Ontario Energy Board

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Commission de l'énergie de l'Ontario

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BY E-MAIL

July 24, 2017

W.T. Wachsmuth, RPF Union Gas Limited Senior Administrator, Regulatory Projects P.O. Box 2001, 50 Keil Drive North Chatham, ON N7M 5M1

Dear Mr. Wachsmuth:

2017 Storage Enhancement Project – EB-2016-0322 Re: Change Request No. 1

The Ontario Energy Board (OEB) is in receipt of the letter dated July 7, 2017 from Union Gas Limited (Union) advising the OEB of changes to the 2017 Storage Enhancement Project (Change Request No. 1).

The changes are in relation to the method of abandonment of gathering pipelines and road access to wells D-230 and D-223. Both wells are in Union's Dawn 156 Storage Pool. 1

The well D-230 will be converted from an injection/withdrawal well to an observation well. For this reason, the gathering line connected to the well D-230 will not be needed and will be will be abandoned in place. Union explained that the abandonment in place is the proposed method because the pipeline is located under the access road which will remain in service to maintain the observation well. Union will follow the TSSA pipeline abandonment quidelines to complete the abandonment of the gathering pipeline in place. The landowner did not have any concerns.

Union will abandon the injection/withdrawal well D-223. The D-223 well will not be in use and neither the gathering pipeline nor the access road will be needed. Union explained that both the pipeline and the access road connected to the D-223 well will be

¹ The application EB-2016-0322 was silent on the abandonment methods for these facilities.

removed from the ground. Union noted that the directly affected landowner agrees with the removal. Union estimated that this change will increase the costs of the project by about \$10,000.

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-2016-0322 proceeding. I have been further granted the authority to approve any changes that I have concluded are not material.

I note that Union has discussed the changes with the directly affected landowners who have not identified any concerns. I also note that no new environment measures are required and that Union will follow its standard construction practices for the removal of the pipeline and the TSSA abandonment guidelines. The land will also be returned to their current condition once construction has been completed. I finally note that the costs associated with these changes will not be borne by ratepayers since these facilities are part of Union's un-regulated storage business.

Based on my review of the information provided, I find that the described change does not materially impact the leave granted by the OEB. I hereby approve the proposed change.

Yours truly,

Original signed by

Pascale Duguay Manager, Application Policy and Climate Change