

July 18, 2016

Otter Creek Wind Farm GP Inc.
772 Sherbrooke Street West Montreal, QC N3A 1G1

Re: Union Gas Limited ("Union")
Panhandle Reinforcement Project
Board File Number #EB-2016-0186

Dear: Otter Creek Wind Farm GP Inc.

Union has filed an Application with the Ontario Energy Board for approval of the Panhandle Reinforcement Project.

In accordance with the Letter of Direction issued by the Ontario Energy Board on July 12, 2016, Union Gas Limited has been instructed to serve you with a copy of the Notice of Hearing (English and French versions) and a copy of the Application and Evidence. The notice and application are enclosed for your review. Due to its size, the evidence has not been enclosed, but can found on the Union Gas website www.uniongas.com/about-us/regulatory/rate-cases/eb-2016-0186-panhandle-reinforcement.

If you have any questions or require additional information please contact me at khockin@uniongas.com.

Yours truly,



Karen Hockin
Manager, Regulatory Initiatives

ONTARIO ENERGY BOARD NOTICE

Union Gas Limited has applied for approval to construct a natural gas pipeline in the Township of Dawn Euphemia, the Township of St. Clair and the Municipality of Chatham-Kent. Union Gas also applied to recover the costs of the pipeline.

Learn more. Have your say.

Union Gas Limited applied to the Ontario Energy Board for approval to construct 40 km of 36 inch diameter pipeline to reinforce the Panhandle Pipeline System in the Township of Dawn Euphemia, the Township of St. Clair and the Municipality of Chatham-Kent. Construction involves removing the existing 16 inch diameter pipeline and replacing it with 36 inch diameter pipeline. Union Gas Limited also applied for approval to recover the cost of constructing the pipeline which is estimated to be \$264.5 million.

A map of the proposed pipeline project is provided below.

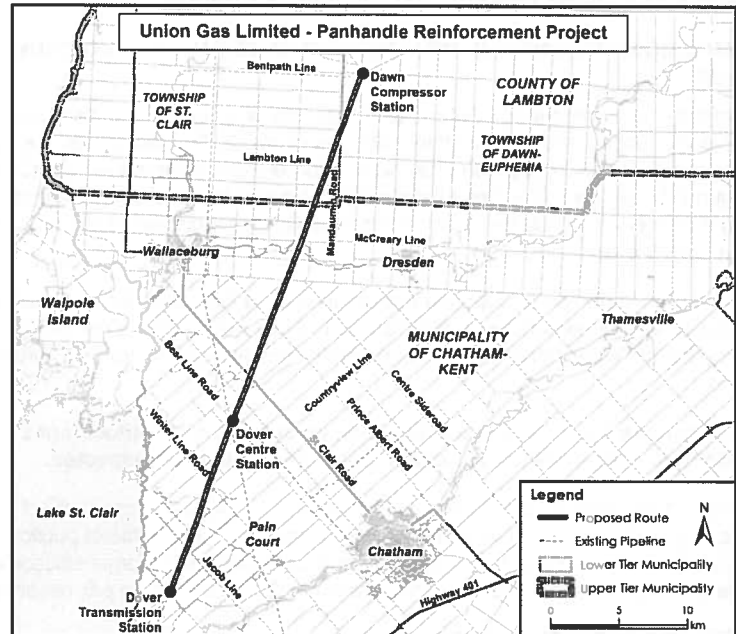
THE ONTARIO ENERGY BOARD IS HOLDING A PUBLIC HEARING

The Ontario Energy Board (OEB) will hold a public hearing to consider the application filed by Union Gas. During the hearing, we will question Union Gas on the case. We will also hear questions and arguments from individuals, municipalities and others whose interests would be affected. At the end of this hearing, the OEB will decide whether to approve the application.

As part of its review of Union Gas' application, the OEB will assess Union Gas' compliance with the OEB's Environmental Guidelines for the Location, Construction and Operation of Hydrocarbon Pipelines and Facilities in Ontario.

The OEB will also assess whether the duty to consult with Aboriginal Peoples potentially affected by the proposed pipeline has been discharged with respect to the application.

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.



BE INFORMED AND HAVE YOUR SAY

You have the right to information regarding this application and to be involved in the process.

- You can review the application filed by Union Gas on the OEB's website now.
- You can file a letter with your comments, which will be considered during the hearing.
- You can become an active participant (called an intervenor). Apply by **August 2, 2016** or the hearing will go ahead without you and you will not receive any further notice of the proceeding.
- At the end of the process, you can review the OEB's decision and its reasons on our website.

LEARN MORE

Our file number for this case is **EB-2016-0186**. To learn more about this hearing, find instructions on how to file letters or become an intervenor, or to access any document related to this case, please select the file number **EB-2016-0186** from the list on the OEB website: <http://www.ontarioenergyboard.ca/noticetlc>. You can also phone our Consumer Relations Centre at 1-877-632-2727 with any questions.

