Ontario Energy Board

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Commission de l'énergie de l'Ontario

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BY E-MAIL

November 16, 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

Dear Mr. Wachsmuth:

Re: Panhandle Jefferson Replacement Project, EB-2017-0118
Request to Vary
Change Request No. 1

The Ontario Energy Board (OEB) is in receipt of your letter dated November 7, 2017 in which Union Gas Limited (Union) proposed a change to the Panhandle Jefferson Replacement Project (Project) (Change Request No. 1).

Union proposes to defer the commencement of construction from the originally proposed Q4 2017 to Q2 2018. Union submits that the delay is necessary because:

- Securing the necessary land rights took longer than anticipated
- Species at risk assessments could not be completed until late September
- Construction in November and December is not preferred
- It may not be possible to shut down the existing NPS 16 pipeline on the Panhandle System to tie-in the proposed facilities

Union submits that this change will not modify the project's construction or restoration methods, environmental mitigation measures, consultation, or land requirements. The change will increase the project costs by approximately \$15,000, but this can be accommodated within the Project's budgeted contingency.

As the Manager, Applications Supply and Infrastructure, 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-2017-0118 proceeding. I have been further granted the authority to approve any changes that I have concluded are not material.

Based on my review of the information provided, I will approve the requested change in project schedule. With respect to the increased costs of the pipeline, I note that the incremental amount can be covered under the budgeted Project contingencies.

Yours truly,

Original Signed By

Nancy Marconi Manager, Applications Supply and Infrastructure