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E.B.R.M. 104

EXECUTIVE SUMMARY DECISION WITH REASONS

DocID: OEB: 12LGT-0

In its April 5, 1993 Decisions, the Board denied Union Gas Limited's applications to construct the Bickford Dawn project which was designed to increase the deliverability capability of an existing storage facility. On June 16, 1993, the Board granted Union's request, under the terms of the April 5 Decision [12LGP-0:1], to re-open this hearing at which Union's additional evidence on the need, economic jurisdiction and timing of this project would be the subject of a further hearing. The hearing was held from June 16 - 18, 1993 and on June 28, 1993. On that latter date the Board issued an oral decision in which it declined to vary its April 5 Decision.

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In the Decision with Reasons, the Board found Union had failed to sustain the burden of proof in regard to the need for this project. The Board also found that Union had not provided a complete and sufficient economic justification for the construction of this project in the 1994 fiscal year. The Board however noted that despite its refusal to approve this project for fiscal 1994, an improvement in the Company's markets might make it a viable project.

The Board also took note that Union had contracted for additional transportation on the Northern Border route from June 1 to November 1, 1993. Spot gas had started flowing on that route on June 1, 1993; these arrangements had an option to extend for one further year.

The Board indicated that new applications by Union for facilities approvals should include evidence on future supply plans covering a period of at least 2 years. The Board noted that capital expenditure forecasts in general rate applications would cover much of this period in public information and that the Board would consider confidentiality rules to hear evidence on data extending beyond publicly available information.

Finally, the Board asked Union to take note that in its future general rate hearings that the Board will expect to receive evidence of actual versus forecast results from previously approved facilities; this evidence should be supported by an appropriate witness or witnesses.

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