



**Market Hub Partners  
Management Inc.**

May 2, 2008

Ms. Kirsten Walli  
Board Secretary

Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street  
27<sup>th</sup> Floor  
Toronto, Ontario  
M4P 1E4

Dear Ms. Walli:

Re: Sarnia Airport Storage Pool Project Application  
Market Hub Partners Management Inc. and AltaGas Ltd.  
On behalf of Sarnia Airport Storage Pool Limited Partnership  
EB-2008-0002

Please find enclosed nine (9) print copies of the Interrogatory Responses with respect to EB-2008-0002, which are being filed by Market Hub Partners Management Inc. and AltaGas Ltd., on behalf of Sarnia Airport Storage Pool Limited Partnership, a limited partnership being formed under the laws of Ontario (the "Applicant") by respective subsidiaries of Market Hub Partners Management Inc. and AltaGas Ltd. Also enclosed is a digital copy of the Interrogatory Responses.

A print copy of the Interrogatory Responses is also being forwarded to registered Intervenors and Observers for this proceeding.

Any questions with respect to these Interrogatory Responses should be addressed to the undersigned.

Yours truly,

Jim Redford, P. Eng.  
Vice-President  
(519) 436-4577  
(519) 358-4449 (fax)  
[jredford@spectraenergy.com](mailto:jredford@spectraenergy.com)

Encl.

c.c. Tina Hodgson  
Mr. Laurie Smith  
Intervenors

(Spectra Energy)  
(Bennett Jones)

Mr. Ellis W. Manning, Jr.  
Ms. Anna Muscedere  
Mr. Brett King (SS Greenhouses)  
Mr. Robert L. Williams  
Mr. Peter and Ms. Andreina Bernardi  
Observers  
Mr. Edward F. Karpel (Sun Canadian Pipeline)  
Ms. Luisa Restivo  
Mr. Tom and Ms. Loretta Rocca  
Mr. D'Arcy Bell (George Murray Shipley Bell)

**Interrogatory Response  
EB-2008-0002  
Sarnia Airport Gas Storage Pool Project  
Board Staff - 1  
May 5, 2008**

Proposed Designated Storage Area (DSA)

**Question:**

Reference: Pre-filed evidence page 29 and Letter dated March 25, 2008 by MHP Management Inc. to the Board

Landowners Bernardi, Rocca and Thurston have properties directly adjacent to the proposed boundaries of the designated storage area ("DSA"). These landowners expressed their concerns with the boundaries and/or felt that they should be included into the DSA. On March 28, 2008 the Applicant addressed these matters in a letter to the Board. A copy of the letter was also sent to Bernardi, Rocca and Thurston. The letter explained the rationale for the proposed boundaries and indicated that these boundaries have been reviewed and approved by the Ministry of Natural Resources. The Applicant submitted that the proposed boundaries are appropriate.

Has there been any additional communication with these three landowners since March 25, 2008? If so, please describe the nature of the communication and provide copies of written correspondence.

**Response:**

No further communication with Bernardi, Rocca and Thurston has occurred since March 25, 2008 with the exception of the attached e-mails which were exchanged between Peter Bernardi and Jim Redford.

## Jim Redford

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**From:** Jim Redford  
**Sent:** April 15, 2008 3:58 PM  
**To:** Laura B.  
**Cc:** Louie Jeromel  
**Subject:** RE: Reply to your April 7, 2008 letter

We are pleased to provide you with more information on the project and feel it is important that anyone with an interest participate and ask questions that they may have. I will ensure that you are copied on all materials as an Observer to the proceeding.

If you have other questions about the project please do not hesitate to contact me or our Project Manager, Louie Jeromel at 1-800-265-5260.

-----Original Message-----

**From:** Laura B. [mailto:lbernardi@sympatico.ca]  
**Sent:** April 15, 2008 1:02 PM  
**To:** Jim Redford  
**Subject:** Reply to your April 7, 2008 letter

Sent on behalf of Mr. Peter Bernardi on April 15, 2008

Re: Sarnia Airport Storage Pool Project, Board File #EB-2008-0002

Dear Mr. Jim Redford, P. Eng.,

I wanted to thank you for the information and illustrations with respect to the boundaries of the Sarnia Airport Pool Designated Storage Area. The information forwarded provided better clarity as to how the boundaries were established and how the buffer zones were determined. I wanted to ensure that if any of my properties were within the buffer zones that they be considered to be part of the project. Through the information and illustrations provided, I see clearly that at present my properties are outside of the project.

I would like to continue to observe and be informed of progress on the project as an interested neighbouring property owner.

Thank you very much for your time.

Sincerely,

Mr. Peter Bernardi  
(519) 542-5013

**Interrogatory Response**  
**EB-2008-0002**  
**Sarnia Airport Gas Storage Pool Project**  
**Board Staff - 2**  
**May 5, 2008**

Authority to Inject Gas into, Store Gas in and remove Gas from Designated Storage Area

**Question:**

Reference: Pre-Filed Evidence pages 30 and 31 and Schedule 5-20 "Assessment of Neighboring Activities Sarnia Airport Pool Development"

The Applicant filed a report entitled "Assessment of Neighboring Activities" dated October 2007 ("Assessment"). The Assessment forms a part of the pre-filed evidence in support of the application under section 38(1) of the OEB Act for an order authorizing the Applicant to operate the Sarnia Airport storage pool. The Assessment stated that it was prepared in accordance with the requirements of Clause 7.2 of standard CAN/CSA Z341.1-06-Storage of Hydrocarbons in Underground Formations-Reservoir Storage.

- a. Has the Assessment been submitted to the MNR for a review? If so, have any comments been received from the MNR?
- b. Please discuss the process of MNR's review of the Assessment.
- c. Please file copies of any communications resulting from the MNR's review process or any communication with the MNR regarding the Assessment.

**Response:**

- a. The "Assessment of Neighbouring Activities" report was submitted to the MNR on October 9, 2007. No comments have been received from the MNR since the submission of the report.
- b. Throughout the development process, meetings were held with the MNR to discuss the project, which provided an opportunity for the MNR to review and comment on areas of specific interest, such as the DSA, well drilling plans, operating pressures, hazard assessment and the assessment of neighbouring activities. These review meetings provided the Applicant an opportunity to consider any comments from the MNR in its project planning and design.

The "Assessment of Neighbouring Activities" report was completed by the Applicant to demonstrate compliance with Clause 7.2 of CAN/CSA Z341.1-06 and considered any comments provided by the MNR. There is no explicit requirement in the *Oil, Gas and Salt Resources Act*, or its Regulations, to file such a report and to our knowledge, there is no formal MNR review process. Regardless, the Applicant has discussed these issues with the MNR, and provided a copy of the report to the MNR, in advance of filing its Applications for project approvals.

- c. The Applicant has not received any written communication from the MNR with respect to the "Assessment of Neighbouring Activities" report. Attached is a copy of the October 9, 2007 transmittal letter that accompanied the "Assessment of Neighbouring Activities" report to the MNR.



## Market Hub Partners Canada L.P.

# COPY

October 9, 2007

Ministry of Natural Resources  
Petroleum Resources Centre  
659 Exeter Road  
London, Ontario  
N6E 1L3

Attention: Mr. Jug Manocha, P. Eng.  
Caverns and Storage Engineer

Dear Mr. Manocha:

**Re: Process Hazards Analysis  
Supplemental Information  
Proposed Sarnia Airport Pool Storage Project**

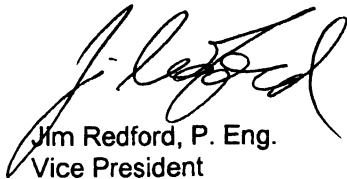
Further to our letter of October 2, 2007 regarding the submission of the *"What If" Analysis of Hazard and Operability Issues* for the Sarnia Airport Pool Storage Project, MHP Canada is forwarding a copy of its report: *Assessment of Neighbouring Activities – Sarnia Airport Pool Development ("Assessment of Neighbouring Activities Report")*.

The Assessment of Neighbouring Activities Report has been completed to show compliance with the requirements of Clause 7.2 of standard CAN/CSA Z341.1-06 "Storage of Hydrocarbons in Underground Formations – Reservoir Storage" and can be used as a reference in reviewing the Process Hazards Analysis materials for the Sarnia Airport Pool Storage Project.

While MHP Canada anticipates that the enclosed report will form part of an Application to the Ontario Energy Board, MHP Canada respectfully requests that the Assessment of Neighbouring Activities Report be held in confidence with the Process Hazards Analysis materials at this time.

Specific questions regarding the Assessment of Neighbouring Activities Report can be directed to Mr. Steve Pardy at (519) 436-4568. Should you have any questions regarding the confidentiality request, please do not hesitate to contact me at (519) 436-4577.

Yours truly,



Jim Redford, P. Eng.  
Vice President

cc. Mr. Louie Jeromel  
Mr. Steve Pardy  
Mr. Pete Fisher

(Spectra Energy Transmission)  
(Spectra Energy Transmission)  
(Union Gas Limited)

**Interrogatory Response**  
**EB-2008-0002**  
**Board Staff - 3**  
**May 5, 2008**

Authority to Inject Gas into, Store Gas in and remove Gas from Designated Storage Area

**Question:**

Reference: Pre-Filed Evidence pages 26-28 “Reservoir Containment”

- a. Please confirm that the proposed maximum operating pressure of 10,685 kPaa is in accordance with the requirements of the CSA Z341.1-06 clauses 5.2.3 and 7.6.2.
- b. Please explain briefly how the caprock sample evaluation and the results of the micro-fracture test support operating the pool at the 10,685 kPaa without compromising the integrity of the storage container.

**Response:**

- a. The proposed maximum operating pressure of 10,685 kPaa is in accordance with the requirements of CAN/CSA Z341.1-06 Clauses 5.2.3 and 7.6.2.
- b. Cored samples of A2 Anhydrite were acquired in two separate areas of the reservoir during the drilling of wells C.8 and AIR.2 to specifically evaluate the caprock and to satisfy the requirements of Clauses 5.2.3 and 7.6.2 of CAN/CSA Z341.1-06. With respect to Clause 5.2.3, the caprock core samples were analyzed to determine threshold pressure, porosity and permeability. The threshold pressure test models the ability of the caprock to contain gas such that the threshold pressure represents the pressure at which gas penetrates the caprock. Threshold pressure test results from samples of the A2 Anhydrite demonstrate that natural gas could not penetrate the caprock at pressures in excess of 18,000 kPa, which is significantly greater than the proposed maximum operating pressure of 10,685 kPaa. Therefore, the threshold pressure test results also satisfy the requirements of Clause 7.6.2.

A micro-fracture test was conducted on well AIR.1 in September 2007 to measure the ability of the caprock to withstand fracturing, thus providing local fracture pressure data. Clause 7.6.2 of CAN/CSA Z341.1-06 states that “The maximum operating pressure shall not exceed 80% of the fracture pressure of the caprock formation”. Based on the 24.43 kPa/m gradient produced in the micro-fracture test, which was the lowest gradient result produced during the testing, the operating pressure of the Sarnia Airport Pool will be restricted to a maximum of 13,165 kPaa. This pressure significantly exceeds the proposed maximum operating pressure of 10,685 kPaa and therefore the proposed maximum operating pressure of the Sarnia Airport Pool satisfies the requirements of Clause 7.6.2.

The caprock core and micro-fracture tests therefore provide reliable data that confirms containment at pressures significantly greater than the proposed maximum operating

pressure and that the proposed maximum operating pressure meets the requirements of Clauses 5.2.3 and 7.6.2 of CAN/CSA Z341.1-06.

**Interrogatory Response**  
**EB-2008-0002**  
**Sarnia Airport Gas Storage Pool Project**  
**Board Staff - 4**  
**May 5, 2008**

Authority to Inject Gas into, Store Gas in and remove Gas from Designated Storage Area

**Question:**

Reference: Pre-Filed Evidence page 39, lines 845 to 850

Please comment on the appropriateness of Union Gas Limited, (as a storage operator under the agreement with the Applicants) using its Operations and Maintenance Procedures and Emergency Response Plan to comply with the requirements of the CSA Z341.1-06.

**Response:**

SASP L.P. will be the operator of the Sarnia Airport Pool facilities as defined under the *Oil, Gas and Salt Resources Act*. SASP Management Inc. will enter into a Management Services Agreement with MHP Management Inc., or its affiliate, (the “Manager”) that will provide the authorization for the Manager to carry on assigned business on behalf of SASP L.P. with respect to development, construction, operation and maintenance for the Sarnia Airport Pool. The Manager will subcontract operations and maintenance services to Union Gas Limited, an experienced Ontario storage operator, through Service Assignments and Union Gas Limited will be responsible for providing Operations and Maintenance Procedures and an Emergency Response Plan.

Previously, the Manager requested that an independent party, Aecon Utility Engineering (“AUE”), review the Union Gas Limited Operation and Maintenance Procedures and the Emergency Response Plan to ensure compliance with CAN/CSA Z341.1-06 and CAN/CSA Z731-03 for the St. Clair Storage Pool. AUE completed that review on behalf of Market Hub Partners Canada L.P., an affiliate of Market Hub Partners Management Inc. The results were documented (listed below) and filed in response to EB-2006-0164 conditions of approval 1.1.2.1 and 1.1.2.2.

- Due Diligence Review – Operation & Maintenance Procedures Report – June 4, 2007
- Due Diligence Review – Emergency Preparedness and Response Report – May 30, 2007

Subsequently, AUE was requested to review whether the outstanding items noted in those AUE reports were complete such that the Operation and Maintenance Procedures and the Emergency Response Plan for the St. Clair Pool would satisfy the requirements of CAN/CSA Z341.1-06 and CAN/CSA Z731-03. AUE reported their findings in the attached letters.

- Due Diligence Review Update – Operation & Maintenance Procedures – CAN/CSA Z341.1-06 – April 14, 2008

- Due Diligence Review Update – Emergency Preparedness and Response – CAN/CSA Z731-03 – February 6, 2008

As noted within the attached letters, AUE was able to confirm compliance with the requirements of CAN/CSA Z341.1-06 and CAN/CSA Z731-03.

AUE was further requested to provide its opinion on whether, and to what extent, these reports and letters were applicable to SASP L.P. As noted in the attached letter report dated May 1, 2008, AUE was able to confirm that the work completed for the St. Clair Pool was relevant to the Sarnia Airport Pool. The Applicant will review and satisfy the recommendations contained within this letter report.



