



uniongas

A Spectra Energy Company

August 28, 2007

Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, Ontario
M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Re: QRAM Rate Application (EB-2007-0720) – Effective October 1, 2007

Dear Ms. Walli:

Enclosed is an application and evidence from Union Gas Limited ("Union") seeking changes to Union's gas supply and transportation rates to reflect lower forecast costs of purchasing and transporting natural gas.

The application is made pursuant to section 36(1) of the *Ontario Energy Board Act, 1998*, and pursuant to the Quarterly Rate Adjustment Mechanism ("QRAM") established by the Board for Union to deal with changes in gas costs.

The proposed Alberta Border Reference Price (i.e., WACOG), based on the current 21-day strip price is \$7.426/GJ. This is a decrease of \$0.953/GJ from the amount currently approved in rates. Union is also proposing to prospectively refund projected 12-month gas cost deferral account credits of \$42.492 million. The result is a net annual decrease for sales service customers of \$73 in the Southern Operations area and \$62 in the Northern & Eastern Operations area. Bundled direct purchase customers will see a net annual decrease of \$6 in the Southern Operations area and a net annual decrease of \$1 in the Northern & Eastern Operations area.

Union has enclosed an application to the Board for Orders effective October 1, 2007 to change the rates and other charges that were authorized by the Board's EB-2007-0634 Rate Order to reflect the gas supply commodity, gas supply transportation and delivery rates proposed herein and to change the reference prices for use in determining amounts to be recorded in certain gas supply related deferral accounts.

This application is supported by the following evidence:

Tab 1 - Evidence of Ms. Patti Piett

Tab 2 - Evidence of Mr. Harold Pankrac

To make these rate changes effective October 1, 2007, Union requests the Board's decision on this application by Thursday, September 13th. This is consistent with the current approved QRAM process timeline. To assist the Board, a draft procedural order is attached for consideration in initiating the review of this application.

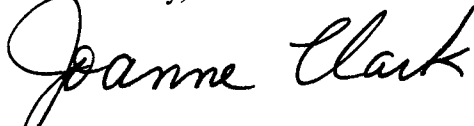
This application is being served on all intervenors in the EB-2005-0520 proceeding. This complete evidence package including the working papers is also available electronically in searchable PDF format through the following link on Union's website:

<http://uniongas.com/qramapplication/>. This link will be available on an ongoing basis for Union's future QRAM applications and will also be e-mailed to QRAM intervenors to facilitate electronic access to the filed information.

Although this application deals with Union's proposed QRAM rate changes effective October 1st, Union also proposes to implement rate changes to reflect the impact of the EB-2007-0598 Decision (dealing with Union's 2006 Deferral Disposition and Earnings Sharing amounts) concurrently. The EB-2007-0598 Draft Rate Order was filed with the Board on a without prejudice basis to appeal on August 27th and distributed to Intervenors on August 28th.

If you have any questions or concerns on this matter, please do not hesitate to contact me at (519) 436-4637.

Yours truly,



Chris Ripley
Manager, Regulatory Applications

cc: EB-2005-0520 Intervenors
Michael Penny (Torys)

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c.15 (Sched. B);

AND IN THE MATTER OF an Application by Union Gas Limited, pursuant to section 36(1) of the *Ontario Energy Board Act, 1998*, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of October 1, 2007;

AND IN THE MATTER OF the Quarterly Rate Adjustment Mechanism approved by the Ontario Energy Board in RP-2003-0063.

APPLICATION

1. Union Gas Limited ("Union") was an applicant in a proceeding before the Board to fix just and reasonable rates and other charges for the sale, distribution and storage of natural gas under Board File No. EB-2005-0520. The rates under consideration in the EB-2005-0520 proceeding concerned the year 2007 and were approved and implemented through the Board's EB-2005-0520 Rate Order dated December 19, 2006.

2. Pursuant to Section 36(1) of the *Ontario Energy Board Act, 1998* (the *Act*), and the Quarterly Rate Adjustment Mechanism approved by the Board, Union hereby applies to the Board for further orders effective October 1, 2007 as follows:

(a) an order establishing the reference prices specified in the table below:

	Current (Approved in EB-2007- 0634)	Proposed (Effective October 1, 2007)
Alberta Border Reference Price ¹	8.379 \$/GJ	7.426 \$/GJ
	31.3710 cents/m ³	27.8995 cents/m ³
Ontario Landed Reference Price ²	9.833 \$/GJ	8.804 \$/GJ
	36.8148 cents/m ³	33.0766 cents/m ³
South Portfolio Cost Differential ("SPCD") ³	0.073 \$/GJ	0.145 \$/GJ
	0.2733 cents/m ³	0.5448 cents/m ³

Notes:

¹ The Alberta Border Reference Price represents the North Purchase Gas Variance Account ("NPGVA") (Deferral Account No. 179-105) reference price and the TCPL Tolls and Fuel – Northern and Eastern Operations Area deferral account (Deferral Account No. 179-100) reference price with respect to fuel gas.

² The Ontario Landed Reference Price represents the South Purchase Gas Variance Account ("SPGVA") (Deferral Account No. 179-106) and Spot Gas Variance Account (Deferral Account No. 179-107) reference price.

³ The SPCD is used as the benchmark to reduce the debits/credits that would otherwise accumulate in the SPGVA if there was no adjustment to the South Transportation Rate.

(b) an order to reflect the inventory revaluation credit resulting from changes in gas costs as of October 1, 2007;

(c) an order reflecting the prospective recovery of the projected balance for the twelve month period ending September 30, 2008 recorded in the gas-supply deferral accounts;

(d) such further order or orders as Union may request and the Board may deem appropriate or necessary.

3. This application is supported by written evidence that has been pre-filed with the Board and provided by Union to all intervenors of record in the EB-2005-0520 proceeding.

4. The address of service for Union is:

Union Gas Limited

P.O. Box 2001
50 Keil Drive North
Chatham, Ontario
N7M 5M1

Attention: Chris Ripley
Manager, Regulatory Applications
Telephone: (519) 436-5476
Fax: (519) 436-4641

- and -

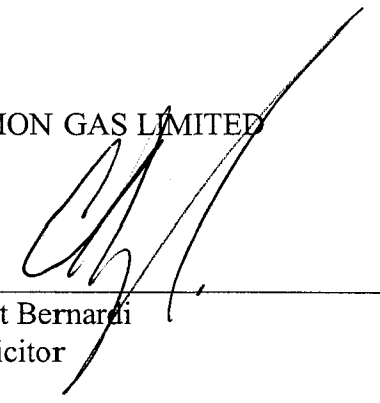
Torys

Suite 3000, Maritime Life Tower
P.O. Box 270
Toronto Dominion Centre
Toronto, Ontario
M5K 1N2

Attention: Michael A. Penny
Telephone: (416) 865-7526
Fax: (416) 865-7380

DATED August 28, 2007.

UNION GAS LIMITED



Curt Bernardi
Solicitor

Telephone: (519) 436-4555
Fax: (519) 436-5218

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c.15 (Sched. B);

AND IN THE MATTER OF an Application by Union Gas Limited, pursuant to section 36(1) of the *Ontario Energy Board Act, 1998*, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of October 1, 2007;

AND IN THE MATTER OF the Quarterly Rate Adjustment Mechanism approved by the Ontario Energy Board in RP-2003-0063.

DRAFT

NOTICE OF WRITTEN HEARING AND PROCEDURAL ORDER NO. 1

Union Gas Limited ("Union") filed an application (the "Application") dated August 28, 2007, with the Ontario Energy Board (the "Board") for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas. The Application was made pursuant to Union's approved Quarterly Rate Adjustment Mechanism ("QRAM"). Union's Application has been given Board File No. EB-2007-0634. Union seeks the following orders, effective October 1, 2007:

- (a) an order establishing the reference prices specified in the table below:

	Current (Approved in EB-2007-0634)	Proposed (Effective October 1, 2007)
Alberta Border Reference Price ¹	8.379 \$/GJ	7.426 \$/GJ
	31.3710 cents/m ³	27.8995 cents/m ³
Ontario Landed Reference Price ²	9.833 \$/GJ	8.804 \$/GJ
	36.8148 cents/m ³	33.0766 cents/m ³
South Portfolio Cost Differential ("SPCD") ³	0.073 \$/GJ	0.145 \$/GJ
	0.2733 cents/m ³	0.5448 cents/m ³

Notes:

- ¹ *The Alberta Border Reference Price represents the North Purchase Gas Variance Account ("NPGVA") (Deferral Account No. 179-105) reference price and the TCPL Tolls and Fuel – Northern and Eastern Operations Area deferral account (Deferral Account No. 179-100) reference price with respect to fuel gas.*
- ² *The Ontario Landed Reference Price represents the South Purchase Gas Variance Account ("SPGVA") (Deferral Account No. 179-106) and Spot Gas Variance Account (Deferral Account No. 179-107) reference price .*
- ³ *The SPCD is used as the benchmark to reduce the debits/credits that would otherwise accumulate in the SPGVA if there was no adjustment to the South Transportation Rate.*

- (b) an order to reflect the inventory revaluation credit resulting from changes in gas costs/as of October 1, 2007;
- (c) an order reflecting the prospective recovery of the projected balance for the twelve-month period ending September 30, 2008 recorded in the gas-supply deferral accounts; and
- (d) such further orders as the Board may deem necessary.

Union has provided written evidence in support of the proposed changes contained in the Application. The Application and prefiled evidence were sent by Union to all Intervenors of record in the EB-2005-0520 proceeding.

Written Hearing

The Board intends to proceed in this matter by way of a written hearing. The will consider reasons provided by any party as to why it should proceed by way of an oral hearing.

Cost Awards

Given the mechanistic nature of this matter, the Board does not anticipate awarding costs. Parties that meet the Board's eligibility criteria contained in the Practice Direction on Cost Awards may submit costs with supporting rationale as to how their participation contributed to the Board's ability to decide on this matter.

THE BOARD THEREFORE ORDERS THAT:

1. Any party that objects to proceeding by way of a written hearing may make written comments to the Board for its consideration no later than 4:30 p.m., Wednesday, September 5, 2007. If any such objections are received by the Board, the Board may amend the deadlines below.
2. Parties to this proceeding wishing to make comments on the Application may do so by filing such submissions with the Board Secretary (6 hard copies plus an electronic copy by e-mail) and serving a copy on all parties who make submissions no later than 4:30 p.m., Friday, September 7, 2007.

3. Union shall reply to any comments received by filing such replies with the board Secretary (6 hard copies plus an electronic copy by e-mail) and serving a copy on all parties who make submissions no later than 4:30 p.m., Tuesday, September 11, 2007.
4. All parties must also provide the Case Manager, _____
_____@oeb.gov.on.ca with an electronic copy of all comments and correspondence related to this case.

IMPORTANT: If you do not file any comments in response to this notice, the Board may proceed without your participation and you will not be entitled to any further notice of these proceedings.

ISSUED at Toronto, May XX, 2007.

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

PREFILED EVIDENCE OF

PATTI PIETT, MANAGER, GAS SUPPLY

INTRODUCTION

The purpose of this evidence is to set deferral account reference prices to reflect Union's gas cost forecast for the 12-month period commencing October 1, 2007 pursuant to the Quarterly Rate Adjustment Mechanism ("QRAM") as approved by the Board. Specifically, this evidence reviews the following:

1. Current Gas Market Outlook

2. Pricing

- Alberta Border Reference Price
- Ontario Landed Reference Price
- South Portfolio Cost Differential

3. Deferral Accounts

- Impact on Gas Supply Deferral Account Balances
- Prospective Recovery of Deferral Account Balances

1. CURRENT GAS MARKET OUTLOOK

North American gas supply storage inventories have recently surpassed the record levels seen during last summer. Inventories continue to build to projected new highs for the start of winter.

August 2007

1 The extreme heat and accompanying natural gas consumption for cooling demand that was
2 forecast for this summer has not been experienced to the extent expected. So far, hurricane
3 activity in the supply regions this season has been minimal and little gas production has been
4 interrupted. For all of the above reasons, the prices of natural gas futures on NYMEX, especially
5 in the short-term, have fallen from their levels at the beginning of the summer.

6 7 2. PRICING

8 9 2.1 Alberta Border Reference Price

10 The approved method for calculating the Alberta Border Reference Price uses the 21-day average
11 of the twelve month NYMEX strip. The NYMEX strip used in this application is for the October
12 2007 to September 2008 period. The one-year NYMEX strip is converted to an Alberta Border
13 Reference Price by taking into account the Empress-NYMEX basis, foreign exchange rate, and
14 actual and forecast risk management activity for the October 2007 to September 2008 period.
15 (See Tab 1, Schedule 1 for the details of this calculation.)

16
17 Based on the approved method, the Alberta Border Reference price for the period October 1,
18 2007 to September 30, 2008 is \$7.426/GJ. This represents a decrease of \$0.953/GJ from the
19 Alberta Border Reference price of \$8.379/GJ last approved by the Board in the EB-2007-0634
20 proceeding. Consistent with the updated Alberta Border Reference Price, Union proposes that

August 2007

1 the reference price of \$7.426/GJ be used for amounts to be recorded in the North PGVA Account
2 (“NPGVA”) (Deferral Account No. 179-105).

3
4 Union also proposes that the reference price of \$7.426/GJ be used in determining the amounts to
5 be recorded in the TCPL Tolls and Fuel – Northern and Eastern Operations Area deferral account
6 (Deferral Account No. 179-100) with respect to fuel gas.

7
8 2.2 Ontario Landed Reference Price

9 The Ontario Landed Reference Price is \$8.804/GJ and is calculated by adding the TCPL EDA
10 toll and fuel to the Alberta Border Reference Price as shown on Schedule 1. This represents a
11 decrease of \$1.029/GJ from the Ontario Landed Reference Price of \$9.833/GJ last approved by
12 the Board in the EB-2007-0634 proceeding. This change represents a decrease in the Alberta
13 Border Reference Price of \$0.953/GJ plus the associated changes in TCPL tolls and compressor
14 fuel costs.

15
16 As previously approved, the Ontario Landed Reference Price will be used to defer amounts to be
17 recorded in the South PGVA Account (“SPGVA”) (Deferral Account No. 179-106) and the Spot
18 Gas Variance Account (Deferral Account No. 179-107). The Ontario Landed Reference Price
19 will also be used to revalue the inventory attributable to Union’s sales service customers.

2.3 South Portfolio Cost Differential

The South Portfolio Cost Differential ("SPCD") is determined by comparing the projected cost of serving South sales service customers, based on Union's South Portfolio, to the cost of serving South sales service customers based on the Ontario Landed Reference Price. This difference is divided by forecast South sales service demand to derive the SPCD. For the 12-month period beginning October 1, 2007 the SPCD is projected to be \$0.145/GJ as shown on Schedule 2. The SPCD results in a South Transportation Sales Rate of \$0.886/GJ calculated by subtracting the SPCD of \$0.145/GJ from the EDA TCPL toll of \$1.03/GJ. This ensures that South sales service rates are appropriately set at a level equal to the projected average cost over the 12-month forecast period.

3. DEFERRAL ACCOUNTS

3.1 Impact on Gas Supply Deferral Account Balances

The current forecast of gas cost related deferral account balances at September 30, 2008 is shown on Schedule 3. The opening deferral account balances are the projected deferral account balances at October 1, 2007 plus the projected inventory revaluation adjustment at October 1, 2007.

The deferral account forecast is based on the actual and forecast gas costs for the period October

August 2007

1, 2007 to September 30, 2008 and on the proposed Alberta Border Reference Price and the

Ontario Landed Reference Price effective October 1, 2007.

3.2 Prospective Recovery of Deferral Account Balances

October 1, 2007 deferral account balances relating to the North PGVA, North Tolls and Fuel, South PGVA, Inventory Revaluation, and Spot Gas accounts are identified below.

3.2.1 North PGVA

The balance in the North PGVA (Deferral Account No.179-105) as of October 1, 2007 is a credit of \$93.877 million as identified in Schedule 3, page 2.

3.2.2 North Tolls and Fuel

The balance in the North Tolls and Fuel Account (Deferral Account No.179-100) as of October 1, 2007 is a credit of \$6.390 million as identified in Schedule 3, page 3. This balance is comprised of a \$10.578 million credit related to Northern tolls, offset by a \$4.188 million debit related to fuel costs.

3.2.3 South PGVA

The balance in the South PGVA (Deferral Account No.179-106) as of October 1, 2007 is a credit of \$238.304 million as identified in Schedule 3, page 4.

1 3.2.4 Inventory Revaluation

2 The balance in the Inventory Revaluation Account (Deferral Account 179-109) as of October 1,
3 2007 is a debit of \$28.136 million. The calculation for the inventory revaluation amount is
4 presented in Schedule 3, page 5.

6 3.2.5 North Heat Value and UDC Accounts

7 The balance in the North Heat Value Account as of October 1, 2007 is a credit of \$1.305 million
8 as identified in Schedule 3, page 1. The North Heat Value Account (Account No. 179-89) and the
9 Joint Unabsorbed Demand Costs Account (Account No. 179-108) balances are not prospectively
10 recovered in accordance with the current Board-approved QRAM process. Union has incurred
11 Unabsorbed Demand Charges as a result of the need to balance the supply portfolio. Union will
12 propose to dispose of these deferral account balances after the end of the year.

14 3.2.6 Spot Gas Account/Load Balancing

15 Spot Gas and Load Balancing costs are tracked separately. There is a debit balance of \$0.309
16 million for Spot Gas purchases and a credit balance of \$11.615 million for Load Balancing. Both
17 balances are recorded in the Spot Gas Variance Account (Deferral No.179-107) as identified in
18 Schedule 3, page 6.

Schedules

1.1.1

1.1.2

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1.1.17

[illegible]

(2) Alberta Border Price = ((NYMEX 21-day Average + Empruss Basis) * (Foreign Exchange Rate))/MMBtu to GJ Conversion Rate
MMBtu to GJ Conversion Rate: 1.055056 GJ/MMBtu

UNION GAS LIMITED
 Calculation of South Portfolio Cost Differential & South Transportation Rate
For the 12 month period ending September 30, 2008

Line No.	<u>Particulars</u>			
1	South Purchased Gas Variance Account (SPGVA) (\$000's)	\$	11,922	(1)
2	South Consumption Volumes (PJ's)		<u>82.4</u>	(2)
3	South Price Cost Differential (Line 1/Line 2)	\$	0.145 /GJ	
4	TCPL Transportation EDA Toll	\$	1.030 /GJ	
5	South Price Cost Differential (Line 3)	\$	0.145 /GJ	
6	South Transportation Rate (Line 4 - Line 5)	\$	<u><u>0.886</u></u> /GJ	

Notes:

- (1) Tab 1, Schedule 3, page 4, Column (g), Line 27
 (2) Demand forecast for South sales service customers for the period October 2007 to September 2008

