

February 9, 2017

BY RESS & Courier

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

Dear Ms. Walli:

Re: Union Gas Limited ("Union") 2015 Panhandle Project Board File EB-2015-0041

Pursuant to Condition 6 (a) i. -v. of the Board's Conditions of Approval for the abovenoted project, please find attached a post construction report.

Sincerely,

[original signed by]

Shelley Bechard Administrative Analyst, Regulatory Projects :sb Encl.

cc: Zora Crnojacki Nancy Marconi Regulatory Library

PANHANDLE 2015 REPLACEMENT PROJECT POST CONSTRUCTION REPORT EB-2015-0041

Prepared by: Union Gas Limited Environmental Planning February 2017

TABLE OF CONTENTS

Panhandle 2015 Replacement Project Post Construction Report

Page No.

1.0	Introduction	1
2.0	Background	3
3.0	Potential Impacts and Mitigation	4
3.1 3.2 3.3 3.4	Condition 3.0) Condition 4.0)	4 4 6 6 6 6 7 7 7
	a) iv a) v Condition 6.0) b)	8 8 9
4.0	Summary	10
	TABLE 1 Potential Impacts and Mitigation N	leasures
	APPENDIX A Location Map	
	APPENDIX B Conditions of Approval	
	APPENDIX C Letter to the OEB – Change to Cor	struction
	APPENDIX DExecutive Certification	

1.0 **INTRODUCTION**

This Interim Monitoring Report is provided in compliance with the Ontario Energy Board ("Board") Order EB-2015-0041 granting Union Gas Limited ("Union") "Leave to Construct" approximately 2.7 kilometres of Nominal Pipe Size (NPS) 20 inch and 0.5 kilometres of NPS 16 inch diameter natural gas pipelines in the Town of Lakeshore in the County of Essex.

This pipeline is a continuation of the Panhandle Replacement (Lakeshore) Project (EB-2013-0420) installed in 2014 and was constructed to address class location changes and future growth requirements. The pipeline commenced on the west side of West Puce River Road and proceeded west to the end point on the west side of Patillo Road for a distance of 2.7 km. The pipeline was upsized from NPS 16 to NPS 20 from West Puce Road to Patillo Road and the section from Patillo Road west was replaced size for size. A map of the pipeline route is included in Appendix A.

Due to the discovery of artifacts along the pipeline corridor within lands owned by Hydro One and administered by Infrastructure Ontario (IO), the IO Class EA process took longer to complete than anticipated which affected the construction schedule and therefore the pipeline was divided into 2 phases. Phase 1 included the NPS 16 inch section west of Patillo Road which was constructed in 2015 and Phase 2 consisting of the remaining section east of Patillo Road to West Puce River Road which was completed in 2016.

The requirements for and details of this report are outlined in the specific conditions issued by the Board in its Order dated June 4, 2015 as listed below. The Conditions of Approval can be found in Appendix B.

Accordingly, the purpose of this Post Construction Report is to fulfill these conditions.

1.0 Union Gas Limited ("Union") shall construct the facilities and restore the land in accordance with the Board's Decision and Order in EB-2015-0041 and these Conditions of Approval.

- **3.0** Union shall implement all the recommendations of the Environmental Report filed in the proceeding, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee review.
- **4.0** Union shall advise the Board of any proposed change to Board-approved construction or restoration procedures. Except in an emergency, Union shall not make such change without prior notice to and written approval of the Board. In the event of an emergency, the Board shall be informed immediately after the fact.
- 6.0 Both during and after construction, Union shall monitor the impacts of construction, and shall file with the Board one paper copy and one electronic (searchable PDF) version of each of the following reports:
 - *a) a post construction report, within three months of the in-service date, which shall:*
 - *i.* provide a certification, by a senior executive of the company, of Union's adherence to Condition 1;
 - *ii. described any impact or outstanding concerns identified during construction;*
 - *iii. describe the actions taken or planned to be taken to prevent or mitigate any identified impacts of the construction;*
 - *iv. include a log of all complaints received by Union, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rational for taking such actions and:*
 - v. provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licences and certificates required to construct, operate and maintain the proposed project.
 - *b)* a final monitoring report, no later than fifteen months after the in-service date or where the deadline falls between December 1 and May 31, following June 1, which shall:

- *i.* provide a certification, by a senior executive of the company, of Union's adherence to Condition 3;
- *ii. describe the condition of any rehabilitated land;*
- *iii. describe the effectiveness of any actions taken to prevent or mitigate and identified impacts of construction.*
- *iv. include the results of any analyses and monitoring programs and any recommendations arising therefrom; and*
- v. include a log of all complaints received by Union, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rational for taking such actions.

2.0 BACKGROUND

Union was granted approval to construct the Panhandle 2015 Replacement Project on June 4, 2015. Phase 1 construction began on August 28, 2015 with the pipeline placed into service on November 18, 2016 and cleanup for the year completed on December 18, 2016. Construction progressed from Patillo Road in a westerly direction with the following order of operations: topsoil removal, stringing, welding, joint coating, trenching, directional drilling lowering-in, tie-ins, backfilling, testing and clean-up.

Union returned to the Phase 1 right-of-way in fall 2016 to complete the following activities: repair any subsidence on the right-of-way, perform a general overview of the right-of-way and complete any additional clean-up that was required.

Construction was initiated for Phase 2 on May 9, 2016 with the pipeline placed into service on November 18, 2016 and cleanup for the year completed on December 18, 2016. Construction progressed from Patillo Road in an easterly direction to West Puce River Road with the following order of operations: topsoil removal, stringing, welding, joint coating, directional drilling, trenching, lowering-in, tie-ins, backfilling, testing, clean-up and post construction tiling.

Union will return to the Phase 2 right-of-way in spring 2017 to complete the following activities: repair any subsidence on the right-of-way, perform a general overview of the right-of-way and complete any additional clean-up that is required.

3.0 POTENTIAL IMPACTS AND MITIGATION

3.1 <u>Condition 1.0</u>

Union Gas Limited ("Union") shall construct the facilities and restore the land in accordance with the Board's Decision and Order in EB-2015-0041 and these Conditions of Approval.

Except for the changes indicated in Condition 4.0, Union has complied with all conditions imposed by the Board during construction of the pipeline and has restored the land according to the evidence in support of its application.

3.2 <u>Condition 3.0</u>

Union shall implement all the recommendations of the Environmental Report filed in the proceeding, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee review.

Union has implemented all recommendations and mitigation measures outlined in the Environmental Study Report (ER) along with all directives identified by the OPCC.

3.3 <u>Condition 4.0</u>

Union shall advise the Board of any proposed change to Board-approved construction or restoration procedures. Except in an emergency, Union shall not make such change without prior notice to and written approval of the Board. In the event of an emergency, the Board shall be informed immediately after the fact. In a letter dated August 21, 2016 sent to the OEB, Union Gas indicated three "Requests to Vary" for the project. The changes include;

- There was a change in the construction technique used for the crossing of Patillo Road and Wallace Line. Originally the roads were to be crossed using the open cut method however at the request of the Municipality and an adjacent landowner the directional drill method was employed.
- Due to the discovery of artifacts during the archaeology survey along the pipeline corridor within lands owned by Hydro One and administered by Infrastructure Ontario, the Class EA process took longer to complete than anticipated which affected the construction schedule. Therefore the pipeline section west of Patillo Road was constructed in 2015 (Phase 1) and the remaining section east of Patillo Road to West Puce River Road (Phase 2) was completed in 2016.
- To facilitate construction in the vicinity of the Patillo Road Station, additional temporary land rights were required.
- 4) Union in its pre-filed evidence stated that it would follow all the requirements of the CSA Z662 code. In relation to pressure testing the code requires that the pipe be tested to a pressure of 1.4 times the maximum operating pressure of the pipeline. Schedule 4 of the pre-filed evidence identifies that the pipeline will be tested to 1.5 times the maximum operating pressure. Union typically tests the pipelines to a target pressure of 1.5 times the maximum operating pressure to allow for site specific variations (such as temperature and elevation changes). For this project the minimum test pressure remained above the code required 1.4 times the maximum operating pressure.