*Utility Engineering*

*A Division of  
Aecon Infrastructure Group Inc.  
20 Carlson Court  
Suite 800  
Toronto, Ontario  
Canada  
M9W 7K6  
Tel (416) 297-2600  
Fax (416)-940-2283*

April 14, 2008

Market Hub Partners Canada L.P.  
P.O. Box 2001  
50 Keil Drive North  
Chatham, Ontario  
N7M 5M1

Attention: Jim Redford, P. Eng.  
Project Director – Storage Development

Re: **Due Diligence Review Update  
Market Hub Partners Canada L.P. (MHP) - St. Clair Storage Pool  
Operation & Maintenance Procedures - CAN/CSA Z341-06**

Dear Mr. Redford:

Further to your e-mail from January 29, 2008 requesting an update of MHP Operation and Maintenance Procedures (CSA Z341-06) due diligence review, we are pleased to submit hereafter a letter report with our findings.

Should you have any questions or comments, do not hesitate to contact me at your convenience.

Yours truly,

Andrew Geden, P. Eng.  
Manager of Engineering

Encl.

AG/fb

**DUE DILIGENCE REVIEW UPDATE  
MARKET HUB PARTNERS CANADA L.P. (MHP) - ST. CLAIR STORAGE POOL  
OPERATION & MAINTENANCE PROCEDURES - CAN/CSA Z341-06  
APRIL 14, 2008**

## **1.0 Background**

In early 2007, Aecon Utility Engineering was engaged by Market Hub Partners Canada L.P. (MHP) to perform a due diligence review of key documents, such as the Operation and Maintenance Procedures, supplied by its operations and maintenance service provider and to ensure that those documents and MHP were in compliance with relevant acts, regulations and statutes.

To that end, AUE submitted to MHP a due diligence review report in June 4, 2007 including compliance status, outstanding items, conclusions and recommendations.

In January 2008, MHP requested that AUE perform an update of its original due diligence review and it is presented herein.

## **2.0 Storage of Hydrocarbons in Underground Formations Z341 Series-06**

This is the second edition of CSA Z341 Series, Storage of Hydrocarbons in Underground Formations, which includes CSA Z341.1, Reservoir Storage, CSA Z341.2, Salt Cavern Storage, and CSA Z341.3, Mined Cavern Storage. The 2006 edition supersedes the edition published in 2002. It also replaces previous CSA Z341 standards, which were published as a single Standard in 1998 and 1993.

This Series of Standards covers the storage of hydrocarbons in naturally formed geological reservoirs, solution-mined salt caverns and mined caverns. CSA Z341.1 sets out the minimum requirements for the design, construction, operation, maintenance, abandonment, and safety of hydrocarbon storage in underground reservoir formations and associated equipment. The equipment considered includes:

- (a) storage wellhead and Christmas tree assemblies;
- (b) wells and subsurface equipment; and
- (c) safety equipment, including monitoring, control, and emergency shutdown systems.

Hydrocarbons within the scope of this Standard include crude oil, diesel, natural gas, methane, ethane, propane, butane, and other hydrocarbons by themselves or in mixtures. Any procedural requirements of the Oil, Gas and Salt Resources Act, and its regulations, have been covered by this due diligence review of CSA Z341.

### 3.0 Supporting Documentation

In addition to the supporting documentation provided for the original report, MHP submitted the following documents to AUE:

- Operation and Maintenance Policy  
Market Hub Partners Canada L.P., Issued June 1, 2007
- Inventory Verification Practice  
Spectra Energy, Issue Date: 2008-04-11
- Stabilization and Pressure Measurement Practice  
Spectra Energy, Issue Date 2008-04-11
- Sombra and St. Clair Pool Station Controls Description  
Mario Papini Updated: June 6, 2007 - Ray Jump
- Wireline Logging Procedure  
Union Gas, Issued Date: 2007-07-19
- Wireline Logging on Drilling Rig Procedure  
Union Gas, Issued Date: 2007-07-19
- Wellhead Inspection Practise  
Union Gas, Issued Date: 2008-03-28
- Wellhead Erosion Control Practise  
Union Gas, Issued Date: 2008-03-28
- Reservoir Risk Assessment Practice  
Union Gas, Issued Date: 2008-04-10

### 4.0 Due Diligence Review Update – Compliance

The scope of work for this update is focused on the review of the outstanding issues outlined in the due diligence review report issued on June 4, 2007. For clarity, the outstanding items, remarks and resolution documents or procedures have been summarized in Table 4.1.

<p align="center"><b>Table 4.1</b> <b>Due Diligence Review Update</b> <b>Market Hub Partners Canada L.P. (MHP) - St. Clair Storage Pool</b> <b>Operations and Maintenance Procedures - CAN/CSA Z341-06</b></p>			
<b>Section</b>	<b>Outstanding Item</b>	<b>AUE Recommendation</b>	<b>Resolution Status</b>
<b>7.1</b>	<b>Risk Assessment:</b> "Operators shall establish, document, implement and maintain a risk assessment process to effectively identify risks associated with underground storage facilities. The procedure is to be reviewed when changes are made."	A Risk Assessment was completed for the project during the planning stage that identified risks and mitigation for drilling as well as operations and maintenance. A Risk Assessment procedure will be developed before December 31, 2007, with assistance from UGM Engineering, which specifically addresses protocol for review of the Risk Assessment after the facilities are in-service. This requirement is new to the 2006 edition of CSA Z341.1.	✓ <b>Resolved</b> <b>Reservoir Risk Assessment Practice</b>
<b>10.1</b>	<b>Wireline and Logging Procedures:</b> "Recommend that a generic wireline logging procedure be developed."	A generic wireline logging procedure needs to be prepared prior to June 30, 2007.	✓ <b>Resolved</b> <b>Wireline Logging Procedure and Wireline Logging on Drilling Rig Procedure</b>
<b>10.1.1</b>	<b>Operation and Maintenance Procedures:</b> "Recommended that injection, withdrawal and shut down procedures be developed for each individual pool."	Prior to June 15, 2007, injection, withdrawal and shut down procedures for the St. Clair Pool need to be prepared.	✓ <b>Resolved</b> <b>Station Control Philosophy</b>
<b>10.1.5 (b)</b>	<b>Isolation and Depressuring:</b> "Operators shall have written procedures in place that specify the isolation required to perform the maintenance function including venting and blowdown procedures;"	Prior to June 15, 2007, injection, withdrawal and shut down procedures for the St. Clair Pool need to be prepared.	✓ <b>Resolved</b> <b>Station Control Philosophy</b>

<p align="center"><b>Table 4.1 (cont.)</b> <b>Due Diligence Review Update</b> <b>Market Hub Partners Canada L.P. (MHP) - St. Clair Storage Pool</b> <b>Operations and Maintenance Procedures - CAN/CSA Z341-06</b></p>			
<b>Section</b>	<b>Outstanding Item</b>	<b>AUE Recommendation</b>	<b>Resolution Status</b>
<b>10.2.3 (a)</b>	<b>Wellhead and Casing Vents:</b> "Operators shall conduct once every three months a surface casing vent inspection."	Surface casing vent inspection procedure needs to be prepared prior to September 15, 2007, including an inspection check list.	✓ <b>Resolved – Wellhead Inspection Practice</b>
<b>10.4.2</b>	<b>Erosion Control:</b> "Where erosion is detected or flow velocity is equal to or greater than the calculated erosional velocity, wellhead and fabricated piping shall be inspected once per year for erosion."	Procedures need to be prepared to calculate erosion velocity and for erosion testing prior to December 31, 2007. This requirement is new to the 2006 edition of CSA Z341.1.	✓ <b>Resolved – Erosion Control Practice</b>
<b>11</b>	<b>Monitoring and Measurement:</b> "The operator shall develop and implement procedures to verify the quantity of hydrocarbons in the storage reservoir."	Stabilization and Pressure Measurement and Inventory Verification procedures to be developed prior to June 15, 2007.	✓ <b>Resolved – Stabilization and Pressure Management Practice</b>
<b>12.4.2 &amp; 12.4.3</b>	<b>Security:</b> "Operators shall prevent unauthorized access to wells and storage facilities; permanent signs identifying the well or storage facility name, operator, and contact telephone number shall be clearly visible."	Security and Identification Sign procedures for wells need to be prepared by September 30, 2007.	✓ <b>Resolved C&amp;M Manual – Section 18.6</b>

## **5.0 Conclusions – Recommendations**

AUE conducted an update of the Due Diligence Review process in order to establish the level of compliance of MHP Canada with CSA-Z341-06

Based on the documentation provided as outlined in section 3.0, AUE was able to determine that MHP Canada is compliant with the requirements of CSA-Z341-06.



*Utility Engineering*

*A Division of  
Aecon Infrastructure Group Inc.  
20 Carlson Court  
Suite 800  
Toronto, Ontario  
Canada  
M9W 7K6  
Tel (416) 297-2600  
Fax (416)-940-2283*

February 6, 2008

Market Hub Partners Canada L.P.  
P.O. Box 2001  
50 Keil Drive North  
Chatham, Ontario  
N7M 5M1

Attention: Jim Redford, P. Eng.  
Project Director – Storage Development

Re: **Due Diligence Review Update  
Market Hub Partners Canada L.P. (MHP) - St. Clair Storage Pool  
Emergency Preparedness and Response - CAN/CSA Z731-03**

Dear Mr. Redford:

Further to your e-mail from January 29, 2008 requesting an update of MHP Emergency Preparedness and Response due diligence review, we are pleased to submit hereafter a letter report with our findings.

Should you have any questions or comments, do not hesitate to contact me at your convenience.

Yours truly,

A large, stylized handwritten signature in black ink, appearing to read 'Andrew Ceden'.

Andrew Ceden, P. Eng.  
Manager of Engineering

Encl.

AG/fb



**DUE DILIGENCE REVIEW UPDATE  
MARKET HUB PARTNERS CANADA L.P. (MHP) - ST. CLAIR STORAGE POOL  
EMERGENCY PREPAREDNESS AND RESPONSE - CAN/CSA Z731-03  
FEBRUARY 6, 2008**

## **1.0 Background**

In early 2007, Aecon Utility Engineering was engaged by Market Hub Partners Canada L.P. (MHP) to perform a due diligence review of key documents, such as the Emergency Response Plan, supplied by its operations and maintenance service provider and to ensure that those documents and MHP were in compliance with relevant acts, regulations and statutes.

To that end, AUE submitted to MHP a due diligence review report in May 30, 2007 including compliance status, outstanding items, conclusions and recommendations.

In January 2008, MHP requested that AUE perform an update of its original due diligence review and it is presented herein.

## **2.0 Emergency Preparedness and Response - CSA Z731-03**

The Canadian Standards Association has written this standard in order to help industrial organizations, businesses, and other private and public bodies develop an emergency management program (EMP). It is directed primarily toward the development of effective tools and systems to support emergency preparedness and response.

The objective of this Standard is to establish minimum criteria for effective emergency preparedness and response. It provides advice on planning, administration, training, resource utilization, auditing, and other aspects of emergency preparedness and response.

The third edition of CSA-Z731, *Emergency Preparedness and Response*, supersedes the previous editions published in 1995 and 1991. As of today there have not been further updates of the CSA Z31-03 standard.

## **3.0 Supporting Documentation**

In addition to the supporting documentation provided for the original report, MHP submitted the following documents to AUE:

- Union Gas Emergency Response Plan. Section 2, Table of Contents, Issue Date: 2007-06
- Union Gas Emergency Response Plan. Section 13, Affiliates, Issue Date: 2007-06

## **4.0 Due Diligence Review Update – Compliance**

The scope of work for this update is focused on the review of the outstanding issues outlined in the due diligence review report issued on May 30, 2007. For clarity, the outstanding items, remarks and resolution documents or procedures have been summarized in Table 4.1.

<p><b>Table 4.1</b> <b>Due Diligence Review Update</b> <b>Market Hub Partners Canada L.P. (MHP) - St. Clair Storage Pool</b> <b>Emergency Preparedness and Response - CAN/CSA Z731-03</b></p>			
Section	Outstanding Item	AUE Recommendation	Resolution Status
<b>4.7</b>	<p><b>Roles and Responsibilities</b></p> <p><i>The roles and responsibilities of individuals and groups in an emergency shall be specified in the ERP</i></p>	MHP Canada roles and responsibilities need to be addressed in Section 13 of the Emergency Response Plan (ERP).	<p>✓ <b>Resolved</b></p> <p>Section 13.3.5 "Roles and Responsibilities" of the Union Gas Emergency Response Plan Issue Date: 2007-06</p>
<b>4.11</b>	<p><b>Contact List</b></p> <p><i>A list containing contact details for internal and external resources shall be compiled.</i></p>	A contact list for MHP Canada needs to be included in Section 13 of the ERP.	<p>✓ <b>Resolved</b></p> <p>Section 13.3.1 "Contact Information" of the Union Gas Emergency Response Plan Issue Date: 2007-06</p>
<b>5.4.6</b>	<p><b>Notification and Reporting</b></p> <p><i>Procedures for notification and reporting shall be documented and shall describe</i></p> <p><i>a) who is responsible for notification and reporting;</i></p> <p><i>b) to whom notifications and reports are to be made</i></p> <p><i>c) when notifications and reports are to be made (e.g., immediately, within 24 h); and</i></p> <p><i>d) how notifications and reports are made (e.g., by telephone, by e-mail).</i></p>	MHP Canada notification and reporting requirements needs to be included in Section 13 of the ERP.	<p>✓ <b>Resolved</b></p> <p>Section 13.3.4 "Alerting" of the Union Gas Emergency Response Plan Issue Date: 2007-06</p>

## **5.0 Conclusions – Recommendations**

AUE conducted an update of the Due Diligence Review process in order to establish the level of compliance of MHP Canada with CSA-Z731-03.

Based on the documentation provided as outlined in section 3.0, AUE was able to determine that MHP Canada is compliant with the requirements of CSA Z731.

Emergency response planning is a process that requires continuous adjustment to take into account factors such as operational, organizational, personnel, and regulatory changes, and lessons learned from real-life events or exercises. The ERP shall be kept current by annual (or more frequent) reviews and by regular hazard determinations. A mechanism should be established to enable parties charged with responsibilities under the ERP to suggest amendments. Such parties should be promptly notified of any significant changes to the ERP.



*Utility Engineering*

A Division of  
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May 1<sup>st</sup>, 2008

Market Hub Partners Management Inc.  
P.O. Box 2001  
50 Keil Drive North  
Chatham, Ontario  
N7M 5M1

Attention: Jim Redford, P. Eng.  
Vice-President

Re: **Due Diligence Review Update**  
**Sarnia Airport Storage Pool**

Dear Mr. Redford:

As you kindly requested, Aecon Utility Engineering has performed a suitability analysis regarding the adoption of Union Gas Limited Operation and Maintenance Procedures and Emergency Response Procedures for the Sarnia Airport Storage Pool. We are pleased to submit hereafter a letter report with our findings.

Should you have any questions or comments, do not hesitate to contact me at your convenience.

Yours truly,

A handwritten signature in dark ink, consisting of a stylized 'A' followed by a long horizontal line.

