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**Commission de l'énergie  
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**BY E-MAIL**

September 29, 2017

Union Gas Limited  
Bill Wachsmuth  
Senior Administrator, Regulatory Projects  
50 Keil Drive North  
P.O. Box 2001  
Chatham ON N7M 5M1  
[bwachsmuth@uniongas.com](mailto:bwachsmuth@uniongas.com)

Dear Mr. Wachsmuth:

**Re: 2017 Storage Enhancement Project – EB-2016-0322  
Request to Vary  
Change Request Nos. 2, 3 and 4**

The Ontario Energy Board (OEB) is in receipt of your letter dated September 27, 2017 in which Union Gas Limited (Union) advised the OEB of three changes to the 2017 Storage Enhancement Project (Change Request Nos. 2, 3 and 4).

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 Decision 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 address each of the three change requests in the following sections.

### **Change Request No. 2**

This request involves the relocation of the top-hole location for well UB14.

Union explained that during the drilling of UB14, the drill bit became stuck some distance below the surface. Union made attempts to remove the stuck drill bit but was unsuccessful. Union discussed the matter with MNRF who advised Union that it can re-drill the well using the same drilling program within 5 metres of the original location and is only required to submit an updated Form 1 not a new application.

Union submitted that the proposed change will not alter or impact its originally proposed construction and restoration practices, environmental mitigation measures, stakeholder consultations, or land requirements. The project costs will increase by approximately \$300,000 and the project in-service date will need to be extended to April 2018. As this project is part of Union's unregulated storage business, the costs increase and delay do not affect Union's rate-payers.

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

### **Change Request No. 3**

This request involves a delay in the completion of well D286, well D287, and the construction of 600 meters of NPS 12 gathering pipeline within the Dawn 156 pool until April 2018.

Union explained that a delay in obtaining suitable pipeline materials resulted in being unable to complete the Dawn 156 drilling program. As this pool needed to be filled during the normal injection season, the drilling program was suspended until the spring of 2018. The gathering pipeline installation will be completed during the fall pool stabilization and is expected to be completed by December 31, 2017. Final above grade well connections will be completed by April 2018.

Union submits that its proposed change will not alter or impact its originally proposed construction and restoration practices, environmental mitigation measures, stakeholder consultations, land requirements or costs. However, the project schedule will need to be extended to April 2018. There are no additional costs associated with the delays.

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

### **Change Request No. 4**

This request involves the deepening of UB12 in the Bentpath pool.

Union explained that when well UB12 was originally drilled, the drill tools became stuck and the well was not taken to its full planned depth. The purpose of the deepening project was to remove the stuck tools and deepen the well to its originally planned depth. However, removal of the stuck tools was not possible and hence the well could not be deepened.

Union submitted that termination of this part of the project will not alter or impact its originally proposed construction and restoration practices, environmental mitigation

measures, stakeholder consultations, or land requirements for the other elements of this project. The project costs will decrease, but, as this project is part of Union's unregulated storage business, the cost savings do not affect Union's rate-payers.

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

Yours truly,

*Original signed by*

Pascale Duguay  
Manager, Applications Policy and Climate Change