Copies of the August 21, 2015 and January 23, 2017 letters sent to the Ontario Energy Board informing them of the changes and letters of response from the OEB dated August 28, 2015 and February 1, 2017 can be found in Appendix C.

3.4 Condition 6.0

Both during and after construction, Union shall monitor the impacts of construction, and shall file with the Board one paper copy and one electronic (searchable PDF) version of each of the following reports:

- a) post construction report, within three months of the in-service date, which shall:
 - *i.* provide a certification, by a senior executive of the company, of Union's adherence to Condition;

One paper copy and one electronic (searchable PDF) version of this Post Construction Report is provided to the Board. This report is certified by Paul Rietdyk, Vice President of Engineering, Construction and STO, confirming that Union has constructed the facilities and restored the land in accordance with the Board's Decision and the Conditions of Approval in Order EB-2015-0041. The letter of certification can be found in Appendix D.

described any impact or outstanding concerns identified during construction describe the actions taken or planned to be taken to prevent or mitigate any identified impacts of the construction;

Table 1 summarizes the construction effects and general mitigation measures carried out during construction. All mitigation techniques used throughout construction will also be implemented during cleanup activities as required.

Monitoring Programs

3.2.1.1 Archaeological Assessment

Union retained the services of Stantec Consulting to conduct a Stage 1 and Stage 2 archaeological assessment study along the entire pipeline which identified one archaeological site on the east side of Patillo Road adjacent to the Patillo Road

Station. The Stage 2 assessment indicated the potential for a mid-to-late 19th century homestead triggering a Stage 3 and eventually a Stage 4 assessment of the area. The easement was cleared of all artifacts prior to the start of construction.

3.2.1.2 <u>Watercourse Monitoring</u>

It was necessary to cross two (2) watercourses regulated by the Essex Region Conservation Authority as part of the project. Both crossings were performed using the horizontal directional drill (HDD) method under permits acquired from the Essex Region Conservation Authority.

Watercourses were protected prior to, during and following construction by installing sediment fencing and erosion control matting where necessary. Disturbed areas adjacent to the watercourses were seeded immediately following the installation of the pipeline. Watercourses that were susceptible to erosion were checked after excessive rainfall to verify the effectiveness of the sediment control devices. The watercourse affected during Phase 1 construction was reviewed for stability and vegetation re-establishment in the spring of 2015 with any necessary mitigation undertaken at that time. The watercourse affected during the 2016 (Phase 2) construction will be reviewed in the spring of 2017.

3.2.1.3 Soil Testing

Prior to construction, Union conducted soil sampling on agricultural lands along the pipeline route. Soil samples were taken and analyzed for Soybean Cyst Nematode (SCN). SCN is a microscopic worm-like organism found in soils and obtain their nutrients by feeding on the root systems of soybeans. Results indicated that SCN was not present on any of the properties tested.

3.2.1.4 Water Well Monitoring

Prior to construction, Union retained the services of Stantec Consulting Limited (Stantec) to undertake a water well monitoring program along the entire pipeline route. The

purpose of the program was to establish baseline groundwater conditions for comparative purposes should groundwater interference complaints arise as a result of the construction or operation of the pipeline.

Stantec delivered letters to all potential residences/businesses within 100 m of the proposed pipeline installation. Based on discussions with residents and observations from the field, it was interpreted that all locations were supplied by municipal water.

iv. include a log of all complaints received by Union, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rational for taking such actions and:

Union's Complaint Tracking System which identifies the current status of landowner complaints received as a result of pipeline construction, was in effect. A complaint is identified as a concern raised by a landowner that has not been resolved to the landowner's satisfaction within three (3) working days.