Andrew Geden, P. Eng.  
Manager of Engineering

## 1.0 Background

Market Hub Partners Management Inc. ("MHP Management Inc.") and AltaGas Ltd., on behalf of a soon to be formed limited partnership, Sarnia Airport Storage Pool Limited Partnership ("SASP L.P."), have applied to the Ontario Energy Board ("OEB") for approval of the Sarnia Airport Pool as a natural gas storage reservoir. SASP L.P., by its general partner Sarnia Airport Storage Pool Management Inc. ("SASP Management Inc."), will be the operator of the Sarnia Airport Pool facilities as defined under the *Oil, Gas and Salt Resources Act*. SASP Management Inc. will enter into a Management Services Agreement ("MSA") with MHP Management Inc., or its affiliate, (the "Manager") that will provide the authorization for the Manager to manage the development, construction, operation and maintenance for the Sarnia Airport Pool on behalf of SASP Management Inc. The Manager will subcontract operations and maintenance services to Union Gas Limited, an experienced Ontario storage operator, through Service Assignments, and Union Gas Limited will be responsible for providing Operations and Maintenance Procedures and an Emergency Response Plan.

In early 2007, Market Hub Partners Canada L.P. ("MHP Canada"), by its general partner MHP Management Inc., engaged Aecon Utility Engineering ("AUE") to perform a due diligence review of key documents for the St. Clair Storage Pool, such as the Operation and Maintenance Procedures and the Emergency Response Plan, supplied by its operations and maintenance service provider, Union Gas Limited and to ensure that those documents and MHP Canada were in compliance with relevant acts, regulations and statutes.

The results were documented by AUE in the reports listed below. MHP Canada filed these reports with the OEB in response to St. Clair Storage Pool (EB-2006-0164) conditions of approval 1.1.2.1 and 1.1.2.2.

- Due Diligence Review - Operation & Maintenance Procedures Report - June 4, 2007
- Due Diligence Review - Emergency Preparedness and Response Report - May 30, 2007

Subsequently, AUE was requested by MHP Canada to review whether the outstanding items noted in those AUE reports were complete such that the Operation and Maintenance Procedures and the Emergency Response Plan for the St. Clair Pool would satisfy the requirements of CAN/CSA Z341.1-06 and CAN/CSA Z731-03. AUE findings were included in the following letter reports:

- Due Diligence Review Update - Operation & Maintenance Procedures - CAN/CSA Z341.1-06 - April 14, 2008
- Due Diligence Review Update - Emergency Preparedness and Response - CAN/CSA Z731-03 - February 6, 2008

Through its review, and as stated in the mentioned letter reports, AUE was able to confirm compliance with the requirements of CAN/CSA Z341.1-06 and CAN/CSA Z731-03.

On April 25, 2008 AUE was engaged by MHP Management Inc. to provide an analysis on the appropriateness of the adoption of Union Gas Limited Operation and Maintenance Procedures and Emergency Response Procedures for the Sarnia Airport Storage Pool and the results are presented hereafter.

## **2.0 Analysis**

Our understanding is that SASP L.P., by its general partner SASP Management Inc., will be the owner and operator of the Sarnia Airport Pool, including ensuring safe operation and maintenance of the Sarnia Airport Pool facilities.

Operations and maintenance services will be contracted by SASP Management Inc. to the Manager, and then the Manager intends to further subcontract day-to-day activities to Union Gas Limited, an experienced Ontario storage operator, under Service Agreements. This in effect is a similar operations and maintenance services contracting arrangement as the St. Clair Storage Pool.

Similar to MHP Canada's St. Clair Storage Pool, Union Gas Limited will utilize its Operations and Maintenance Procedures and Emergency Response Plans in providing its services for the Sarnia Airport Pool.

Therefore, the Union Gas Limited Operations and Maintenance Procedures and the Emergency Response Plans were reviewed to determine if there were unique requirements with respect to the Sarnia Airport Pool based on the proposed facilities and the contractual relationship between the parties.

## **3.0 Conclusion**

Based on the information provided and the analysis performed, AUE considers appropriate that the Union Gas Limited Operation and Maintenance Procedures and the Emergency Response Plan be used for the Sarnia Airport Pool assuming that SASP Management Inc., on behalf of SASP L.P., adopts the Operation and Maintenance Policy of the Manager through its contractual relationship with the Manager or prepares its own similar Operation and Maintenance Policy. In any event, it is recommended that the Operation and Maintenance Policy adopt the Union Gas Limited Operation and Maintenance Procedures and the Emergency Response Plan.

While the Union Gas Limited Emergency Response Plan is suitable for use for the Sarnia Airport Pool and the document already includes contact lists, roles and responsibilities, and notification and reporting procedures for the Manager (with respect to the St. Clair Storage Pool), the document should be reviewed by SASP Management Inc. and the Manager to incorporate specific requirements for SASP Management Inc., if any, with respect to contact lists, roles and responsibilities, and notification and reporting procedures.

**Interrogatory Response  
EB-2008-0002  
Sarnia Airport Gas Storage Pool Project  
Board Staff - 5  
May 5, 2008**

Authority to Inject Gas into, Store Gas in and remove Gas from Designated Storage Area

**Question:**

Reference: Pre-filed Evidence page 44 "Petroleum and Natural Gas Rights" and page 45 "Gas Storage Rights"

The pre-filed evidence indicates that the Applicants hold Petroleum and natural gas rights and storage rights for all the properties within the proposed DSA except for the property owned by Ms. Frances Tavares and road allowances of the City of Sarnia.

- a. Please provide any updates and plans to obtain the P & NG rights and storage rights from Ms. Tavares and from the City of Sarnia.
- b. What is the anticipated time-line of obtaining these rights?
- c. If the rights cannot be obtained, what are the implications for the project development, if any? How will the Applicants proceed with respect to compensation if no agreements are reached with these two parties?

**Response:**

- a. A P&NG Lease has been presented to Ms. Frances Tavares and Gas Storage Leases have been presented to both Ms. Frances Tavares and the City of Sarnia. To date executed copies have not been returned. New leases will be prepared and presented to Ms. Frances Tavares and the City of Sarnia for execution.
- b. While the Applicant can not provide a time-line for obtaining the outstanding rights, the Applicant can confirm that it plans to continue attempting to secure leases from Ms. Frances Tavares and the City of Sarnia until leases are secured.
- c. In the event that the Applicant is not able to secure these leases, the Applicant would request that the Board designate the storage area and grant the Orders requested. If the Applicant does not obtain these rights prior to designation, offers of compensation would be provided to Ms. Frances Tavares and the City of Sarnia on the same terms as other property and mineral right owners in the Sarnia Airport Pool DSA.

**Interrogatory Response**  
**EB-2008-0002**  
**Sarnia Airport Gas Storage Pool Project**  
**Board Staff - 6**  
**May 5, 2008**

Authority to Inject Gas into, Store Gas in and remove Gas from Designated Storage Area

**Question:**

Reference: Board Order EB-2006-0164

On February 13, 2007 the Board issued to MHP Canada an order under section 38(1) of the Act authorizing the operation of St. Clair storage pool (EB-2006-0164). The Board attached a set of conditions to this approval. Condition 1.9 required that MHP has “adequate environmental insurance coverage in effect prior to construction commencement”:

*1.9. MHP Canada shall, after the date on which the OEB grants an order pursuant to Section 38(1) of the OEB Act and before commencement of drilling operations or pipeline construction to use the DSA for storage, and thereafter while the DSA or any part thereof is being used for storage operations, obtain and maintain in full force and effect insurance coverage, including but not limited to, liability and pollution coverage, in the amount that is determined to be adequate by an independent party with expertise in adequacy of insurance coverage for environmental and other risks and potential impacts of gas storage operations in southwestern Ontario. MHP Canada shall file with the Board documentation proving that the insurance coverage obtained as required by this condition.*

Please discuss whether similar insurance will be in place prior to commencement of construction of the facilities for the Sarnia Airport project.

**Response:**

A similar process to the St. Clair Storage Pool is being undertaken for the Sarnia Airport Pool. An independent party with expertise in adequacy of insurance coverage for environmental and other risks as well as potential impacts of gas storage operations in southwestern Ontario will be retained to prepare an Insurance Study. The Insurance Study scope will reflect the terms of the noted condition of approval and should be complete in June or July 2008. The Applicant intends to acquire insurance in the types and amounts recommended in the Insurance Study and to maintain that insurance in full force and effect, which will include, but not be limited to, liability and pollution coverage.

**Interrogatory Response  
EB-2008-0002  
Sarnia Airport Gas Storage Pool Project  
Board Staff - 7  
May 5, 2008**

Licence to Drill Wells

**Question:**

Reference: Pre-Filed Evidence, page 33 "Restricted Drilling Areas"

Given the close proximity of the Sarnia Airport Pool Designated Area and the residential/commercial developments and pressures in the area, has the operator undertaken the following:

- a. Has applicant discussed the planning/public safety issues associated with the nature of the proposed storage facilities and has this input been considered by the municipality with respect to its zoning decisions in the area for future development?
- b. Are existing surface land uses in the vicinity of the proposed storage facilities compatible with the proposed storage facilities?
- c. Has the municipality or the operator designed any setback requirements that would allow for the storage operations and municipal development to continue?
- d. Please confirm that the setbacks of the well drilling equipment and the location of wellheads will comply with the requirements of Transport Canada regarding the distance from the Sarnia Chris Hadfield Airport and requirements of the MNR regarding distance from road allowances, houses and municipal drains.
- e. Please indicate, on a map of appropriate scale, the distances of the well locations relative to the features with minimum setback requirements. Please submit this map with reply to this interrogatory.

**Response:**

- a. Through the environmental assessment process interested parties were provided an opportunity to comment on the Project. The Applicant provided local property owners and residents with responses to public safety issues at the public open houses held in 2005 and through individual meetings. No planning concerns have been raised by the landowners within the DSA to date.

Public safety issues have been addressed with the City of Sarnia during project planning meetings, which included discussions regarding the location of surface facilities. Copies of the Environmental and Socio-Economic Assessment as well as the Application and Pre-filed Evidence were provided to the City of Sarnia. According to the City of Sarnia, the area

surrounding the Sarnia Airport Pool reservoir is largely zoned RU1 (rural/agricultural) and there are no plans to change the zoning or to develop this area for other uses. No planning concerns have been raised by the City of Sarnia to date.

The Applicant addressed emergency response planning directly in a meeting with the operator of the Sarnia Chris Hadfield Airport and there are no outstanding planning or public safety issues.

- b. The existing surface land uses within the vicinity of the Sarnia Airport Pool, which include agriculture, roadways, rural residential dwellings and the Sarnia Chris Hadfield Airport, are compatible with the proposed facilities as referenced in Section 6.1 of the Environmental and Socio-Economic Assessment. Construction and operation of the Sarnia Airport Pool will not impede any of the existing land uses.
- c. The Applicant has had several meetings with the City of Sarnia and is not aware of any concerns with the location of proposed facilities. Any setback requirements included in the project design are as specified by the MNR and Transport Canada through their respective regulations.
- d. The setback distances for the proposed well drilling equipment, and each existing and proposed wellhead, comply with the requirements of the MNR and Transport Canada regarding proximity to airport facilities, road allowances, structures and municipal drains.
- e. The attached map provides the shortest distance from an existing well to a feature with minimum setback requirements. The attached table provides the distance from each existing or proposed well to each feature with minimum setback requirements and provides the maximum structure height at each well site in accordance with Transport Canada regulations. The Applicant will comply with any conditions attached to Transport Canada authorizations.



## LEGEND

- GAS PRODUCER
- GAS PRODUCER, ABANDONED
- GAS SHOW, SUSP/ABD
- OIL SHOW, GAS SHOW, SUSP/ABD
- DRY HOLE, ABANDONED
- STRATIGRAPHIC TEST WELL
- HORIZONTAL WELL
- PROPOSED HORIZONTAL WELL
- SURFACE CULTURE
- STRUCTURE

Top Hole  
Bottom Hole  
Top Hole  
Bottom Hole

## SCALE



REMARKS

SARNIA AIRPORT POOL

CLOSEST WELL TO  
FEATURE REQUIRING  
OFFSET

DATE: 10/04/2009  
DRAWN BY: J. D. Chute  
CHECKED BY: J. D. Chute  
SCALE: AS SHOWN

Reef Footprint

HS.1

AIR.1

AIR.2

AIR.3

C.8

AIR.4

BTS 2-11-8

334m

119m

82m

**Attachment to Board Staff - 7 (e)**  
**Distances to Features Requiring Setbacks in Regulations**

	Distance (metres) to:				Maximum Height of Structure (Ground to top of Structure)
	Nearest Structure	Nearest Road Allowance	Nearest Drain or Watercourse	Centreline of Runway	
Minimum required setback distance	75	50	30	173.4	N/A
AIR.1	487	438	176	931	111
AIR.2	242	197	35	626	68
AIR.3	107	119	123	416	38
AIR.4	82	149	192	502	50
C.8	113	142	127	400	35
BTS 2-11-VIII	183	224	117	334	26

**Notes:**

**Centreline of Runway**

Calculation for required setback to centreline of a runway is dependent upon height of a structure.

Formula in Section 6 of the Pre-filed Evidence, page 33, line 699, was incorrectly stated. The metric formula to determine setback requirements should be:

$$\text{Distance from c/l (metres)} = 152.40 + \text{height (metres)} * 7$$

Calculation of minimum required setback distance assumes wellhead height of 3 metres.

**Maximum Height of Structure**

Calculations utilize revised formula noted above.

**Interrogatory Response  
EB-2008-0002  
Sarnia Airport Gas Storage Pool Project  
Board Staff - 8  
May 5, 2008**

Leave to Construct Pipeline

**Question:**

Reference: Pre-Filed Evidence page 41, lines 895-903

Please provide a status update on consultations with Aboriginal groups with regard to the following points:

- a. Identify all of the Aboriginal groups that have been contacted in respect of this application.
- b. Indicate:
  - i. how the Aboriginal groups were identified;
  - ii. when contact was first initiated;
  - iii. the individuals within the Aboriginal group who were contacted, and their position in or representative role for the group;
  - iv. a listing, including the dates, of any phone calls, meetings and other means that may have been used to provide information about the project and hear any interests or concerns of Aboriginal groups with respect to the project.
- c. Provide relevant information gathered from or about the Aboriginal groups as to their treaty rights, any filed and outstanding claims or litigation concerning their treaty rights, treaty land entitlement or aboriginal title or rights, which may potentially be impacted by the project.
- d. Provide any relevant written documentation regarding consultations, such as notes or minutes that may have been taken at meetings or from phone calls, or letters received from, or sent to, Aboriginal groups.
- e. Identify any specific issues or concerns that have been raised by Aboriginal groups in respect of the project and, where applicable, how those issues or concerns will be mitigated or accommodated.
- f. Explain whether any of the concerns raised by Aboriginal groups with respect to the applied-for project have been discussed with any government department or agencies, and if so, identify when contacts were made and who was contacted.
- g. If any of the Aboriginal groups who were contacted either support the application or have no objection to the project proceeding, identify those groups and provide any available written documentation of their position. Also, indicate if their positions are final or preliminary or conditional in nature.
- h. Provide details of any know Crown involvement in consultations with Aboriginal groups in respect of the applied-for project.

