Ontario Energy Board

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Commission de l'énergie de l'Ontario

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BY E-MAIL

August 28, 2015

W.T. Wachsmuth Union Gas Limited Senior Administrator, Regulatory Projects P.O. Box 2001, 50 Keil Drive North Chatham, ON N7M 5M1

Dear Mr. Wachsmuth

Re: Panhandle Replacement 2014 Project – EB-2013-0420 Request to Vary

The Ontario Energy Board (OEB) is in receipt of your letter dated August 21, 2015 where you informed the OEB of three changes for the Panhandle Replacement 2014 Project.

The first change reduces the number of temporary land rights required east of West Ruscom River Road by using an existing easement. Between Ruscom River and East Ruscom River Road a short section of pipeline would be abandoned in place. The second change involves additional temporary lands at the Eastern Terminus and a purchase of land in fee simple for Launcher/Receiver Site instead of obtaining a permanent easement. The size of the Launcher/Receiver Site has also been increased from 30 x 30 metres to 45 x 30 metres. The third change is to the construction schedule. The section of the pipeline between West Puce Road and East Puce River Road is planned to be constructed in 2016 instead of 2015 to coordinate with construction of the sequential pipeline section of the Panhandle Replacement 2015 Project (EB-2015-0041) along the same route.

As the Vice-President, Applications, I have been delegated the authority of the OEB under Section 6 of the Ontario Energy Board Act, 1998 to determine whether Union's proposals will result in material changes to the leave to construct granted by the OEB in the EB-2013-0420 proceeding. I have been further granted the authority to approve any changes that I have concluded are not material.

You indicated that the first change would not require new land rights or new environmental mitigation measures and would cause no impact on the planned inservice date or project cost. With respect to the first change, Union is expected to conduct and complete the abandonment in accordance with the current requirements of the Technical Standards and Safety Authority. For the second change Union indicated that it has obtained the necessary permanent, temporary and fee simple land rights.

For the third change you anticipate a small cost increase without specifying the estimated amount. The actual project costs and explanation of any variances from estimated costs will be reported in the Post-Construction Financial Report and reviewed as part of Union's next re-basing rate application.

Based on my review of the information provided, I find that the described changes do not materially impact the leave granted by the OEB to construct the pipeline. I hereby approve the three proposed changes.

Yours truly,

Original Signed By

Lynne Anderson Vice-President Applications