

July 31, 2018

BY COURIER & RESS

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

Dear Ms. Walli:

**RE: EB-2018-0013 – Union Gas Limited (“Union”) – Kingsville Transmission
Reinforcement Project – Argument-in-Chief**

Pursuant to the Ontario Energy Board’s (“the Board”) Procedural Order No.3, please find attached Union’s Argument-in-Chief.

The attached will be filed in RESS and copies will be sent to the Board.

Yours truly,

[original signed by]

Karen Hockin
Specialist, Regulatory Initiatives

Encl.

cc: C. Keizer, Torys
M. Seers, Torys
EB-2018-0013 Intervenors

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, Schedule B, and in particular, S.90 (1) thereof;

AND IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, Schedule B, and in particular, S. 36 thereof;

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders granting leave to construct natural gas pipelines and ancillary facilities in the Town of Lakeshore and the Town of Kingsville in the County of Essex;

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders for approval of recovery of the cost consequences of all facilities associated with the development of the proposed Kingsville Transmission Reinforcement Pipeline Project.

ARGUMENT-IN-CHIEF OF UNION GAS LIMITED

1. This is Union Gas Limited's ("Union") Argument-in-Chief in the above-referenced proceeding.

A. Overview

2. In response to increasing natural gas demand growth in the Kingsville-Leamington market area as well as increasing demand on the overall Panhandle Pipeline System ("Panhandle System" or "Panhandle Transmission System"), Union is proposing to construct approximately 19 kilometres of NPS 20 pipeline from an interconnect at the existing NPS 20 Panhandle Line in the Town of Lakeshore to a new station in the Town of Kingsville ("Proposed Pipeline" or "the Project").¹

¹ Exhibit A, Tab 4, p.1, Figure 4-1

3. The Panhandle System represents the primary transmission pipeline asset to transport natural gas primarily from Dawn to the Ojibway Valve Site (in Windsor) and to feed high pressure distribution pipelines serving residential, commercial and industrial in-franchise markets along its path.
4. The Project reinforces the high pressure Panhandle System from which customers located in the Kingsville-Leamington market area can be served and future development in the Panhandle System Market can be met. If this incremental natural gas capacity is not made available on the Panhandle System, there is a risk that businesses will delay or cancel plans to expand, or may establish their operations in different jurisdictions where reliable, affordable energy is available.
5. Before November 2017, the Panhandle System consisted of two pipelines of NPS 16 and NPS 20 in size. These pipelines moved natural gas to distribution systems supplying gas to in-franchise customers. For decades, Union served the Panhandle System Market with these two pipelines with limited pipeline reinforcement. However, in response to significant growth in the Panhandle System Market, particularly in the contract market which includes greenhouse customers, Union recently completed a reinforcement of the Panhandle System (EB-2016-0186).²
6. As proposed, the Project is designed to relieve the system constraints resulting from the accelerated natural gas demand in the Kingsville-Leamington market area and meet the increasing demand for firm service in the Panhandle System Market.
7. More specifically, the Design Day capacity on the Panhandle System is forecast to be reached earlier than forecast in EB-2016-0186. This increased forecast of demand growth accelerates the timing of the Project from 2022 (identified in EB-2016-0186) to 2020. In addition to the increased demand, there is a constraint with the Leamington-Kingsville high pressure distribution system. This constraint prevents customers from attaching even though Panhandle System capacity is available. Moving the Project's in-service date from

² EB-2016-0186 involved construction of approximately 40 km of NPS 36 pipeline from Dawn Compressor Station to Dover Transmission Station. OEB Decision issued February 23, 2017.

2020 to 2019 not only alleviates the distribution constraint but also avoids the need to install significant distribution system reinforcement in 2019.