UNION GAS LIMITED
Summary of Gas Supply Deferral Accounts

Line No.	Particulars	Joint Accounts									Total (\$000's)
		North PGVA (179-105)	North Tolls and LBA (179-100)	North Fuel (179-100)	North Heat Value (179-89)	South PGVA (179-106)	Inventory Revaluation (179-109)	Load Balancing (179-107)	Spot Gas Purchases (179-107)	Unabsorbed Demand Costs (179-108)	
		(\$000's) (1)	(\$000's) (2)	(\$000's) (2)	(\$000's) (6)	(\$000's) (3)	(\$000's) (4)	(\$000's) (5)	(\$000's) (5)	(\$000's) (6)	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)=sum of (a) to (i)
1	Cumulative to end of September, 2006	\$ (41,436)	\$ (9,469)	\$ 6,581	\$ -	\$ (92,105)	\$ (111,025)	\$ (8,337)	\$ 311	\$ -	\$ (255,479)
2	October, 2006 *	\$ (14,058)	\$ (1,252)	\$ (571)	\$ -	\$ (26,371)	\$ 3,406	\$ (22)	\$ (0)	\$ -	\$ (38,869)
3	November *	\$ (7,534)	\$ (178)	\$ (647)	\$ -	\$ (17,906)	\$ 26	\$ (21)	\$ (0)	\$ -	\$ (26,260)
4	December *	\$ (535)	\$ (814)	\$ (33)	\$ -	\$ (6,862)	\$ 37	\$ (21)	\$ (0)	\$ -	\$ (8,229)
5	January, 2007 *	\$ (3,781)	\$ 223	\$ 14	\$ (544)	\$ (11,105)	\$ 28,161	\$ (23)	\$ (0)	\$ -	\$ 12,944
6	February *	\$ (1,367)	\$ 120	\$ (209)	\$ (122)	\$ (1,916)	\$ 123	\$ (18)	\$ (0)	\$ -	\$ (3,389)
7	March *	\$ (985)	\$ 542	\$ (99)	\$ (287)	\$ (5,361)	\$ 102	\$ (29)	\$ (0)	\$ 267	\$ (5,851)
8	April, 2007 *	\$ (2,539)	\$ 204	\$ 3	\$ (234)	\$ (9,992)	\$ (729)	\$ (3,097)	\$ (0)	\$ -	\$ (16,385)
9	May *	\$ (2,176)	\$ 196	\$ (4)	\$ (54)	\$ (12,971)	\$ 60	\$ (11)	\$ (0)	\$ 239	\$ (14,722)
10	June *	\$ (3,075)	\$ (100)	\$ (280)	\$ (48)	\$ (10,493)	\$ 52	\$ (10)	\$ (0)	\$ -	\$ (13,954)
11	July, 2007 *	\$ (4,045)	\$ 54	\$ 19	\$ (15)	\$ (15,723)	\$ (1,741)	\$ (9)	\$ (0)	\$ 77	\$ (21,384)
12	August	\$ (8,307)	\$ (51)	\$ (369)	\$ -	\$ (17,730)	\$ 29	\$ (8)	\$ (0)	\$ 71	\$ (26,364)
13	September	\$ (4,038)	\$ (52)	\$ (217)	\$ -	\$ (9,768)	\$ 27	\$ (7)	\$ (0)	\$ 177	\$ (13,877)
14	Total (Lines 1 to 13)	\$ (93,877)	\$ (10,578)	\$ 4,188	\$ (1,305)	\$ (238,304)	\$ (81,472)	\$ (11,615)	\$ 309	\$ 832	\$ (431,821)
	<u>Current QRAM Period</u>										
15	October, 2007	\$ (2,320)	\$ (60)	\$ (85)	\$ -	\$ (5,045)	\$ 28,136	\$ -	\$ -	\$ 261	\$ 20,886
16	November	\$ (1,878)	\$ (64)	\$ (95)	\$ -	\$ (4,731)	\$ -	\$ -	\$ -	\$ -	\$ (6,768)
17	December	\$ 506	\$ (63)	\$ 2	\$ -	\$ 2,118	\$ -	\$ -	\$ -	\$ -	\$ 2,564
18	January, 2008	\$ 1,590	\$ (60)	\$ 43	\$ -	\$ 5,530	\$ -	\$ -	\$ -	\$ -	\$ 7,102
19	February	\$ 1,515	\$ (61)	\$ 63	\$ -	\$ 5,737	\$ -	\$ -	\$ -	\$ -	\$ 7,255
20	March	\$ 1,108	\$ (63)	\$ 15	\$ -	\$ 3,909	\$ -	\$ -	\$ -	\$ -	\$ 4,969
21	April, 2008	\$ (380)	\$ (63)	\$ (38)	\$ -	\$ (1,368)	\$ -	\$ -	\$ -	\$ -	\$ (1,848)
22	May	\$ (497)	\$ (60)	\$ (42)	\$ -	\$ (2,355)	\$ -	\$ -	\$ -	\$ -	\$ (2,954)
23	June	\$ (246)	\$ (59)	\$ (25)	\$ -	\$ (1,736)	\$ -	\$ -	\$ -	\$ -	\$ (2,066)
24	July, 2008	\$ 41	\$ (59)	\$ (60)	\$ -	\$ (1,307)	\$ -	\$ -	\$ -	\$ -	\$ (1,385)
25	August	\$ 205	\$ (59)	\$ (78)	\$ -	\$ (781)	\$ -	\$ -	\$ -	\$ -	\$ (713)
26	September	\$ 357	\$ (60)	\$ (54)	\$ -	\$ 28	\$ -	\$ -	\$ -	\$ -	\$ 271
27	Total (Lines 15 to 26)	\$ 0	\$ (731)	\$ (354)	\$ -	\$ (0)	\$ 28,136	\$ -	\$ -	\$ 261	\$ 27,312

Notes: * reflects actual information

- (1) See page 2
- (2) See page 3
- (3) See page 4
- (4) See page 5
- (5) See page 6
- (6) Union is not proposing to recover the deferral balances for the North Heat Value (Account No. 179-89) and the Unabsorbed Demand Charge (Account No. 179-108) deferral accounts in the current QRAM.

UNION GAS LIMITED
Deferral Account for
North Purchased Gas Variance Account
(Deferral Account 179-105)

Line No.	Particulars	Purchase Cost (\$000's) (a)	Volume (GJ) (b)	Weighted Avg. Price (\$/GJ) (c) = (a)/(b)	Reference Price (\$/GJ) (1) (d)	Unit Rate Difference (\$/GJ) (e) = (c) - (d)	Deferral Amount Before Interest (\$000's) (f) = (b) x (e)	Interest (\$000's) (2) (g)	Total Deferral Amount (\$000's) (h) = (f) + (g)
1	Cumulative to end of September, 2006						\$ (41,049)	\$ (387)	\$ (41,436)
2	October, 2006 *	\$ 10,924	2,811,201	\$ 3.886	\$ 8.837	\$ (4.951)	\$ (13,919)	\$ (139)	\$ (14,058)
3	November *	\$ 17,863	2,853,900	\$ 6.259	\$ 8.837	\$ (2.578)	\$ (7,357)	\$ (176)	\$ (7,534)
4	December *	\$ 18,802	2,165,599	\$ 8.682	\$ 8.837	\$ (0.155)	\$ (335)	\$ (200)	\$ (535)
5	January, 2007 *	\$ 13,660	2,178,234	\$ 6.271	\$ 7.926	\$ (1.655)	\$ (3,604)	\$ (177)	\$ (3,781)
6	February *	\$ 15,156	2,068,366	\$ 7.328	\$ 7.926	\$ (0.598)	\$ (1,237)	\$ (130)	\$ (1,367)
7	March *	\$ 10,150	1,392,074	\$ 7.291	\$ 7.926	\$ (0.634)	\$ (883)	\$ (102)	\$ (985)
8	April, 2007 *	\$ 18,056	2,477,070	\$ 7.289	\$ 8.288	\$ (0.999)	\$ (2,474)	\$ (66)	\$ (2,539)
9	May *	\$ 14,455	1,999,967	\$ 7.227	\$ 8.288	\$ (1.061)	\$ (2,121)	\$ (55)	\$ (2,176)
10	June *	\$ 16,848	2,397,572	\$ 7.027	\$ 8.288	\$ (1.261)	\$ (3,023)	\$ (52)	\$ (3,075)
11	July, 2007 *	\$ 11,518	1,849,918	\$ 6.226	\$ 8.379	\$ (2.153)	\$ (3,983)	\$ (62)	\$ (4,045)
12	August	\$ 15,279	2,805,255	\$ 5.446	\$ 8.379	\$ (2.933)	\$ (8,227)	\$ (80)	\$ (8,307)
13	September	\$ 8,441	1,476,860	\$ 5.715	\$ 8.379	\$ (2.664)	\$ (3,934)	\$ (104)	\$ (4,038)
14	Total (Lines 1 to 13)	\$ 171,152	26,476,016				\$ (92,146)	\$ (1,731)	\$ (93,877)
	<u>Current QRAM Period</u>								
15	October, 2007	\$ 9,064	1,532,873	\$ 5.913	\$ 7.426	\$ (1.514)	\$ (2,320)	\$ -	\$ (2,320)
16	November	\$ 18,442	2,736,254	\$ 6.740	\$ 7.426	\$ (0.687)	\$ (1,878)	\$ -	\$ (1,878)
17	December	\$ 21,488	2,825,207	\$ 7.606	\$ 7.426	\$ 0.179	\$ 506	\$ -	\$ 506
18	January, 2008	\$ 21,604	2,694,936	\$ 8.016	\$ 7.426	\$ 0.590	\$ 1,590	\$ -	\$ 1,590
19	February	\$ 20,196	2,515,501	\$ 8.029	\$ 7.426	\$ 0.602	\$ 1,515	\$ -	\$ 1,515
20	March	\$ 21,481	2,743,208	\$ 7.830	\$ 7.426	\$ 0.404	\$ 1,108	\$ -	\$ 1,108
21	April, 2008	\$ 19,284	2,647,885	\$ 7.283	\$ 7.426	\$ (0.144)	\$ (380)	\$ -	\$ (380)
22	May	\$ 19,778	2,730,136	\$ 7.244	\$ 7.426	\$ (0.182)	\$ (497)	\$ -	\$ (497)
23	June	\$ 19,498	2,658,579	\$ 7.334	\$ 7.426	\$ (0.093)	\$ (246)	\$ -	\$ (246)
24	July, 2008	\$ 20,378	2,738,481	\$ 7.441	\$ 7.426	\$ 0.015	\$ 41	\$ -	\$ 41
25	August	\$ 20,491	2,731,540	\$ 7.502	\$ 7.426	\$ 0.075	\$ 205	\$ -	\$ 205
26	September	\$ 19,887	2,629,834	\$ 7.562	\$ 7.426	\$ 0.136	\$ 357	\$ -	\$ 357
27	Total (Lines 15 to 26)	\$ 231,591	31,184,434				\$ 0	\$ -	\$ 0

* reflects actual information

(1) The reference price from October 2006 to December 2006 is as approved in EB-2006-0500.

The reference price from January 2007 to March 2007 is as approved in EB-2006-0502.

The reference price from April 2007 to June 2007 is as approved in EB-2007-0053.

The reference price from July 2007 to September 2007 is as approved in EB-2007-0634.

The reference price from October 2007 to September 2008 is as proposed in EB-2007-0720.

(2) Interest is computed on the deferral amount balance net of the actual prospective recovery amount for the quarter prior to the current QRAM period.

UNION GAS LIMITED
Deferral Account for
TCPL Tolls and Fuel - Northern and Eastern Operations Area
(Deferral Account 179-100)

Line No.	Particulars	TCPL Tolls			TCPL Fuel			Total Deferral Amount With Interest (\$000's) (g) = (c) + (f)
		Deferral Amount Before Interest (\$000's) (a)	Interest (\$000's) (1) (b)	Deferral Amount With Interest (\$000's) (2) (c) = (a) + (b)	Deferral Amount Before Interest (\$000's) (d)	Interest (\$000's) (1) (e)	Deferral Amount With Interest (\$000's) (f) = (d) + (e)	
1	Cumulative to end of September, 2006	\$ (9,348)	\$ (121)	\$ (9,469)	\$ 6,330	\$ 251	\$ 6,581	\$ (2,888)
2	October, 2006 *	\$ (1,255)	\$ 2	\$ (1,252)	\$ (580)	\$ 9	\$ (571)	\$ (1,824)
3	November *	\$ (177)	\$ (1)	\$ (178)	\$ (653)	\$ 6	\$ (647)	\$ (825)
4	December *	\$ (812)	\$ (3)	\$ (814)	\$ (37)	\$ 4	\$ (33)	\$ (848)
5	January, 2007 *	\$ 227	\$ (5)	\$ 223	\$ 10	\$ 4	\$ 14	\$ 237
6	February *	\$ 123	\$ (2)	\$ 120	\$ (213)	\$ 4	\$ (209)	\$ (89)
7	March *	\$ 522	\$ 20	\$ 542	\$ (95)	\$ (5)	\$ (99)	\$ 442
8	April, 2007 *	\$ 202	\$ 2	\$ 204	\$ 0	\$ 3	\$ 3	\$ 207
9	May *	\$ 193	\$ 3	\$ 196	\$ (8)	\$ 4	\$ (4)	\$ 192
10	June *	\$ (103)	\$ 3	\$ (100)	\$ (284)	\$ 4	\$ (280)	\$ (380)
11	July, 2007 *	\$ 51	\$ 3	\$ 54	\$ 16	\$ 3	\$ 19	\$ 73
12	August	\$ (58)	\$ 7	\$ (51)	\$ (366)	\$ (3)	\$ (369)	\$ (420)
13	September	\$ (58)	\$ 7	\$ (52)	\$ (212)	\$ (4)	\$ (217)	\$ (268)
14	Total (Lines 1 to 13)	\$ (10,493)	\$ (85)	\$ (10,578)	\$ 3,908	\$ 280	\$ 4,188	\$ (6,390)
<u>Current QRAM Period</u>								
15	October, 2007	\$ (60)	\$ -	\$ (60)	\$ (85)	\$ -	\$ (85)	\$ (146)
16	November	\$ (64)	\$ -	\$ (64)	\$ (95)	\$ -	\$ (95)	\$ (159)
17	December	\$ (63)	\$ -	\$ (63)	\$ 2	\$ -	\$ 2	\$ (61)
18	January, 2008	\$ (60)	\$ -	\$ (60)	\$ 43	\$ -	\$ 43	\$ (17)
19	February	\$ (61)	\$ -	\$ (61)	\$ 63	\$ -	\$ 63	\$ 3
20	March	\$ (63)	\$ -	\$ (63)	\$ 15	\$ -	\$ 15	\$ (49)
21	April, 2008	\$ (63)	\$ -	\$ (63)	\$ (38)	\$ -	\$ (38)	\$ (100)
22	May	\$ (60)	\$ -	\$ (60)	\$ (42)	\$ -	\$ (42)	\$ (102)
23	June	\$ (59)	\$ -	\$ (59)	\$ (25)	\$ -	\$ (25)	\$ (84)
24	July, 2008	\$ (59)	\$ -	\$ (59)	\$ (60)	\$ -	\$ (60)	\$ (119)
25	August	\$ (59)	\$ -	\$ (59)	\$ (78)	\$ -	\$ (78)	\$ (137)
26	September	\$ (60)	\$ -	\$ (60)	\$ (54)	\$ -	\$ (54)	\$ (114)
27	Total (Lines 15 to 26)	\$ (731)	\$ -	\$ (731)	\$ (354)	\$ -	\$ (354)	\$ (1,085)

* reflects actual information

(1) Interest is computed on the deferral amount balance net of the actual prospective recovery amount for the quarter prior to the current QRAM period.

UNION GAS LIMITED
Deferral Account for
South Purchased Gas Variance Account
(Deferral Account 179-106)

Line No.	Particulars	Purchase Cost (\$000's) (a)	Volume (GJ) (b)	Weighted Avg. Price (\$/GJ) (c) = (a)/(b)	Reference Price (\$/GJ) (1) (d)	Unit Rate Difference (\$/GJ) (e) = (c) - (d)	Monthly Deferral Amount (\$000's) (f) = (b) x (e)	Southern Portfolio Cost Differential Impact Adjustment (\$000's) (g)	Deferral Amount Before Interest (\$000's) (h)	Interest (\$000's) (2) (i)	Total Deferral Amount (\$000's) (j) = (h) + (i)
1	Cumulative to end of September, 2006						\$ (110,313)	# \$ 19,264	\$ (91,049)	\$ (1,056)	\$ (92,105)
2	October, 2006	\$ 39,888	6,405,168	\$ 6.227	\$ 10.343	\$ (4.116)	\$ (26,361)	\$ 376	\$ (25,985)	\$ (386)	\$ (26,371)
3	November	\$ 57,726	7,324,839	\$ 7.881	\$ 10.343	\$ (2.462)	\$ (18,035)	\$ 577	\$ (17,458)	\$ (448)	\$ (17,906)
4	December	\$ 70,736	7,529,880	\$ 9.394	\$ 10.343	\$ (0.949)	\$ (7,146)	\$ 788	\$ (6,359)	\$ (503)	\$ (6,862)
5	January, 2007	\$ 61,069	7,732,881	\$ 7.897	\$ 9.329	\$ (1.432)	\$ (11,070)	\$ 559	\$ (10,511)	\$ (594)	\$ (11,105)
6	February	\$ 48,131	5,384,612	\$ 8.939	\$ 9.329	\$ (0.390)	\$ (2,102)	\$ 640	\$ (1,462)	\$ (454)	\$ (1,916)
7	March	\$ 75,542	8,684,617	\$ 8.698	\$ 9.329	\$ (0.631)	\$ (5,476)	\$ 487	\$ (4,989)	\$ (372)	\$ (5,361)
8	April, 2007	\$ 58,744	7,066,456	\$ 8.313	\$ 9.711	\$ (1.398)	\$ (9,879)	\$ 163	\$ (9,716)	\$ (276)	\$ (9,992)
9	May	\$ 66,534	8,169,014	\$ 8.145	\$ 9.711	\$ (1.566)	\$ (12,795)	\$ 77	\$ (12,718)	\$ (254)	\$ (12,971)
10	June	\$ 55,890	6,813,156	\$ 8.203	\$ 9.711	\$ (1.508)	\$ (10,273)	\$ 41	\$ (10,232)	\$ (261)	\$ (10,493)
11	July, 2007	\$ 49,825	6,651,591	\$ 7.491	\$ 9.833	\$ (2.342)	\$ (15,580)	\$ 146	\$ (15,434)	\$ (290)	\$ (15,723)
12	August	\$ 39,359	5,789,864	\$ 6.798	\$ 9.833	\$ (3.035)	\$ (17,573)	\$ 125	\$ (17,448)	\$ (282)	\$ (17,730)
13	September	\$ 25,390	3,562,028	\$ 7.128	\$ 9.833	\$ (2.705)	\$ (9,635)	\$ 196	\$ (9,439)	\$ (329)	\$ (9,768)
14	Total (Lines 1 to 13)	\$ 648,833	81,114,106				\$ (256,238)	\$ 23,439	\$ (232,799)	\$ (5,505)	\$ (238,304)
<u>Current QRAM Period</u>											
15	October, 2007	\$ 26,939	3,713,650	\$ 7.254	\$ 8.804	\$ (1.550)	\$ (5,757)	\$ 712	\$ (5,045)	\$ -	\$ (5,045)
16	November	\$ 57,411	7,185,071	\$ 7.990	\$ 8.804	\$ (0.814)	\$ (5,848)	\$ 1,118	\$ (4,731)	\$ -	\$ (4,731)
17	December	\$ 65,816	7,424,573	\$ 8.865	\$ 8.804	\$ 0.060	\$ 448	\$ 1,670	\$ 2,118	\$ -	\$ 2,118
18	January, 2008	\$ 69,145	7,439,701	\$ 9.294	\$ 8.804	\$ 0.490	\$ 3,644	\$ 1,885	\$ 5,530	\$ -	\$ 5,530
19	February	\$ 65,144	6,959,720	\$ 9.360	\$ 8.804	\$ 0.556	\$ 3,869	\$ 1,869	\$ 5,737	\$ -	\$ 5,737
20	March	\$ 67,717	7,439,701	\$ 9.102	\$ 8.804	\$ 0.298	\$ 2,216	\$ 1,694	\$ 3,909	\$ -	\$ 3,909
21	April, 2008	\$ 61,544	7,273,214	\$ 8.462	\$ 8.804	\$ (0.342)	\$ (2,491)	\$ 1,123	\$ (1,368)	\$ -	\$ (1,368)
22	May	\$ 62,480	7,439,701	\$ 8.398	\$ 8.804	\$ (0.406)	\$ (3,021)	\$ 666	\$ (2,355)	\$ -	\$ (2,355)
23	June	\$ 61,313	7,199,711	\$ 8.516	\$ 8.804	\$ (0.288)	\$ (2,075)	\$ 340	\$ (1,736)	\$ -	\$ (1,736)
24	July, 2008	\$ 64,001	7,439,701	\$ 8.603	\$ 8.804	\$ (0.202)	\$ (1,500)	\$ 193	\$ (1,307)	\$ -	\$ (1,307)
25	August	\$ 64,467	7,439,701	\$ 8.665	\$ 8.804	\$ (0.139)	\$ (1,035)	\$ 254	\$ (781)	\$ -	\$ (781)
26	September	\$ 63,017	7,199,711	\$ 8.753	\$ 8.804	\$ (0.052)	\$ (372)	\$ 400	\$ 28	\$ -	\$ 28
27	Total (Lines 15 to 26)	\$ 728,995	84,154,152				\$ (11,922)	\$ 11,922	\$ (0)	\$ -	\$ (0)

* reflects actual information

(1) The reference price from October 2006 to December 2006 is as approved in EB-2006-0500.

The reference price from January 2007 to March 2007 is as approved in EB-2006-0502.

The reference price from April 2007 to June 2007 is as approved in EB-2007-0053.

The reference price from July 2007 to September 2007 is as approved in EB-2007-0634.

The reference price from October 2007 to September 2008 is as proposed in EB-2007-0720.

(2) Interest is computed on the deferral amount balance net of the actual prospective recovery amount for the quarter prior to the current QRAM period.