During construction, a number of concerns were raised to Union and their Contractor. These issues were minor in nature and were dealt with by Union and the Contractor in an expeditious manner. Union will continue to monitor the state of the land and environment and will address any additional landowner concerns if they should arise.

v. provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licences and certificates required to construct, operate and maintain the proposed project.

Paul Rietdyk, Vice President Engineering Construction and STO, has certified that the company has obtained all approvals, permits, licences, and certificates required to obstruct, operate and maintain the project and is confirmed by their signed letter of approval found in Appendix D. Union Gas obtained the following environmental permits for construction:

- * Essex Region Conservation Authority Watercourse Crossings
 - For Development, Interference with Wetlands and Alterations to Shorelines and Watercourses Ontario Regulation 148/06.
 - Application for Permit No. 43/15 Watercourse Crossings
- ***** Ministry of Natural Resources Species at Risk
 - Letter of Advice AYL-L-039-15
- Ministry of the Environment and Climate Change
 - Permit To Take Water # 2637-A95MQP
- Ministry of Tourism, Culture and Sport
 - Letter of Compliance File Number 0000649
- *b)* a final monitoring report, no later than fifteen months after the in-service date or where the deadline falls between December 1 and May 31, following June 1, which shall:
 - *i.* provide a certification, by a senior executive of the company, of Union's adherence to Condition 3;
 - *ii. describe the condition of any rehabilitated land;*
 - *iii. describe the effectiveness of any actions taken to prevent or mitigate and identified impacts of construction.*
 - *iv. include the results of any analyses and monitoring programs and any recommendations arising therefrom; and*
 - v. include a log of all complaints received by Union, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rational for taking such actions and:

A final monitoring report will be prepared to evaluate the success of the monitoring programs and if necessary outline areas in need of additional restoration as well as any outstanding issues if they should arise.

4.0 <u>SUMMARY</u>

This Post Construction Report has been prepared as per conditions in the Board Order EB-2015-0041. The report provides an outline of Unions' compliance with the commitments of its witnesses, the measures implemented during construction to minimize disturbance to the environment and a description of Unions' monitoring programs. It is anticipated that these measures will effectively eliminate any long-term impacts to the environment.

"Table 1"

Potential Impacts and Mitigation Measures

Issue		IGATION SUMMARY Proposed Mitigation
a) Archaeology	Potential Impact Disturbance to cultural heritage resources.	 Proposed Mitigation Prior to any activities associated with the project, an archaeological survey was completed and concluded a Stage 4 assessment was necessary. The Stage 4 was undertaken to ensure the pipeline corridor was free from archaeological concern. No artifacts were found during construction.
b) Species At Risk (SAR)	Encountering SAR	 Followed recommendations outlined in Environmental Report and the Ministry of Natural Resources Letter of Advice.
c) Landowner Concerns	Disruption to landowners and tenants	 Union provided the landowners/tenants with the telephone numbers of Company personnel. A Landowner Relations Program was established to track complaints during construction. To date there have been no complaints entered into the complaint tracking system.
d) Watercourses	Water quality concerns	 Union adhered to Company specifications for watercourse crossings. Union obtained permits from the Essex Region Conservation Authority.
e) Road Side Ditches	Water quality concerns	• Ensured ditches were returned to pre-construction condition as quickly as possible.
f) Paved Driveways and Roadways	Disruption to local traffic, landowners and tenants	 All paved roadways and driveways were bored if practical. If it was not possible to bore driveways and roads, steel plates were on site to provide access to landowners and tenants. Union maintained one lane of traffic open if possible. Traffic controls were implemented as required. Driveways were repaired as soon as possible.
g) Public Safety	Public safety concerns	 Company inspectors ensured public safety on construction site. Ensured proper signage and flag persons if required.
h) Construction Equipment	Disruption to landowners and tenants	 Equipment was stored well off road shoulders or in a nearby yard when not in use.
i) Construction Noise	Disturbance to landowners and tenants	 Construction was carried out during daylight hours whenever possible. Ensured equipment was properly muffled.

