

October 24, 2016

BY COURIER & RESS

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Union Gas Limited -EB-2016-0186
Panhandle Reinforcement Project**

We are legal counsel to Union Gas Limited ("Union"). On October 20, 2016, Mr. Dwayne Quinn filed with the Ontario Energy Board (the "Board") a letter on behalf of The Federation of Rental-Housing Providers of Ontario ("FRPO") to bring a motion in respect of various questions posed by FRPO to Union in the technical conference held on October 4, 2016. With respect to the motion, Union will respond to the motion through the process set out by the Board. This correspondence, however, is in respect of procedural matters relating to FRPO that Union wishes to bring to the attention of the Board.

Union is deeply concerned that notwithstanding the Board's process as set out in the Board's procedural orders in this proceeding and the Board's Rules of Practice and Procedure, FRPO appears to have chosen to proceed with its own process and a course of action that will delay of the completion of this proceeding.

The terms of Procedural Order No. 1 required intervenors filing evidence to advise the Board by September 23, 2016 as to the nature of the evidence and of its estimated costs together with the assumptions regarding expert participation. FRPO has failed to do so even though Procedural Order No. 2 required FRPO to do so by October 7, 2016. In its correspondence dated September 21 and September 23, 2016, FRPO advised that it was using the expert advice of Ms. Aggie Cheung and intended to file expert evidence. FRPO has previously worked with Ms. Cheung in Union's Burlington Oakville pipeline hearing (EB-2014-0182) where FRPO considered the suitability of a commercial alternative to serve the project need through a pipeline connected to Union's system. Although, FRPO has never set out the nature of its intended evidence, one can speculate based on FRPO's interrogatories and technical conference questions that it wants to raise the same issue in the current proceeding. As a result, FRPO has a reasonable basis upon which to establish an estimate in compliance with the Board's Procedural Orders.

Another procedural concern is that at the October 4, 2016 technical conference FRPO advised that it intended to bring its motion. However, FRPO waited for over two weeks (October 20) and filed its motion on the eve of when FRPO was required to file its evidence according to

Procedural Order No.2. Prompt action by FRPO to file its motion would have enabled a process and a determination by the Board in order to remain within the Board's stipulated timeline for the filing of intervenor evidence and interrogatories. Union submits that the current timeline set out by the Board should not be compromised because of the delay by FRPO.

With respect to the technical conference, Union acknowledges that the Board's Rules of Practice and Procedure provide that a technical conference's purpose is to review and clarify evidence of the parties and matters connected with the interrogatories. In this proceeding, Union pre-filed its evidence on June 10, 2016. Based on Procedural Order No. 1, FRPO had known since August 11, 2016 that its evidence was originally due to be filed on October 14, 2016, which was almost a month from the time Union filed its interrogatory responses on September 19, 2016. FRPO had more than sufficient time to formulate interrogatories for purposes of aiding its expert consultant in the preparation of her evidence. However, notwithstanding the sufficient time provided to file interrogatories, many of the questions posed by FRPO at the technical conference went beyond clarifications of existing evidence or interrogatories but instead were new requests for technical data and simulations that could have and should have been asked as part of the interrogatory process. In advance of the technical conference, FRPO filed a letter in which FRPO acknowledges that "[w]e have chosen to focus on the System Design, Gas Supply and Facilities aspects of the application for the purposes of our advancing these areas and questions. We chose to advance specific questions that are data related, seeking clarification or would require simulation work that would not be able to answered in the Technical Conference." Much of FRPO's technical conference questioning amounted to cross-examination and not just areas of clarification.

As a result of the foregoing, Union request that the Board require FRPO to adhere to the procedural process set out in its orders and require FRPO to confirm whether it intends to file evidence and its nature and, if FRPO intends to do so, to file evidence in a timely manner without undue delay or prejudice to the process of discovery with respect to that evidence in order to maintain the schedule currently set out by the Board in Procedure Order No. 2.

Yours truly,



Charles Keizer

CK/

cc: EB-2016-0186 (2016 Rates) Intervenor
Karen Hockin, Union Gas Limited