**Response:**

- a. The Aboriginal groups that have been contacted in respect of these Applications (EB-2008-0002) are as follows:
  - Walpole Island First Nation
  - The Chippewas of Kettle and Stony Point First Nation
  - Aamjiwnaang First Nation
- b.
  - i. The Aboriginal groups listed above were identified based on known Aboriginal groups in close proximity to the Project and through consultations with the Spectra Energy Aboriginal Relations group. Through correspondence with the Department of Indian and Northern Affairs with respect to the Environmental and Socio-Economic Assessment, no additional Aboriginal groups were identified that may be impacted by the Project.
  - ii. The Applicant first consulted with Aboriginal groups regarding this Project on February 15, 2005 through its project initiation letter sent to local agencies and officials, including the Aboriginal groups noted above.
  - iii. Correspondence to each of the identified Aboriginal groups was addressed to:
    - Walpole Island First Nation
      - Chief Dean Jacobs (2005)
      - Chief Joseph Gilbert (2007)
    - Chippewas of Kettle & Stony Point
      - Chief Tom Bressette
    - Aamjiwnaang First Nation
      - Chief Chris Plain
  - iv. Supporting Project information was provided to each Aboriginal group as follows:
    - February 15, 2005 (written project initiation letter)
    - October 18, 2005 (written project status update)
    - October 2005 (phone call from Chief Tom Bressette)
    - December 7, 2007 (written project status update)
    - December 19, 2007 (EA Update Letter)
- c. Consultations undertaken to date with Aboriginal groups have not resulted in the identification of any potential impacts of the Project upon treaty rights, any filed and outstanding claims or litigation concerning treaty rights, treaty land entitlement or Aboriginal title or rights.
- d. A summary of and copies of the Applicant's correspondence with Aboriginal groups are attached. No written correspondence has been received from the Aboriginal groups. In October 2005, Chief Tom Bressette contacted Jim Redford in response to the October 18, 2005 project update letter. Chief Bressette expressed an interest in receiving natural gas

service at Kettle Point. Chief Bressette was informed that Union Gas Limited would need to be contacted for local gas distribution service.

- e. Consultations undertaken to date with Aboriginal groups have not resulted in the identification of any specific issues or concerns in respect of the Project which would require specific mitigation or accommodation.
- f. As no concerns have been raised by Aboriginal groups with respect to the applied-for Project, the Applicant has not engaged in discussions with any government department regarding Aboriginal matters.
- g. Since the Applicant's initial contact, no written correspondence has been received from any Aboriginal group regarding any position on the Project.
- h. Numerous Crown departments and agencies have received communications with respect to the Project, including Ontario Pipeline Coordinating Committee members. The Applicant is unaware of any Crown involvement in consultations with Aboriginal groups in respect of the Project.

## First Nations Correspondence Summary

Correspondence	Recipients	Comments
Letter from MHP Canada dated February 16, 2005	<p>Chief Chris Plain Aamjiwnaang First Nation 978 Tashmoo Avenue Sarnia, Ontario N7T 7H5</p> <p>Chief Tom Bressette Chippewas of Kettle &amp; Stony Point RR #2 Forest, Ontario N0N 1J0</p> <p>Chief Dean Jacobs Walpole Island First Nation RR #3 Wallaceburg, Ontario N8A 4K9</p>	<p>Project Status Update</p> <ul style="list-style-type: none"> <li>Overview map included</li> </ul>
Letter from MHP Canada dated October 18, 2005	<p>Chief Chris Plain Aamjiwnaang First Nation 978 Tashmoo Avenue Sarnia, Ontario N7T 7H5</p> <p>Chief Tom Bressette Chippewas of Kettle &amp; Stony Point RR #2 Forest, Ontario N0N 1J0</p> <p>Chief Dean Jacobs Walpole Island First Nation RR #3 Wallaceburg, Ontario N8A 4K9</p>	<p>Project Status Update</p>

## First Nations Correspondence Summary

Correspondence	Recipients	Comments
Letter from MHP Canada dated December 7, 2007	<p>Chief Chris Plain Aamjiwnaang First Nation 978 Tashmoo Avenue Sarnia, Ontario N7T 7H5</p> <p>Chief Tom Bressette Chippewas of Kettle &amp; Stony Point RR #2 Forest, Ontario N0N 1J0</p> <p>Chief Joseph Gilbert Walpole Island First Nation RR #3 Wallaceburg, Ontario N8A 4K9</p>	<p>Project Status Update</p> <ul style="list-style-type: none"> <li>Overview map included</li> </ul>
Letter from MHP Canada dated December 19, 2007	<p>Chief Chris Plain Aamjiwnaang First Nation 978 Tashmoo Avenue Sarnia, Ontario N7T 7H5</p> <p>Chief Tom Bressette Chippewas of Kettle &amp; Stony Point RR #2 Forest, Ontario N0N 1J0</p> <p>Chief Joseph Gilbert Walpole Island First Nation RR #3 Wallaceburg, Ontario N8A 4K9</p>	<p>Ea Update Letter</p> <ul style="list-style-type: none"> <li>Overview map included</li> <li>Copy of EA included</li> </ul>



Market Hub Partners LP  
P.O. Box 2040  
20 Bloomfield Road  
Chatham, Ontario  
N7M 5L9

February 15, 2005

Chief Chris Plain,  
Aamjiwnaang First Nation,  
978 Tashmoo Avenue,  
SARNIA, ON  
N7T 7H5

Dear Chief Plain:

I am writing to you on behalf of Market Hub Partners Canada LP, a natural gas storage development company owned by Duke Energy – the same company that owns Union Gas. I would like to update you and your office on two proposed storage development projects we have planned for the area.

In response to the growing demand for natural gas services, Market Hub Partners is seeking to develop two storage pools within Lambton County. One, the Sarnia Airport Storage Pool, is located near the Sarnia Chris Hadfield Airport, while the other, the St. Clair Storage Pool, located near Sombra in St. Clair Township.

Under our proposal, the storage pools would be linked through new stations directly into the Ontario natural gas transmission system. This connection would provide for the movement and eventual distribution of natural gas to help meet the growing energy needs.

As you know, natural gas can be stored in depleted gas fields during periods of low demand for use later on during periods of high winter demand. These storage pools are being proposed for development by Market Hub Partners Canada LP (MHP). MHP is the storage development wing of Duke Energy, and is responsible for the development of new storage opportunities across Canada, including these two new proposals within Lambton County.

We will be discussing with local municipal officials and affected landowners the best options for routing the pipelines from the storage pools into the natural gas system. As the project proceeds, we will be providing additional information.

As you may know, any such storage development must first be reviewed and approved by the Ontario Energy Board, the body that regulates the energy sector in this province. Environmental assessment and public consultations are also features of the approval process.

Should you or your staff have any questions, or require any further information on these projects or on Market Hub Partners, please call me. I can be reached at (519) 436-5265.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Thibault", followed by a period.

Frank Thibault,  
*Vice President,*  
*Market Hub Partners Canada LP*

February 15, 2005

Chief Tom Bressette,  
Chippewas of Kettle and Stony Point,  
R.R. #2,  
FOREST, ON.  
N0N 1J0

Dear Chief Bressette:

I am writing to you on behalf of Market Hub Partners Canada LP, a natural gas storage development company owned by Duke Energy – the same company that owns Union Gas. I would like to update you and your office on two proposed storage development projects we have planned for the area.

In response to the growing demand for natural gas services, Market Hub Partners is seeking to develop two storage pools within Lambton County. One, the Samia Airport Storage Pool, is located near the Samia Chris Hadfield Airport, while the other, the St. Clair Storage Pool, located near Sombra in St. Clair Township.

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Sincerely,

A handwritten signature in black ink, appearing to read 'Frank Thibault', with a stylized, cursive script.

Frank Thibault,  
*Vice President,*  
*Market Hub Partners Canada LP*



Market Hub Partners LP  
P.O. Box 2040  
20 Bloomfield Road  
Chatham, Ontario  
N7M 5L9

February 15, 2005

Chief Dean Jacobs,  
Walpole Island First Nation,  
R.R. #3,  
WALLACEBURG, ON.  
N8A 4K9

Dear Chief Jacobs:

I am writing to you on behalf of Market Hub Partners Canada LP, a natural gas storage development company owned by Duke Energy – the same company that owns Union Gas. I would like to update you and your office on two proposed storage development projects we have planned for the area.

In response to the growing demand for natural gas services, Market Hub Partners is seeking to develop two storage pools within Lambton County. One, the Sarnia Airport Storage Pool, is located near the Sarnia Chris Hadfield Airport, while the other, the St. Clair Storage Pool, located near Sombra in St. Clair Township.

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We will be discussing with local municipal officials and affected landowners the best options for routing the pipelines from the storage pools into the natural gas system. As the project proceeds, we will be providing additional information.

As you may know, any such storage development must first be reviewed and approved by the Ontario Energy Board, the body that regulates the energy sector in this province. Environmental assessment and public consultations are also features of the approval process.





REMARKS	MARKET HUB PARTNERS CANADA L.P.
	AIRPORT POOL
	LOCATION MAP
DATE	10/10/2005
BY	John Doe
FOR	10/10/2005



October 18, 2005

Ms. Caroline DiCocco,  
MPP, Sarnia Lambton,  
4<sup>th</sup> Flr. – 201 Front St. N.,  
SARNIA, ON N7T 7T9

Dear Ms. DiCocco:

I am writing to you on behalf of Market Hub Partners Canada L.P. As you may know, MHP Canada is a natural gas storage development company owned by Duke Energy – the same company that owns Union Gas. I would like to update you and your office on the proposed storage development projects we have planned for your area.

MHP Canada is seeking to develop two storage pools within Lambton County in response to growing demand for natural gas services. One, the Sarnia Airport Storage Pool, is located near the Sarnia Chris Hadfield Airport, while the other, the St. Clair Storage Pool, is located near Sombra in St. Clair Township. These storage pools will be developed in depleted underground hydrocarbon reservoirs and are proposed to be linked to the Ontario natural gas transmission system.

To date, environmental assessments, pipeline route selection, and public consultations have been undertaken with respect to these projects. MHP Canada has been discussing project plans with local municipal officials as well as affected landowners. MHP Canada has made application to the Ontario Energy Board, the body that regulates the energy sector in our province, for approval of the St. Clair Storage Pool.

Over the next 8 to 9 months, the OEB is engaging industry participants and interested parties in a proceeding to review regulatory and marketing issues critical to the natural gas storage industry in Ontario. The results of this review will shape the rules under which future storage development is conducted in Ontario. Accordingly, MHP Canada has elected to pause project regulatory activities and will determine how to proceed with these projects based on the outcome of the storage review.

We remain optimistic about storage development in Ontario. MHP Canada expects to continue some project development activities and targets construction activities for these projects to occur in 2007.

Should you or your staff have any questions, or require any further information on these projects or MHP Canada, please call me. I can be reached at 1-866-767-1277.

Sincerely,

A handwritten signature in black ink, appearing to read "Redford", written in a cursive style.

Jim Redford,  
Vice-President.

JR/p

Ms. Caroline Di Cocco,  
MPP, Sarnia Lambton,  
1<sup>st</sup> Flr. - 201 Front St. N.,  
SARNIA, ON N7T 7T9

Ms. Maria Van Bommel,  
MPP, Lambton-Kent-Middlesex,  
6-208 Margaret Ave.,  
WALLACEBURG, ON N8A 2A1

Mr. Roger Gallaway,  
MP, Sarnia-Lambton,  
205-N Christina St., PO Box 2671,  
SARNIA, ON N7T 7V3

Ms. Rose-Marie Ur,  
MP, Lambton-Kent-Middlesex,  
208 Margaret Ave.,  
WALLACEBURG, ON N8A 2A1

Ms. Ann Tuplin, *City Manager*  
The City of Sarnia,  
255 N. Christina St., PO Box 3018,  
SARNIA, ON N7T 7N2

Mr. Mike Bradley, Mayor,  
The City of Sarnia,  
255 N. Christina St., PO Box 3018,  
SARNIA, ON N7T 7N2

Ms. Caroline Deschutter, *Administrative Clerk*  
The Town of Plympton-Wyoming,  
PO Box 250, 546 Niagara St.,  
WYOMING, ON N0N 1T0

Ms. Patricia Davidson, Mayor,  
The Town of Plympton - Wyoming,  
PO Box 250, 546 Niagara St.,  
WYOMING, ON N0N 1T0

Mr. Duncan McTavish, *Administrative Clerk*  
The Twp. Of Enniskillen, *Clerk-Treas*  
4465 Rokeby Line, R.R.#1,  
PETROLIA, ON N0N 1R0

Mr. Jim Burns, Mayor,  
The Twp. of Enniskillen,  
465 Rokeby Line, R.R.#1,  
PETROLIA, ON N0N 1R0

Mr. Jim Kutyla, *General Mgr. Infrastructure Dev.*  
The County of Lambton,  
PO Box 3000, 789 Broadway St.,  
WYOMING, ON N0N 1T0

Mr. Ronald Van Horne, C.A.O.  
The County of Lambton,  
PO Box 3000, 789 Broadway St.  
WYOMING, ON N0N 1T0

Ms. Patricia Davidson,  
The County of Lambton,  
PO Box 3000, 789 Broadway St.,  
WYOMING, ON N0N 1T0

Mr. John Rody, C.A.O.  
The Twp. of St. Clair,  
1155 Emily Street,  
MOORETOWN, ON N0N 1M0

Mr. Joe Dedecker, Mayor,  
The Township of St. Clair,  
1155 Emily Street,  
MOORETOWN, ON N0N 1M0

Chief Dean Jacobs,  
Walpole Island First Nation,  
R.R. #3,  
WALLACEBURG, ON N8A 4K9

Chief Tom Bressette,  
Chippewas of Kettle & Stony Point,  
R.R. #2,  
FOREST, ON N0N 1J0

Chief Chris Plain,  
Aamjiwnaang First Nation,  
978 Tashmoo Avenue,  
SARNIA, ON N7T 7H5



## Market Hub Partners Canada L.P.

December 7, 2007

Chief Chris Plain  
Aamjiwnaang First Nation  
978 Tashmoo Avenue  
Sarnia, Ontario  
N7T 7H5

Dear Chief Plain:

### **Sarnia Airport Storage Pool**

I would like to update you and your office on the proposed Sarnia Airport Pool natural gas underground storage development project that Market Hub Partners Canada L.P. and its partner, AltaGas Operating Partnership, have planned for your area.

