

December 15, 2017

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

Dear Ms. Walli:

**RE: EB-2017-0351 – Union Gas Limited – January 1, 2018 QRAM Application**

On December 8, 2017, Union Gas Limited ("Union") filed its January 1, 2018 QRAM application. Union received submissions from Canadian Manufacturers & Exporters ("CME") and the Industrial Gas Users Association ("IGUA") on December 13, 2017. Both CME and IGUA reviewed the application and have no objection to approval of Union's application as filed.

IGUA asked interrogatories related to the delay in the availability of NEXUS pipeline capacity. Union's responses to IGUA's interrogatories are enclosed.

Union requests the Board's Decision on the application by Thursday, December 21, 2017. If you have any questions on this matter, please contact me at (519) 436-5334.

Yours truly,

*[Original signed by]*

Vanessa Innis  
Manager, Regulatory Applications

cc: EB-2017-0087/EB-2008-0106 Intervenors  
Crawford Smith (Torys)

UNION GAS LIMITED

Answer to Interrogatory from  
Industrial Gas Users Association (“IGUA”)

Preamble: Union has indicated, and planned for, a further delay in the availability of the Nexus pipeline from April 1, 2018 (as indicated in the October QRAM) to September, 2018. To provide for alternative supply, Union has increased its DTE/MichCon capacity to hold 90,000 Dth/day until October 31, 2018 (if required until then), and has secured an additional 60,000 Dth/day of capacity on Vector through March 31, 2018, following which it has assumed Dawn supplies in its plans. Union has advised that it will evaluate alternatives to these Dawn supplies.

IGUA would appreciate more information from Union in respect of Nexus and its alternative plans, as follows:

- a) What was the original contracted for in-service date for Nexus?
- b) What is the currently expected in-service date for Nexus?
- c) What has caused the delays in Nexus?
- d) What costs is Union incurring in connection with its Nexus capacity during the delay period?
- e) Is IGUA correct that the Dawn supplies currently assumed to replace the Vector capacity as of March 31, 2018 is a placeholder, and will be subject to reassessment at the time?

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**Response:**

- a) The original expected in-service date for NEXUS was November 1, 2017.
- b) NEXUS has indicated that the expected in-service date is Q3, 2018.
- c) The delay in NEXUS resulted from delays in attaining FERC approval. The FERC Commission did not have quorum for several months, however, after quorum was restored the NEXUS pipeline received FERC approval and NEXUS started construction.
- d) There are no costs incurred until NEXUS goes into service.
- e) Yes.