8. This application is brought in response to new forecast market demands in the Kingsville-Leamington market area and the overall Panhandle System Market. Union requested the following relief:
 - (i) Pursuant to Section 90 (1) of the Ontario Energy Board Act (“the Act”), granting Leave to Construct approximately 19 kilometres of NPS 20 pipeline from the existing NPS 20 Panhandle Line in the Town of Lakeshore to a new station in the Town of Kingsville in the County of Essex; and
 - (ii) Pursuant to Section 36 of the Act, granting approval of recovery of cost consequences of the net revenue requirement for the period 2019 through 2028 of all facilities associated with the development of the Project from ratepayers in accordance with the Board’s Incremental Capital Module (“ICM”) Mechanism as described in Union and Enbridge Gas Distribution’s (“Enbridge”) Rate Setting Mechanism (EB-2017-0307)³; and
 - (iii) Pursuant to Section 36 of the Act, granting approval of an accounting order to establish the Kingsville Transmission Reinforcement Project Costs Deferral Account.
9. The Ontario Energy Board (“the Board”) in a letter to Union dated February 27, 2018, decided that the request to recover the Project’s net revenue requirement for 2019 to 2028 through the use of an ICM was premature. The Board stated that “*without an understanding of Union Gas’ capital plans, the OEB will not be able to determine if the ICM materiality threshold has been exceeded. Accordingly, the OEB will not hear Union Gas’ proposal to recover the costs associated with the Project through the ICM at this time.*” As a result, this direction narrowed the scope of the proceeding to matters specific to the Section 90 Leave to Construct request. Thus, matters such as rate impacts and bill impacts cannot be properly considered and addressed until such time a determination is made specific to the ICM.

³ EB-2017-0307 Application and evidence filed November 23, 2017.

10. As set out in Union's pre-filed evidence,⁴ the Project provides many benefits and is the best alternative among the options considered. More specifically, the Project:⁵
- (a) is the lowest cost (best NPV) to customers;
 - (b) provides market assurance in meeting the growing near term firm demands along the Panhandle Transmission System for the next five years;
 - (c) positions the Panhandle Transmission System and the pipelines connecting to the distribution system to meet the long term growth in the most efficient manner by reducing the pressure loss between the NPS 20 Panhandle Line and the distribution system and re-distributing load from the Leamington North laterals, which are currently nearing capacity; and
 - (d) eliminates the need for costly and avoidable distribution system reinforcement projects.
11. The balance of the AIC is organized based on the issues specific to Union's Leave to Construct request as well as the specific issues raised in Procedural Order No. 2⁶ through which the Board Panel sought further clarity on the following three issues:
- (a) long-term system expansion plans for the Panhandle System;
 - (b) multiple needs served by the Proposed Project; and
 - (c) economics of the Proposed Project.

Long-term system expansion plans for the Panhandle System

12. As noted at Exhibit A, Tab 6 and in response to Board Panel Question 1, Union's long-term planning approach allows it to identify the optimum means of supplying the forecast growth served by the Panhandle System, including new supply and facility requirements. Through the new five-year demand forecast that underpins the need for the Project, Union is able to identify, evaluate and schedule the facility requirements necessary to efficiently meet customer needs and future growth demands on the Panhandle System.

⁴ Exhibit A, Tab 8, p.16

⁵ Exhibit A, Tab 5

⁶ Procedural Order No.2 dated June 25, 2018

13. The facilities approved in EB-2016-0186 created 106 TJ/d of incremental capacity for the Panhandle System.⁷ This capacity was projected to be fully utilized in five years (2017-2021); however, due to additional growth beyond the original demand forecast, in the overall Panhandle System Market, this incremental capacity is now forecast to be fully utilized before the end of 2020.
14. As set out in Union's response to Board Panel Question 2, the Panhandle System demand forecast supporting this application includes an update to the approved Panhandle System demand forecast filed in EB-2016-0186.⁸ The total cumulative increase in firm Design Day demand between 2017 and 2021 is now forecast to be 133 TJ/d. This demand forecast exceeds the 106 TJ/d previously forecast and filed in EB-2016-0186 by 27 TJ/d. Union has also identified an increase to the projected future demands of 10.9 TJ/d per year for the period beyond 2021, resulting in total incremental demand of 68 TJ/d between 2020 and 2024 (see Exhibit A, Tab 6, p. 3, lines 1-4).
15. As identified earlier in this submission, to serve this increased demand Union would require additional distribution system reinforcement in 2019. Constructing the Project in 2019 has the added benefit of alleviating the distribution system constraint and eliminating the need for the additional distribution system reinforcement in 2019. For this reason, construction of the Project in 2019 is a more efficient use of resources.
16. Union submits that taking a longer term view to meet more than one year of growth through construction of the Project will have the added benefit of providing more certainty for customers' planning purposes. If Union were to propose to reinforce the distribution system year by year, for one year of growth only, customers (including contract customers) would only be able to make a one-year business plan due to the uncertainty of natural gas distribution service being available for expansions to their businesses. This uncertainty would cause the customers to reconsider (defer or possibly abandon) growth plans until such time as the Project is built. In doing so, customers

⁷ See Exhibit A, Tab 7, p. 9 for explanation of adjustment to capacity from 106 TJ/d as filed in EB-2016-0186 to 102 TJ/d incremental capacity.