UNION GAS LIMITED
Deferral Account for
Inventory Revaluation
(Deferral Account 179-109)

Line No.	Effective Date		Proceeding Number	Reference Price (C\$/GJ)		Inventory Levels Forecast/ Actual (PJ's) (c)	Inventory Revaluation		Interest (\$000's) (2) (e)	Total Deferral Amount (\$000's) (f) = (d) + (e)
				Approved/ Proposed (\$/GJ) (a)	Price Difference from Previous Approved Price (\$/GJ) (b)		Forecast/ Actual (\$000's) (1) (d) = - (b) x (c)			
1	Cumulative to end of September, 2006						\$ (109,269)	\$ (1,756)	\$ (111,025)	
2	October, 2006	*	EB-2006-0500	\$ 10.343	\$ (0.106)	32.0	\$ 3,397	\$ 9	\$ 3,406	
3	November	*						\$ 26	\$ 26	
4	December	*						\$ 37	\$ 37	
5	January, 2007	*	EB-2006-0502	\$ 9.329	\$ (1.0141)	30.3	\$ 28,105	\$ 56	\$ 28,161	
6	February	*						\$ 123	\$ 123	
7	March	*						\$ 102	\$ 102	
8	April, 2007	*	EB-2007-0053	\$ 9.711	\$ 0.382	4.0	\$ (802)	\$ 74	\$ (729)	
9	May	*						\$ 60	\$ 60	
10	June	*						\$ 52	\$ 52,268	
11	July, 2007	*	EB-2007-0634	\$ 9.833	\$ 0.122	14.4	\$ (1,792)	\$ 51	\$ (1,741)	
12	August							\$ 29	\$ 29	
13	September							\$ 27	\$ 26,828	
14	Total (lines 1 to 13)						\$ (80,361)	\$ (1,111)	\$ (81,472)	
Current QRAM Period										
15	October, 2007		EB-2007-0720	\$ 8.804	\$ (1.029)	27.4	\$ 28,136	\$ -	\$ 28,136	
16	November							\$ -	\$ -	
17	December							\$ -	\$ -	
18	January, 2008						\$ -	\$ -	\$ -	
19	February							\$ -	\$ -	
20	March							\$ -	\$ -	
21	April, 2008						\$ -	\$ -	\$ -	
22	May							\$ -	\$ -	
23	June							\$ -	\$ -	
24	July, 2008						\$ -	\$ -	\$ -	
25	August							\$ -	\$ -	
26	September							\$ -	\$ -	
27	Total (lines 15 to 26)						\$ 28,136	\$ -	\$ 28,136	

* reflects actual information

(1) Includes adjustments for volume true-ups.

(2) Interest is computed on the deferral amount balance net of the actual prospective recovery amount for the quarter prior to the current QRAM period.

UNION GAS LIMITED
Deferral Account for
Spot Gas Variance Account
(Deferral Account 179-107)

Line No.	Particulars	Spot Gas Purchases			Load Balancing					
		Deferral Amount Before Interest (\$000's)	Interest (\$000's)	Deferral Balance (\$000's)	Load Balancing Deferral (\$000's)	North Load Balancing Revenue (\$000's)	South Load Balancing Revenue (\$000's)	Deferral Amount Before Interest (\$000's)	Interest (\$000's)	Deferral Balance (\$000's)
		(a)	(b)	(c) = (a) + (b)	(d)	(e)	(f)	(g) = (d)+(e)+(f)	(h)	(i) = (g)+(h)
1	Cumulative to end of September, 2006	\$ 233	\$ 78	\$ 311	\$ 5,884	\$ (2,791)	\$ (11,107)	\$ (8,014)	\$ (322)	\$ (8,337)
2	October, 2006 *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (22)	\$ (22)
3	November *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (21)	\$ (21)
4	December *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (21)	\$ (21)
5	January, 2007 *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (23)	\$ (23)
6	February *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (18)	\$ (18)
7	March *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (29)	\$ (29)
8	April, 2007 *	\$ -	\$ (0)	\$ (0)	\$ -	\$ (590)	\$ (2,495)	\$ (3,084)	\$ (13)	\$ (3,097)
9	May *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (11)	\$ (11)
10	June *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (10)	\$ (10)
11	July, 2007 *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (9)	\$ (9)
12	August *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (8)	\$ (8)
13	September *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (7)	\$ (7)
14	Total (Lines 1 to 13)	\$ 233	\$ 76	\$ 309	\$ 5,884	\$ (3,381)	\$ (13,602)	\$ (11,099)	\$ (516)	\$ (11,615)
	<u>Current QRAM Period</u>									
15	October, 2007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	November	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	December	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	January, 2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	February	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	March	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	April, 2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	May	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	June	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	July, 2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	August	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	September	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Total (Lines 15 to 26)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

* reflects actual information

(1) Interest is computed on the deferral amount balance net of the actual prospective recovery amount for the quarter prior to the current QRAM period.

Tab 2

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000
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PREFILED EVIDENCE OF

HAROLD PANKRAC, TEAM LEADER, RATES AND PRICING

The purpose of this evidence is to address proposed changes to Union's gas supply commodity, gas transportation, storage, and delivery rates effective October 1, 2007.

1. REFERENCE PRICES

The unit rate changes applicable to both operating areas, which reflect a decrease in the Alberta Border Reference Price to \$7.426/GJ (27.8995 cents/m³) and the change in associated fuel are provided at Tab 2, Schedule 1. The Ontario Landed Reference Price is \$8.804/GJ (33.0766 cents/m³) and appears at Tab 1, Schedule 1. The South Portfolio Cost Differential ("SPCD"), described at Tab 1, page 4, results in a South Transportation sales rate of \$0.886/GJ (3.3287 cents/m³). Proposed October 1, 2007 prices reflect the heat value conversion factor of 37.57 GJ/10³m³ and current fuel ratios.

2. RATE RIDERS

In addition to the forecast reference price changes identified above, changes to previously approved rate riders are required to reflect quarterly updates to gas cost deferral account balances. Each quarter Union projects the balance expected in each gas cost deferral account over the next 12 month period. In addition, Union tracks recovery variances (differences between what Union intended to recover in previous rate riders and what was actually recovered). Each quarter

August 2007

1 Union includes that variance in the rate riders established for the next 12 month period. Rates
2 are changed automatically every quarter to reflect updated projected deferral account balances
3 and historical recovery variances.

4
5 A summary of deferral account activity and proposed rate rider unit rate changes are provided at
6 Tab 2, Schedule 2, Page 1. Projected deferral account balances (lines 1 to 3) are compared to
7 previously projected balances (line 4) in each gas cost deferral account and variances are
8 identified (line 5). In addition, the difference between what was actually recovered in previous
9 rate riders and what Union intended to recover is identified (line 6). This is the difference
10 between forecast and actual volumes (last three months of actual volumes) multiplied by the
11 previously approved rate riders. The net amount to be recovered prospectively (line 7) is the
12 amount which has not been included in rate riders to date. The unit rate rider change in the
13 current QRAM (line 9) is the net amount in each gas cost deferral account prospectively
14 recovered over forecast consumption in the next twelve months (line 8).

15
16 In total, the change in gas cost-related deferrals in the current QRAM is a credit of \$42.492
17 million. This amount excludes the balances in the North Heat Value Account (Account No. 179-
18 89) and the Joint Unabsorbed Demand Costs Account (Account No. 179-108) which are not
19 prospectively recovered as per the current approved QRAM process.

1 For each deferral account, Tab 2, Schedule 3, line 20 shows the net prospective rider for the
2 current QRAM period. The net prospective rider includes: (i) the introduction of the unit rate
3 change calculated at Tab 2, Schedule 2, Page 1, line 9 and (ii) the elimination of expiring riders
4 which have been in place for 12 months.

5
6 Although Union is applying a 12 month rolling prospective recovery of deferral account
7 balances, which is part of the approved QRAM process, Union is not seeking final disposition of
8 the deferral account balances. Union will track actual deferral account balances and the revenue
9 attributable to deferral account recovery separately. Actual year-end deferral account balances
10 will continue to be subject to a prudence review by the Board.

11
12 **3. SUMMARY OF PROPOSED RATE CHANGES**

13 The proposed changes to rates (Appendix A), infranchise rate schedules (Appendix B), and the
14 summary of interruptible rate changes (Appendix C) are attached. The unit rates for prospective
15 recovery of the gas cost deferral accounts are provided at Tab 2, Schedule 6 (column c).

16
17 **4. CUSTOMER BILL IMPACTS**

18 General Service annual customer bill impacts (including the prospective recovery of deferral
19 account balances outlined at Tab 2, Schedule 2) are provided at Tab 2, Schedule 4. The bill
20 impacts shown at Tab 2, Schedule 4 reflect (i) the introduction of October 1, 2007 proposed

1 QRAM changes detailed above and (ii) the elimination of expiring October 1, 2006 prospective
2 riders.

3
4 A typical M2 residential customer consuming 2,600 m³ per year will see a net bill decrease of
5 \$73 per year. A typical bundled M2 direct purchase customer will see a net bill decrease of \$6
6 per year. A typical Rate 01 residential customer consuming 2,600 m³ per year will see a net bill
7 decrease of \$62 per year. A typical bundled Rate 01 direct purchase customer will see a net bill
8 decrease of \$1 per year.

9
10 General Service quarterly bill impacts (including the prospective recovery of deferral account
11 balances outlined at Tab 2, Schedule 2) for the period October 1, 2007 to December 31, 2007 are
12 provided at Tab 2, Schedule 5.

13 14 **5. CUSTOMER NOTICES**

15 Union has adopted a standard customer notice for use in QRAM commodity price changes.
16 Notices that will accompany the October 2007 bills will be in the same format and use the same
17 standard wording as the current approved QRAM customer notices. October 2007 notices will
18 also reflect the October 2007 rate changes and related bill impacts approved by the Board in its
19 EB-2007-0598 Decision dated August 17, 2007.

UNION GAS LIMITED
Southern Operations Area
Calculation of Gas Supply Commodity Charges

Line No.	Particulars	EB-2007-0598		EB-2007-0720		Change	
		Effective October 1, 2007		Effective October 1, 2007		Effective October 1, 2007	
		(cents/m ³)	(\$/GJ) (1)	(cents/m ³)	(\$/GJ) (2)	(cents/m ³)	(\$/GJ)
		(a)	(b)	(c)	(d)	(e)= (c) - (a)	(f)= (d) - (b)
1	Alberta Border Price	31.3710	8.379	27.8995	7.426	(3)	(3.4715)
2	Fuel Ratios	5.054%	5.054%	4.679%	4.679%	-0.375%	-0.375%
3	Compressor Fuel Charge	1.5856	0.424	1.3055	0.348	(0.2801)	(0.076)
4	Administration Charge	0.3173	0.085	0.3173	0.085	-	-
5	Gas Commodity & Fuel Rate (line 1+3+4)	33.2739	8.888	29.5223	7.859	(3.7516)	(1.029)
<u>Prospective Recovery</u>							
6	Inventory Revaluations	0.8956	0.239	1.8322	0.488	0.9366	(4)
7	Spot Gas	(0.0000)	-	(0.0000)	-	-	(5)
8	Firm PGVA	(6.6684)	(1.781)	(6.4210)	(1.709)	0.2474	(6)
9	Commodity Temporary Charge/(Credit) - Oct 1-Dec 31, 2007	0.0715	0.019	0.0715	0.019	-	(7)
10	Prospective Recovery (line 6+7+8+9)	(5.7013)	(1.523)	(4.5173)	(1.202)	1.1840	0.321
11	Total Commodity and Fuel Rate (line 5+10)	27.5726	7.365	25.0050	6.657	(2.5676)	(0.708)
12	Transportation Tolls	3.5830	0.957	3.3287	0.886	(8)	(0.2543)
13	Total Commodity & Fuel & Transportation Rate (line 11+12)	31.1556	8.322	28.3337	7.543	(9)	(2.8219)

Notes:

- (1) Conversion to GJs based on avg. heating value of Western suppliers of 37.44 GJ / 10³m³.
- (2) Conversion to GJs based on avg. heating value of Western suppliers of 37.57 GJ / 10³m³.
- (3) Alberta Border price per Tab 1, Schedule 1, Line 11.
- (4) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery charge of 0.0240 cents/m³.
- (5) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery of 0.0000 cents/m³.
- (6) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery credit of (2.5613) cents/m³.
- (7) Commodity temporary charge of 0.0715 cents/m³ for the period Oct 1-Dec 31, 2007.
- (8) EB-2007-0634, Tab 1, Schedule 2, Line 6
- (9) Appendix A, Page 6, Line 4, Column (c)

UNION GAS LIMITED
Northern & Eastern Operations Area
Calculation of Gas Commodity and Fuel
Fort Frances District

		EB-2007-0634		EB-2007-0720		Change	
Line		Effective July 1, 2007		Effective October 1, 2007		Effective October 1, 2007	
No.	Description	(cents/m ³)	(\$/GJ) (5)	(cents/m ³)	(\$/GJ) (6)	(cents/m ³)	(\$/GJ)
		(a)	(b)	(c)	(d)	(e) = (c)-(a)	(f) = (d)-(b)
Rates 01A & 10							
1	Alberta Border Price	31.3710	8.379	27.8995	7.426	(3.4715)	(0.953)
2	Fuel ratios	1.420%	1.420%	1.310%	1.310%	-0.110%	-0.110%
3	Compressor Fuel Charge	0.4455	0.119	0.3655	0.097	(0.0800)	(0.022)
4	Administration Charge	0.3173	0.085	0.3173	0.084	-	(0.001)
5	Gas Commodity & Fuel Rate (line 1+3+4)	32.1338	8.583	28.5823	7.607	(3.5515)	(0.976)
Prospective Recovery							
6	Inventory Revaluations	0.8956	0.239	1.8322	0.488	0.9366 (1)	0.248
7	Spot Gas	(0.0000)	-	(0.0000)	-	- (2)	-
8	Firm PGVA	(8.3400)	(2.228)	(7.8722)	(2.095)	0.4678 (3)	0.132
9	Fuel	(0.1440)	(0.038)	(0.2121)	(0.056)	(0.0681) (4)	(0.018)
10	Total Prospective Recovery (line 6+7+8+9)	(7.5884)	(2.026)	(6.2521)	(1.664)	1.3363	0.363
11	Total Commodity and Fuel Rate (line 5+10)	24.5454	6.557	22.3302	5.943	(2.2152)	(0.613)
Rates 20 & 100 (7)							
12	Alberta Border Price	31.7480	8.379	28.1371	7.426	(3.611)	(0.953)
13	Fuel ratios	1.420%	1.420%	1.310%	1.310%	-0.110%	-0.110%
14	Compressor Fuel Charge	0.4508	0.119	0.3686	0.097	(0.0822)	(0.022)
15	Administration Charge	0.3173	0.084	0.3173	0.084	-	-
16	Gas Commodity & Fuel Rate (line 12+14+15)	32.5161	8.582	28.8230	7.607	(3.6931)	(0.975)
Prospective Recovery							
17	Inventory Revaluations	0.8956	0.239	1.8322	0.488	0.9366 (1)	0.248
18	Spot Gas	(0.0000)	-	(0.0000)	-	- (2)	-
19	Firm PGVA	(8.3400)	(2.228)	(7.8722)	(2.095)	0.4678 (3)	0.132
20	Fuel	(0.1440)	(0.038)	(0.2121)	(0.056)	(0.0681) (4)	(0.018)
21	Total Prospective Recovery (line 17+18+19+20)	(7.5884)	(2.026)	(6.2521)	(1.664)	1.3363	0.363
22	Total Commodity and Fuel Rate (line 16+21)	24.9277	6.556	22.5709	5.943	(2.3568)	(0.612)

Notes:

- (1) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery charge of 0.0240 cents/m³.
- (2) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery of 0.0000 cents/m³.
- (3) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery credit of (2.9870) cents/m³.
- (4) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery credit of (0.682) cents/m³.
- (5) Conversion to GJs based on 37.44 GJs / 10³m³.
- (6) Conversion to GJs based on 37.57 GJs / 10³m³.
- (7) Conversion to GJs based on 37.89 GJs / 10³m³.

UNION GAS LIMITED
Northern & Eastern Operations Area
Calculation of Gas Commodity and Fuel
Western Zone

Line No.	Description	EB-2007-0634		EB-2007-0720		Change	
		Effective July 1, 2007		Effective October 1, 2007		Effective October 1, 2007	
		(cents/m ³)	(\$/GJ) (5)	(cents/m ³)	(\$/GJ) (6)	(cents/m ³)	(\$/GJ)
		(a)	(b)	(c)	(d)	(e) = (c)-(a)	(f) = (d)-(b)
Rates 01A & 10							
1	Alberta Border Price	31.3710	8.379	27.8995	7.426	(3.4715)	(0.953)
2	Fuel ratios	2.464%	2.464%	2.268%	2.268%	-0.197%	-0.197%
3	Compressor Fuel Charge	0.7730	0.206	0.6326	0.168	(0.1404)	(0.038)
4	Administration Charge	0.3173	0.085	0.3173	0.084	-	(0.001)
5	Gas Commodity & Fuel Rate (line 1+3+4)	32.4613	8.670	28.8494	7.678	(3.6119)	(0.992)
Prospective Recovery							
6	Inventory Revaluations	0.8956	0.239	1.8322	0.488	0.9366 (1)	0.248
7	Spot Gas	(0.0000)	-	(0.0000)	-	- (2)	-
8	Firm PGVA	(8.3400)	(2.228)	(7.8722)	(2.095)	0.4678 (3)	0.132
9	Fuel	(0.1440)	(0.038)	(0.2121)	(0.056)	(0.0681) (4)	(0.018)
10	Total Prospective Recovery (line 6+7+8+9)	(7.5884)	(2.026)	(6.2521)	(1.664)	1.3363	0.363
11	Total Commodity and Fuel Rate (line 5+10)	24.8729	6.644	22.5973	6.014	(2.2756)	(0.629)
Rates 20 & 100 (7)							
12	Alberta Border Price	31.7480	8.379	28.1371	7.426	(3.611)	(0.953)
13	Fuel ratios	2.464%	2.464%	2.268%	2.268%	-0.197%	-0.197%
14	Compressor Fuel Charge	0.7823	0.206	0.6380	0.168	(0.1443)	(0.038)
15	Administration Charge	0.3173	0.0840	0.3173	0.084	-	(0.0010)
16	Gas Commodity Charge (line 12+14+15)	32.8476	8.669	29.0924	7.678	(3.7552)	(0.992)
Prospective Recovery							
17	Inventory Revaluations	0.8956	0.239	1.8322	0.488	0.9366 (1)	0.248
18	Spot Gas	(0.0000)	-	(0.0000)	-	- (2)	-
19	Firm PGVA	(8.3400)	(2.228)	(7.8722)	(2.095)	0.4678 (3)	0.132
20	Fuel	(0.1440)	(0.038)	(0.2121)	(0.056)	(0.0681) (4)	(0.018)
21	Total Prospective Recovery (line 17+18+19+20)	(7.5884)	(2.026)	(6.2521)	(1.664)	1.3363	0.363
22	Total Commodity and Fuel Rate (line 16+21)	25.2592	6.643	22.8403	6.014	(2.4189)	(0.629)

Notes:

- (1) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery charge of 0.0240 cents/m³.
- (2) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery of 0.0000 cents/m³.
- (3) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery credit of (2.9870) cents/m³.
- (4) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery credit of (0.682) cents/m³.
- (5) Conversion to GJ's based on 37.44 GJ's / 10³m³.
- (6) Conversion to GJ's based on 37.57 GJ's / 10³m³.
- (7) Conversion to GJ's based on 37.89 GJ's / 10³m³.

UNION GAS LIMITED
Northern & Eastern Operations Area
Calculation of Gas Commodity and Fuel
Northern Zone

Line No.	Description	EB-2007-0634		EB-2007-0720		Change	
		Effective July 1, 2007 (cents/m ³) (a)	(\$/GJ) (5) (b)	Effective October 1, 2007 (cents/m ³) (c)	(\$/GJ) (6) (d)	Effective October 1, 2007 (cents/m ³) (e) = (c)-(a)	(\$/GJ) (f) = (d)-(b)
Rates 01A & 10							
1	Alberta Border Price	31.3710	8.379	27.8995	7.426	(3.4715)	(0.953)
2	Fuel ratios	3.876%	3.876%	3.573%	3.573%	-0.303%	-0.303%
3	Compressor Fuel Charge	1.2159	0.325	0.9969	0.265	(0.2190)	(0.060)
4	Administration Charge	0.3173	0.0850	0.3173	0.0840	-	(0.0010)
5	Gas Commodity & Fuel Rate (line 1+3+4)	32.9042	8.789	29.2137	7.775	(3.6905)	(1.014)
Prospective Recovery							
6	Inventory Revaluations	0.8956	0.239	1.8322	0.488	0.9366 (1)	0.248
7	Spot Gas	(0.0000)	-	(0.0000)	-	- (2)	-
8	Firm PGVA	(8.3400)	(2.228)	(7.8722)	(2.095)	0.4678 (3)	0.132
9	Fuel	(0.1440)	(0.038)	(0.2121)	(0.056)	(0.0681) (4)	(0.018)
10	Total Prospective Recovery (line 6+7+8+9)	(7.5884)	(2.026)	(6.2521)	(1.664)	1.3363	0.363
11	Total Commodity and Fuel Rate (line 5+10)	25.3158	6.763	22.9616	6.111	(2.3542)	(0.651)
Rates 20 & 100 (7)							
12	Alberta Border Price	31.7480	8.379	28.1371	7.426	(3.611)	(0.953)
13	Fuel ratios	3.876%	3.876%	3.573%	3.573%	-0.303%	-0.303%
14	Compressor Fuel Charge	1.2305	0.325	1.0054	0.265	(0.2251)	(0.060)
15	Administration Charge	0.3173	0.084	0.3173	0.084	-	-
16	Gas Commodity Charge (line 12+14+15)	33.2958	8.788	29.4598	7.775	(3.8360)	(1.013)
Prospective Recovery							
17	Inventory Revaluations	0.8956	0.239	1.8322	0.488	0.9366 (1)	0.248
18	Spot Gas	(0.0000)	-	(0.0000)	-	- (2)	-
19	Firm PGVA	(8.3400)	(2.228)	(7.8722)	(2.095)	0.4678 (3)	0.132
20	Fuel	(0.1440)	(0.038)	(0.2121)	(0.056)	(0.0681) (4)	(0.018)
21	Total Prospective Recovery (line 17+18+19+20)	(7.5884)	(2.026)	(6.2521)	(1.664)	1.3363	0.363
22	Total Commodity and Fuel Rate (line 16+21)	25.7074	6.762	23.2077	6.111	(2.4997)	(0.650)

Notes:

- (1) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery charge of 0.0240 cents/m³.
- (2) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery of 0.0000 cents/m³.
- (3) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery credit of (2.9870) cents/m³.
- (4) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery credit of (0.682) cents/m³.
- (5) Conversion to GJ's based on 37.44 GJ's / 10³m³.
- (6) Conversion to GJ's based on 37.57 GJ's / 10³m³.
- (7) Conversion to GJ's based on 37.89 GJ's / 10³m³.

