

June 28, 2016

**RESS**

Ms. Pascale Duguay  
Facilities Applications  
Ontario Energy Board  
2300 Yonge Street, Suite 2700  
Toronto, Ontario  
M4P 1E4

Dear Ms. Duguay:

**Re: Bay of Quinte Project  
Board File # EB-2014-0350  
Change Request #1**

This letter is in response to the Ontario Energy Board's letter dated June 24, 2016 regarding the costs of removing the pipeline from the Skyway Bridge as part of the Bay of Quinte Project.

A new NPS 8 pipeline was constructed under the Bay of Quinte in the fall of 2015. The pipeline was placed in-service on December 4, 2015. To the latest of the year it was not possible to remove the existing pipe from the bridge in 2015.

Union has had additional discussions with the Ministry of Transportation ("MTO") and they have provided Union with a revised move order which requires Union to remove the pipe from the Bridge by December 31, 2017.

Union would like to correct the costs identified in Union's Change Request dated June 22, 2016.

Union's original estimate to remove the pipe was \$230,000. Union's current estimate to remove the pipe in 2017 is \$471,000. This is an increase of approximately \$241,000.

The reasons for these increased costs are: An additional mobilization and demobilization of the construction crew, inflation costs arising between 2015 and 2017, and the MTO has requested an enhanced traffic control plan.

Union's original costs estimate had a contingency estimate of over \$1,000,000. The additional costs to remove the pipe in 2017 could go against the original contingency estimate.

If you have any questions or require additional information please let me know.

Sincerely,

W. T. (Bill) Wachsmuth, RPF  
Senior Administrator, Regulatory Projects

cc: Zora Crnojacki, OEB  
Colin Schuch, OEB