⁸ Exhibit A, Tab 6, Table 6-1

could look to locations outside the Panhandle System Market, both in the United States and Canada, to locate or expand their operations.

Multiple needs served by the Proposed Project

17. As set out at Exhibit A, Tab 5, there has been increasing demand for firm service over recent years from both existing and new customers served by the Panhandle System. The facilities approved in EB-2016-0186 recognized this increasing demand and the resulting need for additional natural gas infrastructure reinforcement for the Panhandle System Market. However, growth in this area is occurring at a rate higher than forecast in EB-2016-0186. Prior to the in-service date for the EB-2016-0186 facilities, Union had already contracted for 95% of the year 1 forecasted volumes that were expected to occur over a 12 month period.
18. The Project is designed to reliably serve this increasing demand for firm service not only in the Kingsville-Leamington market area but along the entire Panhandle System. This is very important to the continued economic well-being of the Panhandle System Market as the Market area continues to grow at a rate more rapid than projected in EB-2016-0186. As stated in response to Board Panel Question 8, the capacity created by the Project serves customer demand growth across the entire Panhandle System. This includes both contract and general service customers. The forecast split is approximately 10% general service and 90% contract customers.⁹
19. The Project as proposed is a reinforcement of the Panhandle Transmission System and will have no directly connected customers. These customers will all be connected to downstream distribution facilities. As detailed in its response to Board Panel Question 3, the Project is a transmission pipeline and, consistent with all transmission pipelines, it has an ancillary function of serving distribution needs. Many transmission reinforcement projects have the ability to increase capacity of downstream distribution systems

⁹ See response to Board Panel Question 6.

depending upon where the transmission reinforcement facilities are constructed and/or where the distribution systems are connected to the transmission system.

20. Due to its strategic location, the Project will allow both the Panhandle Transmission System and the downstream distribution systems to continue to serve the growth in system demands most efficiently, while offsetting costly distribution system reinforcement projects that will no longer be required once the Project is constructed (avoids \$10.4 million in distribution reinforcement costs).¹⁰
21. In addition to creating benefits to the overall system, further benefits were identified as a result of the economic feasibility analysis performed for the Project.¹¹ This analysis, performed pursuant to the Board's decision in E.B.O. 134 ("E.B.O. 134"), involved a three-stage approach. Stage 1 consisted of a discounted cash flow ("DCF") analysis specific to Union while a Stage 2 and Stage 3 cost/benefit analysis was also completed since the Project's net present value ("NPV") was less than \$0 and the profitability index ("PI") was less than 1.0.
22. Both general service and contract customers will realize the benefits resulting from the Stage 1 and Stage 2 analysis. Stage 3 benefits are realized by the broader economy. Although customers specific to the Project can and will benefit from these benefits, in reality these types of benefits are more societal in nature. For example, the availability of natural gas from the construction of the Project will in turn spur investment by customers (i.e. commercial and industrial development, new schools, etc.) and provide employment and related economic spin offs resulting in further positive economic impact for the communities where the investment occurs.

What are the consequences if the Project is not built?

23. If this Project is not built, Union will be unable to meet the contractual requests for incremental demand on the Panhandle System in the Market area. As stated in response

¹⁰ Exhibit A, Tab 8, p.13

¹¹ Exhibit A, Tab 9 and Board Panel Question 8

to Board Panel Question 6, currently 10 PJ's of capacity have been contracted for service beginning Nov 1, 2019, that are dependent on the Project being built. As stated earlier, Union has indicated the need to accelerate the in-service date to 2019 to address not only the increased customer demand but also the constraint on the distribution system which currently prevents customers from attaching to the system¹.