UNION GAS LIMITED
Northern & Eastern Operations Area
Calculation of Gas Commodity and Fuel
Eastern Zone

Line No.	Description	EB-2007-0634 Effective July 1, 2007		EB-2007-0720 Effective October 1, 2007		Change Effective October 1, 2007	
		(cents/m ³) (a)	(\$/GJ) (5) (b)	(cents/m ³) (c)	(\$/GJ) (6) (d)	(cents/m ³) (e) = (c)-(a)	(\$/GJ) (f) = (d)-(b)
Rates 01A & 10							
1	Alberta Border Price	31.3710	8.379	27.8995	7.426	(3.4715)	(0.953)
2	Fuel ratios	5.054%	5.054%	4.679%	4.679%	-0.375%	-0.375%
3	Compressor Fuel Charge	1.5856	0.424	1.3055	0.347	(0.2801)	(0.077)
4	Administration Charge	0.3173	0.085	0.3173	0.084	-	(0.001)
5	Gas Commodity & Fuel Rate (line 1+3+4)	33.2739	8.888	29.5223	7.857	(3.7516)	(1.031)
Prospective Recovery							
6	Inventory Revaluations	0.8956	0.239	1.8322	0.488	0.9366 (1)	0.248
7	Spot Gas	(0.0000)	-	(0.0000)	-	- (2)	-
8	Firm PGVA	(8.3400)	(2.228)	(7.8722)	(2.095)	0.4678 (3)	0.132
9	Fuel	(0.1440)	(0.038)	(0.2121)	(0.056)	(0.0681) (4)	(0.018)
10	Total Prospective Recovery (line 6+7+8+9)	(7.5884)	(2.026)	(6.2521)	(1.664)	1.3363	0.363
11	Total Commodity and Fuel Rate (line 5+10)	25.6855	6.862	23.2702	6.193	(2.4153)	(0.668)
Rates 20 & 100 (7)							
12	Alberta Border Price	31.7480	8.379	28.1371	7.426	(3.611)	(0.953)
13	Fuel ratios	5.054%	5.054%	4.679%	4.679%	-0.375%	-0.375%
14	Compressor Fuel Charge	1.6046	0.423	1.3166	0.347	(0.2880)	(0.076)
15	Administration Charge	0.3173	0.084	0.3173	0.084	-	-
16	Gas Commodity Charge (line 12+14+15)	33.6699	8.886	29.7710	7.857	(3.8989)	(1.029)
Prospective Recovery							
17	Inventory Revaluations	0.8956	0.239	1.8322	0.488	0.9366 (1)	0.248
18	Spot Gas	(0.0000)	-	(0.0000)	-	- (2)	-
19	Firm PGVA	(8.3400)	(2.228)	(7.8722)	(2.095)	0.4678 (3)	0.132
20	Fuel	(0.1440)	(0.038)	(0.2121)	(0.056)	(0.0681) (4)	(0.018)
21	Total Prospective Recovery (line 17+18+19+20)	(7.5884)	(2.026)	(6.2521)	(1.664)	1.3363	0.363
22	Total Commodity and Fuel Rate (line 16+21)	26.0815	6.860	23.5189	6.193	(2.5626)	(0.666)

Notes:

- (1) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery charge of 0.0240 cents/m³.
- (2) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery of 0.0000 cents/m³.
- (3) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery credit of (2.9870) cents/m³.
- (4) EB-2007-0720, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery credit of (0.682) cents/m³.
- (5) Conversion to GJs based on 37.44 GJs / 10³m³.
- (6) Conversion to GJs based on 37.57 GJs / 10³m³.
- (7) Conversion to GJs based on 37.89 GJs / 10³m³.

UNION GAS LIMITED
Summary of Amounts for Prospective Recovery and
Unit Changes to Prospective Rate Riders

Line No.			TCPL Tolls			TCPL Fuel	SPGVA	Inventory Revaluation	Load Balancing	Spot Gas Purchases	Total
			NPGVA	Transportation	Storage						
			(a)	(b)	(c)						
<u>Deferral Account Balance Continuity (\$000's)</u>											
1	Cumulative to October 1, 2007	(1)	(93,877)	(10,578)	-	4,188	(238,304)	(81,472)	(11,615)	309	(431,348)
2	Forecast Balance: Next 12 months	(2)	-	(731)	-	(354)	(0)	28,136	-	-	27,051
3	Total Balance - Current QRAM	(3)	(93,877)	(11,309)	-	3,834	(238,304)	(53,336)	(11,615)	309	(404,298)
4	Total Balance - Previous QRAM	(4)	(77,322)	(11,123)	-	4,734	(186,410)	(81,561)	(11,586)	308	(362,960)
5	Deferral Account Balance Variance	(5)	(16,555)	(186)	-	(900)	(51,895)	28,225	(27)	(0)	(41,337)
6	Prospective Recovery Variance	(6)	(190)	2	-	(6)	(1,140)	177	2	0	(1,155)
7	Net Amount for Prospective Recovery	(7)	(16,745)	(184)	-	(906)	(53,034)	28,402	(25)	-	(42,492)
<u>Prospective Rate Rider Changes</u>											
8	Forecast Billing Units (10 ³ m ³)	(8)	664,706	1,447,639		664,706	2,291,978	2,956,685	6,484,976	2,956,685	
9	Unit Rate Change (cents/m ³)	(9)	(2.5192)	(0.0127)		(0.1363)	(2.3139)	0.9606	(0.0004)	-	

Notes:

- (1) Balance in each deferral account at October 1, 2007. Balances at Tab 1, Schedule 3, Page 1, line 14.
- (2) Next 12 months forecast for each deferral account. Balances at Tab 1, Schedule 3, Page 1, line 27.
- (3) Projected balance in each deferral account for the current QRAM period. Line 3 = Line 1 + Line 2.
- (4) Balances approved for prospective recovery in the previous QRAM, ie. EB-2007-0634.
- (5) The deferral amount for recovery/(refund) which has not been included in previously approved prospective rate riders. Line 5 = Line 3 - Line 4.
- (6) Variance between forecast and actual volumes (last three months of actual volumes) multiplied by the previously approved riders.
- Balances at Tab 2, Schedule 2, Page 2, Line 11.
- (7) Line 7 = Line 5 + Line 6.
- (8) Billing units reflect the approved allocation basis for each deferral account.
- (9) Line 9 = Line 7 / Line 8.

UNION GAS LIMITED
Summary of Amounts for Prospective Recovery
for the 12-month period ending September 30, 2008

Line No.	Particulars	Joint Accounts								Total (\$000's)
		North PGVA (179-105) (\$000's)	North Tolls and LBA Transportation (179-100) (\$000's)	Storage (179-100) (\$000's)	North Fuel (179-100) (\$000's)	South PGVA (179-106) (\$000's)	Inventory Revaluation (179-109) (\$000's)	Load Balancing (179-107) (\$000's)	Spot Gas Variance Acct (179-107) (\$000's)	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
<u>Deferral Amounts for Recovery</u>										
	Change in 12-month deferral account projection:									
1	12-month projection from current QRAM application	(1) -	(731)	-	(354)	(0)	28,136	-	-	27,051
2	Less: 12-month projection from previous QRAM application	(2) -	(727)	-	(132)	-	(1,763)	-	-	(2,622)
3	Change (Line 1 - Line 2)	-	(4)	-	(223)	(0)	29,899	-	-	29,673
Previous Quarter: True-up of deferral balances										
4	Actual deferral balance for May, June, July	(3) (9,296)	149	-	(265)	(39,188)	(1,629)	(31)	(0)	(50,259)
5	Current projected deferral amount for August, September	(4) (12,344)	(102)	-	(586)	(27,498)	56	(15)	(1)	(40,490)
6	Less: Previous projection included in recovery for May, June	(5) (5,086)	230	-	(174)	(14,791)	101	(19)	(1)	(19,739)
7	Variance (Line 4 + Line 5 - Line 6)	(16,555)	(182)	-	(677)	(51,894)	(1,674)	(27)	(0)	(71,010)
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(16,555)	(186)	-	(900)	(51,895)	28,225	(27)	(0)	(41,338)
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>										
9	Forecast prospective recovery amount for May, June, July	(6) (6,195)	(15)	-	(119)	(16,940)	3,122	(582)	0	(20,729)
10	Less: Actual prospective recovery amount for May, June, July	(7) (6,005)	(17)	-	(113)	(15,800)	2,945	(585)	0	(19,574)
11	Variance (Line 9 - Line 10)	(190)	2	-	(6)	(1,140)	177	2	0	(1,155)
12	Total Amount for Prospective Recovery (Line 8 + Line 11)	(16,745)	(184)	-	(906)	(53,034)	28,402	(25)	-	(42,492)

Notes:

- (1) Tab 1, Schedule 3, Page 1, Line 27.
- (2) EB-2007-0634, Tab 1, Schedule 3, Page 1, Line 27.
- (3) Tab 1, Schedule 3, Page 1, Lines 9+10+11.
- (4) Tab 1, Schedule 3, Page 1, Lines 12+13.
- (5) EB-2007-0634, Tab 2, Schedule 2, Page 2, Line 5.
- (6) Tab 2, Working Papers, Schedule 3, Column (a), Line 16.
- (7) Tab 2, Working Papers, Schedule 3, Column (b), Line 16.

Union Gas Limited
Derivation of Amounts and Unit Rates for Prospective Recovery

<u>Page</u>	
1	North Purchased Gas Variance Account (Deferral Account 179-105)
2	TCPL Tolls and LBA- Transportation (Deferral Account 179-100)
	TCPL Tolls and LBA- Storage (Deferral Account 179-100)
3	Rate 01
4	Rate 10
5	Rate 20
6	Bundled Storage (Rate 20 and R100)
7	Fuel- Northern and Eastern Operations Area (Deferral Account 179-100)
8	Southern Purchased Gas Variance Account (Deferral Account 179-106)
9	Inventory Revaluation (Deferral Account 179-109)
	Load Balancing (Deferral Account 179-107)
10	Load Balancing
11	Rate 01
12	Rate 10
13	Rate 20
14	M2
15	M4
16	M5A
17	M7
18	M9
19	Spot Gas Purchases (Deferral Account 179-107)

UNION GAS LIMITED
North Purchased Gas Variance Account (Deferral Account 179-105)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007			
			Oct	Jan	Apr	Jul	Oct
			Q4	Q1 (1)	Q2 (2)	Q3 (3)	Q4 (4)
			(a)	(b)	(c)	(d)	(e)
<u>Deferral Amounts for Recovery</u>							
Change in 12-month deferral account projection:							
1	12-month projection from current QRAM application	(\$000's)	-	-	-	-	-
2	Less: 12-month projection from previous QRAM application	(\$000's)	-	-	-	-	-
3	Change (Line 1 - Line 2)	(\$000's)	-	-	-	-	-
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	(16,556)	(28,438)	(11,850)	(4,892)	(9,296)
5	Current projected deferral amounts	(\$000's)	(14,492)	(10,120)	(3,073)	(5,086)	(12,344)
6	Less: Previous projection included in recovery	(\$000's)	(11,403)	(14,492)	(10,120)	(3,073)	(5,086)
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(19,645)	(24,066)	(4,802)	(6,905)	(16,555)
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(19,645)	(24,066)	(4,802)	(6,905)	(16,555)
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(41,548)	(65,614)	(70,417)	(77,322)	(93,877)
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	323	(2,416)	(19,990)	(27,563)	(6,195)
11	Less: Actual prospective recovery amount	(\$000's)	486	(2,499)	(18,235)	(29,488)	(6,005)
12	Variance (Line 10 - Line 11)	(\$000's)	(163)	83	(1,755)	1,925	(190)
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(19,808)	(23,983)	(6,557)	(4,980)	(16,745)
14	Forecast - 12 month sales service volume	(10 ³ m ³)	663,115	662,903	664,847	664,889	664,706
15	Unit Rate	(cents/m ³)	(2.9870)	(3.6178)	(0.9863)	(0.7489)	(2.5192)
<u>Summary of Unit Rates</u>							
16	Unit Rate Q1	(cents/m ³)	4.1662	(3.6178)	(3.6178)	(3.6178)	(3.6178)
17	Unit Rate Q2	(cents/m ³)	(1.6964)	(1.6964)	(0.9863)	(0.9863)	(0.9863)
18	Unit Rate Q3	(cents/m ³)	(3.2982)	(3.2982)	(3.2982)	(0.7489)	(0.7489)
19	Unit Rate Q4 Expiring rate replaced by new rate	(cents/m ³)	(2.9870)	(2.9870)	(2.9870)	(2.9870)	(2.5192)
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(3.8154)	(11.5994)	(10.8893)	(8.3400)	(7.8722)

Notes:

- (1) EB-2006-0502, Tab 2, Schedule 2, Column (a).
(2) EB-2007-0053, Tab 2, Schedule 2, Column (a).
(3) EB-2007-0634, Tab 2, Schedule 2, Column (a).
(4) EB-2007-0720, Tab 2, Schedule 2, Column (a).

UNION GAS LIMITED
TCPL Tolls and LBA - Transportation - Northern and Eastern Operations Area (Deferral Account 179-100)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1 (1)	Q2 (2)	Q3 (3)	Q4 (4)	
			(a)	(b)	(c)	(d)	(e)	
<u>Deferral Amounts for Recovery</u>								
Change in 12-month deferral account projection:								
1	12-month projection from current QRAM application	(\$000's)	(1,581)	(1,141)	(1,005)	(727)	(731)	
2	Less: 12-month projection from previous QRAM application	(\$000's)	(1,581)	(1,581)	(1,141)	(1,005)	(727)	
3	Change (Line 1 - Line 2)	(\$000's)	0	440	136	278	(4)	
Previous Quarter: True-up of deferral balances								
4	Actual deferral balances	(\$000's)	364	(1,523)	415	866	149	
5	Current projected deferral amounts	(\$000's)	(264)	(272)	216	230	(102)	
6	Less: Previous projection included in recovery	(\$000's)	(268)	(264)	(272)	226	230	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	369	(1,532)	903	870	(182)	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	369	(1,092)	1,039	1,148	(186)	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(4,882)	(5,973)	(4,935)	(3,787)	(3,973)	
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>								
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:								
10	Forecast prospective recovery amount	(\$000's)	(544)	(464)	(992)	(727)	(15)	
11	Less: Actual prospective recovery amount	(\$000's)	(389)	(455)	(860)	(725)	(17)	
12	Variance (Line 10 - Line 11)	(\$000's)	(155)	(9)	(132)	(2)	2	
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	213	(1,101)	906	1,146	(184)	
14	Forecast - 12 month volume	(10 ³ m ³)	1,462,064	1,456,005	1,452,280	1,449,347	1,447,639	
15	Unit Rate	(cents/m ³)	0.0146	(0.0756)	0.0624	0.0791	(0.0127)	
<u>Summary of Unit Rates</u>								
16	Unit Rate Q1	(cents/m ³)	(0.0659)	(0.0756)	(0.0756)	(0.0756)	(0.0756)	
17	Unit Rate Q2	(cents/m ³)	(0.0665)	(0.0665)	0.0624	0.0624	0.0624	
18	Unit Rate Q3	(cents/m ³)	(0.0438)	(0.0438)	(0.0438)	0.0791	0.0791	
19	Unit Rate Q4 Expiring rate replaced by new rate	(cents/m ³)	0.0146	0.0146	0.0146	0.0146	(0.0127)	
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(0.1616)	(0.1713)	(0.0424)	0.0805	0.0532	

Notes:

- (1) EB-2006-0502, Tab 2, Schedule 2, Column (d).
(2) EB-2006-0053, Tab 2, Schedule 2, Column (d).
(3) EB-2007-0634, Tab 2, Schedule 2, Column (d).
(4) EB-2007-0720, Tab 2, Schedule 2, Column (d).

UNION GAS LIMITED
Rate 01 - North Tolls and LBA - Storage (Deferral Account 179-100)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1 (1)	Q2 (2)	Q3 (3)	Q4 (4)	
			(a)	(b)	(c)	(d)	(e)	
<u>Deferral Amounts for Recovery</u>								
Change in 12-month deferral account projection:								
1	12-month projection from current QRAM application	(\$000's)	(969)	-	-	-	-	
2	Less: 12-month projection from previous QRAM application	(\$000's)	(1,225)	(969)	-	-	-	
3	Change (Line 1 - Line 2)	(\$000's)	256	969	-	-	-	
Previous Quarter: True-up of deferral balances								
4	Actual deferral balances	(\$000's)	(292)	(401)	(849)	-	-	
5	Current projected deferral amounts	(\$000's)	(176)	(742)	5	-	-	
6	Less: Previous projection included in recovery	(\$000's)	(234)	(176)	(742)	-	-	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(234)	(968)	(101)	-	-	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	22	1	(101)	-	-	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(4,874)	(4,873)	(4,974)	-	-	
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>								
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:								
10	Forecast prospective recovery amount	(\$000's)	(158)	(130)	(218)	-	-	
11	Less: Actual prospective recovery amount	(\$000's)	(116)	(103)	(192)	-	-	
12	Variance (Line 10 - Line 11)	(\$000's)	(42)	(27)	(26)	-	-	
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(19)	(27)	(127)	-	-	
14	Forecast - 12 month volume	(10 ³ m ³)	908,384	905,311	904,307			
15	Unit Rate	(cents/m ³)	(0.0021)	(0.0029)	(0.0141)	-	-	
<u>Summary of Unit Rates</u>								
16	Unit Rate Q1	(cents/m ³)	(0.0999)	(0.0029)	(0.0029)	(0.0029)	(0.0029)	
17	Unit Rate Q2	(cents/m ³)	0.0039	0.0039	(0.0141)	(0.0141)	(0.0141)	
18	Unit Rate Q3	(cents/m ³)	0.0028	0.0028	0.0028	-	-	
19	Unit Rate Q4 Expiring rider	(cents/m ³)	(0.0021)	(0.0021)	(0.0021)	(0.0021)	-	
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(0.0953)	0.0017	(0.0163)	(0.0191)	(0.0170)	

Notes:

- (1) EB-2006-0502, Working Papers, Schedule 2, Page 6 of 6, Column (g).
(2) EB-2007-0053, Working Papers, Schedule 2, Page 6 of 6, Column (g).
(3) EB-2007-0634, Working Papers, Schedule 2, Page 2 of 2, Column (g).
(4) EB-2007-0720, Working Papers, Schedule 2, Page 2 of 2, Column (g).

UNION GAS LIMITED
Rate 10 - North Tolls and LBA - Storage (Deferral Account 179-100)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1 (1)	Q2 (2)	Q3 (3)	Q4 (4)	
			(a)	(b)	(c)	(d)	(e)	
<u>Deferral Amounts for Recovery</u>								
Change in 12-month deferral account projection:								
1	12-month projection from current QRAM application	(\$000's)	(273)	-	-	-	-	
2	Less: 12-month projection from previous QRAM application	(\$000's)	(378)	(273)	-	-	-	
3	Change (Line 1 - Line 2)	(\$000's)	105	273	-	-	-	
Previous Quarter: True-up of deferral balances								
4	Actual deferral balances	(\$000's)	(129)	(156)	(251)	-	-	
5	Current projected deferral amounts	(\$000's)	(69)	(197)	1	-	-	
6	Less: Previous projection included in recovery	(\$000's)	(88)	(69)	(197)	-	-	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(110)	(284)	(52)	-	-	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(5)	(12)	(52)	-	-	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(1,530)	(1,542)	(1,594)	-	-	
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>								
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:								
10	Forecast prospective recovery amount	(\$000's)	(75)	(58)	(84)	-	-	
11	Less: Actual prospective recovery amount	(\$000's)	(60)	(53)	(79)	-	-	
12	Variance (Line 10 - Line 11)	(\$000's)	(15)	(5)	(5)	-	-	
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(20)	(16)	(57)	-	-	
14	Forecast - 12 month volume	(10 ³ m ³)	380,404	379,141	378,202			
15	Unit Rate	(cents/m ³)	(0.0052)	(0.0043)	(0.0150)	-	-	
<u>Summary of Unit Rates</u>								
16	Unit Rate Q1	(cents/m ³)	(0.0696)	(0.0043)	(0.0043)	(0.0043)	(0.0043)	
17	Unit Rate Q2	(cents/m ³)	(0.0046)	(0.0046)	(0.0150)	(0.0150)	(0.0150)	
18	Unit Rate Q3	(cents/m ³)	(0.0030)	(0.0030)	(0.0030)	-	-	
19	Unit Rate Q4 Expiring rider	(cents/m ³)	(0.0052)	(0.0052)	(0.0052)	(0.0052)	-	
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(0.0824)	(0.0171)	(0.0275)	(0.0245)	(0.0193)	

Notes:

- (1) EB-2006-0502, Working Papers, Schedule 2, Page 6 of 6, Column (g).
(2) EB-2007-0053, Working Papers, Schedule 2, Page 6 of 6, Column (g).
(3) EB-2007-0634, Working Papers, Schedule 2, Page 2 of 2, Column (g).
(4) EB-2007-0720, Working Papers, Schedule 2, Page 2 of 2, Column (g).

