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BY E-MAIL

October 3, 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: 2016 Sudbury Replacement Project – EB-2016-0122 Request to Vary - Change Request No. 1

The Ontario Energy Board (OEB) is in receipt of the letter dated July 12, 2016 and letter dated October 3, 2016 from Union Gas Limited (Union) advising the OEB of a change to the 2016 Sudbury Replacement Project (Change Request No. 1).

The change relates to Union's use of additional temporary lands from Hydro Electric Power Commission of Ontario at the Western Terminus of Section One of the Project. Union needs the lands for temporary use as a marshalling and storage area. The lands would be returned to its current condition upon construction completion and no new environmental mitigation measures would be needed as result of the proposed change. On October 3, 2016 Union informed the OEB that it now obtained necessary temporary land rights and that construction has started at the east end and is advancing in a westerly direction. Union estimated a cost increase due to the proposed change of about \$4,000.

As the Manager, Application 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-2016-0122 proceeding. I have been further granted the authority to approve any changes that I have concluded are not material.

I note that the estimated incremental costs presented therein can be covered by the contingencies contained in the EB-2016-0122 proceeding. I also 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 temporary use of lands during construction.

Yours truly,

Original signed by

Pascale Duguay Manager, Application Policy and Climate Change