24. As stated at Exhibit B.Staff.1, other than proceeding with the \$10.4 million in 2019 distribution reinforcement which was rejected as an alternative because it would become redundant,¹² a 2020 in-service date would result in Union providing formal notice of cancellation of firm gas distribution contracts to customers where an executed contract exists for service commencing in fall 2019. Formal notice is required, as per the gas distribution contract. The executed firm distribution contracts include the expected in-service date of the Project along with a condition precedent that the Board grant Leave to Construct the Project.
25. The Market area also includes serving the forecast residential growth forecast of 8,400 customers between 2017 and 2024 as well as allowing for customers such as the planned Mega hospital in Windsor and meeting the needs of the industrial and automotive sector in Windsor. These demands cannot be met without this Project.
26. Furthermore, if this incremental natural gas capacity is not available to meet increased forecasted demands on the Panhandle System, there is a risk that customers will be forced to use a more expensive and less clean burning alternative. In the case of contract customers such as greenhouses, this will threaten their competitiveness and increase the attractiveness of moving to other jurisdictions. Construction of the Project represents a critical component to ensure economic growth in Southern Ontario.
27. Affordable energy promotes growth in the economy, provides savings for residential customers and helps maintain the global competitiveness of Ontario's businesses. Natural gas is the most affordable energy source available to customers. In addition to individual

¹² Exhibit A, Tab 5, pp 6,7

customer benefits, the economic benefits natural gas can provide a community are also significant. Such benefits include:

- (a) Residential energy savings enabling more consumer spending at local businesses and across the community (including charitable organizations);
- (b) Energy savings supporting the ability of local businesses to remain competitive, employing people in the community;
- (c) Enhanced ability to attract new residents and new businesses to the community;
- (d) Increased housing values and resulting property tax assessments; and,
- (e) Municipal energy cost savings in municipal buildings such as arenas and community centres.

The Letters of Support filed at Exhibit A, Tab 5, Schedule 2 further support this conclusion.

28. Union submits that a delay until 2020 is not in the customers' best interests. An in-service date of 2019 has been proposed as it is the most cost effective and customer responsive option. There is no economic nor customer service based reason to defer the Project until 2020 which would result in increased customer costs as well as customer and market disruption.

Economics of the Proposed Project

29. As set out above, the economic feasibility test for the Project was completed using methodologies consistent with the "Economic Tests for Transmission Pipeline Applications" developed in E.B.O. 134. As set out in response to Board Panel Question 4, the rationale for Union filing the Project under the requirements of E.B.O. 134 as opposed to the Board's E.B.O. 188 Report is that it increases capacity on the Panhandle System to meet forecasted demand growth generally that arises from a variety of sources over a large geographic area of the Union Gas franchise area. No specifically identified customer or customers is driving the Project. As the forecast incremental demand extends throughout

the service area affected, the increased capacity is available on a first come, first served basis.

30. Operationally, in addition to increasing capacity on the Panhandle Transmission System, the Project will also enable Union to avoid unnecessary and costly distribution reinforcement that would otherwise be necessary. This has a public interest benefit to existing and future ratepayers. Commercially, although a portion of the incremental capacity from the Project will serve forecasted demand growth in the Kingsville area, the Project will also serve growing demand from Chatham through to Windsor. All of these benefits are captured in the analysis set out in the E.B.O 134 Report.
31. For the reasons set out in its response to Board Panel Question 4, Union submits that the Economic Tests set out in E.B.O. 188 do not apply to the Project because they only apply to distribution projects, and in any event are not appropriate. Thus, in Union's submission, the Board should apply the economic tests set out in the E.B.O. 134 Report to evaluate the Project.
32. Stage 1 economics were completed for the Project and results of the Stage 1 DCF analysis are shown at Exhibit A, Tab 9, Schedule 4. The results indicate a NPV of negative \$59.2 million and a PI of 0.44 over a DCF term of 40 years.
33. Union undertook a Stage 2 analysis. The Stage 2 analysis considers the estimated energy cost savings that accrue directly to Union's in-franchise customers as a result of using natural gas instead of another fuel to meet their energy requirements. The Stage 2 NPV of energy cost savings are estimated to be in the range of approximately \$283 million to \$472 million over a period of 20 years and \$384 million to \$639 million over 30 years. A range was provided as the outcome can vary depending upon the assumptions for alternative fuel mix.¹³
34. There are a number of other public interest factors for consideration as a result of the addition of the Project (Stage 3). Some are quantifiable and others are not readily quantifiable. Quantifiable factors include the GDP, taxes and employment impacts. Other

