 | 4. Coniston PCS |
| E. 2300m NPS6 EB-2015-0120 | |
| F. 700m NPS12 EB-2016-0122 | |
| G. 150m NPS12 EB-2016-0122 | |



MOP
 - 6895 kPa upstream of Coniston
 - 3725 kPa downstream of Coniston