UNION GAS LIMITED
Rate 20 - North Tolls and LBA - Storage (Deferral Account 179-100)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1 (1)	Q2 (2)	Q3 (3)	Q4 (4)	
			(a)	(b)	(c)	(d)	(e)	
<u>Deferral Amounts for Recovery</u>								
Change in 12-month deferral account projection:								
1	12-month projection from current QRAM application	(\$000's)	(51)	-	-	-	-	
2	Less: 12-month projection from previous QRAM application	(\$000's)	(111)	(51)	-	-	-	
3	Change (Line 1 - Line 2)	(\$000's)	60	51	-	-	-	
Previous Quarter: True-up of deferral balances								
4	Actual deferral balances	(\$000's)	(47)	(41)	(28)	-	-	
5	Current projected deferral amounts	(\$000's)	(39)	(30)	1	-	-	
6	Less: Previous projection included in recovery	(\$000's)	(39)	(39)	(30)	-	-	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(47)	(31)	3	-	-	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	14	19	3	-	-	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(232)	(213)	(210)	-	-	
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>								
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:								
10	Forecast prospective recovery amount	(\$000's)	(34)	(12)	9	-	-	
11	Less: Actual prospective recovery amount	(\$000's)	(32)	(18)	8	-	-	
12	Variance (Line 10 - Line 11)	(\$000's)	(2)	6	1	-	-	
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	12	26	4	-	-	
14	Forecast - 12 month demand billing units	(10 ³ m ³ /d)	8,459	8,363	8,273			
15	Unit Rate	(cents/m ³)	0.1426	0.3066	0.0507	-	-	
<u>Summary of Unit Rates</u>								
16	Unit Rate Q1	(cents/m ³)	(0.4321)	0.3066	0.3066	0.3066	0.3066	
17	Unit Rate Q2	(cents/m ³)	0.2291	0.2291	0.0507	0.0507	0.0507	
18	Unit Rate Q3	(cents/m ³)	0.2276	0.2276	0.2276	-	-	
19	Unit Rate Q4 Expiring rider	(cents/m ³)	0.1426	0.1426	0.1426	0.1426	-	
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	0.1672	0.9059	0.7275	0.4999	0.3573	

Notes:

- (1) EB-2006-0502, Working Papers, Schedule 2, Page 6 of 6, Column (g).
- (2) EB-2007-0053, Working Papers, Schedule 2, Page 6 of 6, Column (g).
- (3) EB-2007-0634, Working Papers, Schedule 2, Page 2 of 2, Column (g).
- (4) EB-2007-0720, Working Papers, Schedule 2, Page 2 of 2, Column (g).

UNION GAS LIMITED
Bundled Storage (R20 and R100) - North Tolls and LBA - Storage (Deferral Account 179-100)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1 (1)	Q2 (2)	Q3 (3)	Q4 (4)	
			(a)	(b)	(c)	(d)	(e)	
<u>Deferral Amounts for Recovery</u>								
Change in 12-month deferral account projection:								
1	12-month projection from current QRAM application	(\$000's)	(51)	-	-	-	-	
2	Less: 12-month projection from previous QRAM application	(\$000's)	(110)	(51)	-	-	-	
3	Change (Line 1 - Line 2)	(\$000's)	59	51	-	-	-	
Previous Quarter: True-up of deferral balances								
4	Actual deferral balances	(\$000's)	(75)	(82)	(57)	-	-	
5	Current projected deferral amounts	(\$000's)	(39)	(32)	1	-	-	
6	Less: Previous projection included in recovery	(\$000's)	(39)	(39)	(32)	-	-	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(75)	(75)	(24)	-	-	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(16)	(23)	(24)	-	-	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(511)	(534)	(558)	-	-	
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>								
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:								
10	Forecast prospective recovery amount	(\$000's)	(51)	(35)	(19)	-	-	
11	Less: Actual prospective recovery amount	(\$000's)	(58)	(41)	(22)	-	-	
12	Variance (Line 10 - Line 11)	(\$000's)	7	6	3	-	-	
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(10)	(17)	(21)	-	-	
14	Forecast - 12 month demand billing units	(GJ/d)	142,668	142,668	142,668	-	-	
15	Unit Rate	(\$/GJ)	(0.070)	(0.119)	(0.149)	-	-	
<u>Summary of Unit Rates</u>								
16	Unit Rate Q1	(\$/GJ)	(0.450)	(0.119)	(0.119)	(0.119)	(0.119)	
17	Unit Rate Q2	(\$/GJ)	(0.071)	(0.071)	(0.149)	(0.149)	(0.149)	
18	Unit Rate Q3	(\$/GJ)	(0.051)	(0.051)	(0.051)	-	-	
19	Unit Rate Q4 Expiring rider	(\$/GJ)	(0.070)	(0.070)	(0.070)	(0.070)	-	
20	Total Unit Rate - Prospective Recovery	(\$/GJ)	(0.642)	(0.311)	(0.389)	(0.338)	(0.268)	

Notes:

- (1) EB-2006-0502, Working Papers, Schedule 2, Page 6 of 6, Column (g).
- (2) EB-2007-0053, Working Papers, Schedule 2, Page 6 of 6, Column (g).
- (3) EB-2007-0634, Working Papers, Schedule 2, Page 2 of 2, Column (g).
- (4) EB-2007-0720, Working Papers, Schedule 2, Page 2 of 2, Column (g).

UNION GAS LIMITED

Fuel - Northern and Eastern Operations Area (Deferral Account 179-100)

Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007			
			Oct	Jan	Apr	Jul	Oct
			Q4	Q1 (1)	Q2 (2)	Q3 (3)	Q4 (4)
			(a)	(b)	(c)	(d)	(e)
<u>Deferral Amounts for Recovery</u>							
Change in 12-month deferral account projection:							
1	12-month projection from current QRAM application	(\$000's)	(967)	(6)	(138)	(132)	(354)
2	Less: 12-month projection from previous QRAM application	(\$000's)	(1,045)	(967)	(6)	(138)	(132)
3	Change (Line 1 - Line 2)	(\$000's)	77	962	(133)	6	(223)
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	(510)	(1,361)	(666)	(305)	(265)
5	Current projected deferral amounts	(\$000's)	(1,086)	(569)	(184)	(174)	(586)
6	Less: Previous projection included in recovery	(\$000's)	(835)	(1,086)	(569)	(184)	(174)
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(761)	(844)	(281)	(294)	(677)
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(683)	118	(414)	(288)	(900)
9	Cumulative Deferral Amounts for Recovery	(\$000's)	5,318	5,435	5,022	4,734	3,834
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	637	640	1,300	(34)	(119)
11	Less: Actual prospective recovery amount	(\$000's)	406	675	1,179	(27)	(113)
12	Variance (Line 10 - Line 11)	(\$000's)	231	(35)	121	(7)	(6)
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(452)	83	(292)	(295)	(906)
14	Forecast - 12 month sales service volume	(10 ³ m ³)	663,115	662,903	664,847	664,889	664,706
15	Unit Rate	(cents/m ³)	(0.0682)	0.0125	(0.0439)	(0.0444)	(0.1363)
<u>Summary of Unit Rates</u>							
16	Unit Rate Q1	(cents/m ³)	0.7234	0.0125	0.0125	0.0125	0.0125
17	Unit Rate Q2	(cents/m ³)	0.2138	0.2138	(0.0439)	(0.0439)	(0.0439)
18	Unit Rate Q3	(cents/m ³)	(0.1146)	(0.1146)	(0.1146)	(0.0444)	(0.0444)
19	Unit Rate Q4 Expiring rate replaced by new rate	(cents/m ³)	(0.0682)	(0.0682)	(0.0682)	(0.0682)	(0.1363)
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	0.7544	0.0435	(0.2142)	(0.1440)	(0.2121)

Notes:

- (1) EB-2006-0502, Tab 2, Schedule 2, Column (d).
(2) EB-2007-0053, Tab 2, Schedule 2, Column (d).
(3) EB-2007-0634, Tab 2, Schedule 2, Column (d).
(4) EB-2007-0720, Tab 2, Schedule 2, Column (d).

UNION GAS LIMITED
Southern Purchased Gas Variance Account (Deferral Account 179-106)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007			
			Oct Q4 (a)	Jan Q1 (1) (b)	Apr Q2 (2) (c)	Jul Q3 (3) (d)	Oct Q4 (4) (e)
<u>Deferral Amounts for Recovery</u>							
Change in 12-month deferral account projection:							
1	12-month projection from current QRAM application	(\$000's)	-	-	-	-	-
2	Less: 12-month projection from previous QRAM application	(\$000's)	-	-	-	-	-
3	Change (Line 1 - Line 2)	(\$000's)	-	-	-	-	-
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	(59,280)	(51,776)	(35,873)	(17,269)	(39,188)
5	Current projected deferral amounts	(\$000's)	(27,252)	(23,636)	(10,246)	(14,791)	(27,498)
6	Less: Previous projection included in recovery	(\$000's)	(28,512)	(27,252)	(23,636)	(10,246)	(14,791)
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(58,021)	(48,160)	(22,483)	(21,814)	(51,894)
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(58,021)	(48,160)	(22,483)	(21,814)	(51,894)
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(93,952)	(142,112)	(164,595)	(186,409)	(238,304)
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	1,599	(5,715)	(51,141)	(73,105)	(16,940)
11	Less: Actual prospective recovery amount	(\$000's)	1,658	(5,755)	(45,047)	(77,984)	(15,800)
12	Variance (Line 10 - Line 11)	(\$000's)	(59)	40	(6,094)	4,879	(1,140)
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(58,080)	(48,120)	(28,577)	(16,935)	(53,034)
14	Forecast - 12 month sales service volume	(10 ³ m ³)	2,267,630	2,272,812	2,285,585	2,289,705	2,291,978
15	Unit Rate	(cents/m ³)	(2.5613)	(2.1172)	(1.2503)	(0.7396)	(2.3139)
<u>Summary of Unit Rates</u>							
16	Unit Rate Q1	(cents/m ³)	3.6473	(2.1172)	(2.1172)	(2.1172)	(2.1172)
17	Unit Rate Q2	(cents/m ³)	(1.7614)	(1.7614)	(1.2503)	(1.2503)	(1.2503)
18	Unit Rate Q3	(cents/m ³)	(2.3738)	(2.3738)	(2.3738)	(0.7396)	(0.7396)
19	Unit Rate Q4 Expiring rate replaced by new rate	(cents/m ³)	(2.5613)	(2.5613)	(2.5613)	(2.5613)	(2.3139)
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(3.0492)	(8.8137)	(8.3026)	(6.6684)	(6.4210)

Notes:

- (1) EB-2006-0502, Tab 2, Schedule 2, Column (e).
(2) EB-2007-0053, Tab 2, Schedule 2, Column (e).
(3) EB-2007-0634, Tab 2, Schedule 2, Column (e).
(4) EB-2007-0720, Tab 2, Schedule 2, Column (e).

UNION GAS LIMITED
Inventory Revaluation (Deferral Account 179-109)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007			
			Oct Q4 (a)	Jan Q1 (1) (b)	Apr Q2 (2) (c)	Jul Q3 (3) (d)	Oct Q4 (4) (e)
<u>Deferral Amounts for Recovery</u>							
Change in 12-month deferral account projection:							
1	12-month projection from current QRAM application	(\$000's)	3,373	24,992	(2,639)	(1,763)	28,136
2	Less: 12-month projection from previous QRAM application	(\$000's)	4,915	3,373	24,992	(2,639)	(1,763)
3	Change (Line 1 - Line 2)	(\$000's)	(1,542)	21,619	(27,630)	875	29,899
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	4,253	3,399	28,224	(504)	(1,629)
5	Current projected deferral amounts	(\$000's)	(9)	63	164	101	56
6	Less: Previous projection included in recovery	(\$000's)	(131)	(9)	63	164	101
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	4,375	3,472	28,324	(566)	(1,674)
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	2,833	25,091	694	309	28,225
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(107,655)	(82,564)	(81,870)	(81,561)	(53,336)
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(8,453)	(5,958)	953	17,530	3,122
11	Less: Actual prospective recovery amount	(\$000's)	(6,324)	(6,407)	779	18,660	2,945
12	Variance (Line 10 - Line 11)	(\$000's)	(2,129)	449	174	(1,130)	177
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	704	25,540	868	(821)	28,402
14	Forecast - 12 month sales service volume	(10 ³ m ³)	2,930,745	2,935,715	2,950,432	2,954,594	2,956,685
15	Unit Rate	(cents/m ³)	0.0240	0.8700	0.0294	(0.0278)	0.9606
<u>Summary of Unit Rates</u>							
16	Unit Rate Q1	(cents/m ³)	(1.9527)	0.8700	0.8700	0.8700	0.8700
17	Unit Rate Q2	(cents/m ³)	0.5532	0.5532	0.0294	0.0294	0.0294
18	Unit Rate Q3	(cents/m ³)	0.2925	0.2925	0.2925	(0.0278)	(0.0278)
19	Unit Rate Q4 Expiring rate replaced by new rate	(cents/m ³)	0.0240	0.0240	0.0240	0.0240	0.9606
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(1.0830)	1.7397	1.2159	0.8956	1.8322

Notes:

- (1) EB-2006-0502, Tab 2, Schedule 2, Column (f).
(2) EB-2007-0053, Tab 2, Schedule 2, Column (f).
(3) EB-2007-0634, Tab 2, Schedule 2, Column (f).
(4) EB-2007-0720, Tab 2, Schedule 2, Column (f).

UNION GAS LIMITED
Load Balancing (Deferral Account 179-107)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	2007 Oct Q4 (1) (a)
<u>Deferral Amounts for Recovery</u>			
Change in 12-month deferral account projection:			
1	12-month projection from current QRAM application	(\$000's)	-
2	Less: 12-month projection from previous QRAM application	(\$000's)	-
3	Change (Line 1 - Line 2)	(\$000's)	-
Previous Quarter: True-up of deferral balances			
4	Actual deferral balances	(\$000's)	(31)
5	Current projected deferral amounts	(\$000's)	(15)
6	Less: Previous projection included in recovery	(\$000's)	(18)
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(27)
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(27)
9	Cumulative Deferral Amounts for Recovery	(\$000's)	
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>			
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:			
10	Forecast prospective recovery amount	(\$000's)	(582)
11	Less: Actual prospective recovery amount	(\$000's)	(585)
12	Variance (Line 10 - Line 11)	(\$000's)	2
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(25)
14	Forecast - 12 month volume	(10 ³ m ³)	6,484,976
15	Unit Rate	(cents/m ³)	(0.0004)
<u>Summary of Unit Rates</u>			
16	Unit Rate Q1	(cents/m ³)	-
17	Unit Rate Q2	(cents/m ³)	-
18	Unit Rate Q3	(cents/m ³)	-
19	Unit Rate Q4	(cents/m ³)	(0.0004)
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(0.0004)

Notes:

(1) EB-2007-0720, Working Papers, Schedule 2, Page 1 of 2.

UNION GAS LIMITED
Rate 01 - Load Balancing (Deferral Account 179-107)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007			
			Oct Q4 (a)	Jan Q1 (1) (b)	Apr Q2 (2) (c)	Jul Q3 (3) (d)	Oct Q4 (4) (e)
<u>Deferral Amounts for Recovery</u>							
Change in 12-month deferral account projection:							
1	12-month projection from current QRAM application	(\$000's)	-	-	-	-	-
2	Less: 12-month projection from previous QRAM application	(\$000's)	-	-	-	-	-
3	Change (Line 1 - Line 2)	(\$000's)	-	-	-	-	-
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	(7)	(9)	(7)	(353)	-
5	Current projected deferral amounts	(\$000's)	(4)	(4)	(0)	(2)	-
6	Less: Previous projection included in recovery	(\$000's)	(5)	(4)	(4)	(0)	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(7)	(9)	(4)	(355)	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(7)	(9)	(4)	(355)	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(1,182)	(1,191)	(1,194)	(1,550)	-
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(34)	(85)	(330)	(280)	-
11	Less: Actual prospective recovery amount	(\$000's)	(19)	(57)	(294)	(292)	-
12	Variance (Line 10 - Line 11)	(\$000's)	(15)	(28)	(36)	12	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(22)	(36)	(40)	(343)	-
14	Forecast - 12 month volume	(10 ³ m ³)	908,384	905,311	904,307	903,072	-
15	Unit Rate	(cents/m ³)	(0.0024)	(0.0040)	(0.0044)	(0.0380)	(0.0004)
<u>Summary of Unit Rates</u>							
16	Unit Rate Q1	(cents/m ³)	(0.0022)	(0.0040)	(0.0040)	(0.0040)	(0.0040)
17	Unit Rate Q2	(cents/m ³)	(0.0027)	(0.0027)	(0.0044)	(0.0044)	(0.0044)
18	Unit Rate Q3	(cents/m ³)	(0.0749)	(0.0749)	(0.0749)	(0.0380)	(0.0380)
19	Unit Rate Q4 Expiring rider replaced by new rider	(cents/m ³)	(0.0024)	(0.0024)	(0.0024)	(0.0024)	(0.0004)
20	Total Unit Rate - Prospective Recovery	(cents/m³)	(0.0822)	(0.0840)	(0.0857)	(0.0488)	(0.0468)

Notes:

- (1) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(2) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(3) EB-2007-0634, Working Papers, Schedule 2, Page 1 of 2, Column (i).
(4) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.

UNION GAS LIMITED
Rate 10 - Load Balancing (Deferral Account 179-107)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1 (1)	Q2 (2)	Q3 (3)	Q4 (4)	
			(a)	(b)	(c)	(d)	(e)	
<u>Deferral Amounts for Recovery</u>								
Change in 12-month deferral account projection:								
1	12-month projection from current QRAM application	(\$000's)	-	-	-	-	-	
2	Less: 12-month projection from previous QRAM application	(\$000's)	-	-	-	-	-	
3	Change (Line 1 - Line 2)	(\$000's)	-	-	-	-	-	
Previous Quarter: True-up of deferral balances								
4	Actual deferral balances	(\$000's)	(2)	(2)	(3)	(135)	-	
5	Current projected deferral amounts	(\$000's)	(2)	(1)	(1)	(1)	-	
6	Less: Previous projection included in recovery	(\$000's)	(2)	(2)	(1)	(1)	-	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(2)	(2)	(2)	(135)	-	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(2)	(2)	(2)	(135)	-	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(209)	(211)	(213)	(348)	-	
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>								
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:								
10	Forecast prospective recovery amount	(\$000's)	(16)	(37)	(103)	(91)	-	
11	Less: Actual prospective recovery amount	(\$000's)	(12)	(30)	(97)	(98)	-	
12	Variance (Line 10 - Line 11)	(\$000's)	(4)	(7)	(6)	6	-	
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(6)	(9)	(8)	(129)	-	
14	Forecast - 12 month volume	(10 ³ m ³)	380,404	379,141	378,202	377,776	-	
15	Unit Rate	(cents/m ³)	(0.0017)	(0.0023)	(0.0020)	(0.0342)	(0.0004)	
<u>Summary of Unit Rates</u>								
16	Unit Rate Q1	(cents/m ³)	(0.0012)	(0.0023)	(0.0023)	(0.0023)	(0.0023)	
17	Unit Rate Q2	(cents/m ³)	(0.0014)	(0.0014)	(0.0020)	(0.0020)	(0.0020)	
18	Unit Rate Q3	(cents/m ³)	(0.0640)	(0.0640)	(0.0640)	(0.0342)	(0.0342)	
19	Unit Rate Q4 Expiring rider replaced by new rider	(cents/m ³)	(0.0017)	(0.0017)	(0.0017)	(0.0017)	(0.0004)	
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(0.0683)	(0.0694)	(0.0700)	(0.0402)	(0.0389)	

Notes:

- (1) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(2) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(3) EB-2007-0634, Working Papers, Schedule 2, Page 1 of 2, Column (i).
(4) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.