¹³ Exhibit A, Tab 9, pp.10-11

less quantifiable impacts include, but are not limited to, energy choice options and environmental benefits. The construction of the Project will provide direct and indirect economic benefits to Ontario estimated at approximately \$117 million.¹⁴ In addition, the construction of this Project will result in additional direct and indirect employment. The Project is estimated to create approximately 1,615 jobs.¹⁵

35. The table below shows the NPV calculated for the 3-stage economic analysis completed for the Project.

NPV \$ Millions – 20-year Term¹⁶

Stage	NPV
Stage 1	(\$59)
Stage 2	+ \$283 to \$639
Stage 3	+ 117
Total	+ \$341 to \$697

Union's Alternatives to the Proposed Facilities

36. As set out below, in response to the system constraints and increased demand growth, Union reviewed and considered a number of Project alternatives.
37. For the purpose of this Application, these alternatives were split into Potential Alternatives and Other Alternatives. The Potential Alternatives were assessed using NPV, costing and long term analysis. The Other Alternatives were considered but eliminated early based on excessive cost, having a detrimental long/short term impact to system capacity or, did not meet required reinforcement needs.

¹⁴ Exhibit A, Tab 9, p.11

¹⁵ Exhibit A, Tab 9, p.11

¹⁶ Exhibit A, Tab 9, Table 9-2.

38. As explained in Exhibit A, Tab 8, the Potential Alternatives included the construction of a new pipeline from the existing NPS 20 Panhandle Line to the Town of Kingsville (NPS 16 and 20); incremental deliveries at the Ojibway Valve Site with new pipeline from the existing NPS 20 Panhandle Line into the Town of Kingsville; NPS 36 reinforcement of the Panhandle System; and distribution reinforcement constructed in 2019 and new NPS 20 pipeline in 2020. These Alternatives were compared on a 20 year time frame for cost/capacity consideration.
39. The Other alternatives identified included the installation of a new pipeline from the existing NPS 20 Panhandle Line to the Town of Kingsville (NPS 12 and 24); and new Liquefied Natural Gas (“LNG”) and Compressed Natural Gas (“CNG”) facilities.
40. Each alternative (Potential and Other) was evaluated based on the need for incremental system capacity of approximately 68 TJ/d effective November 1, 2020. The facilities are required to provide incremental capacity to the Panhandle System and meet the forecasted five year firm Design Day growth. Providing incremental capacity for at least five years offers assurance to the Market that capacity will exist to reliably serve the growing needs of residential, commercial and industrial customers.
41. The preferred alternative (the Project) involves the construction of approximately 19 km of NPS 20 pipeline from the existing NPS 20 Panhandle Line in the Town of Lakeshore to a new station in the Town of Kingsville. In addition to being the lowest cost (best NPV) to customers, as set out in Exhibit A, Tab 8 the Project provides a number of benefits, which include:
 - a) it provides capacity to meet the growing near term firm demands along the Panhandle System for the next five years;
 - b) it positions the Panhandle System and the distribution system to meet the long term growth in the most efficient manner;
 - c) it offsets costly distribution reinforcement projects that will no longer be required once the Project is built; and

- d) it provides the necessary incremental capacity without the increased reliance on third party gas supply transportation services, which contain price, term and capacity risk at a cost premium.

Design and Construction of the Proposed Facilities

- 42. Union has designed the Proposed Facilities to meet or exceed all applicable codes and regulations. Union is proposing to construct the Project in 2019 following its standard construction practices which have been continuously updated to ensure the Project will be constructed safely and that impacts to the lands and environment are minimized. Material is available to construct the pipeline and contractors familiar with Union's design and construction practices are available to construct the Project.
- 43. As described at Exhibit A, Tab 11, all design, installation and testing of the proposed pipeline and station facilities will be completed in accordance with the requirements of Ontario Regulation 210/01, Oil and Gas Pipeline Systems under the *Technical Standards and Safety Act, 2000*. This regulation governs the installation of pipelines in the Province of Ontario. The design also meets or exceeds the requirements of the Canadian Standards Association Z662-15 Standard in accordance with the Code Adoption document under the Ontario Regulations.
- 44. Union is proposing to construct the pipeline in the summer of 2019 to take advantage of dry ground conditions to minimize impacts to the agricultural properties.