Issue	Potential Impact	Proposed Mitigation
j) Traffic	Disruption to local citizens	 At least one lane of traffic was maintained at all times. Flag persons and warning devices were used to notify traffic of the construction zone in accordance with Ministry of Transportation standards.
k) Fuel Storage and Handling	Improper fuel storage and handling may cause spillage and possible contamination of soil.	 Fuel was not stored near watercourses (i.e. Within 100 metres) Spill clean-up materials were stored on site and available in the event of a spill. Spills or leakage were to be reported to the appropriate authority immediately (Ministry of the Environment Spills Action Centre at 1-800-268-6060) No reportable spills were recorded during construction.

Appendix A

Location Map

GENERAL LOCATION MAP PANHANDLE 2015 REPLACEMENT PROJECT



Appendix B

Conditions of Approval

Leave to Construct Conditions of Approval Application under Sections 90 of the OEB Act Union Gas Limited EB-2015-0041

- Union Gas Limited (Union) shall construct the facilities and restore the land in accordance with the Board's Decision and Order in EB-2015-0041 and these Conditions of Approval.
- (a) Authorization for leave to construct shall terminate 12 months after the decision is issued, unless construction has commenced prior to that date.

(b) Union shall give the Board notice in writing:

- of the commencement of construction, at least ten days prior to the date construction commences;
- ii. of the planned in-service date, at least ten days prior to the date the facilities go into service;
- iii. of the date on which construction was completed, no later than 10 days following the completion of construction; and
- iv. of the in-service date, no later than 10 days after the facilities go into service.
- Union shall implement all the recommendations of the Environmental Report filed in the proceeding, and all the recommendations and directives identified by the Ontario Pipeline Coordinating Committee review.
- 4. Union shall advise the Board of any proposed change to Boardapproved construction or restoration procedures. Except in an emergency, Union shall not make any such change without prior notice to and written approval of the Board. In the event of an emergency, the Board shall be informed immediately after the fact.
- 5. Union shall file, in the proceeding where the actual capital costs of the project are proposed to be included in rate base, a Post Construction Financial Report, which shall indicate the actual capital costs of the project and shall provide an explanation for any significant variances from the cost estimates filed in this proceeding.
- Both during and after construction, Union shall monitor the impacts of construction, and shall file with the Board one paper copy and one electronic (searchable PDF) version of each of the following reports:

- a post construction report, within three months of the in-service date, which shall:
 - provide a certification, by a senior executive of the company, of Union's adherence to Condition 1;
 - ii. describe any impacts and outstanding concerns identified during construction;
 - iii. describe the actions taken or planned to be taken to prevent or mitigate any identified impacts of construction;
 - iv. include a log of all complaints received by Union, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions; and
 - provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licences, and certificates required to construct, operate and maintain the proposed project.
- b) a final monitoring report, no later than fifteen months after the in-service date, or, where the deadline falls between December 1 and May 31, the following June 1, which shall:
 - provide a certification, by a senior executive of the company, of Union's adherence to Condition 3;
 - ii. describe the condition of any rehabilitated land;
 - iii. describe the effectiveness of any actions taken to prevent or mitigate any identified impacts of construction;
 - include the results of analyses and monitoring programs and any recommendations arising therefrom; and
 - include a log of all complaints received by Union, including the date/time the complaint was received, a description of the complaint, any actions taken to address the complaint, the rationale for taking such actions.

Appendix C

Letters to the OEB – Change to Construction



August 21, 2015

Ms. Pascale Duguay Facilities Applications Ontario Energy Board 2300 Yonge Street, Suite 2700 Toronto, Ontario M4P 1E4

Dear Ms. Duguay:

Re: Union Gas Limited ("Union") Panhandle 2015 Replacement Project Board File # EB-2015-0041

Please find attached three Requests to Vary for the above-noted project.

