

January 18, 2017

BY COURIER & RESS

Jake and Mary Smit



Dear Mr. and Mrs. Smit:

Re: Union Gas Limited ("Union") 2017 Storage Enhancement Project EB-2016-0322

This letter is in response to your letter dated January 5th, 2017 expressing your concerns regarding the 2017 Storage Enhancement Project.

I appreciate you meeting with me January 12th to discuss your concerns about the condition of your water well and the safety of your family living in the vicinity of the Dawn 156 Compressor Station.

As we discussed the process used to store natural gas in our pools follows all Codes and Regulations and is considered to be very safe and reliable. Union has not experienced, nor are we aware of, any gas escaping from storage pools into the ground formation where you acquire your drinking water.

Union has a water well monitoring program in place which is scheduled to begin in January 2017. The well on your property will be part of our well monitoring program. Stantec Consulting Ltd. will be in contact with you soon to discuss the monitoring program. This program will include monitoring the quality of your water and testing the gas in your system to confirm it is local surface gas. Our aim is to begin monitoring your water well towards the end of January in order to complete baseline tests to ensure any concerns are properly evaluated. Stantec will respond to any questions or concerns you may have as well as provide you with the results of the testing.

The increase in pressure to the Dawn 156 Pool from the Storage Enhancement Project will not affect the ground formation from which you obtain your water or contribute to any of the increases in gases or discoloration in the water that you are experiencing.

Regarding the safety concerns you identified, there are remote controlled automatic shut off valves to isolate the station in case on an emergency located inside the station perimeter. The Storage Enhancement Project has also included automatic safety shut off valves at each well head to isolate the pool pressures in case of an emergency.



As we discussed the noise levels you have experienced from the Dawn Plant will not have any significant increase in the future and the noise will be reduced from the gas compressor located at the station. The compressor will be used less going forward due to the design of the Storage Enhancement Project.

Union has a Safety Plan established with Township of Dawn-Euphemia as well as the Dawn-Euphemia Fire Department in case of an emergency. The local fire departments have special materials and equipment in case of a natural gas fire that is more effective than water in case of a natural gas fire at the station.

I look forward to meeting with you again soon to follow-up on the water well results and I will provide you with any additional information you and your family may require.

Sincerely Yours,

[original signed by]

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cc: Kirsten Walli, OEB