UNION GAS LIMITED
Rate 20 - Load Balancing (Deferral Account 179-107)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007			
			Oct Q4 (a)	Jan Q1 (1) (b)	Apr Q2 (2) (c)	Jul Q3 (3) (d)	Oct Q4 (4) (e)
<u>Deferral Amounts for Recovery</u>							
Change in 12-month deferral account projection:							
1	12-month projection from current QRAM application	(\$000's)	-	-	-	-	-
2	Less: 12-month projection from previous QRAM application	(\$000's)	-	-	-	-	-
3	Change (Line 1 - Line 2)	(\$000's)	-	-	-	-	-
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	(3)	(2)	(2)	(120)	-
5	Current projected deferral amounts	(\$000's)	(1)	(1)	(1)	(1)	-
6	Less: Previous projection included in recovery	(\$000's)	(2)	(1)	(1)	(1)	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(2)	(2)	(2)	(120)	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(2)	(2)	(2)	(120)	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(499)	(501)	(503)	(623)	-
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(35)	(60)	(83)	(85)	-
11	Less: Actual prospective recovery amount	(\$000's)	(21)	(34)	(37)	(38)	-
12	Variance (Line 10 - Line 11)	(\$000's)	(14)	(26)	(46)	(47)	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(16)	(28)	(48)	(167)	-
14	Forecast - 12 month volume	(10 ³ m ³)	173,276	171,553	169,771	168,499	-
15	Unit Rate	(cents/m ³)	(0.0093)	(0.0162)	(0.0281)	(0.0994)	(0.0004)
<u>Summary of Unit Rates</u>							
16	Unit Rate Q1	(cents/m ³)	(0.0078)	(0.0162)	(0.0162)	(0.0162)	(0.0162)
17	Unit Rate Q2	(cents/m ³)	(0.0154)	(0.0154)	(0.0281)	(0.0281)	(0.0281)
18	Unit Rate Q3	(cents/m ³)	(0.1255)	(0.1255)	(0.1255)	(0.0994)	(0.0994)
19	Unit Rate Q4 Expiring rider replaced by new rider	(cents/m ³)	(0.0093)	(0.0093)	(0.0093)	(0.0093)	(0.0004)
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(0.1580)	(0.1664)	(0.1791)	(0.1530)	(0.1441)

Notes:

- (1) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(2) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(3) EB-2007-0634, Working Papers, Schedule 2, Page 1 of 2, Column (i).
(4) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.

UNION GAS LIMITED
Rate M2 - Load Balancing (Deferral Account 179-107)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1 (1)	Q2 (2)	Q3 (3)	Q4 (4)	
			(a)	(b)	(c)	(d)	(e)	
<u>Deferral Amounts for Recovery</u>								
Change in 12-month deferral account projection:								
1	12-month projection from current QRAM application	(\$000's)	-	-	-	-	-	
2	Less: 12-month projection from previous QRAM application	(\$000's)	-	-	-	-	-	
3	Change (Line 1 - Line 2)	(\$000's)	-	-	-	-	-	
Previous Quarter: True-up of deferral balances								
4	Actual deferral balances	(\$000's)	(40)	(42)	(46)	(1,767)	-	
5	Current projected deferral amounts	(\$000's)	(22)	(17)	(2)	(9)	-	
6	Less: Previous projection included in recovery	(\$000's)	(23)	(22)	(17)	(2)	-	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(39)	(37)	(31)	(1,775)	-	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(39)	(37)	(31)	(1,775)	-	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(5,694)	(5,731)	(5,762)	(7,537)	-	
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>								
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:								
10	Forecast prospective recovery amount	(\$000's)	(184)	(421)	(1,495)	(1,336)	-	
11	Less: Actual prospective recovery amount	(\$000's)	(115)	(338)	(1,420)	(1,505)	-	
12	Variance (Line 10 - Line 11)	(\$000's)	(69)	(83)	(75)	168	-	
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(108)	(120)	(106)	(1,606)	-	
14	Forecast - 12 month volume	(10 ³ m ³)	3,863,398	3,857,353	3,857,847	3,858,025	-	
15	Unit Rate	(cents/m ³)	(0.0028)	(0.0031)	(0.0027)	(0.0416)	(0.0004)	
<u>Summary of Unit Rates</u>								
16	Unit Rate Q1	(cents/m ³)	(0.0015)	(0.0031)	(0.0031)	(0.0031)	(0.0031)	
17	Unit Rate Q2	(cents/m ³)	(0.0020)	(0.0020)	(0.0027)	(0.0027)	(0.0027)	
18	Unit Rate Q3	(cents/m ³)	(0.0855)	(0.0855)	(0.0855)	(0.0416)	(0.0416)	
19	Unit Rate Q4 Expiring rider replaced by new rider	(cents/m ³)	(0.0028)	(0.0028)	(0.0028)	(0.0028)	(0.0004)	
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(0.0918)	(0.0934)	(0.0941)	(0.0502)	(0.0478)	

Notes:

- (1) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(2) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(3) EB-2007-0634, Working Papers, Schedule 2, Page 1 of 2, Column (i).
(4) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.

UNION GAS LIMITED
Rate M4 - Load Balancing (Deferral Account 179-107)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007				
			Oct Q4 (a)	Jan Q1 (1) (b)	Apr Q2 (2) (c)	Jul Q3 (3) (d)	Oct Q4 (4) (e)	
Deferral Amounts for Recovery								
Change in 12-month deferral account projection:								
1	12-month projection from current QRAM application	(\$000's)	-	-	-	-	-	
2	Less: 12-month projection from previous QRAM application	(\$000's)	-	-	-	-	-	
3	Change (Line 1 - Line 2)	(\$000's)	-	-	-	-	-	
Previous Quarter: True-up of deferral balances								
4	Actual deferral balances	(\$000's)	(7)	(5)	(5)	(368)	-	
5	Current projected deferral amounts	(\$000's)	(4)	(3)	(0)	(2)	-	
6	Less: Previous projection included in recovery	(\$000's)	(4)	(4)	(3)	(0)	-	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(6)	(4)	(2)	(370)	-	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(6)	(4)	(2)	(370)	-	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(631)	(636)	(638)	(1,008)	-	
Previous Quarter: True-up of Prospective Recovery Amounts								
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:								
10	Forecast prospective recovery amount	(\$000's)	(54)	(131)	(194)	(176)	-	
11	Less: Actual prospective recovery amount	(\$000's)	(56)	(144)	(199)	(209)	-	
12	Variance (Line 10 - Line 11)	(\$000's)	2	13	5	32	-	
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(4)	9	3	(338)	-	
14	Forecast - 12 month volume	(10 ³ m ³)	458,899	452,403	455,069	459,280	-	
15	Unit Rate	(cents/m ³)	(0.0008)	0.0020	0.0006	(0.0735)	(0.0004)	
Summary of Unit Rates								
16	Unit Rate Q1	(cents/m ³)	(0.0008)	0.0020	0.0020	0.0020	0.0020	
17	Unit Rate Q2	(cents/m ³)	(0.0010)	(0.0010)	0.0006	0.0006	0.0006	
18	Unit Rate Q3	(cents/m ³)	(0.1300)	(0.1300)	(0.1300)	(0.0735)	(0.0735)	
19	Unit Rate Q4 Expiring rider replaced by new rider	(cents/m ³)	(0.0008)	(0.0008)	(0.0008)	(0.0008)	(0.0004)	
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(0.1326)	(0.1298)	(0.1282)	(0.0717)	(0.0713)	

Notes:

- (1) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(2) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(3) EB-2007-0634, Working Papers, Schedule 2, Page 1 of 2, Column (i).
(4) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.

UNION GAS LIMITED
Rate M5 - Load Balancing (Deferral Account 179-107)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007				
			Oct Q4 (a)	Jan Q1 (1) (b)	Apr Q2 (2) (c)	Jul Q3 (3) (d)	Oct Q4 (4) (e)	
<u>Deferral Amounts for Recovery</u>								
Change in 12-month deferral account projection:								
1	12-month projection from current QRAM application	(\$000's)	-	-	-	-	-	-
2	Less: 12-month projection from previous QRAM application	(\$000's)	-	-	-	-	-	-
3	Change (Line 1 - Line 2)	(\$000's)	-	-	-	-	-	-
Previous Quarter: True-up of deferral balances								
4	Actual deferral balances	(\$000's)	(3)	(3)	(2)	(208)	-	-
5	Current projected deferral amounts	(\$000's)	(2)	(1)	(1)	(1)	-	-
6	Less: Previous projection included in recovery	(\$000's)	(2)	(2)	(1)	(1)	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(3)	(2)	(1)	(208)	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(3)	(2)	(1)	(208)	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	526	524	523	315	-	-
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>								
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:								
10	Forecast prospective recovery amount	(\$000's)	(25)	(65)	(89)	(77)	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(32)	(84)	(108)	(90)	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	7	19	19	13	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	4	17	18	(195)	-	-
14	Forecast - 12 month volume	(10 ³ m ³)	406,863	404,634	398,563	395,271	-	-
15	Unit Rate	(cents/m ³)	0.0009	0.0043	0.0045	(0.0493)	(0.0004)	(0.0004)
<u>Summary of Unit Rates</u>								
16	Unit Rate Q1	(cents/m ³)	-	0.0043	0.0043	0.0043	0.0043	0.0043
17	Unit Rate Q2	(cents/m ³)	(0.0024)	(0.0024)	0.0045	0.0045	0.0045	0.0045
18	Unit Rate Q3	(cents/m ³)	(0.0700)	(0.0700)	(0.0700)	(0.0493)	(0.0493)	(0.0493)
19	Unit Rate Q4 Expiring rider replaced by new rider	(cents/m ³)	0.0009	0.0009	0.0009	0.0009	(0.0004)	(0.0004)
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(0.0715)	(0.0672)	(0.0603)	(0.0396)	(0.0409)	(0.0409)

Notes:

- (1) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(2) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(3) EB-2007-0634, Working Papers, Schedule 2, Page 1 of 2, Column (i).
(4) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.

UNION GAS LIMITED
Rate M7 - Load Balancing (Deferral Account 179-107)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007				
			Oct Q4 (a)	Jan Q1 (1) (b)	Apr Q2 (2) (c)	Jul Q3 (3) (d)	Oct Q4 (4) (e)	
<u>Deferral Amounts for Recovery</u>								
Change in 12-month deferral account projection:								
1	12-month projection from current QRAM application	(\$000's)	-	-	-	-	-	-
2	Less: 12-month projection from previous QRAM application	(\$000's)	-	-	-	-	-	-
3	Change (Line 1 - Line 2)	(\$000's)	-	-	-	-	-	-
Previous Quarter: True-up of deferral balances								
4	Actual deferral balances	(\$000's)	(3)	(2)	(0)	(183)	-	-
5	Current projected deferral amounts	(\$000's)	(2)	(1)	0	(0)	-	-
6	Less: Previous projection included in recovery	(\$000's)	(2)	(2)	(1)	0	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(3)	(1)	0	(184)	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(3)	(1)	0	(184)	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(573)	(574)	(573)	(757)	-	-
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>								
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:								
10	Forecast prospective recovery amount	(\$000's)	(6)	(63)	(73)	(40)	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(43)	(184)	(135)	(80)	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	37	121	62	40	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	34	120	63	(144)	-	-
14	Forecast - 12 month volume	(10 ³ m ³)	270,479	277,546	287,743	297,940	-	-
15	Unit Rate	(cents/m ³)	0.0126	0.0431	0.0218	(0.0483)	(0.0004)	
<u>Summary of Unit Rates</u>								
16	Unit Rate Q1	(cents/m ³)	(0.0002)	0.0431	0.0431	0.0431	0.0431	
17	Unit Rate Q2	(cents/m ³)	(0.0043)	(0.0043)	0.0218	0.0218	0.0218	
18	Unit Rate Q3	(cents/m ³)	(0.1107)	(0.1107)	(0.1107)	(0.0483)	(0.0483)	
19	Unit Rate Q4 Expiring rider replaced by new rider	(cents/m ³)	0.0126	0.0126	0.0126	0.0126	(0.0004)	
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(0.1026)	(0.0593)	(0.0332)	0.0292	0.0162	

Notes:

- (1) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(2) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(3) EB-2007-0634, Working Papers, Schedule 2, Page 1 of 2, Column (i).
(4) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.

UNION GAS LIMITED
Rate M9 - Load Balancing (Deferral Account 179-107)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2007			
			Oct Q4 (a)	Jan Q1 (1) (b)	Apr Q2 (2) (c)	Jul Q3 (3) (d)	Oct Q4 (4) (e)
<u>Deferral Amounts for Recovery</u>							
Change in 12-month deferral account projection:							
1	12-month projection from current QRAM application	(\$000's)	-	-	-	-	-
2	Less: 12-month projection from previous QRAM application	(\$000's)	-	-	-	-	-
3	Change (Line 1 - Line 2)	(\$000's)	-	-	-	-	-
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	(0)	(0)	(0)	(11)	-
5	Current projected deferral amounts	(\$000's)	(0)	(0)	(0)	(0)	-
6	Less: Previous projection included in recovery	(\$000's)	(0)	(0)	(0)	(0)	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(0)	(0)	(0)	(11)	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(0)	(0)	(0)	(11)	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(70)	(70)	(70)	(81)	-
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(1)	(5)	(14)	(10)	-
11	Less: Actual prospective recovery amount	(\$000's)	(0)	(4)	(10)	(11)	-
12	Variance (Line 10 - Line 11)	(\$000's)	(0)	(1)	(4)	1	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(0)	(2)	(4)	(10)	-
14	Forecast - 12 month volume	(10 ³ m ³)	24,401	24,506	24,506	24,506	-
15	Unit Rate	(cents/m ³)	(0.0019)	(0.0066)	(0.0150)	(0.0428)	(0.0004)
<u>Summary of Unit Rates</u>							
16	Unit Rate Q1	(cents/m ³)	(0.0032)	(0.0066)	(0.0066)	(0.0066)	(0.0066)
17	Unit Rate Q2	(cents/m ³)	(0.0045)	(0.0045)	(0.0150)	(0.0150)	(0.0150)
18	Unit Rate Q3	(cents/m ³)	(0.1123)	(0.1123)	(0.1123)	(0.0428)	(0.0428)
19	Unit Rate Q4 Expiring rider replaced by new rider	(cents/m ³)	(0.0019)	(0.0019)	(0.0019)	(0.0019)	(0.0004)
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	(0.1219)	(0.1253)	(0.1358)	(0.0663)	(0.0648)

Notes:

- (1) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(2) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).
(3) EB-2007-0634, Working Papers, Schedule 2, Page 1 of 2, Column (i).
(4) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.

UNION GAS LIMITED
Spot Gas Purchases (Deferral Account 179-107)
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2006	Year 2006					
			Oct Q4 (a)	Jan Q1 (1) (b)	Apr Q2 (2) (c)	Jul Q3 (3) (d)	Oct Q4 (4) (e)		
<u>Deferral Amounts for Recovery</u>									
Change in 12-month deferral account projection:									
1	12-month projection from current QRAM application	(\$000's)	-	-	-	-	-	-	
2	Less: 12-month projection from previous QRAM application	(\$000's)	-	-	-	-	-	-	
3	Change (Line 1 - Line 2)	(\$000's)	-	-	-	-	-	-	
Previous Quarter: True-up of deferral balances									
4	Actual deferral balances	(\$000's)	(1)	(1)	(1)	(1)	(1)	(0)	
5	Current projected deferral amounts	(\$000's)	(0)	(0)	(1)	(1)	(1)	(1)	
6	Less: Previous projection included in recovery	(\$000's)	(0)	(0)	(0)	(1)	(1)	(1)	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(1)	(1)	(1)	(0)	(0)	(0)	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(1)	(1)	(1)	(0)	(0)	(0)	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	311	311	310	310	310	309	
<u>Previous Quarter: True-up of Prospective Recovery Amounts</u>									
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:									
10	Forecast prospective recovery amount	(\$000's)	5	4	11	3	0	0	
11	Less: Actual prospective recovery amount	(\$000's)	4	5	8	3	0	0	
12	Variance (Line 10 - Line 11)	(\$000's)	1	(1)	3	(0)	0	0	
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	-	(2)	2	(0)	-	-	
14	Forecast - 12 month sales service volume	(10 ³ m ³)	2,930,745	2,935,715	2,950,432	2,954,594	2,956,685		
15	Unit Rate	(cents/m ³)	-	(0.0001)	0.0001	(0.0000)	-	-	
<u>Summary of Unit Rates</u>									
16	Unit Rate Q1	(cents/m ³)	0.0008	(0.0001)	(0.0001)	(0.0001)	(0.0001)	(0.0001)	
17	Unit Rate Q2	(cents/m ³)	0.0003	0.0003	0.0001	0.0001	0.0001	0.0001	
18	Unit Rate Q3	(cents/m ³)	0.0001	0.0001	0.0001	(0.0000)	(0.0000)	(0.0000)	
19	Unit Rate Q4 Expiring rate replaced by new rate	(cents/m ³)	-	-	-	-	-	-	
20	Total Unit Rate - Prospective Recovery	(cents/m ³)	0.0012	0.0003	0.0001	(0.0000)	(0.0000)	(0.0000)	

Notes:

- (1) EB-2006-0502, Tab 2, Schedule 2, Column (d).
(2) EB-2007-0053, Tab 2, Schedule 2, Column (d).
(3) EB-2007-0634, Tab 2, Schedule 2, Column (d).
(4) EB-2007-0720, Tab 2, Schedule 2, Column (d).

UNION GAS LIMITED
Southern Operations Area
General Service Customer Bill Impacts

Line No.	Rate M2 - Residential (Annual Consumption of 2,600 m ³)			Rate M2 - Commercial (Annual Consumption of 17,000 m ³)		
	EB-2007-0634	EB-2007-0720		EB-2007-0634	EB-2007-0720	
	Approved	Proposed		Approved	Proposed	
	01-Jul-07	01-Oct-07		01-Jul-07	01-Oct-07	
	Total Bill (\$) (1)	Total Bill (\$) (1)	Impact (\$) (c) = (b) - (a)	Total Bill (\$) (1)	Total Bill (\$) (1)	Impact (\$) (f) = (e) - (d)
	(a)	(b)		(d)	(e)	
<u>Delivery Charges</u>						
1 Monthly Charge	192.00	192.00	-	192.00	192.00	-
2 Delivery Commodity Charge	134.42	134.42	-	824.74	824.74	-
3 Prospective Recovery - Delivery	(1.31) (2)	(1.26) (3)	0.05	(8.53) (2)	(8.12) (3)	0.41
4 Storage Services	24.19	24.19	-	158.27	158.27	-
5 Total Delivery Charge	349.30	349.35	0.05	1,166.48	1,166.89	0.41
<u>Supply Charges</u>						
6 Transportation to Union	93.16	86.55	(6.61)	609.10	565.89	(43.21)
7 Commodity & Fuel	865.14	767.59	(97.55)	5,656.57	5,018.79	(637.78)
8 Prospective Recovery - Commodity & Fuel	(150.08) (4)	(119.31) (5)	30.77	(981.38) (4)	(780.10) (5)	201.28
9 Subtotal	715.06	648.28	(66.78)	4,675.19	4,238.69	(436.50)
10 Total Gas Supply Charge	808.22	734.83	(73.39)	5,284.29	4,804.58	(479.71)
11 Total Bill	1,157.52	1,084.18	(73.34)	6,450.77	5,971.47	(479.30)
12 Impacts for Customer Notices - Sales (line 11)			(73.34)			(479.30)
13 Impacts for Customer Notices - Direct Purchase (line 5 + line 6)			(6.56)			(42.80)

Notes:

- (1) Excludes temporary charges/(credits).
(2) Prospective recovery credit of (0.0502) cents/m³ for 12 months.
(3) Prospective recovery credit of (0.0478) cents/m³ for 12 months.
(4) Prospective recovery credit of (5.7728) cents/m³ for 12 months.
(5) Prospective recovery credit of (4.5888) cents/m³ for 12 months.