Union believes that these changes are not significant and would appreciate your timely review and approval of these requests, as construction is scheduled to start August 28, 2015.

In the event that you have any questions or would like to discuss in more detail, please do not hesitate to contact me at 519-436-5457.

Sincerely,

W. T. (Bill) Wachsmuth, RPF Senior Administrator, Regulatory Projects

cc: Zora Crnojacki, OEB Project Advisor

Project Name:	Panhandle 2015 Replacement Project
OEB File Number:	EB-2015-0041
Request to Vary:	1

Description and Rationale for Change

Union is proposing changing the construction technique for the crossings of Patillo Road and Wallace Line. Union's original proposal had been to open cut these road crossings. Union is now proposing to complete these crossings using a directional drill. Union has had requests from the local Municipality and adjacent landowner to complete these crossings using directional drills. Drilling the roads will reduce the impacts to local residents.

Construction and Restoration Practices

Union will follow its standard practice for directional drilled crossings to complete the work.

Environmental

No new environmental mitigation measures will be required.

Consultation

Union has met with all of the directly affected landowners and the Municipality of Lakeshore and no concerns have been identified.

Lands

No additional land rights are required.

Costs

These changes will not result in any change to the total cost of the project.

Schedule

This change will not result in a change to the in-service date of the project.

Attachments

A map showing the location of Patillo Road and Wallace line is attached at Schedule 1.



Project Name:Panhandle 2015 Replacement ProjectOEB File Number:EB-2015-0041Request to Vary:2

Description and Rationale for Change

Union is proposing a change to the construction schedule for this project.

While completing the Stage 2 archaeological assessment a large scatter of mid to-late 19th century historic Euro-Canadian artifacts with a small component of early 19th century artifacts were discovered. The discovery of this number of artifacts requires Stage 3 and 4 archaeological assessments be completed.

The property where the artifacts were discovered is owned by Hydro One and administered by Infrastructure Ontario. In order for Infrastructure Ontario to provide Union with the necessary land rights to construct the pipeline Union was required to complete the archaeological assessments.

The archaeological assessment and Infrastructure Ontario's Class EA process have taken longer to complete than expected and Union does not believe that it will be able to construct the entire project in 2015.

Union is proposing to complete the section of pipeline west of Patillo Road in 2015 and return in 2016 to complete the remainder of the project.

Construction and Restoration Practices

This change will not impact any construction procedures.

Environmental

No new environmental mitigation measures will be required.

Consultation

Union has consulted with the Ministry of Tourism, Culture and Sport's regarding this site. They have reviewed the assessments that have been completed to date. They have agreed to Union proposed plans for the site. There are no landowners issues associated with this change.

Lands

No additional land rights are required.

Costs

These changes will result in a small increase in costs due to constructing occurring over two years. The final project costs will be reported in the Post Construction Financial Report.

Schedule

This work west of Patillo Road will be completed in the fall of 2015, with remainder of the project being completed in 2016.

Attachments

A map showing the location of the 2015 and 2016 construction is attached at Schedule 1.



Project Name: 2015 Panhandle Replacement Project

OEB File Number: EB-2015-0041

Request to Vary: 3

Description and Rationale for Change

Union is proposing changes in the vicinity of Patillo Road Station.

Union requires additional triangular 15 x 25 x 29 metre temporary land right adjacent to the Station to facilitate pipeline construction.

Construction and Restoration Practices

There are no changes proposed for construction of the proposed facilities.

Environmental

No new environmental mitigation measures will be required.

Consultation

Union has met with the directly affected landowner and no concerns have been identified.

Lands

Union has the necessary temporary land right in place.

Costs

These changes will not result in any change to the total cost of the project.

Schedule

This change will not result in a change to the in-service date of the project.

Attachments

A map showing the location of the temporary land right is attached at Schedule 1.



