

Ontario Energy Board
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BY E-MAIL

September 14, 2016

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

Dear Mr. Wachsmuth

**Re: Panhandle 2014 Replacement Project – EB-2013-0420
Request to Vary
Change Request No. 4**

The Ontario Energy Board (OEB) is in receipt of the letter dated September 12, 2016 from Union Gas Limited (Union) advising the OEB of a change to the Panhandle 2014 Replacement Project (Change Request No. 4).

The change relates to Union's proposed modification of the construction plan for crossing the Puce River. Union plans to dry a short section of the Puce River during the directional drilling operations. The modification of the crossing method will ensure that drilling fluids do not enter the watercourse. Union estimated a cost increase of \$490,000 and indicated that it can be covered by the contingencies identified in the EB-2013-0420 proceeding.

As the Manager, Applications Policy and Climate Change, I have been delegated the authority of the OEB under Section 6 of the *Ontario Energy Board Act, 1998* to determine whether Union's proposal will result in material changes to the leave to construct granted by the OEB in the EB-2013-0420 proceeding. I have been further granted the authority to approve any changes that I have concluded are not material.

I note that Union consulted with the Ministry of Environment and Climate Change, Essex Region Conservation Authority, Canadian Pacific Railway and adjacent landowners. No concerns with the modified crossing method were expressed to Union.

Union also obtained temporary land use rights from three landowners and obtained approval by the Municipality of Lakeshore to use its lands to complete the construction of the crossing. I also note that the estimated incremental costs presented therein can be covered by the contingencies contained in the EB-2014-0420 proceeding. I finally note that the actual costs of the project will be reported to the OEB in the Post-Construction Financial Report.

Based on my review of the information provided, I find that the described changes do not materially impact the leave granted by the OEB to construct the pipeline. I hereby approve the proposed change in the Puce River crossing construction method.

Yours truly,

Original signed by

Pascale Duguay
Manager, Application Policy and Climate Change