

**Ministry of Natural Resources
and Forestry**

Legal Services Branch
3rd floor, Room 3420
99 Wellesley Street West
Toronto ON M7A 1W3
Fax: (416)314-2030

Direct Line (416) 314-2007

e-mail: demetrius.kappos@ontario.ca

**Ministère des Richesses naturelles
et des Forêts**

Division des services juridiques
3^e étage, bureau 3420
99, rue Wellesley ouest
Toronto ON M7A 1W3
Téléc: (416)314-2030



VIA E-MAIL: RESS filing

Our File No. 948-22-0016

February 21, 2017

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

**RE: Union Gas Limited Application for Approval of 2017 Storage
Enhancement Project**

- **Board File Number: EB-2016-0322**
- **Written Submissions of the Ministry of Natural Resources and Forestry**

Dear Madam,

In accordance with OEB Procedural Order No. 1, issued Jan. 10, 2017, please find attached the MNRF Written Submissions.

Yours truly,

Demetrius Kappos
Counsel
Legal Services Branch

c: Parties to EB-2016-0322

Union Gas Limited Application for Approval of 2017 Storage Enhancement Project

EB-2016-0322

Written Submission of the Ministry of Natural Resources and Forestry

Introduction:

Union Gas Limited (Union) applied on November 4, 2016 to the Ontario Energy Board (OEB) for approvals that will allow Union to increase capacity and deliverability of two natural gas designated storage pools located in the Township of Dawn-Euphemia in Lambton County:

1. A vary order request to allow Union to increase the operating pressures in its Dawn 156 natural gas storage pool above the current operating pressures approved by the OEB in EB-2007-0633 proceeding;
2. A favourable report to the Ministry of Natural Resources and Forestry (MNRF) pursuant to section 40(1) of the *Ontario Energy Board Act, 1998* for licences to drill three injection/withdrawal (I/W) wells in Dawn 156 pool and one I/W well in Bentpath pool, deepen and convert an observation well to an I/W well and deepen three I/W wells in the Bentpath pool; and
3. Leave to construct a 600 metre, 12 inch nominal diameter pipeline within the Dawn 156 and Bentpath pools, pursuant to section 90 of the *Ontario Energy Board Act, 1998*

On December 1, 2016 the MNRF referred to the Ontario Energy Board Union's applications to drill the above-noted wells.

The OEB subsequently initiated this proceeding through a formal Notice on December 15, 2016 and the release of Procedural Order No. 1 on January 10, 2017.

Further to Interrogatories and responses to Interrogatories, here now are the Written Submissions of the MNRF.

Analysis

With reference to the MNRF Interrogatories, MNRF is satisfied that Union has

offered a complete response.

MNRF reminds Union that, as the operator, it bears the responsibility for ensuring that there is adequate cap rock to support the additional delta pressure and that all safety and environmental issues have been addressed.

With reference to the Board Staff Interrogatories relating to pool studies, risk analysis, and compliance with CSA Z341 Storage of Hydrocarbons in Underground Formations, MNRF acknowledges that it has received the reports as indicated in Union's response to Board Interrogatory 4a (i.e., HAZOP, Assessment of Neighbouring Activities, and Engineering Assessment reports for each of the Dawn 156 Pool and the Bentpath Pool). MNRF is satisfied that these reports are complete.

MNRF reminds Union that, as the operator, it bears the responsibility for compliance with the *Oil, Gas and Salt Resources Act*, O.Reg. 245/97, the Provincial Standards and CSA Z341: Storage of Hydrocarbons in Underground Formations.

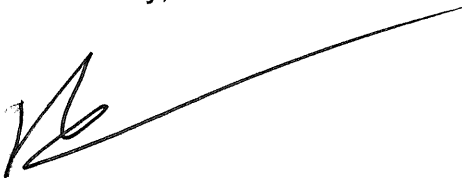
With respect to the Board Staff Draft Proposed Conditions of Approval and the Board Staff Draft Leave to Construct Conditions of Approval, as found in the Board Staff Interrogatories 11 and 12 respectively, MNRF has no objections to these proposed conditions.

Conclusion and Relief Requested:

In conclusion, MNRF has no objection to approval of the application as proposed.

All of which is respectfully submitted.

Yours truly,

A handwritten signature in black ink, appearing to be 'DK' or similar, followed by a long horizontal line extending to the right.

Demetrius Kappos
Counsel
Legal Services Branch
Ministry of Natural Resources and Forestry

c.: Persons on the attached list (by email)

APPLICANT**Union Gas Limited****Bill Wachsmuth**

Sr. Administrator, Regulatory Projects

Union Gas Limited

50 Keil Drive North

P.O. Box 2001

Chatham, ON N7M 5M1

Tel: 519-436-5457

Fax: 519-436-4641

bwachsmuth@uniongas.com

Union Gas Limited**Mark Murray**

Manager, Regulatory Projects and Lands Acquisition

Union Gas Limited

50 Keil Drive North

P.O. Box 2001

Chatham ON N7M 5M1

Tel: 519-436-4601

Fax: 519-436-4641

UNIONregulatoryproceedings@uniongas.com

INTERVENORS**Enbridge Gas Distribution Inc.****Andrew Mandyam**

Director

Enbridge Gas Distribution Inc.

500 Consumers Rd.

Toronto ON M2J 1P8

Tel: 416-495-5499

Fax: 416-495-6072

egdregulatoryproceedings@enbridge.com **Union Gas Limited EB-2016-0322****Enbridge Gas Distribution Inc.****Tania Persad**

Senior Legal Counsel

Enbridge Gas Distribution Inc.

500 Consumers Road

Willowdale ON M2J 1P8

Tel: 416-495-5891

Fax: 416-495-5994

tania.persad@enbridge.com

Hydro One Networks Inc.**Erin Henderson**

Senior Regulatory Coordinator

Hydro One Networks Inc.

483 Bay Street

7th Floor, South Tower

Toronto ON M5G 2P5

Tel: 416-345-4479

Fax: 416-345-5866

regulatory@hydroone.com