We are seeking to develop the Sarnia Airport Pool, located near the Sarnia Chris Hadfield Airport, in response to the growing demand for natural gas services. This storage pool will be developed in a depleted underground hydrocarbon reservoir and is proposed to be linked to the Ontario natural gas transmission system. The Sarnia Airport Pool will provide additional natural gas storage space to the nearly 250 Bcf (billion cubic feet) of natural gas storage space currently operated in Ontario.

To date, environmental assessments, pipeline route selection, and consultations have been undertaken with respect to the project and project plans have been discussed with local municipal officials as well as affected landowners. An application for project approvals will be made shortly to the Ontario Energy Board, the body that regulates the energy sector in our Province.

The Sarnia Airport Pool facilities are proposed to be available for service in April/May 2009. Construction activities for wells, pipelines and related facilities are planned to commence in the fall of 2008 and will be staged to continue through to the proposed in-service date.

Should you or your staff have any questions, or require any further information on this project, please call me. I can be reached at 1-866-767-1277.

Sincerely,

Jim Redford, P. Eng.  
Vice-President



## Market Hub Partners Canada L.P.

December 7, 2007

Chief Tom Bressette  
Chippewas of Kettle & Stony Point  
RR #2  
Forest, Ontario  
N0N 1J0

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Sincerely,

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Jim Redford, P. Eng.  
Vice-President



## Market Hub Partners Canada L.P.

December 7, 2007

Chief Joseph Gilbert  
Walpole Island First Nation  
RR #3  
Wallaceburg, Ontario  
N8A 4K9

Dear Chief Gilbert:

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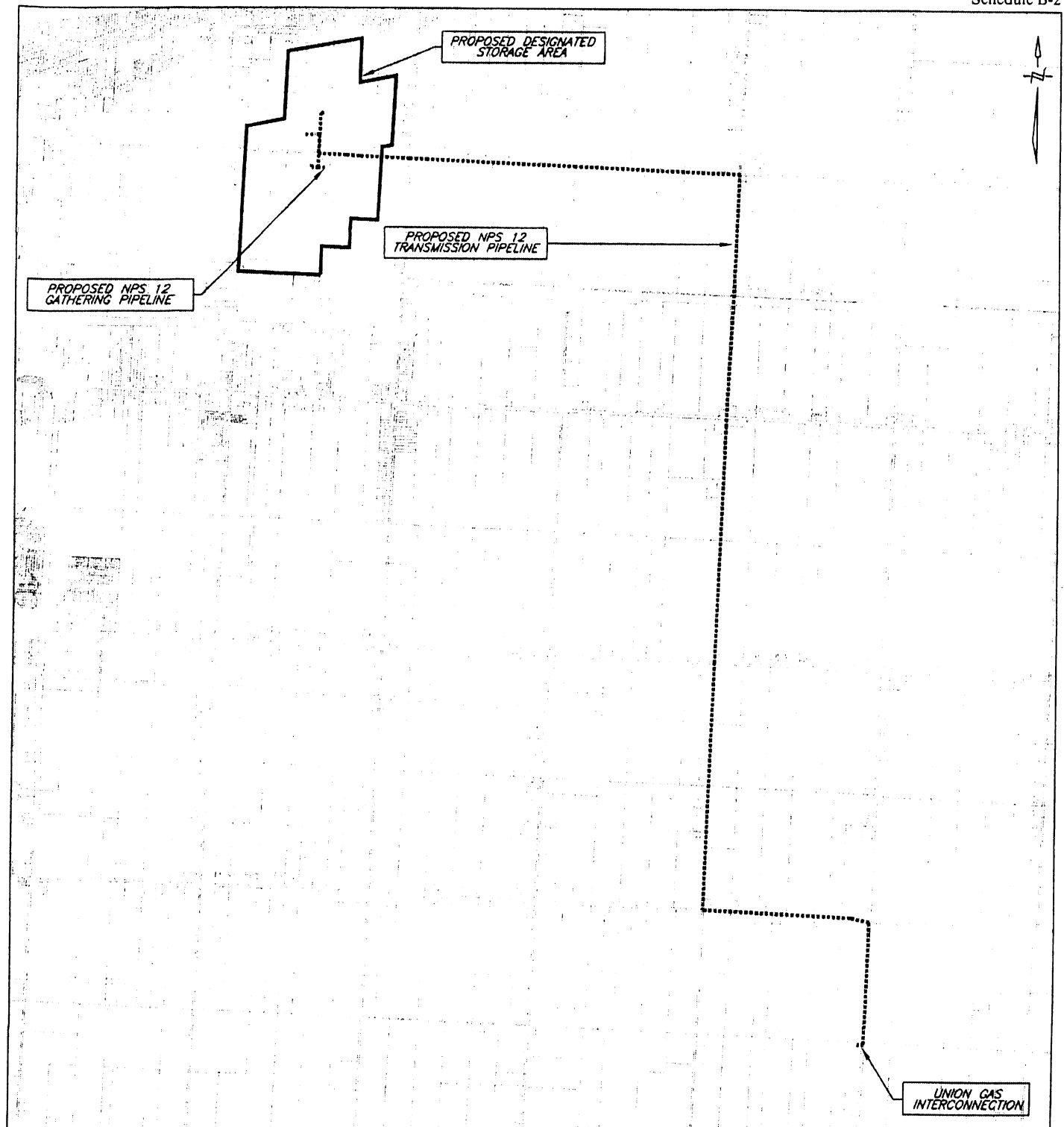
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## REVISIONS

NO.	DATE	BY	APP'D	REMARKS

## SARNIA AIRPORT POOL PROJECT FACILITIES OVERVIEW CITY OF SARNIA, COUNTY OF LAMBTON

DRAWN BY MONTEITH & SUTHERLAND		DATE 2007-12-03	SCALE 1: 60000	PLOT SPEC. 1=60
CHECKED BY L. JEROMEL		DATE 2007-12-03	AC/DRAW CODE	
APPROVED BY L. JEROMEL		DATE 2007-12-03	JOB NO.	
SIZE A		SHEET 1 of 1	DRAWING NO. SASP-SAP-03	



## Market Hub Partners Canada L.P.

December 19, 2007

Chief Chris Plain  
Aamjiwnaang First Nation  
978 Tashmoo Avenue  
Sarnia, ON  
N7T 7H5

Dear Chief Chris Plain:

**Re: Proposed Sarnia Airport Storage Pool Project**

Further to my correspondence of December 7, 2007 regarding the proposed Sarnia Airport Storage Pool project, I am writing to you specifically regarding the Environmental and Socio-Economic Assessment Report (ER) that was prepared in 2005 by Stantec Consulting Ltd. ("Stantec") of Guelph, Ontario. A copy of the ER is enclosed for your reference.

As you know, project construction activities are planned to start as early as September 2008 and continue through to the spring 2009 in-service date. The project will consist of the installation of natural gas storage wells; storage gathering pipeline; valve sites; and the 12-inch (323.9 mm) diameter natural gas transmission pipeline. The transmission pipeline originates at the Sarnia Airport Storage Pool, will primarily be installed within existing road allowances and will terminate at the existing Union Gas Limited Mandaamin/Bluewater Station (please see attached map).

As the ER was prepared in 2005, Stantec recently conducted a field assessment of the Study Area and did not observe any significant changes to environmental features identified in the ER. In addition, the Final Report of the Walpole Island First Nation Traditional Ecological Knowledge – Canadian Millenium Pipeline Project Impact Assessment ("Millenium Report") was reviewed by Stantec with regards to the pipeline route for the proposed Sarnia Airport Storage Pool project. The Millenium Report documents traditional areas for fishing, deer hunting and plant/medicine/berry picking. No traditional fishing areas or plant/medicine/berry picking areas are impacted by the proposed Sarnia Airport Storage Pool project, however the proposed 12-inch transmission pipeline route does cross a long and narrow east/west corridor identified in the Millenium Report as a traditional deer hunting area. Historically, much of the wooded lands were cleared for agriculture. Nevertheless, a fragmented group of woodlots still exist. As discussed above, the 12-inch transmission pipeline route will be located on road allowance for the majority of its length and therefore construction and operation of the proposed pipeline will not impact woodlots identified as traditional deer hunting grounds.

If you have any questions or comments regarding our proposed project or the ER, please do not hesitate to contact myself (519-436-4577), Mr. John Bonin (705-525-4880), or Mr. Dave Wesenger of Stantec (519-836-6050).

Yours truly,

Jim Redford  
Vice-President

Attachment: Route Map



## Market Hub Partners Canada L.P.

December 19, 2007

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Chippewas of Kettle & Stony Point  
RR #2  
Forest, Ontario  
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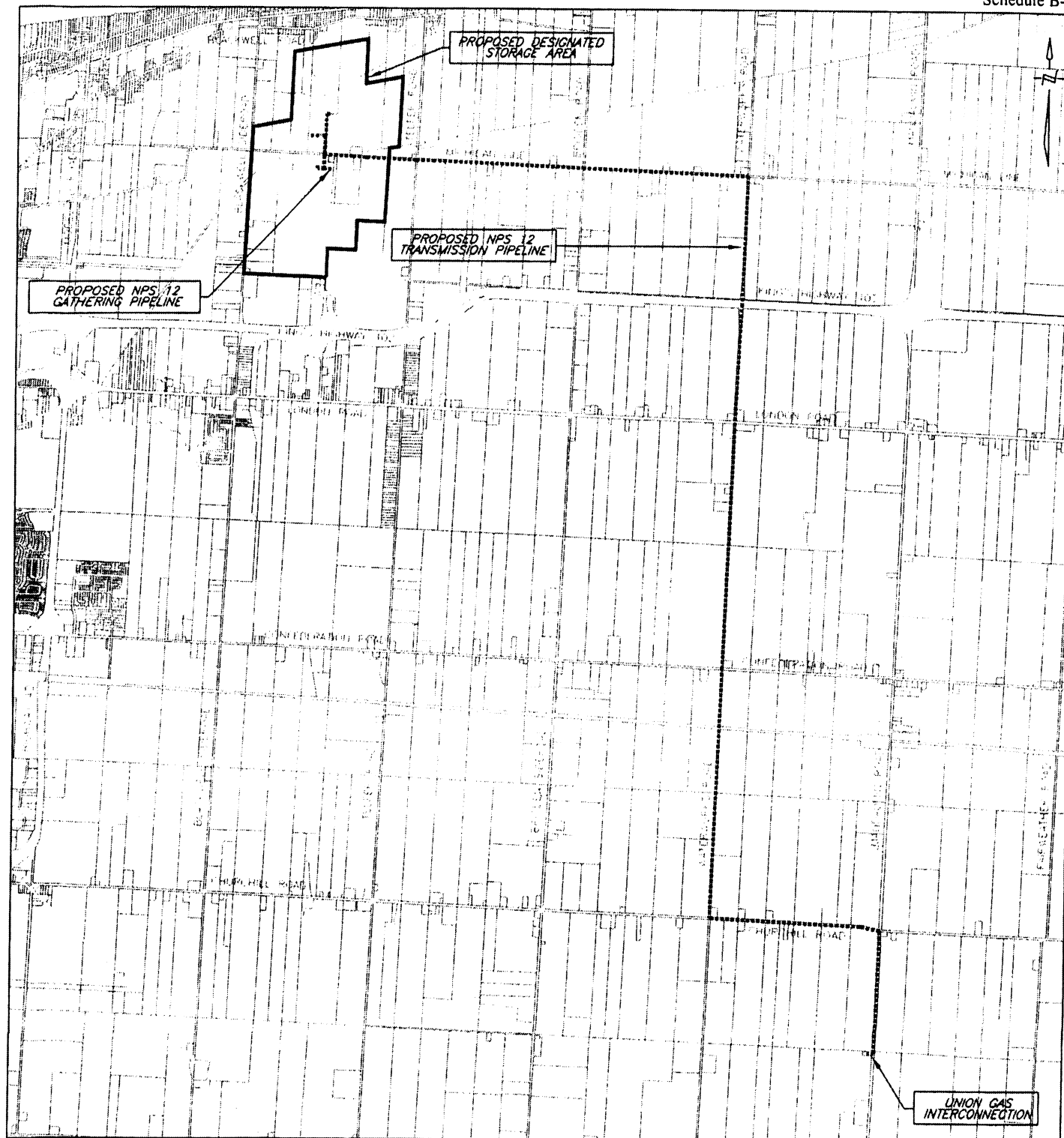
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Vice-President

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## REVISIONS

NO.	DATE	BY	APP'D	REMARKS

# SARNIA AIRPORT POOL PROJECT FACILITIES OVERVIEW CITY OF SARNIA, COUNTY OF LAMBTON

DRAWN BY MONTEITH & SUTHERLAND	DATE 2007-12-03	SCALE 1: 60000	PLOT SPEC. 1=60
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APPROVED BY L. JEROMEL	DATE 2007-12-03	JOB NO.	
SIZE A	SHEET 1 of 1	DRAWING NO. SASP-SAP-03	

**Interrogatory Response  
EB-2008-0002  
Sarnia Airport Gas Storage Pool Project  
Board Staff - 9  
May 5, 2008**

Leave to Construct Pipeline

**Question:**

Reference: Pre-Filed Evidence, page 49 "Permits and Licences"

About 15.5 kilometres of the proposed transmission line is to be located within road allowances under the jurisdiction of the City of Sarnia and Lambton County.

- a. Please provide updates on progress and prospects of negotiations with the City of Sarnia to obtain rights to locate about 12 kilometres of the proposed pipeline within the road allowances of Michigan Line and Waterworks Road and to obtain an agreement with the City of Sarnia for a storage gathering pipeline crossing of Michigan Line; and
- b. Please provide updates on progress and prospects of negotiations with the County of Lambton to locate about 3 kilometres of the proposed transportation pipeline within Churchill Road and Mandaumin Road and an agreement for crossing London Line.

**Response:**

- a. As evidenced in Schedule 9-10 of the Pre-filed Evidence, the City of Sarnia supports the overall pipeline route proposed by the Applicant. Discussions with the City of Sarnia have been ongoing since 2005. Recent discussions with the City of Sarnia Drainage Superintendent have resulted in a proposed change to the alignment of the proposed pipeline along Waterworks Road. The City of Sarnia has recently planned to install underground drainage along the east side of Waterworks Road for the fall of 2008. In order to mitigate potential conflicts with pipeline construction, the Applicant proposes installing the transmission pipeline in the road allowance on the west side of Waterworks Road in that specific area, as outlined in the attached materials. In effect, this would move the crossing of Waterworks Road further north from the currently proposed location to a location south of Confederation Line and north of SS Greenhouses. Stantec has reviewed the proposed alignment revision and concluded that no additional environmental or socio-economic impacts will result. The City of Sarnia has agreed to this alignment change.

The City of Sarnia has indicated that they are willing to consider a form of agreement for occupation of the road allowance similar to that being negotiated with the County of Lambton. The Applicant anticipates that fully executed agreements with the City of Sarnia will be in place in November 2008.