ORAL VS. WRITTEN HEARINGS

There are two types of OEB hearings – oral and written. The OEB will determine at a later date whether to proceed by way of a written or oral hearing. If you think an oral hearing is needed, you can write to the OEB to explain why by **August 2, 2016**.

PRIVACY

If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.

This hearing will be held under sections 36 and 90(1) of the Ontario Energy Board Act, 1998, S.O. 1998, c.15 (Schedule B).



Ontario

Ontario Energy Board
Commission de l'énergie
de l'Ontario

AVIS DE LA COMMISSION DE L'ÉNERGIE DE L'ONTARIO

Union Gas Limited a demandé l'autorisation de construire un gazoduc passant par le canton de Dawn Euphemia, le canton de St. Clair et la municipalité de Chatham-Kent. Union Gas Limited a également déposé une demande en vue de recouvrer les frais du gazoduc.

Apprenez-en plus. Donnez votre avis.

Union Gas Limited a demandé à la Commission de l'énergie de l'Ontario l'autorisation de construire un gazoduc de 40 km de long et de 91,4 cm (36 po) de diamètre, destiné à augmenter la capacité du système Panhandle existant, qui passe par le canton de Dawn Euphemia, le canton de St. Clair et la municipalité de Chatham-Kent. Dans le cadre du projet, le gazoduc existant de 40,6 cm (16 po) de diamètre serait retiré et remplacé par un autre de 91,4 cm (36 po) de diamètre. La société Union Gas Limited a également demandé l'autorisation de recouvrer les frais de construction du gazoduc, qui sont estimés à 264,5 millions de dollars.

Une carte du projet de gazoduc est disponible ci-après.

LA COMMISSION DE L'ÉNERGIE DE L'ONTARIO VA TENIR UNE AUDIENCE PUBLIQUE

La Commission de l'énergie de l'Ontario (CEO) tiendra une audience publique afin d'étudier la demande déposée par Union Gas. Au cours de l'audience, des questions seront posées sur le projet à Union Gas. Nous écouterons également les questions et les arguments des citoyens, des municipalités et de toute autre entité dont les intérêts sont en jeu. À l'issue de cette audience, la CEO prendra sa décision quant à l'approbation de la demande.

Dans le cadre de la demande déposée par Union Gas, la CEO évaluera le respect de ses consignes environnementales par Union Gas, en ce qui concerne l'emplacement, la construction et l'exploitation des pipelines et des installations d'hydrocarbures en Ontario.

La CEO s'assurera également que l'obligation de consulter les Autochtones potentiellement concernés par le projet de gazoduc a bien été respectée.

La Commission de l'énergie de l'Ontario est une agence publique indépendante et impartiale. Les décisions que nous prenons visent à servir au mieux l'intérêt public. Notre objectif est d'encourager le développement d'un secteur de l'énergie efficace et financièrement viable, afin d'offrir des services énergétiques fiables à un prix raisonnable.

INFORMEZ-VOUS ET DONNEZ VOTRE AVIS

Vous avez le droit d'être informé au sujet de cette demande et de participer au processus.

- Vous pouvez examiner la demande déposée par Union Gas sur le site Web de la CEO dès maintenant.
- Vous pouvez déposer une lettre de commentaires qui sera prise en compte au cours de l'audience.
- Vous pouvez participer activement au processus (à titre d'intervenant). Inscrivez-vous avant le **2 août 2016**, faute de quoi l'audience aura lieu sans votre participation et vous ne recevrez plus d'avis dans le cadre de la présente affaire.
- Vous pourrez examiner la décision rendue par la CEO à l'issue de la procédure, ainsi que ses justifications, sur notre site Web.

APPRENEZ-EN PLUS

Le numéro de dossier de cette affaire est le **EB-2016-0186**. Pour obtenir de plus amples renseignements sur cette audience, sur la marche à suivre pour déposer une lettre, sur la manière de participer en tant qu'intervenant ou de consulter les documents relatifs à cette affaire, veuillez sélectionner le numéro de dossier **EB-2016-0186** dans la liste sur le site Web de la CEO : <http://www.ontarioenergyboard.ca/noticelc>. Pour toute question, vous pouvez également communiquer avec notre centre des relations avec les consommateurs au 1 877 632-2727.