UNION GAS LIMITED
Northern & Eastern Operations Area
General Service Customer Bill Impacts

Line No.	(Fort Frances) Rate 01 - Residential (Annual Consumption of 2,600 m ³)			(Western) Rate 01 - Residential (Annual Consumption of 2,600 m ³)		
	EB-2007-0634 Approved 01-Jul-07 Total Bill (\$)(1) (a)	EB-2007-0720 Proposed 01-Oct-07 Total Bill (\$)(1) (b)	Impact (\$) (c) = (b) - (a)	EB-2007-0634 Approved 01-Jul-07 Total Bill (\$)(1) (d)	EB-2007-0720 Proposed 01-Oct-07 Total Bill (\$)(1) (e)	Impact (\$) (f) = (e) - (d)
	<u>Delivery Charges</u>					
1	Monthly Charge	192.00	192.00	192.00	192.00	-
2	Delivery Commodity Charge	229.51	229.51	229.51	229.51	-
3	Total Delivery Charge	421.51	421.51	421.51	421.51	-
	<u>Supply Charges</u>					
4	Transportation to Union	77.43	77.43	78.03	78.03	-
5	Prospective Recovery - Transportation	0.82 (2)	0.16 (3)	0.82 (2)	0.16 (3)	(0.66)
6	Storage Services	49.67	49.67	49.59	49.59	-
7	Prospective Recovery - Storage	(0.49) (4)	(0.45) (5)	(0.49) (4)	(0.45) (5)	0.04
8	Subtotal	127.43	126.81	127.95	127.33	(0.62)
9	Commodity & Fuel	835.47	743.15	844.00	750.08	(93.92)
10	Prospective Recovery - Commodity & Fuel	(197.29) (6)	(162.56) (7)	(197.29) (6)	(162.56) (7)	34.73
11	Subtotal	638.18	580.59	646.71	587.52	(59.19)
12	Total Gas Supply Charge	765.61	707.40	774.66	714.85	(59.81)
13	Total Bill	1,187.12	1,128.91	1,196.17	1,136.36	(59.81)
14	Impacts for Customer Notices - Sales (line 13)					(59.81)
15	Impacts for Customer Notices - Direct Purchase (line 3 + line 8)					(0.62)
	<u>(Northern)</u> Rate 01 - Residential (Annual Consumption of 2,600 m ³)			<u>(Eastern)</u> Rate 01 - Residential (Annual Consumption of 2,600 m ³)		
	EB-2007-0634 Approved 01-Jul-07 Total Bill (\$)(1) (g)	EB-2007-0720 Proposed 01-Oct-07 Total Bill (\$)(1) (h)	Impact (\$) (i) = (h) - (g)	EB-2007-0634 Approved 01-Jul-07 Total Bill (\$)(1) (j)	EB-2007-0720 Proposed 01-Oct-07 Total Bill (\$)(1) (k)	Impact (\$) (l) = (k) - (j)
	<u>Delivery Charges</u>					
16	Monthly Charge	192.00	192.00	192.00	192.00	-
17	Delivery Commodity Charge	229.34	229.34	228.96	228.96	-
18	Total Delivery Charge	421.34	421.34	420.96	420.96	-
	<u>Supply Charges</u>					
19	Transportation to Union	93.95	93.95	107.62	107.62	-
20	Prospective Recovery - Transportation	0.83 (2)	0.16 (3)	0.83 (2)	0.17 (3)	(0.66)
21	Storage Services	59.68	59.68	67.81	67.81	-
22	Prospective Recovery - Storage	(0.49) (4)	(0.46) (5)	(0.51) (4)	(0.44) (5)	0.07
23	Subtotal	153.97	153.33	175.75	175.16	(0.59)
24	Commodity & Fuel	855.52	759.54	865.12	767.59	(97.53)
25	Prospective Recovery - Commodity & Fuel	(197.30) (6)	(162.56) (7)	(197.30) (6)	(162.57) (7)	34.73
26	Subtotal	658.22	596.98	667.82	605.02	(62.80)
27	Total Gas Supply Charge	812.19	750.31	843.57	760.18	(63.39)
28	Total Bill	1,233.53	1,171.65	1,264.53	1,201.14	(63.39)
29	Impacts for Customer Notices - Sales (line 28)					(63.39)
30	Impacts for Customer Notices - Direct Purchase (line 18 + line 23)					(0.59)

Notes:

- (1) Excludes temporary charges/credits.
- (2) Prospective recovery credit of 0.0317 cents/m³ for 12 months.
- (3) Prospective recovery charge of 0.0064 cents/m³ for 12 months.
- (4) Prospective recovery credit of (0.0191) cents/m³ for 12 months.
- (5) Prospective recovery credit of (0.0170) cents/m³ for 12 months.
- (6) Prospective recovery credit of (7.5884) cents/m³ for 12 months.
- (7) Prospective recovery credit of (6.2521) cents/m³ for 12 months.

UNION GAS LIMITED
Northern & Eastern Operations Area
General Service Customer Bill Impacts

(Fort Frances)				(Western)			
Rate 10 - Commercial / Industrial (Annual Consumption of 93,000 m ³)				Rate 10 - Commercial / Industrial (Annual Consumption of 93,000 m ³)			
EB-2007-0634	EB-2007-0720			EB-2007-0634	EB-2007-0720		
Approved 01-Jul-07	Proposed 01-Oct-07			Approved 01-Jul-07	Proposed 01-Oct-07		
Total	Total	Impact		Total	Total	Impact	
Bill (\$)(1)	Bill (\$)(1)	(\$)		Bill (\$)(1)	Bill (\$)(1)	(\$)	
(a)	(b)	(c) = (b) - (a)		(d)	(e)	(f) = (e) - (d)	
<u>Delivery Charges</u>							
1 Monthly Charge	840.00	840.00	-	840.00	840.00	-	
2 Delivery Commodity Charge	5,523.40	5,523.40	-	5,523.40	5,523.40	-	
3 Total Delivery Charge	6,363.40	6,363.40	-	6,363.40	6,363.40	-	
<u>Supply Charges</u>							
4 Transportation to Union	2,539.92	2,539.92	-	2,562.33	2,562.33	-	
5 Prospective Recovery - Transportation	37.46 (2)	13.31 (3)	(24.15)	37.46 (2)	13.31 (3)	(24.15)	
6 Storage Services	1,139.72	1,139.72	-	1,137.47	1,137.47	-	
7 Prospective Recovery - Storage	(22.78) (4)	(17.94) (5)	4.84	(22.78) (4)	(17.94) (5)	4.84	
8 Subtotal	3,694.32	3,675.01	(19.31)	3,714.48	3,695.17	(19.31)	
9 Commodity & Fuel	29,884.42	26,581.53	(3,302.89)	30,189.02	26,829.94	(3,359.08)	
10 Prospective Recovery - Commodity & Fuel	(7,057.20) (6)	(5,814.46) (7)	1,242.74	(7,057.20) (6)	(5,814.46) (7)	1,242.74	
11 Subtotal	22,827.22	20,767.07	(2,060.15)	23,131.82	21,015.48	(2,116.34)	
12 Total Gas Supply Charge	26,521.54	24,442.08	(2,079.46)	26,846.30	24,710.65	(2,135.65)	
13 Total Bill	32,884.94	30,805.48	(2,079.46)	33,209.70	31,074.05	(2,135.65)	
14 Impacts for Customer Notices - Sales (line 13)			(2,079.46)			(2,135.65)	
15 Impacts for Customer Notices - Direct Purchase (line 3 + line 8)			(19.31)			(19.31)	
(Northern)				(Eastern)			
Rate 10 - Commercial / Industrial (Annual Consumption of 93,000 m ³)				Rate 10 - Commercial / Industrial (Annual Consumption of 93,000 m ³)			
EB-2007-0634	EB-2007-0720			EB-2007-0634	EB-2007-0720		
Approved 01-Jul-07	Proposed 01-Oct-07			Approved 01-Jul-07	Proposed 01-Oct-07		
Total	Total	Impact		Total	Total	Impact	
Bill (\$)(1)	Bill (\$)(1)	(\$)		Bill (\$)(1)	Bill (\$)(1)	(\$)	
(g)	(h)	(i) = (h) - (g)		(j)	(k)	(l) = (k) - (j)	
<u>Delivery Charges</u>							
16 Monthly Charge	840.00	840.00	-	840.00	840.00	-	
17 Delivery Commodity Charge	5,517.44	5,517.44	-	5,532.69	5,532.69	-	
18 Total Delivery Charge	6,357.44	6,357.44	-	6,372.69	6,372.69	-	
<u>Supply Charges</u>							
19 Transportation to Union	3,131.31	3,131.31	-	3,620.22	3,620.22	-	
20 Prospective Recovery - Transportation	37.49 (2)	13.30 (3)	(24.19)	37.46 (2)	13.30 (3)	(24.16)	
21 Storage Services	1,497.95	1,497.95	-	1,788.86	1,788.86	-	
22 Prospective Recovery - Storage	(22.81) (4)	(17.95) (5)	4.86	(22.78) (4)	(17.95) (5)	4.83	
23 Subtotal	4,643.94	4,624.61	(19.33)	5,423.76	5,404.43	(19.33)	
24 Commodity & Fuel	30,800.92	27,168.73	(3,432.19)	30,944.74	27,455.74	(3,489.00)	
25 Prospective Recovery - Commodity & Fuel	(7,057.21) (6)	(5,814.45) (7)	1,242.76	(7,057.23) (6)	(5,814.46) (7)	1,242.77	
26 Subtotal	23,543.71	21,354.28	(2,189.43)	23,887.51	21,641.28	(2,246.23)	
27 Total Gas Supply Charge	28,187.65	25,978.89	(2,208.76)	29,311.27	27,045.71	(2,265.56)	
28 Total Bill	34,545.09	32,336.33	(2,208.76)	35,683.96	33,418.40	(2,265.56)	
29 Impacts for Customer Notices - Sales (line 28)			(2,208.76)			(2,265.56)	
30 Impacts for Customer Notices - Direct Purchase (line 18 + line 23)			(19.33)			(19.33)	

Notes:

- (1) Excludes temporary charges/(credits).
- (2) Prospective recovery credit of 0.0403 cents/m³ for 12 months.
- (3) Prospective recovery charge of 0.0143 cents/m³ for 12 months.
- (4) Prospective recovery credit of (0.0245) cents/m³ for 12 months.
- (5) Prospective recovery credit of (0.0193) cents/m³ for 12 months.
- (6) Prospective recovery credit of (7.5884) cents/m³ for 12 months.
- (7) Prospective recovery credit of (6.2521) cents/m³ for 12 months.

UNION GAS LIMITED
Southern Operations Area
Quarterly Residential Bill Impacts
Fourth Quarter: 2006 and 2007

Line No.	Particulars	Rate M2 - Residential (October, November, December Consumption of 660 m ³)			
		EB-2006-0500 Approved 01-Oct-06 Quarterly Bill (\$) (a)	EB-2007-0720 Proposed 01-Oct-07 Quarterly Bill (\$) (b)	Quarterly Impact (\$) (c) = (b) - (a)	Percent Change (%) (d) = (b-a) / (a)
	<u>Delivery Charges</u>				
1	Monthly Charge	42.00	48.00	6.00	
2	Delivery Commodity Charge	37.39	34.14	(3.25)	
3	Prospective Recovery - Delivery	(0.60) (1)	(0.32) (2)	0.28	
4	Storage Services	6.31	6.14	(0.17)	
5	Total Delivery Charge	85.10	87.96	2.86	3%
	<u>Supply Charges</u>				
6	Transportation to Union	21.37	21.98	0.61	3%
7	Commodity & Fuel	235.44	194.97	(40.47)	
8	Prospective Recovery - Commodity & Fuel	(27.28) (3)	(30.31) (4)	(3.03)	
9	Subtotal	208.16	164.66	(43.50)	-21%
10	Total Gas Supply Charge	229.53	186.64	(42.89)	
11	Total Bill	314.63	274.60	(40.03)	-13%
12	Comparison - Sales (line 11)	314.63	274.60	(40.03)	-13%
13	Comparison - Direct Purchase (line 5 + line 6)	106.47	109.94	3.47	3%
14	Alberta Border Reference Price (Can\$ / GJ)	8.837	7.426	(1.411)	-16%

Notes:

- (1) Prospective recovery credit of (0.0918) cents/m³ for 12 months. Bill impact excludes the temporary credit of (0.1515) cents/m³ for the period Oct 1-Dec 31, 2006.
(2) Prospective recovery credit of (0.0478) cents/m³ for 12 months. Bill impact excludes the temporary credit of (0.1398) cents/m³ for the period Oct 1-Dec 31, 2007.
(3) Prospective recovery credit of (4.1310) cents/m³ for 12 months.
(4) Prospective recovery credit of (4.5888) cents/m³ for 12 months. Bill impact excludes the temporary credit of 0.0715 cents/m³ for the period Oct 1-Dec 31, 2007.

UNION GAS LIMITED
Northern & Eastern Operations Area
Quarterly Residential Bill Impacts
Fourth Quarter: 2006 and 2007

(Fort Frances)
Rate 01 - Residential

(October, November, December Consumption of 660 m³)

Line No.	Particulars	EB-2006-0500	EB-2007-0720	Quarterly Impact (\$)	Percent Change (%)
		Approved 01-Oct-06 Quarterly Bill (\$)	Proposed 01-Oct-07 Quarterly Bill (\$)		
		(a)	(b)	(c) = (b) - (a)	(d) = (b-a) / (a)
	<u>Delivery Charges</u>				
1	Monthly Charge	42.00	48.00	6.00	
2	Delivery Commodity Charge	61.46 (1)	58.64 (2)	(2.82)	
3	Total Delivery Charge	103.46	106.64	3.18	3%
	<u>Supply Charges</u>				
4	Transportation to Union	17.98	19.66	1.68	
5	Prospective Recovery - Transportation	(1.61) (3)	0.04 (4)	1.65	
6	Storage Services	12.75	12.61	(0.14)	
7	Prospective Recovery - Storage	(0.63) (5)	(0.11) (6)	0.52	
8	Subtotal	28.49	32.20	3.71	13%
9	Commodity & Fuel	225.42	188.76	(36.66)	
10	Prospective Recovery - Commodity & Fuel	(27.36) (7)	(41.28) (8)	(13.92)	
11	Subtotal	198.06	147.48	(50.58)	-26%
12	Total Gas Supply Charge	226.55	179.68	(46.87)	
13	Total Bill	330.01	286.32	(43.69)	-13%
14	Comparison - Sales (line 13)	330.01	286.32	(43.69)	-13%
15	Comparison - Direct Purchase (line 3 + line 8)	131.95	138.84	6.89	5%

(Western)
Rate 01 - Residential

(October, November, December Consumption of 660 m³)

Line No.	Particulars	EB-2006-0500	EB-2007-0720	Quarterly Impact (\$)	Percent Change (%)
		Approved 01-Oct-06 Quarterly Bill (\$)	Proposed 01-Oct-07 Quarterly Bill (\$)		
		(e)	(f)	(g) = (f) - (e)	(h) = (f-e) / (e)
	<u>Delivery Charges</u>				
1	Monthly Charge	42.00	48.00	6.00	
2	Delivery Commodity Charge	61.46 (1)	58.64 (2)	(2.82)	
3	Total Delivery Charge	103.46	106.64	3.18	3%
	<u>Supply Charges</u>				
4	Transportation to Union	17.95	19.83	1.88	
5	Prospective Recovery - Transportation	(1.61) (3)	0.04 (4)	1.65	
6	Storage Services	13.24	12.60	(0.64)	
7	Prospective Recovery - Storage	(0.63) (5)	(0.11) (6)	0.52	
8	Subtotal	28.95	32.36	3.41	12%
9	Commodity & Fuel	228.43	190.52	(37.91)	
10	Prospective Recovery - Commodity & Fuel	(27.36) (7)	(41.28) (8)	(13.92)	
11	Subtotal	201.07	149.24	(51.83)	-26%
12	Total Gas Supply Charge	230.02	181.60	(48.42)	
13	Total Bill	333.48	288.24	(45.24)	-14%
14	Comparison - Sales (line 13)	333.48	288.24	(45.24)	-14%
15	Comparison - Direct Purchase (line 3 + line 8)	132.41	139.00	6.59	5%

Notes:

- (1) Bill impact excludes the temporary credit of (0.1234) cents/m³ for the period Oct 1-Dec 31, 2006.
(2) Bill impact excludes the temporary credit of 0.0886 cents/m³ for the period Oct 1-Dec 31, 2007.
(3) Prospective recovery credit of (0.2438) cents/m³ for 12 months. Bill impact excludes the temporary credit of (1.1731) cents/m³ for the period Oct 1-Dec 31, 2006.
(4) Prospective recovery charge of 0.0064 cents/m³ for 12 months. Bill impact excludes the temporary credit of (0.9196) cents/m³ for the period Oct 1-Dec 31, 2007.
(5) Prospective recovery credit of (0.0953) cents/m³ for 12 months
(6) Prospective recovery credit of (0.0170) cents/m³ for 12 months.
(7) Prospective recovery credit of (4.1428) cents/m³ for 12 months
(8) Prospective recovery credit of (6.2521) cents/m³ for 12 months.

UNION GAS LIMITED
Northern & Eastern Operations Area
Quarterly Residential Bill Impacts
Fourth Quarter: 2006 and 2007

Line No.	Particulars	(Northern) Rate 01 - Residential (October, November, December Consumption of 660 m ³)				(Eastern) Rate 01 - Residential (October, November, December Consumption of 660 m ³)			
		EB-2006-0500 Approved 01-Oct-06 Quarterly Bill (\$) (a)	EB-2007-0720 Proposed 01-Oct-07 Quarterly Bill (\$) (b)	Quarterly Impact (\$) (c) = (b) - (a)	Percent Change (%) (d) = (b-a) / (a)	EB-2006-0500 Approved 01-Oct-06 Quarterly Bill (\$) (e)	EB-2007-0720 Proposed 01-Oct-07 Quarterly Bill (\$) (f)	Quarterly Impact (\$) (g) = (f) - (e)	Percent Change (%) (h) = (f-e) / (e)
	<u>Delivery Charges</u>								
1	Monthly Charge	42.00	48.00	6.00		42.00	48.00	6.00	
2	Delivery Commodity Charge	61.46 (1)	58.64 (2)	(2.82)		61.46 (1)	58.64 (2)	(2.82)	
3	Total Delivery Charge	103.46	106.64	3.18	3%	103.46	106.64	3.18	3%
	<u>Supply Charges</u>								
4	Transportation to Union	21.91	23.86	1.95		25.11	27.34	2.23	
5	Prospective Recovery - Transportation	(1.61) (3)	0.04 (4)	1.65		(1.61) (3)	0.04 (4)	1.65	
6	Storage Services	16.23	15.16	(1.07)		18.78	17.22	(1.56)	
7	Prospective Recovery - Storage	(0.63) (5)	(0.11) (6)	0.52		(0.63) (5)	(0.11) (6)	0.52	
8	Subtotal	35.90	38.95	3.05	8%	41.65	44.49	2.84	7%
9	Commodity & Fuel	232.45	192.93	(39.52)		235.73	194.97	(40.76)	
10	Prospective Recovery - Commodity & Fuel	(27.36) (7)	(41.28) (8)	(13.92)		(27.36) (7)	(41.28) (8)	(13.92)	
11	Subtotal	205.09	151.65	(53.44)	-26%	208.37	153.69	(54.68)	-26%
12	Total Gas Supply Charge	240.99	190.60	(50.39)		250.02	198.18	(51.84)	
13	Total Bill	344.45	297.24	(47.21)	-14%	353.48	304.82	(48.66)	-14%
14	Comparison - Sales (line 13)	344.45	297.24	(47.21)	-14%	353.48	304.82	(48.66)	-14%
15	Comparison - Direct Purchase (line 3 + line 8)	139.36	145.59	6.23	4%	145.11	151.13	6.02	4%
16	Alberta Border Reference Price (Can\$ / GJ)	8.837	7.426	(1.411)	-16%				

Notes:

- (1) Bill impact excludes the temporary credit of (0.1234) cents/m³ for the period Oct 1-Dec 31, 2006.
(2) Bill impact excludes the temporary credit of 0.0886 cents/m³ for the period Oct 1-Dec 31, 2007.
(3) Prospective recovery credit of (0.2438) cents/m³ for 12 months. Bill impact excludes the temporary credit of (1.1731) cents/m³ for the period Oct 1-Dec 31, 2006.
(4) Prospective recovery charge of 0.0064 cents/m³ for 12 months. Bill impact excludes the temporary credit of (0.9196) cents/m³ for the period Oct 1-Dec 31, 2007.
(5) Prospective recovery credit of (0.0953) cents/m³ for 12 months
(6) Prospective recovery credit of (0.0170) cents/m³ for 12 months.
(7) Prospective recovery credit of (4.1428) cents/m³ for 12 months
(8) Prospective recovery credit of (6.2521) cents/m³ for 12 months.