- b. As evidenced in Schedule 9-10 of the Pre-filed Evidence, the County of Lambton supports the pipeline route proposed by the Applicant. Discussions with the County of Lambton have been ongoing since 2005 and have resulted in a draft agreement to occupy the road allowance. The latest discussion with the County of Lambton occurred on March 17, 2008,

which covered issues such as terms of the agreement, review of the proposed pipeline route and pipeline construction practices/techniques, public safety considerations during construction activities and project timelines. The County of Lambton is in the process of reviewing the draft agreement to include necessary content to be compliant with recent by-law changes. The Applicant is expecting a final draft for review in May 2008 and it is anticipated that a fully executed agreement will be in place by September 2008.



**Stantec Consulting Ltd.**  
361 Southgate Drive  
Guelph ON N1G 3M5  
Tel: (519) 836-6050  
Fax: (519) 836-2493

---

**Stantec**

May 1, 2008  
File: 160960057

Jim Redford, Vice-President  
Market Hub Partners Canada L.P.  
P.O. Box, 50 Keil Drive North,  
Chatham, ON N7M 5M1

Dear Jim,

**Reference: Proposed Sarnia Airport Storage Pool Pipeline - Alignment Refinement**

This letter addresses the preferred route alignment for the Market Hub Partners Canada L.P. (MHPC) Sarnia Airport Storage Pool Project. The route alignment was displayed in Stantec's ER Update letter (Attachment 1 - mitigation mosaic), April 1, 2008.

Recent communication with the City of Sarnia Drainage Superintendent revealed that improvements and/or alterations to the Bird Municipal Drain are now planned for this year. As a result, a refinement to the proposed route for the above mentioned pipeline project is required. In order to avoid spatial conflicts, the proposed route must cross from the east to the west side of Waterworks Road approximately 1 km north of the previous crossing location, shown on the ER Update letter alignment.

Please find attached, the updated mosaic reflecting this refinement along Waterworks Road.

Sincerely,

**STANTEC CONSULTING LTD.**

Steve Thurtell, B.Sc. Agr., M.Sc.  
Project Manager, Environmental Assessment  
Tel: (519) 836-6050  
Fax: (519) 836-2493  
Steve.Thurtell@stantec.com

# Sarnia Airport Storage Pool A Market Hub Partners Project

CITY OF SARINIA  
COUNTY OF LAMBTON



**Crossing of Municipal Drain, Bird Drain, Discuss crossing procedure with City of Sarnia Drain Superintendent. Refer to Section 5.3.1 Watercourses and Fisheries.**

**Pipeline under crossing, Enbridge Pipelines Inc. Contact local Enbridge representatives to discuss timing and method of under crossing. Refer to Section 5.5.2 Linear Facilities.**

**Road Crossing, Confederation Line. Contact County of Lambton Road Superintendent to discuss timing of crossing and crossing method. Refer to Section 5.5.2.1 Roads and Railways.**

**Railway Crossing, CNR. Contact CNR to discuss timing of crossing and crossing method. Refer to Section 5.5.2.1 Roads and Railways.**

**Potential disturbance to agricultural operations and rural residences during pipeline construction. Consult with landowner to determine precise locations of agricultural features and 5.5 Socio-Economic Environment.**

**Pipeline under crossing, Sarnia Products Pipeline. Contact local Sarnia Products Pipeline representatives to discuss timing and method of under crossing. Refer to Section 5.5.2 Linear Facilities.**

**Crossing of Municipal Drain, Mendenhall Drain. Discuss crossing procedure with City of Sarnia Drain Superintendent. Refer to Section 5.3.1 Watercourses and Fisheries.**

**Proposed Pipeline**

**Watercourse / Drain**

**Lot and Concession Boundary**

**Artificial Drainage**

**SYSTEMATIC**

**RANDOM**

**Scale 1:5,000**

**Metres 0 50 100**

**Scale 1:5,000**

**FILE NAME:** 60960057\_P01\_03.cdr

**SHEET NO:** 6 of 9

**SCALE:** 1:5000

**PROJECT NO:** 60960057

**Environmental Features and Impact Mitigation**



## Matt Thomas

---

**From:** Louie Jeromel  
**Sent:** April 29, 2008 1:16 PM  
**To:** Tina Hodgson  
**Cc:** Jim Redford; Norm Dumouchelle; Tom Edwards; Ryan Langan  
**Subject:** FW: Routing change on Waterworks road

**From:** Andre Morin [mailto:amotin@sarnia.ca]  
**Sent:** April 29, 2008 1:04 PM  
**To:** Louie Jeromel  
**Subject:** Routing change on Waterworks road

Louie,

Having reviewed the routing change with my staff, we have no concern with the new alignment on Waterworks Road.

Yours truly,

André

**J.P. André Morin, P.Eng.**  
Engineering Manager



*People Serving People*

City of Sarnia  
255 Christina Street North  
PO Box 3018  
Sarnia ON N7T 7N2  
Phone: 519-332-0330 X284  
Fax: 519-332-0776  
Mobile: 519-384-8358  
[www.sarnia.ca](http://www.sarnia.ca)

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**Interrogatory Response  
EB-2008-0002  
Sarnia Airport Gas Storage Pool Project  
Board Staff - 10  
May 5, 2008**

Leave to Construct Pipeline

**Question:**

Reference: Pre-Filed Evidence page 39 lines 863-867 and page 40 lines 868-872

The Environmental Assessment report prepared by Stantec Consulting Ltd. in accordance with the OEB Environmental Guidelines is part of the pre-filed evidence. The report identified and evaluated route alternatives and proposed the preferred route.

- a. Please describe the input and comments received by potentially affected landowners along the proposed route.
- b. Identify the concerns raised by potentially affected landowners and explain how the Applicants intend to address these concerns during construction and operation of the proposed pipeline.

**Response:**

- a. During the preparation of the Environmental and Socio-Economic Assessment, which included the route selection, input and comments were solicited from potentially affected property and business owners through an extensive consultation program that commenced in June 1999 when the project was first initiated by CanEnerco, and subsequently, additional public consultation was undertaken in 2005 when the Applicant assumed ownership of the Project.

As detailed in Sections 4.3 through 4.5 of the Environmental and Socio-Economic Assessment, significant input was provided by local property owners and business owners regarding the evaluation of the preferred route prior to 2005 when the project was being developed by CanEnerco Limited. During the public consultations, a number of alternative routes were suggested by property owners and agencies which were evaluated by Stantec. In all cases, Stantec determined that there were significant differences in environmental and socio-economic impacts between the Preferred Route and the alternative route which supported the selection of the Preferred Route.

As detailed in Section 4.6 of the Environmental and Socio-Economic Assessment, during public consultation in 2005, some participants, including property owners and business owners, suggested that an alternative route along Mandaumin Road, which was not previously considered, would be preferable to the Preferred Route. Stantec addressed this concern by evaluating the information and feedback provided, reviewing the Mandaumin Road alternative route and completing a comparative analysis between the Mandaumin Road alternative route and the Preferred Route. Stantec determined that there were significant

differences in environmental and socio-economic impacts between the Preferred Route and the Mandaumin Road alternative route which supported the selection of the Preferred Route.

Input and comments from property owners and the broader community identified concerns associated with vegetation removal, traffic delays, property ingress and egress, business loss, operational safety, water wells, proximity of pipelines to homes, and provision of natural gas service to residents adjacent to the Preferred Route. The attached table provides a summary of the issues raised through the environmental assessment process and the associated mitigation measures.

- b. Following the completion of the Environmental and Socio-Economic Assessment, the Applicant had a number of opportunities to interact with property and business owners with respect to the Project and the Preferred Route. This feedback was provided through teleconferences, e-mails and meetings.

Input and comments from property owners, business owners and the broader community identified concerns associated with repair of municipal roadways, tree removal, preservation of specimen trees, repair of field drainage tiles, market value of property, repair of surface drains along the road allowances, property access, business loss, land restoration, water well impacts, sizing of the DSA, operational safety and provision of natural gas service to residents adjacent to the Preferred Route. The attached table provides a summary of the issues raised to the Applicant following the environmental assessment process and the associated mitigation measures.

The owner of SS Greenhouses, Brett King, raised issues with the Preferred Route and the proposed pipeline construction during the environmental assessment process, which resulted in the assessment of the Mandaumin Road alternative route by Stantec. Once the Preferred Route was established, the Applicant and Brett King met to address mitigation of the pipeline construction issues. Brett King summarized his issues in a letter to the Mayor of the City of Sarnia on March 6, 2008, which is attached. The Applicant was requested to respond and subsequently provided its response to the City of Sarnia on March 20, 2008, which detailed specific mitigation that was available to the Applicant to address the issues, and is attached. The Applicant intends to employ the necessary mitigation measures outlined in its March 20, 2008 letter.

The Applicant will utilize standard Spectra Energy Transmission procedures which provide best practices for the construction and operation of the Project. The Applicant will ensure compliance with all mitigation and monitoring recommendations in the Environmental and Socio-Economic Assessment and the various Project permits and approvals. The Applicant will engage the services of professional inspection staff to monitor all aspects of the pipeline construction and will engage the services of a hydrogeologist in accordance with the water well monitoring program. The Applicant will continue to address landowner concerns through the construction and operation phases of the Project.

**Environmental and Socio-Economic Assessment Public Input and Comments Received  
Board Staff – 10 (a)**

<b>Landowner Input/Comment</b>	<b>Recommended Mitigation Measures</b>
Removal of Vegetation Adjacent to Pipeline Alignment	<ul style="list-style-type: none"> <li>• route selection maximized alignment within previously disturbed road allowance</li> <li>• specimen trees avoided to the extent possible</li> <li>• areas of vegetation/specimen trees to be directionally drilled</li> </ul>
Traffic Delays	<ul style="list-style-type: none"> <li>• bore or directionally drill road crossings</li> <li>• discuss construction plans and restoration with road superintendent of each affected municipality</li> <li>• discuss traffic safety with municipal road superintendent</li> <li>• store heavy equipment as far from edge of traveled portion of roadway as possible</li> <li>• erect construction warning signs and barricades as required</li> <li>• Ministry of Transportation traffic safety guidelines will be adhered to</li> </ul>
Property Ingress and Egress	<ul style="list-style-type: none"> <li>• prior to construction the Applicant will meet with landowners and business owners to identify property access requirements</li> <li>• access to properties will be maintained at all times through use of steel plates across laneways</li> <li>• during construction, signs will be posted at appropriate locations indicating that local businesses are open and accessible</li> </ul>
Business Loss	<ul style="list-style-type: none"> <li>• minimize duration of construction</li> <li>• pre-construction meeting with local business owners to review concerns and identify specific access requirements</li> <li>• access to properties will be maintained at all times through use of steel plates across laneways</li> <li>• during construction, signs will be posted at appropriate locations indicating that local businesses are open and accessible</li> </ul>
Operational Safety	<ul style="list-style-type: none"> <li>• implement proven safety measures during construction</li> <li>• ensure that pipeline is constructed and operated in accordance with all applicable codes and regulations</li> <li>• monitor pipeline integrity once in service</li> </ul>
Availability of Natural Gas Service	<ul style="list-style-type: none"> <li>• the Applicant is not a distributor of natural gas</li> <li>• names of potential gas customers are communicated to Union Gas Limited.</li> </ul>
Watercourse Crossings	<ul style="list-style-type: none"> <li>• adhere to fishery timing windows for all watercourse crossings</li> <li>• minimize duration of in-stream activity</li> <li>• adhere to recommendations outlined in current Ministry of Natural Resources Generic Sediment Control Plans</li> </ul>

	<ul style="list-style-type: none"> <li>• obtain and adhere to all applicable watercourse crossing permits</li> </ul>
Water Wells	<ul style="list-style-type: none"> <li>• implement a water well monitoring program</li> <li>• consult with local Ministry of Environment office to determine monitoring parameters</li> <li>• address landowner complaints immediately</li> </ul>
Wildlife	<ul style="list-style-type: none"> <li>• alignment within road allowance significantly reduces potential impacts to wildlife</li> <li>• in the event that a significant wildlife species is encountered the Applicant will consult with the Ministry of Natural Resources and develop appropriate mitigation measures</li> </ul>
Proximity of Pipeline to Homes	<ul style="list-style-type: none"> <li>• comply with TSSA Guidelines when determining proximity of pipeline in relation to occupied dwellings</li> <li>• ensure that pipeline is constructed and operated in accordance with all applicable codes and regulations</li> <li>• monitor pipeline integrity once in service</li> </ul>

**Public Input and Comments Received**  
**Board Staff - 10(b)**

<b>Landowner Input/Comment</b>	<b>Recommended Mitigation Measures</b>
Tile Repair	<ul style="list-style-type: none"> <li>• A certified drainage consultant shall be retained to design both pre and post-construction plans and/or repairs</li> <li>• Landowner will be provided the opportunity to make recommendations for pre-construction tiling plans and all drainage tile repairs</li> <li>• Landowner will be provided the opportunity to view all drainage tile repairs</li> </ul>
Market Value Of Property	<ul style="list-style-type: none"> <li>• There is no indication that property values are in anyway impacted by this type of facility</li> </ul>
Tree Removal	<ul style="list-style-type: none"> <li>• Any trees of significance to a landowner shall be avoided to the extent possible, i.e. minor pipeline alignment changes or by using directional drilling methods</li> <li>• Specific recommendation for specimen tree at Churchill Line and Waterworks Road included in the Environmental Report</li> </ul>
Water Well Testing	<ul style="list-style-type: none"> <li>• Water well monitoring program</li> <li>• A certified professional hydrogeoloist shall be retained to implement the water well monitoring program</li> </ul>
Residential Occupant Notification	<ul style="list-style-type: none"> <li>• Pre-construction meetings shall be conducted with the landowners outlining timing of the construction, impacts to the landowners/tenants in order to minimize any inconvenience and address property specific safety concerns (i.e. temporary fencing restricting construction areas, temporary relocation)</li> </ul>
Natural Gas Service	<ul style="list-style-type: none"> <li>• Requests for natural gas services are referred to Union Gas Limited, the local natural gas distributor, for consideration</li> </ul>
Repair of Surface Drainage	<ul style="list-style-type: none"> <li>• Surface drainage will be restored through proper grading of land and ditches</li> </ul>
Reimbursement for Crop Damage	<ul style="list-style-type: none"> <li>• Crops planted and impacted within the road allowance will be reimbursed based on damages caused</li> </ul>
Business Loss	<ul style="list-style-type: none"> <li>• To the extent possible, where potential business loss could occur, construction duration shall be minimized and may be conducted in timeframes in consultation with the business owner as feasible</li> <li>• Direct access to business will be maintained at all times through use of steel plates across laneways</li> <li>• Pre-construction meetings shall be conducted with the business. Signage and/or radio announcements providing notification of the construction shall be arranged as requested</li> <li>• One lane of traffic to remain open on local roads near the</li> </ul>

	business and as approved by the appropriate Road Superintendent
Land Restoration	<ul style="list-style-type: none"> <li>• Lawns and maintained ditches shall be restored to the satisfaction of the landowner</li> <li>• Horizontal Directional Drilling of certain properties may be feasible in order to minimize residential property impact (fencing, trees, drainage, etc.) and to reduce site clean-up requirements, and will be reviewed and considered when requested by a landowner</li> </ul>
Identification of Temporary Working Rooms	<ul style="list-style-type: none"> <li>• Ensure all landowners where temporary working room is required are contacted prior to construction and the appropriate agreements are in place prior to construction commencing</li> </ul>
Property Access	<ul style="list-style-type: none"> <li>• Access to properties including residence/business/farmland will be maintained at all times through use of steel plates across laneways as requested by landowner</li> <li>• Timing of any outage of a driveway or laneway to be coordinated with property owner and any tenants</li> </ul>
Safety	<ul style="list-style-type: none"> <li>• Safety measures will be implemented during construction activities</li> <li>• The pipeline shall be designed, constructed, operated and maintained in accordance with all applicable codes and regulations</li> </ul>
Impact on Utilities in the Road Allowance	<ul style="list-style-type: none"> <li>• Ontario One-Call to be utilized for utility locates</li> <li>• Contractor will be instructed to avoid damage to utilities</li> <li>• Any damage to be repaired immediately and any additional mitigation measures to be implemented</li> </ul>
Repair Of Municipal Roadways	<ul style="list-style-type: none"> <li>• Road surfaces damaged during construction will be restored to the satisfaction of the City of Sarnia or the County of Lambton as outlined in the agreements to occupy the road allowance</li> <li>• The extent possible any MADD monuments at road crossings will be avoided</li> </ul>
School Bus Traffic	<ul style="list-style-type: none"> <li>• Contractor to be advised of school bus traffic timing</li> <li>• School bus operator to be notified of proposed construction</li> </ul>

**Note:** Size of DSA addressed in March 25, 2008 letter. Mitigation for Beatty-Craig Municipal Drain crossing addressed in February 25, 2008 letter.