Environmental Matters

- 44. The Board's Environmental Guidelines for Hydrocarbon Pipelines are addressed at Exhibit A, Tab 12 of Union's evidence and a copy of Union's Environmental Report ("ER") for the Project is provided in Exhibit A, Tab 12, Schedule 1. The ER concludes that the potential adverse residual environmental and socio-economic impacts of the Project are not anticipated to be significant, provided that the ER's recommendations are

implemented, that ongoing communication and consultation takes place, and that permit, regulatory and legislative requirements are followed

45. The ER was completed in June 2017 by Stantec Consulting Limited. It was prepared so as to identify potential impacts and related mitigation measures for construction of the Project. The ER was provided to the Ontario Pipeline Coordination Committee (“OPCC”) for review on December 21, 2017. In addition, copies were sent to all affected municipalities, conservation authorities, various First Nations and the Métis Nation of Ontario and two public information sessions were held.
46. The ER identifies various mitigation measures to minimize the impacts of the Project on the environment. By following its standard construction practices and implementing the recommendations and mitigation measures identified in the ER, Union anticipates that the construction and operation of the Project will have negligible impacts on the environment. The cumulative effects assessment completed as part of the ER indicates that no significant cumulative effects are anticipated from development of the Project.
47. Among the recommendations from the ER that Union will adhere to is the implementation of compliance and effects monitoring to ensure that mitigation and protection measures are effectively carried out. In addition, Union will obtain all necessary permits and follow any conditions which are attached to those permits.

Landowner Matters

48. Subsequent to the filing of the application Union has met with all directly affected landowners and Union has now acquired options for all permanent easements and temporary land use agreements required for this Project. Union has provided the form of easement, as detailed in Exhibit A, Tab 13, Schedule 3, to all landowners from whom permanent easement are required and no landowners have objected to this form of easement. During the course of Union’s meetings with landowners no landowners have raised any new or additional issues which Union could not address to the landowner’s satisfaction.

49. All landowners have provided Union with access to their properties for the purposes of completing pre-construction, environmental surveys and archaeological surveys.
50. Union has developed a letter of understanding (“LOU”) which the landowners along the route of the pipeline have agreed to. Union will follow all of the measures identified in the LOU. Union will also implement its “land relation program” during construction of pipeline. This will ensure landowners are informed about the Project and have direct access to Union Gas personnel during construction should any issues arise.

Indigenous and Metis Nations Consultation

49. As detailed in Exhibit A, Tab 14 and further updated in Union’s response to Exhibit B.Staff.7, Union has followed the OEB/Ministry of Energy processes in relation to Indigenous consultation. The Ministry confirmed to the Board that Union’s consultation activities were sufficient.¹⁷
50. Since filing this application, Union has continued to consult with indigenous communities. No new issues or concerns have been raised from this consultation. Union will continue to consult with all potentially affected First Nations Reserves and Métis Nation of Ontario throughout construction to provide up-to-date Project information as requested.

If the OEB approves the proposed facilities, what conditions, if any, are appropriate?

51. As stated at Exhibit B.Staff.8, Union accepts the Board’s proposed Conditions of Approval for the Project.

¹⁷ Exhibit A, Tab 14, Schedule 1

Conclusion

52. The Kingsville Transmission Reinforcement Project is the most economically viable alternative and is critical to meet the immediate needs of customers in Kingsville-Leamington market area and to provide additional capacity on the Panhandle Transmission System for growth in the remainder of the Panhandle System Market. This, combined with the fact natural gas offers a competitive advantage for commercial and industrial customers, helps to ensure economic growth not only in the Panhandle System Market but Ontario as a whole. As addressed earlier in this submission, if the Project is not constructed as proposed, economic development in this region of Ontario may be significantly impacted.
53. The proposed in-service date for the Project is November 1, 2019. In order to facilitate efficient project development and meet its proposed in-service date, Union respectfully requests the Board issue its approval in a timely manner.

All of which is respectfully submitted, this 31st day of July, 2018.

UNION GAS LIMITED
By its Counsel Torys LLP

[original signed by]

Charles Keizer