Ontario Energy Board

P.O. Box 2319 2300 Yonge Street 27th Floor Toronto ON M4P 1E4 Telephone: 416-481-1967 Facsimile: 416-440-7656 Toll free: 1-888-632-6273 Commission de l'énergie de l'Ontario

C.P. 2319 2300, rue Yonge 27° étage Toronto ON M4P 1E4 Téléphone: 416-481-1967 Télécopieur: 416-440-7656 Numéro sans frais: 1-888-632-6273



BY E-MAIL

August 28, 2015

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 Replacement 2015 Project – EB-2015-0041 Request to Vary

The Ontario Energy Board (OEB) is in receipt of your letter dated August 21, 2015 where you informed the OEB of three changes for the Panhandle Replacement 2015 Project.

The first is a change to the Patillo Road and Wallace Line crossing technique, from open cut to directional drilling method. The directional drilling method was requested by the local municipality and adjacent landowner. The second change is a delay of the construction from 2015 to 2016 for the section of the pipeline between Patillo Road and West Puce Road. The delay is due to the requirements for additional archeological surveys and assessments. The third change is that Union requires additional temporary land rights adjacent to the Patillo Road Station.

As the Vice-President, Applications, I have been delegated the authority of the OEB under Section 6 of the *Ontario Energy Board Act, 1998* to determine whether Union's proposals will result in material changes to the leave to construct granted by the OEB in the EB-2015-0041 proceeding. I have been further granted the authority to approve any changes that I have concluded are not material.

You indicated that the change in the road crossing technique would not require new land rights or new environmental mitigation measures and that it would not impact the planned in-service date or the total estimated project costs. As for the construction delay to the 2016 season, you anticipate no impacts except for a small increase in cost, without specifying the estimated amount. The actual project costs and explanation of variances from estimated costs will be reported in the Post-Construction Financial Report and reviewed as part of Union's next re-basing rate application. Regarding the proposed delay of construction, I note that a condition of approval requires that Union start construction prior to June 4, 2016. Union stated that the construction is planned to start on August 28, 2015. Provided that construction commences by June 4, 2016, no vary order is required. For the new temporary land rights in the vicinity of the Patillo Road Station, you have indicated that the temporary land rights have already been obtained.

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 three proposed changes.

Yours truly,

Original Signed By

Lynne Anderson Vice-President, Applications



January 23, 2017

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street, 27th Floor Toronto, ON M4P 1E4

Dear Ms. Walli,

Re: Union Gas Limited ("Union") Panhandle 2015 Replacement Project Board File # EB-2015-0041

This letter is to inform the Board of a change that happened in the field during hydrostatic testing of the pipeline for the above-noted project. Please find attached Change Request 5.

In making the change which is permitted by the CSA code, it is Union's position that this change is not significant and is allowed for under code. Union would appreciate your timely review and approval of this request.

In the event that you have any questions or would like to discuss in more detail, please do not hesitate to contact me at 519-436-5457.

Sincerely,

W. T. (Bill) Wachsmuth, RPF Senior Administrator, Regulatory Projects

cc: Nancy Marconi, OEB Zora Crnojacki, OEB RESS

Project Name:	2015 Panhandle Replacement Project
OEB File Number:	EB-2015-0041
Request to Vary:	5

Description and Rationale for Change

Union in its pre-filed evidence stated that it would follow all the requirements of the CSA Z662 code. In relation to pressure testing the code requires that the pipe be tested to a pressure of 1.4 times the maximum operating pressure of the pipeline. Schedule 4 of the pre-filed evidence identifies that the pipeline will be tested to 1.5 times the maximum operating pressure. Union typically tests the pipelines to a target pressure of 1.5 times the maximum operating pressure to allow for site specific variations (such as temperature and elevation changes). For this project the minimum test pressure remained above the code required 1.4 times the maximum operating pressure.

Construction and Restoration Practices

There are no changes proposed for construction of the proposed facilities.

Environmental

No new environmental mitigation measures will be required.

Consultation

No consultation is required for this change.

Lands

No additional lands are required for this change.

Costs

These changes will not result in any change to the total cost of the project.