**THE CORPORATION OF THE CITY OF SARNIA**  
**Engineering Department**  
255 N. Christina Street  
Sarnia, ON N7T 7N2  
Phone: 519-332-0330 Fax: 519-332-0776  
[www.sarnia.ca](http://www.sarnia.ca) [dwoolley@sarnia.ca](mailto:dwoolley@sarnia.ca)

**FACSIMILE TRANSMISSION COVER SHEET**

**ENGINEERING DEPARTMENT**  
**(519-332-0776)**

**TO:** Louie Jeromel  
Duke Energy Gas Transmission

**FAX NUMBER:** 1-519-436-4560

**FROM:** Diane Woolley  
Engineering Department

**Number of Pages** 2 (Including Cover Sheet)

If Pages Are Missing, Call 519-332-0330 ext 276

**COMMENTS:**

Diane Woolley

**Confidentiality Warning**

The documents accompanying this transmission contain confidential information intended only for the addressee. All other recipients are prohibited from disclosing, copying, distributing, or taking any action in reliance on the contents. If you have received this facsimile in error, please notify us immediately.



5663 Waterworks Road  
Samia, ON  
N7T 7H2  
Tel: 519-542-7679  
Fax: 519-542-0686

March 6, 2008

Mayor Mike Bradley  
City of Samia  
255 North Christina Street  
P.O. Box 3018  
N7T 7N2

Re: Samia Airport Pool Storage Development  
File: EB-2008-0002

Mayor Mike Bradley:

Please review the following concerns in regarding the Airport Pool Project

Please note that this project is entirely for profit it has no benefit for Samia residents.

Our first concern is that we operate a small greenhouse on Waterworks Road and are very concerned with the timing of any construction on our section of the road. We are a very seasonal business and any interruption of only a few weeks would be devastating financially.

We would ask to have in writing from Market Hub Partners Management Inc. exact timing of construction on our section of road.

Our second concern is the issue of the dug wells on our road. The wells are very close to the road allowance approximately 25 feet from road allowance and 50 feet from the trenching area. We understand that the trench will be 5 feet deep from the bottom of the ditch meaning that the trench will be eight to nine feet deep from the top of the ground. Our dug well is thirty feet deep and draws water from a large surrounding area. Our concerns are with the quality of our water and possible contamination with the farmers manure runoff.

Our recommendation is to have in writing to test the water once a week for one year. If problems arise and are water becomes contaminated we would want a city water line run from London Line to our home at no cost to us.

Our final concern would be that the installation of this twelve inch gas pipeline would severely damage the surface of our road. The road surface at present is tar and chip and is easily damaged. The bulldozers that would be required to install the pipeline would have to drive directly on the road as there is no shoulder at all on either side of the road.

I propose the gas pipeline be installed not on Waterworks Road but on Mandaumin Road as the road is much wider there it also has paved and gravel shoulders on both sides of the road for heavy equipment to operate. Presently on Mandaumin Road there are no businesses that are open to the public

Sincerely,

SS Greenhouses

Brett King

BK/ck

Tom Edwards  
*Tom Edwards*

1-800-571-8446 x2198

*Tom Edwards*



## Market Hub Partners Management Inc.

March 20, 2008

City Of Sarnia  
255 North Christina Street  
PO Box 3018  
Sarnia, ON, N7T 7N2

Attn: Mr. David A. Fielding, P.Eng  
City Engineer

Dear Mr. Fielding:

At your request we are writing to you in response to a letter sent to the City of Sarnia from Mr. Brett King dated March 6, 2008 regarding his concerns with the proposed Sarnia Airport Storage Pool Project (the "Project"). Mr. King owns and operates SS Greenhouses located on Waterworks Road between London Line and Confederation Line.

As you know, Market Hub Partners Management Inc. ("MHP"), on behalf of its project partners, proposes to construct a 12-inch diameter natural gas pipeline to serve the Sarnia Airport Pool. In the area of SS Greenhouses, the pipeline is proposed to be located within road allowance on the east side of Waterworks Road opposite Mr. King's business.

MHP has been in contact with Mr. King since 2005 and has previously discussed the issues identified in the March 6, 2008 letter with Mr. King. At meetings with Mr. King (August 23 and 30, 2005 in particular), our Lands Agent (Mr. Tom Edwards) and then Project Manager (Mr. Jim Sanders) identified opportunities to mitigate Mr. King's concerns. Below we are pleased to address each of the concerns Mr. King has expressed in his letter.

### Construction Timing

As detailed in the Pre-filed Evidence submitted to support the Ontario Energy Board approvals for the Project, the pipeline construction activities along Waterworks Road are planned to be completed from early January to March 2009. However, it may be necessary to construct portions of the pipeline along Waterworks Road earlier or later than planned, due to such factors as contractor availability or weather conditions, to meet the in-service date. In previous discussions with Mr. King, MHP indicated that January to March was the preferred timing of construction and that during this period, it would prioritize the construction of the pipeline opposite the SS Greenhouse property. In the event that the preferred timing was not possible, MHP indicated that it was willing to construct the section of pipeline opposite SS Greenhouses during specific days of the week and/or to explore the acquisition of temporary working room adjacent to the road allowance to help minimize any impacts to traffic along Waterworks Road. Temporary working room requires grant of access by written agreement from the adjacent landowner, which may or may not be permitted. In addition, MHP can use additional signage as well as newspaper and/or radio advertising, which would require the co-operation of Mr. King, to provide the public notice that Waterworks Road and the businesses along the road remain open during the construction period.

### Dug Well Water Quality

MHP will employ a comprehensive water well monitoring program prepared by an independent hydrogeologist that was submitted as part of the Pre-filed Evidence submitted to support the Ontario Energy Board approvals for the Project. The water well monitoring program has been designed based on a review of local hydrogeological conditions and existing well information from MOE records along the proposed pipeline route. The hydrogeologist has recommended sampling and monitoring of water wells within a 50

metre radius of the proposed pipeline installation of which Mr. King's dug well appears to easily fall within. The hydrogeologist will conduct a field review, including a review of the well and site conditions, use of the well and water well sampling, and based on the findings, may recommend specific mitigation measures to protect the integrity of the well. Throughout the construction activities, the hydrogeologist will be available to review the effectiveness of any recommended mitigation measures and to recommend further mitigation measures as necessary. The water well monitoring program provides direction in the event that a well may have been, or in fact has been, damaged by the pipeline construction. A copy of the water well monitoring program is attached.

On May 18<sup>th</sup>, 2007, MHP retained the services of Golder Associates to complete boreholes on the east side of Waterworks Road opposite the SS Greenhouse property. These boreholes and installation of monitoring wells were proposed to determine soil and groundwater conditions at anticipated pipeline trench depth and were being completed to assist the hydrogeologist in evaluating impacts to the dug well. Although this work was occurring within road allowance, Mr. King indicated to the Golder Associates representative on site that he opposed the work being conducted; however, the work was completed.

#### Waterworks Road Surface

MHP has had some preliminary discussions with the City of Sarnia regarding repair of road surfaces damaged during construction and expects that the specific road repair specifications, to the satisfaction of the City of Sarnia, will be included as part of the agreement to occupy the road allowance. MHP expects that these requirements will be consistent with the requirements of others constructing within City of Sarnia road allowances.

#### Route Selection

Stantec Consulting Ltd. ("Stantec") was retained by MHP to prepare an Environmental and Socio-Economic Assessment Report (the "Report"), including recommendation of a preferred route. Stantec completed detailed analysis after which it held an open house to present its findings and obtain public feedback. Stantec evaluated both Mandaumin Road and Waterworks Road as potential routes and recommended Waterworks Road as the preferred route to minimize environmental and socio-economic impacts. At the open house, Mr. King expressed concern with the use of Waterworks Road and suggested Mandaumin Road as a better location for the pipeline. Following the open house, Stantec again evaluated each of the potential pipeline routes based on feedback received. Stantec informed Mr. King of the decision to continue to recommend Waterworks Road as the preferred route and met with Mr. King to discuss his concerns further, which included a tour of both routes. Stantec's detailed analysis of the selection of the preferred route is included in the Report completed in August 2005 and was filed with the Ontario energy Board.

We hope that this provides sufficient background with respect to the concerns expressed by Mr. King and the actions that MHP has taken to address those concerns. MHP will continue to keep Mr. King and other landowners adjacent to the pipeline updated as the Project moves forward. We will continue to work with Mr. King to mitigate his concerns. Should you have any questions, or require further information, please do not hesitate to contact me at 1-800-571-8446; ext. 4699, or (519) 436-4699.

Sincerely,

  
Louis Jeromet, P. Eng.  
Project Manager

Attachment: Water Well Monitoring Program

cc: Mr Tom Edwards



Stantec Consulting Ltd.  
49 Frederick Street  
Kitchener ON N2H 6M7  
Tel: (519) 579-4410

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**Stantec**

December 7, 2007  
File: 1609-00449/10

Market Hub Partners Management Inc.  
P.O. Box 2001  
50 Keil Drive North  
Chatham, ON, N7M 5M1

**Attention: Mr. Norm Dumouchelle**

Dear Mr. Dumouchelle:

**Reference: Work Program and Cost Estimate - Baseline Well Monitoring Program  
Sarnia Airport Storage Pool**

Stantec Consulting Ltd. (Stantec) is pleased to provide Market Hub Partners Management Inc. with the following work plan and cost estimate for the baseline residential/private well monitoring program in the vicinity of the proposed Sarnia Airport Storage Pool and pipeline installation. The proposed construction at the Storage Pool consists of drilling injection/withdrawal wells and converting existing production wells into injection/recovery wells. The proposed pipeline installation consists of a 17 km long, 12-inch (305 mm) diameter pipeline from the Sarnia Airport Storage Pool to the proposed interconnection with the Union Gas system.

The baseline monitoring program is intended to establish existing groundwater conditions for comparative purposes should groundwater interference complaints arise as a result of the future construction or operation of the proposed works. Stantec assumes that any landowner complaints regarding well interference will be documented by the LAND RELATIONS AGENT. Any additional monitoring activities to address landowner complaints have not been included in this recommended work plan and a hydrogeologist will be consulted to investigate.

The baseline monitoring program will include a door-to-door survey to identify all groundwater users within a 1 km radius of the Designated Storage Area (DSA) at the Sarnia Airport Storage Pool and a 50 m radius of the proposed pipeline installation. Based on aerial photography, approximately fifteen (15) private wells are located within a 1 km radius of DSA and thirty-three (33) private wells are located within a 50 m radius of the pipeline installation. It is estimated that thirty (30) of the residents will be interested in participating in the monitoring program and that the sampling will be completed over a six (6) day period.

The proposed monitoring program will only be completed with the owner's permission and will include:

- Well inventory to document well construction details, water usage and water quality and quantity concerns;
- Water level monitoring, if the well is deemed accessible and the condition suitable; and,
- Water quality sampling.

The water quality sample will be collected from an outside tap that is not connected to any treatment system. The samples will be collected directly into laboratory supplied sample containers after purging for about 10 minutes. The samples will not be field filtered and will be submitted for general chemistry, metals, anion

**Stantec**

December 7, 2007

TMr. TNorm Dumouchelle

Page 2 of 2

**Reference: Work Program and Cost Estimate - Baseline Well Monitoring Program  
Sarnia Airport Storage Pool**

and methane analysis. Individual analytical results will be presented in a letter to each resident. A summary of the analytical results will be prepared for Market Hub Partners Canada in a letter report for discussion purposes and future reference should a problem occur.

Even though Stantec is experienced in accessing residential wells, there remains the potential for damage to occur. In the event that well damage occurs, Stantec would not be responsible for the cost of any necessary repairs.

Following the baseline monitoring, Market Hub Partners Management Inc. will complete additional sampling in the vicinity of the DSA following vertical well drilling and the first injection/withdrawal cycle. This sampling will be completed under a separate work program. No follow-up sampling is proposed along the pipeline route unless an interference complaint is received. The proposed monitoring for the Sarnia Airport Storage Pool project is in accordance with the protocols that Market Hub Partners Management Inc. uses to conduct a private well monitoring program.

We trust that this work program meets your current requirements. If there are any questions or concerns, please do not hesitate to contact the undersigned.

