

May 1, 2018

Robert B. Warren
T: 416-947-5075
rwarren@weirfoulds.com

VIA EMAIL AND REGULAR MAIL

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

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms Walli:

Re: EB-2017-0306 and EB-2017-0307

We are counsel to the Municipality of Chatham-Kent in these matters.

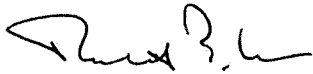
We are instructed by our client to advise you that our client has no objection to the approval of the amalgamation if the following conditions of approval are imposed:

1. That, during the deferred rebasing period, any employment impacts resulting from the amalgamation will be managed on a roughly proportionate basis between Chatham-Kent and the City of Toronto;
2. That any Centre of Excellence will be located in either Chatham-Kent or the City of Toronto;
3. That, if established, the Centre of Excellence will reflect a range of skills and compensation levels, including leadership roles;
4. That employment in Chatham-Kent will continue to reflect a mixture of entry, middle and senior management roles and levels of responsibility;
5. That the amalgamated entity will maintain regular communications with Chatham-Kent as it relates to the impacts and opportunities that result from the amalgamation.

The Applicants have agreed to include the items listed in the preceding paragraph as conditions of the approval of the amalgamation, as reflected in their response to the Interrogatory from Ontario Energy Board Staff marked as Exhibit C.STAFF.12, a copy of which is attached to this letter.

Yours truly,

WeirFoulds LLP

A handwritten signature in black ink, appearing to read "Robert B. Warren".

Robert B. Warren

RBW/dh

cc: All Parties

cc: Municipality of Chatham-Kent, Attention: John Norton

cc: Aird & Berlis LLP, Attention: Fred Cass

11698243.1

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Ontario Energy Board Staff ("Staff")

MAADs Issues List – Issue No. 9

Reference: Exhibit B, Tab 1, pp. 16-17

Preamble: The application states that with the creation of Amalco, the Union Gas Undertakings to the Lieutenant Governor in Council for Ontario will cease to have effect. Accordingly, Amalco will not be required to have a head office in the Municipality of Chatham-Kent as compared to Union Gas that was required to maintain a head office in Chatham-Kent. However, Union Gas has indicated that Amalco will continue to maintain a significant presence in Chatham-Kent.

Questions:

- a) What kind of presence will Amalco maintain in Chatham-Kent and what functions of Amalco will remain in Chatham-Kent post amalgamation?
- b) Would the applicants agree to an OEB imposed condition that would require it to maintain a significant presence in Chatham-Kent? If so, do the applicants have any proposed wording for such a condition?

Response

- a) Although no detailed integration plans have been prepared, Amalco has committed to Chatham-Kent that it will ensure that, during the deferred rebasing period, any employment impacts resulting from the amalgamation will be managed on a roughly proportionate basis between Chatham-Kent and the City of Toronto. Amalco has also indicated that it may create various Centres of Excellence for certain functions that will be located in either Chatham-Kent or the City of Toronto and if established, these Centres of Excellence will reflect a range of skills and compensation levels, including leadership roles. It is Amalco's intent that employment in Chatham-Kent will continue to reflect a mixture of entry, middle and senior management roles and levels of responsibility. Further, Amalco has committed to maintain regular communications with Chatham-Kent as it relates to the impacts and opportunities that result from the amalgamation.

Please find at Attachment 1, letters from March 7, 2018 and March 8, 2018 outlining these commitments and the current staffing levels by major function in Chatham and Toronto.

- b) Union and EGD would accept the commitments described above as a condition of approval to amalgamate. Amalco proposes the following wording for the condition of approval:
1. Amalco shall ensure that during the deferred rebasing period that any employment impacts resulting from the amalgamation will be managed on an roughly proportionate basis between the Municipality Chatham-Kent and the City of Toronto;
 2. Centres of Excellence may be created in either the Municipality of Chatham-Kent or the City of the Toronto. To the extent created, these Centres of Excellence shall reflect a range of skills and compensation levels, including leadership roles;
 3. Employment within the Municipality shall reflect a mixture of entry, middle and senior level roles; and
 4. Amalco will commit to a process of regular communication and engagement with the Municipality of Chatham-Kent in respect of the amalgamation and its related impacts and opportunities.