Schedule

This change will not result in a change to the in-service date of the project.

Attachments

No Attachments.

Ontario Energy Board P.O. Box 2319 27th. Floor 2300 Yonge Street Toronto ON M4P 1E4 Telephone: 416-481-1967 Facsimile: 416-440-7656 Toll free: 1-888-632-6273 Commission de l'énergie de l'Ontario C.P. 2319 27e étage 2300, rue Yonge Toronto ON M4P 1E4 Téléphone: 416-481-1967 Télécopieur: 416-440-7656 Numéro sans frais: 1-888-632-6273



BY E-MAIL

February 01, 2017

Union Gas Limited W.T. Wachsmuth Senior Administrator, Regulatory Projects 50 Keil Drive North P.O. Box 2001 Chatham ON N7M 5M1 <u>bwachsmuth@uniongas.com</u>

Dear Mr. Wachsmuth:

Re: Panhandle 2014 Replacement Project – EB-2015-0041 Request to Vary Change Request No. 5

The Ontario Energy Board (OEB) is in receipt of your letter dated January 23, 2017 where Union Gas limited (Union) advised the OEB of a change to the Panhandle 2015 Replacement Project (Change Request No. 5).

The change relates to Union's hydrostatic testing of the pipeline. Union is required to adhere to all requirements of the CSA Standards Z662 for Oil and Gas Pipelines Systems (CSA Z662). In the pre-filed evidence, Union proposed that the pipeline be tested to a pressure of 1.5 times the maximum operating pressure, which is above the pressure set in the CSA Z662. The CSA Z662 requires that a pipeline in this site specific situation be tested to a pressure of 1.4 times the maximum operating pressure of the pipeline. Union's change request indicates that the hydrostatic testing for this project will be changed a pressure of 1.4 times the maximum operating pressure of the pipeline as required by the CSA Z662.

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 proposals will result in material changes to the leave to construct granted by the OEB in the EB-2015-0041 proceeding. I have been further granted the authority to approve any changes that I have concluded are not material.

Union stated that this change will not modify the construction methods, or environmental mitigation measures and consultation. Union also noted that no additional lands will be needed, and the total cost to the project and the in-service date will remain as planned.

Based on my review of the information provided, I find that the described change does not materially impact the leave granted by the OEB to construct the pipeline. I hereby approve the proposed change. I note that this change requested by Union is no. 4 and not no. 5, as indicated by Union.

Yours truly,

Original Signed by

Pascale Duguay Manager, Applications Policy and Climate Change

Appendix D

Executive Certification



Panhandle 2015 Replacement Project EB-2015-0041 Decision and Order June 4, 2015

I hereby certify Union Gas Limited has complied with the Decision and Order, Appendix B, EB-2015-0041, Section 6 (a) (i).

Feb 3", 2017

Paul Rietdyk, P.Eng. Vice President, Engineering, Construction, and Storage & Transmission Operation, Union Gas Limited

Condition 6 a) i.

- a) a post construction report, within three months of the in-service date, which shall:
- i. Provide a certification, by a senior executive of the company, of Union's adherence to Condition 1;

Condition 1

Union Gas Limited (Union) shall construct the facilities and restore the land in accordance with the Board's Decision and Order in EB-2015-0041 and these Conditions of Approval.



Panhandle 2015 Replacement Project EB-2015-0041 Decision and Order June 4, 2015

I hereby certify Union Gas Limited has complied with the Decision and Order, Appendix B, EB-2015-0041, Section 6 (a) (v).

Fely 310, 2017

Paul Riedyk, P.Eng.

Paul Rietdyk, P.Eng. Vice President, Engineering, Construction, and Storage & Transmission Operation, Union Gas Limited

Condition 6 (a) (v).

- a) a post construction report, within three months of the in-service date, which shall:
- v. Provide a certification, by a senior executive of the company, that the company has obtained all other approvals, permits, licences, and certificates required to construct, operate and maintain the proposed project.