Sincerely,

**STANTEC CONSULTING LTD.**

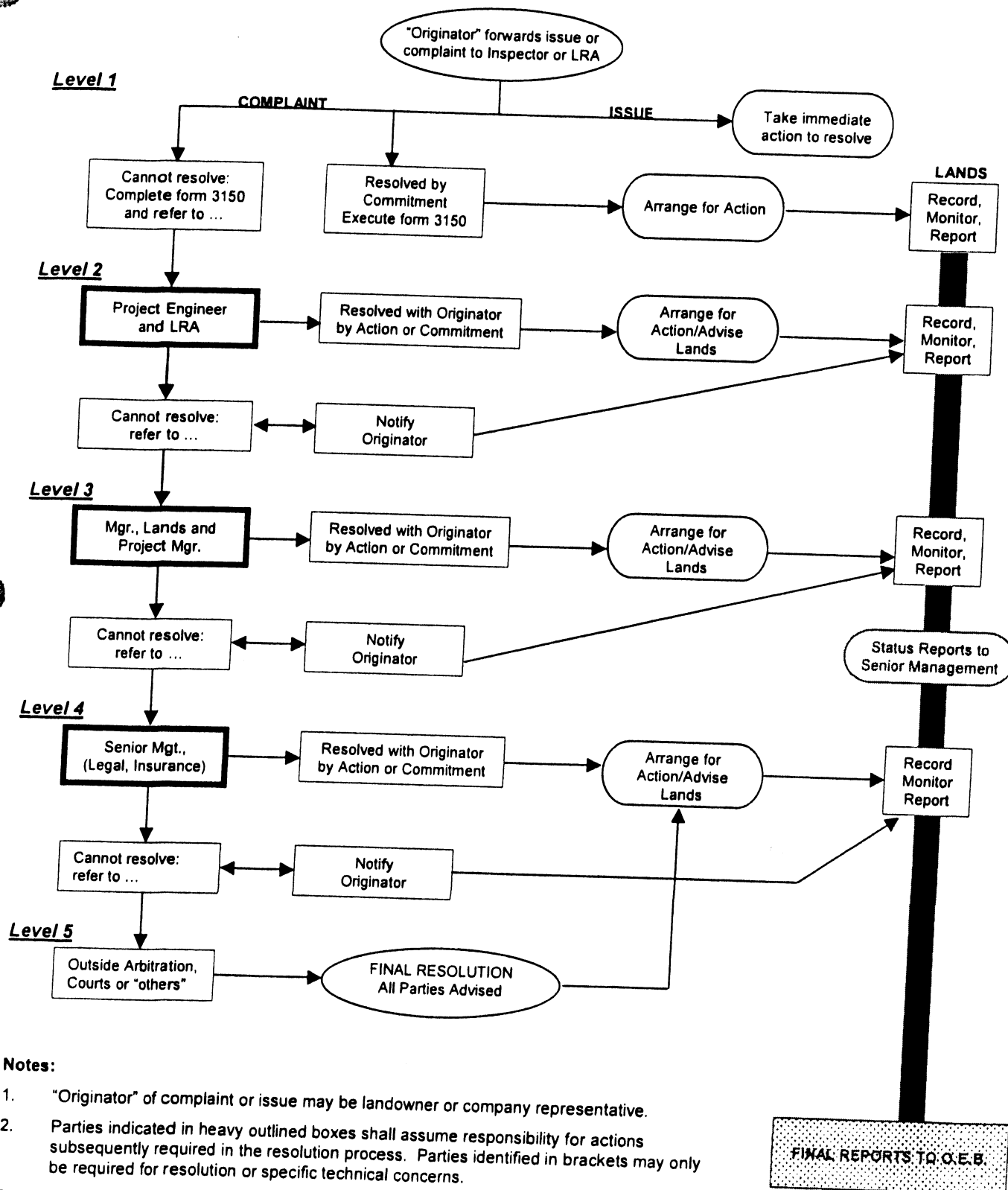


Roger Freymond P. Eng.  
Senior Hydrogeologist  
Tel: (519) 585-7381  
Fax: (519) 579-4239  
roger.freymond@stantec.com

## **MHP Canada Standard Water Well Monitoring Program**

- MHP Canada's practice is to retain the services of an independent hydrogeologist to review local hydrogeological conditions and gather existing well information from MOE records along the pipeline routes. Based on this review, the hydrogeologist will recommend a water well monitoring program, including testing methods, area within which to sample water wells, the frequency of testing and the parameters in which the samples will be tested.
- In accordance with the draft Conditions of Approval for the project, MHP Canada will sample appropriate water wells prior to and immediately following drilling and/or pipeline construction activities. In addition, MHP Canada will sample appropriate water wells following the first injection/withdrawal cycle of the pool.
- MHP Canada will sample all directly affected landowners' water wells within the study area that request for their water wells to be sampled or as recommended by the hydrogeologist.
- A hydrogeologist will be on retainer throughout the project and following construction to advise on mitigation measures should any well problems or concerns arise due to construction.
- In the event that a well may have been damaged from pipeline activities, a potable water supply will be provided until such time as the cause of the damage has been established. If it is determined that damage to the well was in fact caused by pipeline construction, the water well shall be restored or replaced as required.
- MHP Canada will follow the recommendations made in the Environmental Assessment report, environmental permits obtained for the project, landowner agreements and any recommendations made by the hydrogeologist.

# Process Chart: Landowner Complaint Resolution System



## Notes:

1. “Originator” of complaint or issue may be landowner or company representative.
2. Parties indicated in heavy outlined boxes shall assume responsibility for actions subsequently required in the resolution process. Parties identified in brackets may only be required for resolution or specific technical concerns.
3. “L.R.A.” refers to Landowner Relations Agent.
4. “Outside Arbitration” includes the Board of Negotiation, O.M.B. and O.E.B. “Others” refers to other regulatory bodies and tribunals.

## **LANDOWNER COMPLAINT RESOLUTION SYSTEM EXPLANATION OF PROCESS CHART**

### **Key Definitions**

**Originator** – The originator of a complaint or issue is the landowner or MHP Canada personnel who initiates a complaint or issue by making it known to the Landowner Relations Agent or a company inspector.

**Landowner Relations Agent (LRA)** – A person assigned on a full time or part time basis to record, monitor, and ensure follow-up on any complaint or issue received by MHP Canada related to construction, to address questions and concerns of the landowners, and to act as a liaison between landowners and the contractor and engineering personnel.

**Issue** – A concern of a landowner which can be resolved within three ( 3 ) working days. Immediate action is taken to resolve such matters.

**Complaint** – A concern of a landowner which cannot be resolved within three ( 3 ) working days.

**Commitment** – If an issue or complaint is resolved at any level of the Complaint Resolution system through the efforts and liaison activities of the Landowner Relations Agent or other personnel, the resolution is recorded to ensure proper future follow-up.

**Outside Arbitration** – includes the Board of Negotiation, O.M.B., and O.E.B.

**Others** – refers to other regulatory bodies and tribunals

### **Levels of the Complaint Resolution System**

**Level 1:** The LRA or company inspector receives issues or complaints, and the following can happen:

- a) Immediate action could be arranged by the LRA or inspector to resolve the issue or complaint; or
- b) A complaint can be resolved by a commitment in which case the LRA is responsible for arranging for the committed action and having the commitment recorded in the Complaint Resolution system; or
- c) If a complaint cannot be resolved through the efforts of the LRA or inspector, the applicable form ( Form 3150 ) is completed and then recorded, and the complaint is referred to **Level 2**.

**Level 2:** The LRA and the Construction Supervisor work together to develop a resolution for the complaint, and the following can happen:

- a) the complaint may be resolved with the originator by action or commitment and the action or commitment is recorded in the Complaint Resolution System; or
- b) if the complaint cannot be resolved, the originator is notified, the non-resolution is recorded, and the complaint is referred to **Level 3**.

**Level 3:** The Manager, Lands and the Project Manager work together to develop a resolution for the complaint, and the following can happen:

- a) complaint may be resolved with the originator by action or commitment and the action or commitment is recorded in the Complaint Resolution System; or
- b) if the complaint cannot be resolved, the originator is notified, the non-resolution is recorded, and the complaint is referred to **Level 4**;

When complaints reach this level, status reports are generated through the Complaint Resolution System and are forwarded to Senior Management.

**Level 4:** Senior Management (with possible input from the Legal and Risk and Claims Departments) attempts to develop a resolution to the complaint, and the following can happen:

- a) the complaint may be resolved with the originator by action or commitment and the action or commitment is recorded in the Complaint Resolution System; or
- b) if the complaint cannot be resolved, the originator is notified, the non-resolution is recorded, and the complaint is referred to **Level 5**;

**Level 5:** Involves the resolution of a complaint by outside arbitration or others, and the following will happen:

A final resolution will occur, all parties will be advised, and any action required will be arranged by the LRA or other Lands Department personnel.

**Note:** the Complaint Resolution System is used to generate final reports to the Ontario Energy Board

**Interrogatory Response**  
**EB-2008-0002**  
**Sarnia Airport Gas Storage Pool Project**  
**Muscedere - 1**  
**May 5, 2008**

**Question:**

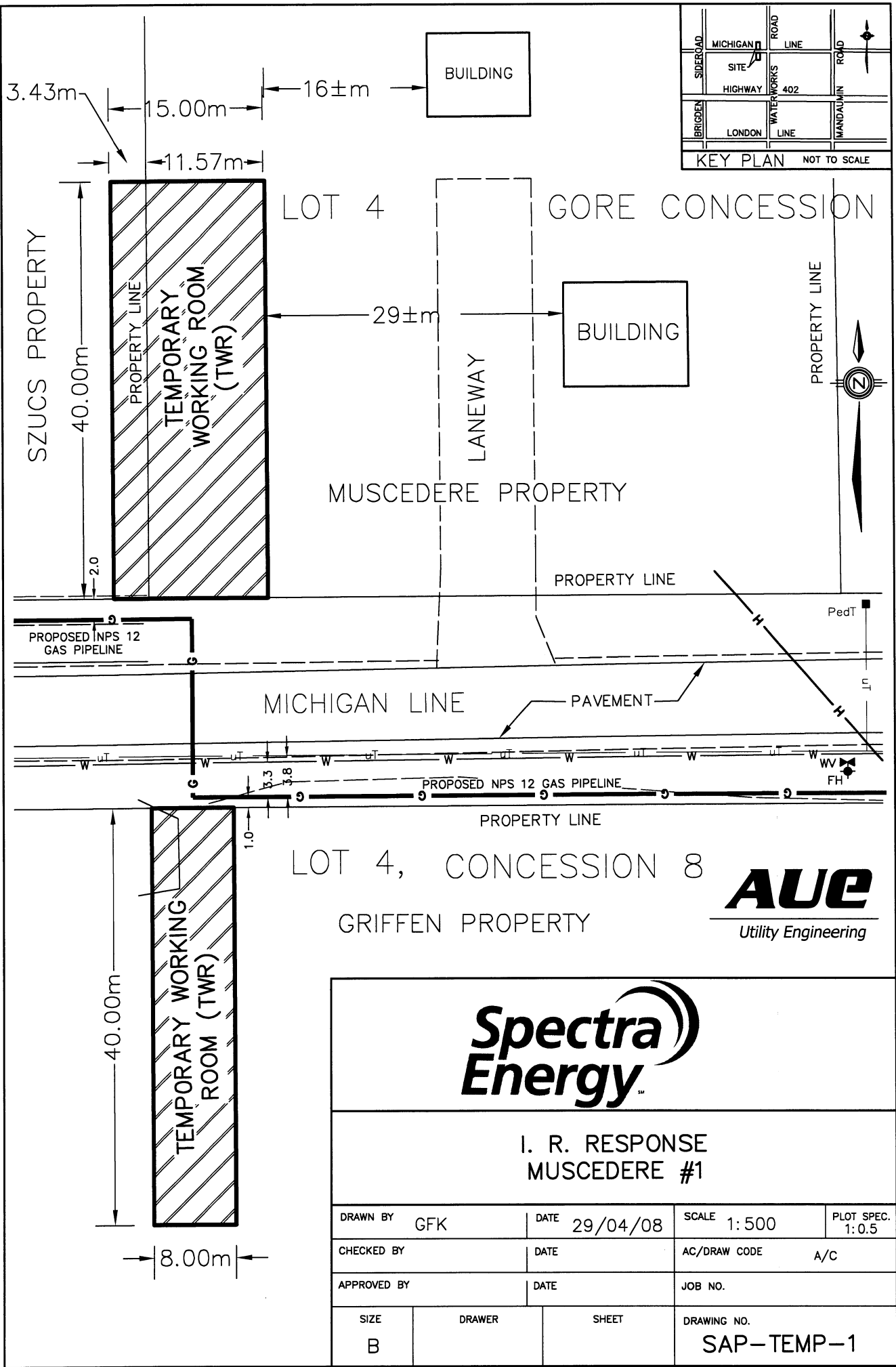
*Reference – Sheet #3 of Attachment 1 of Environmental Report of Stantec Consulting Ltd. Dated April 1, 2008.*

Where is the exact location of the proposed pipeline with respect to it crossing the road along Michigan Line from the north side to the south side just before reaching Waterworks Road?

We wish to confirm that the pipeline will cross the road (from north to south) just before reaching our client's property on the north side of Michigan Line.

**Response:**

Attached is a detailed alignment drawing, which shows the proposed location of the pipeline at the Muscedere property and specifically where the pipeline is proposed to cross Michigan Line (west of Waterworks Road). The pipeline is proposed to be located within the City of Sarnia road allowance in front of the Muscedere property. Temporary working room will be required on the Muscedere property to facilitate an efficient Michigan Line crossing.



**Interrogatory Response**  
**EB-2008-0002**  
**Sarnia Airport Gas Storage Pool Project**  
**Muscedere - 2**  
**May 5, 2008**

**Question:**

*Reference – Map of Monteith & Sutherland (Schedule 6-9) (Drawing no. SASP-SAP-03)*

We would like confirmation that the word “TWR” means “temporary working area” and does not mean that any fixture will be constructed at this location such as a “tower”. The notation “TWR” appears on our or near our client’s property.

**Response:**

The Applicant confirms that “TWR” on Drawing No. SASP-SAP-03 in Schedule 6-9 of the Pre-filed Evidence means “temporary working room”. “TWR” does not mean that a fixture will be constructed at this location, such as a “tower” or any other structure.

**Interrogatory Response**  
**EB-2008-0002**  
**Sarnia Airport Gas Storage Pool Project**  
**Muscedere - 3**  
**May 5, 2008**

**Question:**

*Reference – Temporary Land Use Agreement (“Agreement”)*

We would like confirmation of the following:

1. Are these the final terms of the Agreement?
2. Is there an exact area known at this time for the easement area?
3. What are the financial terms of the Agreement?

**Response:**

1. The Temporary Land Use Agreement is included in Schedule 9-12 of the Pre-filed Evidence and is Pro Forma. The final terms, including any property specific mitigation, are typically negotiated with the property owner.
2. The exact location of the temporary working room is shown on the map included in the response to Muscedere - 1. The maximum dimensions of the temporary working room proposed for the Muscedere property is 11.57 m by 40 m.
3. The financial terms proposed for the Temporary Land Use Agreement on the Muscedere property will be valued consistently with Temporary Land Use Agreements taken with other property owners for the Project. The Applicant estimates that the financial terms of the Temporary Land Use Agreement on the Muscedere property will be a lump sum of approximately \$1,000 for the use of the land for pipeline installation in 2009 and for year-after-construction clean up in 2010.