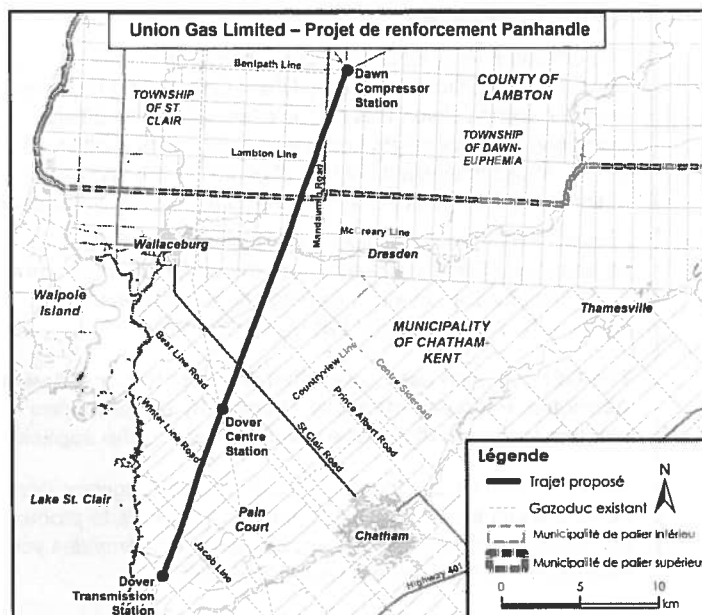
AUDIENCES ORALES ET AUDIENCES ÉCRITES

Il existe deux types d'audiences à la CEO : les audiences écrites et les audiences orales. La CEO décidera ultérieurement de traiter l'affaire par voie d'audience orale ou écrite. Si vous pensez qu'une audience orale s'impose, faites parvenir vos arguments par écrit à la CEO avant le **2 août 2016**.

PROTECTION DES RENSEIGNEMENTS PERSONNELS

Si vous écrivez une lettre de commentaires, votre nom et le contenu de cette lettre seront ajoutés au dossier public et au site Web de la CEO. Toutefois, votre numéro de téléphone, votre adresse et votre adresse électronique ne seront pas rendus publics. Si vous représentez une entreprise, tous les renseignements de l'entreprise demeureront accessibles au public. Si vous participez à titre d'intervenant, tous vos renseignements personnels seront rendus publics.

Cette audience sera tenue en vertu des articles 36 et 90(1) de la Loi de 1998 sur la Commission de l'énergie de l'Ontario, L.O. 1998, chap. 15 (annexe B).



Ontario Energy Board
Commission de l'énergie
de l'Ontario

ONTARIO ENERGY BOARD

IN THE MATTER OF The Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B, and in particular, S.90.(1) thereof;

AND IN THE MATTER OF The Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B, and in particular, S. 36 thereof;

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders granting leave to construct natural gas pipelines and ancillary facilities in the Township of Dawn Euphemia, Township of St. Clair and the Municipality of Chatham-Kent;

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders for approval of recovery of the cost consequences of all facilities associated with the development of the proposed Panhandle Reinforcement Pipeline Project.

UNION GAS LIMITED

1. Union Gas Limited (the “Applicant” or “Union”) hereby applies to the Ontario Energy Board (the “Board”), pursuant to Section 90(1) of the Act, for an Order or Orders granting leave to construct approximately 40 kilometres of NPS 36 pipeline from Union’s Dawn Compressor Station in the Township of Dawn-Euphemia to its Dover Transmission Station located in the Municipality of Chatham-Kent (“the Proposed Pipeline or the Project”).
2. The Applicant also hereby applies to the Board, pursuant to Section 36 of the Act, for an Order or Orders granting:
 - a) approval of recovery of the cost consequences of all facilities associated with the development of the Proposed Pipeline from ratepayers in accordance with the Board-approved Capital Pass-through criteria forming part of Union’s 2014-2018 Incentive Regulation Mechanism (EB-2013-0202); and,

- b) approval to calculate the revenue requirement and resulting rates of the Project based on a 20-year depreciation term; and,
 - c) approval of an accounting order to establish the Panhandle Reinforcement Project Deferral Account.
3. A map showing the general location of the Proposed Pipeline, and associated facilities and the municipalities, and highways through, under, over, upon or across which the pipeline will pass is presented at Schedule A.
4. The parties affected by this Application are the owners of lands, government agencies and municipalities over which the pipeline will be constructed, and Union's distribution customers with respect to quality of service and security of supply. The persons affected by this Application are the customers resident or located in the Municipalities, the First Nation Reserves and Métis organizations served by Union, together with those to whom Union sells gas, or on whose behalf Union distributes, transmits or stores gas. It is impractical to set out in this Application the names and addresses of such persons because they are too numerous.
5. The Applicant now therefore applies to the Board for an Order or Orders for approval of recovery of the cost consequences and granting leave to construct the Proposed Pipeline as described above.
6. The address for service for Union is:
- Union Gas Limited
P.O. Box 2001
50 Keil Drive North
Chatham, Ontario N7M 5M1

Attention: Karen Hockin
Manager, Regulatory Initiatives
Telephone: 519-436-5473

Fax: 519-436-4641
Email: khockin@uniongas.com

-and-

Torys LLP
Suite 3000, 79 Wellington Street West
P.O. Box 270, Toronto Dominion Centre
Toronto, Ontario M5K 1N2

Attention: Charles Keizer
Telephone: 416-865-7512
Fax: 416-865-7380
Email: ckeizer@torys.com

Dated: June 10, 2016

UNION GAS LIMITED

[original signed by]

Karen Hockin, Manager, Regulatory Initiatives