UNION GAS LIMITED
2007 Prospective Recovery Commodity Unit Rates

Line No.	Particulars	Incremental Amount for Prospective Recovery (1) (\$000's) (a)	Forecast Sales Service Billing Units (2) (10 ³ m ³) (b)	Proposed Incremental Prospective Recovery Unit Rate (cents/m ³) (c) = (a) / (b) x 100
<u>Northern and Eastern Operations Area</u>				
1	North Purchase Gas Variance Account (NPGVA)	(16,745)	664,706	(2.5192)
2	Inventory Revaluations	6,385	664,706	0.9606
3	Spot Gas	-	664,706	-
4	Fuel	(906)	664,706	(0.1363)
5	Total Northern Commodity	(11,266)		(1.6949)
<u>Southern Operations Area</u>				
6	South Purchase Gas Variance Account (SPGVA)	(53,034)	2,291,978	(2.3139)
7	Inventory Revaluations	22,017	2,291,978	0.9606
8	Spot Gas	-	2,291,978	-
9	Total Southern Commodity	(31,017)		(1.3533)
10	Total	(42,283)		

Notes:

(1) Tab 2, Schedule 2

(2) Forecast volumes for the 12 month period: October 1, 2007 to September 30, 2008

UNION GAS LIMITED
2007 Prospective Recovery Transportation Unit Rates

Line No.	Particulars	Incremental Amount for Prospective Recovery (\$000's) (a)	Forecast Firm Bundled Billing Units (4) (10 ³ m ³) (b)	Proposed Incremental Prospective Recovery Unit Rate (cents/m ³) (c) = (a) / (b) x 100
	<u>Northern and Eastern Operations Area</u>			
1	<u>TCPL Tolls and LBA - Transportation</u> R01, R10, R20	(184) (1)	1,447,639	(0.0127)
2	<u>Load balancing</u>	(6) (2)	1,447,639	(0.0004)
	<u>TCPL Tolls and LBA - Storage</u>			
3	R20 - Monthly Gas Supply Demand Charge	- (3)	-	-
4	Total	<u>(190)</u>		

Notes:

- (1) Tab 2, Schedule 2
(2) Schedule 2, Working Papers, Page 1 of 2, Column (i)
(3) Schedule 2, Working Papers, Page 2 of 2, Column (g)

UNION GAS LIMITED
2007 Prospective Recovery Delivery Unit Rates

Line No.	Particulars	Incremental Amount for Prospective Recovery (1) (\$000's) (a)	Forecast Delivery Billing Units (2) (10 ³ m ³) (b)	Proposed Incremental Prospective Recovery Unit Rate (cents/m ³) (c) = (a) / (b) x 100
<u>Southern Operations Area</u>				
1	Load Balancing	(19)	5,037,337	(0.0004)
2	Total	<u>(19)</u>		

Notes:

- (1) Schedule 2, Working Papers, Page 1 of 2, Column (i)
 (2) Forecast volumes for the 12 month period: October 1, 2007 to September 30, 2008

UNION GAS LIMITED
2007 Prospective Recovery Storage Unit Rates

Line No.	Particulars	Incremental Amount for Prospective Recovery (1) (\$000's) (a)	Forecast Firm Storage Billing Units (10 ³ m ³) (b)	Proposed Incremental Prospective Recovery Unit Rate (cents/m ³) (c) = (a) / (b) x 100
<u>Northern and Eastern Operations Area</u>				
<u>ICPL Tolls and LBA - Storage</u>				
1	R01	-		-
2	R10	-		-
3	Bundled Storage Service - R20 and R100 (\$/GJ)	-		-
4	Total	-		

Notes:
(1) Schedule 2, Working Papers, Page 2 of 2, Column (g)

EB-2007-0720
Index of Appendices

Appendix A	Summary of Changes to Sales Rates
Appendix B	Rate Schedules
Appendix C	Summary of Average Interruptible Rate Changes

UNION GAS LIMITED
Northern & Eastern Operations Area
Summary of Changes to Sales Rates
Rate 01A - Small Volume General Firm Service

Line No.	Particulars (cents/m ³)	EB-2007-0598 Approved October 1, 2007	Rate Change (b)	EB-2007-0720 Approved October 1, 2007
		Rate (a)		Rate (c)
1	Monthly Charge - All Zones	\$16.00		\$16.00
	Monthly Delivery Charge - All Zones			
2	First 100 m3	9.2380		9.2380
3	Next 200 m3	8.6369		8.6369
4	Next 200 m3	8.2100		8.2100
5	Next 500 m3	7.8180		7.8180
6	Over 1,000 m3	7.4944		7.4944
7	Delivery - Price Adjustment (All Volumes)	0.0886 (1)		0.0886 (1)
	Gas Transportation Service			
8	Fort Frances	2.9778		2.9778
9	Western Zone	3.0018		3.0018
10	Northern Zone	3.6137		3.6137
11	Eastern Zone	4.1393		4.1393
12	Transportation - Price Adjustment (All Zones)	(0.8879) (2)	(0.0253)	(0.9132) (3)
	Storage Service			
13	Fort Frances	1.9099		1.9099
14	Western Zone	1.9075		1.9075
15	Northern Zone	2.2951		2.2951
16	Eastern Zone	2.6079		2.6079
17	Storage - Price Adjustment (All Zones)	(0.0191) (4)	0.0021	(0.0170) (5)
	Commodity Cost of Gas and Fuel			
18	Fort Frances	32.1338	(3.5515)	28.5823
19	Western Zone	32.4613	(3.6119)	28.8494
20	Northern Zone	32.9042	(3.6905)	29.2137
21	Eastern Zone	33.2739	(3.7516)	29.5223
22	Commodity and Fuel - Price Adjustment (All Zones)	(7.5884) (6)	1.3363	(6.2521) (7)

Notes:

- (1) Includes a temporary charge of 0.0886 cents/m³ for the period October 1 to December 31, 2007.
(2) Includes Prospective Recovery of 0.0122, (0.0796), 0.0580, 0.0411 and a temporary credit of (0.9196) cents/m³ for the period Oct 1-Dec 31, 2007.
(3) Includes Prospective Recovery of (0.0796), 0.0580, 0.0411, (0.0131) and a temporary credit of (0.9196) cents/m³ for the period Oct 1-Dec 31, 2007.
(4) Includes Prospective Recovery of (0.0021), (0.0029) and (0.0141) cents/m³.
(5) Includes Prospective Recovery of (0.0029) and (0.0141) cents/m³.
(6) Includes Prospective Recovery of (3.0312), (2.7354), (1.0007) and (0.8211) cents/m³.
(7) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m³.

UNION GAS LIMITED
Northern & Eastern Operations Area
Summary of Changes to Sales Rates
Rate 10 - Large Volume General Firm Service

Line No.	Particulars (cents/m ³)	EB-2007-0598 Approved October 1, 2007	Rate Change (b)	EB-2007-0720 Approved October 1, 2007
		Rate (a)		Rate (c)
1	Monthly Charge - All Zones	\$70.00		\$70.00
	Monthly Delivery Charge - All Zones			
2	First 1,000 m ³	7.3562		7.3562
3	Next 9,000 m ³	5.8543		5.8543
4	Next 20,000 m ³	4.9979		4.9979
5	Next 70,000 m ³	4.4495		4.4495
6	Over 100,000 m ³	2.3725		2.3725
7	Delivery - Price Adjustment (All Volumes)	0.3049 (1)		0.3049 (1)
	Gas Transportation Service			
8	Fort Frances	2.7311		2.7311
9	Western Zone	2.7552		2.7552
10	Northern Zone	3.3670		3.3670
11	Eastern Zone	3.8927		3.8927
12	Transportation - Price Adjustment (All Zones)	(0.8600) (2)	(0.0260)	(0.8860) (3)
	Storage Service			
13	Fort Frances	1.2255		1.2255
14	Western Zone	1.2231		1.2231
15	Northern Zone	1.6107		1.6107
16	Eastern Zone	1.9235		1.9235
17	Storage - Price Adjustment (All Zones)	(0.0245) (4)	0.0052	(0.0193) (5)
	Commodity Cost of Gas and Fuel			
18	Fort Frances	32.1338	(3.5515)	28.5823
19	Western Zone	32.4613	(3.6119)	28.8494
20	Northern Zone	32.9042	(3.6905)	29.2137
21	Eastern Zone	33.2739	(3.7516)	29.5223
22	Commodity and Fuel - Price Adjustment (All Zones)	(7.5884) (6)	1.3363	(6.2521) (7)

Notes:

(1) Includes a temporary charge of 0.3049 cents/m³ for the period October 1 to December 31, 2007.

(2) Includes Prospective Recovery of 0.0129, (0.0779), 0.0604, 0.0449 and a temporary credit of (0.9003) cents/m³ for the period Oct 1-Dec 31, 2007.

(3) Includes Prospective Recovery of (0.0779), 0.0604, 0.0449, (0.0131) and a temporary credit of (0.9003) cents/m³ for the period Oct 1-Dec 31, 2007.

(4) Includes Prospective Recovery of (0.0052), (0.0043) and (0.0150) cents/m³.

(5) Includes Prospective Recovery of (0.0043) and (0.0150) cents/m³.

(6) Includes Prospective Recovery of (3.0312), (2.7354), (1.0007) and (0.8211) cents/m³.

(7) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m³.

UNION GAS LIMITED
Northern & Eastern Operations Area
Summary of Changes to Sales Rates
Rate 20 - Medium Volume Firm Service

Line No.	Particulars (cents/m ³)	EB-2007-0598 Approved October 1, 2007	Rate Change (b)	EB-2007-0720 Approved October 1, 2007
		Rate (a)		Rate (c)
1	Monthly Charge	\$780.00		\$780.00
2	Delivery Demand Charge			
	First 70,000 m ³	20.3317		20.3317
3	All over 70,000 m ³	11.9561		11.9561
4	Delivery Commodity Charge			
	First 852,000 m ³	0.2877		0.2877
5	All over 852,000 m ³	0.2131		0.2131
6	Monthly Gas Supply Demand Charge			
	Fort Frances	25.3849		25.3849
7	Western Zone	25.8508		25.8508
8	Northern Zone	42.7815		42.7815
9	Eastern Zone	56.9336		56.9336
10	Gas Supply Demand - Price Adjustment (All Zones)	0.4999 (1)	(0.1426)	0.3573 (2)
11	Commodity Transportation 1			
	Fort Frances	2.1971		2.1971
12	Western Zone	2.2058		2.2058
13	Northern Zone	2.6055		2.6055
14	Eastern Zone	2.9409		2.9409
15	Transportation 1 - Price Adjustment (All Zones)	(0.0725) (3)	(0.0184)	(0.0909) (4)
16	Commodity Transportation 2			
	Fort Frances	0.1334		0.1334
17	Western Zone	0.1310		0.1310
18	Northern Zone	0.2059		0.2059
19	Eastern Zone	0.2733		0.2733
20	Commodity Cost of Gas and Fuel			
	Fort Frances	32.5161	(3.6931)	28.8230
21	Western Zone	32.8476	(3.7552)	29.0924
22	Northern Zone	33.2958	(3.8360)	29.4598
23	Eastern Zone	33.6699	(3.8989)	29.7710
24	Commodity and Fuel - Price Adjustment (All Zones)	(7.5884) (5)	1.3363	(6.2521) (6)
25	Bundled Storage Service (\$/GJ)			
	Monthly Demand Charge	11.289		11.289
26	Commodity Charge	0.240		0.240
27	Storage Demand - Price Adjustment	(0.338) (7)	0.070	(0.268) (8)

Notes:

- (1) Includes Prospective Recovery of 0.1426, 0.3066 and 0.0507 cents/m³.
- (2) Includes Prospective Recovery of 0.3066 and 0.0507 cents/m³.
- (3) Includes Prospective Recovery of 0.0053, (0.0918), 0.0343 and (0.0203) cents/m³.
- (4) Includes Prospective Recovery of (0.0918), 0.0343, (0.0203) and (0.0131) cents/m³.
- (5) Includes Prospective Recovery of (3.0312), (2.7354), (1.0007) and (0.8211) cents/m³.
- (6) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m³.
- (7) Includes Prospective Recovery of (0.070), (0.119) and (0.149) \$/GJ.
- (8) Includes Prospective Recovery of (0.119) and (0.149) \$/GJ.

UNION GAS LIMITED
Northern & Eastern Operations Area
Summary of Changes to Sales Rates
Rate 100 - Large Volume High Load Factor Firm Service

Line No.	Particulars (cents/m ³)	EB-2007-0598 Approved October 1, 2007	Rate Change (b)	EB-2007-0720 Approved October 1, 2007
		Rate (a)		Rate (c)
1	Monthly Charge	\$780.00		\$780.00
2	Delivery Demand Charge All Zones	11.9268		11.9268
3	Delivery Commodity Charge All Zones	0.2102		0.2102
4	Monthly Gas Supply Demand Charge Fort Frances	40.6945		40.6945
5	Western Zone	41.2381		41.2381
6	Northern Zone	60.9906		60.9906
7	Eastern Zone	77.5013		77.5013
8	Commodity Transportation 1 Fort Frances	3.8838		3.8838
9	Western Zone	3.8903		3.8903
10	Northern Zone	4.1901		4.1901
11	Eastern Zone	4.4417		4.4417
12	Commodity Transportation 2 Fort Frances	0.1334		0.1334
13	Western Zone	0.1310		0.1310
14	Northern Zone	0.2059		0.2059
15	Eastern Zone	0.2733		0.2733
16	Commodity Cost of Gas and Fuel Fort Frances	32.5161	(3.6931)	28.8230
17	Western Zone	32.8476	(3.7552)	29.0924
18	Northern Zone	33.2958	(3.8360)	29.4598
19	Eastern Zone	33.6699	(3.8989)	29.7710
20	Commodity and Fuel - Price Adjustment (All Zones)	(7.5884) (1)	1.3363	(6.2521) (2)
21	Bundled Storage Service (\$/GJ) Monthly Demand Charge	11.289		11.289
22	Commodity Charge	0.240		0.240
23	Storage Demand - Price Adjustment	(0.338) (3)	0.070	(0.268) (4)

Notes:

(1) Includes Prospective Recovery of (3.0312), (2.7354), (1.0007) and (0.8211) cents/m³.

(2) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m³.

(3) Includes Prospective Recovery of (0.070), (0.119) and (0.149) \$/GJ.

(4) Includes Prospective Recovery of (0.119) and (0.149) \$/GJ.

UNION GAS LIMITED
Northern & Eastern Operations Area
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2007-0598 Approved October 1, 2007	Rate Change (b)	EB-2007-0720 Approved October 1, 2007
		Rate (a)		Rate (c)
	<u>Rate 25 - Large Volume Interruptible Service</u>			
1	Monthly Charge	\$190.00		\$190.00
	 Delivery Charge - All Zones *			
2	Maximum	4.5768		4.5768
	 Gas Supply Charges - All Zones			
3	Minimum	14.3135		14.3135
4	Maximum	140.5622		140.5622
	 <u>Rate 77 - Wholesale Transportation Service</u>			
5	Monthly Charge	\$145.00		\$145.00
6	Delivery Demand Charge - All Zones	28.2927		28.2927

* see Appendix C

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2007-0598 Approved October 1, 2007	Rate Change	EB-2007-0720 Approved October 1, 2007
		Rate (a)		Rate (c)
	<u>Utility Sales</u>			
1	Commodity and Fuel	33.2739	(3.7516)	29.5223
2	Commodity and Fuel - Price Adjustment	(5.7013) (1)	1.1840	(4.5173) (2)
3	Transportation	3.5830	(0.2543)	3.3287
4	Total Gas Supply Commodity Charge	31.1556	(2.8219)	28.3337
	<u>M4 Firm Commercial/Industrial</u>			
5	Minimum annual gas supply commodity charge	5.4859	(0.5344)	4.9515
	<u>M5A Interruptible Commercial/Industrial</u>			
6	Minimum annual gas supply commodity charge	5.4859	(0.5344)	4.9515
	<u>Storage and Transportation Supplemental Services - Rate T1 & T3</u>	<u>\$/GJ</u>		<u>\$/GJ</u>
	Monthly demand charges: (\$/GJ)			
7	Firm gas supply service	29.128	(0.101)	29.027
8	Firm backstop gas	4.269	(0.367)	3.902
	Commodity charges:			
9	Gas supply	8.876	(1.030)	7.846
10	Backstop gas	11.797	(1.101)	10.696
11	Reasonable Efforts Backstop Gas	11.474	(1.106)	10.368
12	Supplemental Inventory	Note (3)		Note (3)
13	Supplemental Gas Sales Service (cents/m ³)	46.7560	(4.1685)	42.5875
14	Failure to Deliver	3.011	(0.0110)	3.000
15	Discretionary Gas Supply Service (DGSS)	Note (4)		Note (4)

Notes:

- (1) Incl. Prospective Recovery of (2.5373), (1.2473), (1.2208), (0.7674) & a temporary charge of 0.0715 cents/m³ for the period Oct 1-Dec 31, 2007.
(2) Incl. Prospective Recovery of (1.2473), (1.2208), (0.7674), (1.3533) & a temporary charge of 0.0715 cents/m³ for the period Oct 1-Dec 31, 2007.
(3) The charge for banked gas purchases shall be the higher of the daily spot gas cost at Dawn in the month of or the month following the month in which gas is sold under this rate and shall not be less than Union's approved weighted avg. cost of gas.
(4) Reflects the "back to back" price plus gas supply administration charge.

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2007-0598 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0720 Approved October 1, 2007 Rate (c)
	<u>M2 General Service Rate</u>			
1	Monthly Charge	\$16.00		\$16.00
	Monthly delivery commodity charge:			
2	First 1 400 m ³	5.1701		5.1701
3	Next 4 600 m ³	4.1427		4.1427
4	Next 124 000 m ³	3.0859		3.0859
5	Next 270 000 m ³	2.4743		2.4743
6	All over 400 000 m ³	2.2978		2.2978
7	Delivery - Price Adjustment (All Volumes)	0.0896 (1)	0.0024	0.0920 (2)
8	Storage Service	0.9309		0.9309
	<u>M4 Firm comm/ind contract rate</u>			
	Monthly demand charge:			
9	First 8 450 m ³	45.6744		45.6744
10	Next 19 700 m ³	19.8165		19.8165
11	All over 28 150 m ³	16.4565		16.4565
	Monthly delivery commodity charge:			
12	First block	0.9291		0.9291
13	All remaining use	0.5089		0.5089
14	Delivery - Price Adjustment (All Volumes)	(0.0717) (3)	0.0004	(0.0713) (4)
15	Minimum annual delivery commodity charge	1.2464		1.2464
	<u>M5A interruptible comm/ind contract</u>			
	<u>Firm contracts *</u>			
16	Monthly demand charge	27.5785		27.5785
17	Monthly delivery commodity charge	1.7957		1.7957
18	Delivery - Price Adjustment (All Volumes)	(0.0396) (5)	(0.0013)	(0.0409) (6)
	<u>Interruptible contracts *</u>			
19	Monthly Charge	\$500.00		\$500.00
	Daily delivery commodity charge:			
20	4 800 m ³ to 17 000 m ³	1.9019		1.9019
21	17 000 m ³ to 30 000 m ³	1.7720		1.7720
22	30 000 m ³ to 50 000 m ³	1.7037		1.7037
23	50 000 m ³ to 70 000 m ³	1.6558		1.6558
24	70 000 m ³ to 100 000 m ³	1.6215		1.6215
25	100 000 m ³ to 140 870 m ³	1.5878		1.5878
26	Delivery - Price Adjustment (All Volumes)	(0.0396) (5)	(0.0013)	(0.0409) (6)
27	Annual minimum delivery commodity charge	2.2192		2.2192

Notes:

- (1) Incl's. Prospective Recovery of (0.0028), (0.0031), (0.0027), (0.0416) & a temporary charge of 0.1398 cents/m³ for the period Oct 1 - Dec 31, 2007.
(2) Incl's. Prospective Recovery of (0.0031), (0.0027), (0.0416), (0.0004) & a temporary charge of 0.1398 cents/m³ for the period Oct 1 - Dec 31, 2007.
(3) Includes Prospective Recovery of (0.0008), 0.0020, 0.0006 and (0.0735) cents/m³.
(4) Includes Prospective Recovery of 0.0020, 0.0006, (0.0735) and (0.0004) cents/m³.
(5) Includes Prospective Recovery of 0.0009, 0.0043, 0.0045 and (0.0493) cents/m³ associated with load balancing costs.
(6) Includes Prospective Recovery of 0.0043, 0.0045, (0.0493) and (0.0004) cents/m³ associated with load balancing costs.

* Price changes to individual M5A firm and interruptible contract rates are provided in Appendix C.

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2007-0598 Approved October 1, 2007	Rate Change	EB-2007-0720 Approved October 1, 2007
		Rate (a)		Rate (c)
	<u>M7 Special large volume contract</u>			
	<u>Firm</u>			
1	Monthly demand charge	25.5426		25.5426
2	Monthly delivery commodity charge	0.3344		0.3344
3	Delivery - Price Adjustment	0.0292 (1)	(0.0130)	0.0162 (2)
	<u>Interruptible *</u>			
4	Monthly delivery commodity charge: Maximum	2.7337	-	2.7337
5	Delivery - Price Adjustment	0.0292 (1)	(0.0130)	0.0162 (2)
	<u>Seasonal *</u>			
6	Monthly delivery commodity charge: Maximum	2.4896		2.4896
7	Delivery - Price Adjustment	0.0292 (1)	(0.0130)	0.0162 (2)
	<u>M9 Large wholesale service</u>			
8	Monthly demand charge	17.0902		17.0902
9	Monthly delivery commodity charge	0.5367		0.5367
10	Delivery - Price Adjustment	(0.0663) (3)	0.0015	(0.0648) (4)
	<u>M10 Small wholesale service</u>			
11	Monthly delivery commodity charge	2.6978		2.6978

Notes:

(1) Includes Prospective Recovery of 0.0126, 0.0431, 0.0218 and (0.0483) cents/m³.

(2) Includes Prospective Recovery of 0.0431, 0.0218, (0.0483) and (0.0004) cents/m³.

(3) Includes Prospective Recovery of (0.0019), (0.0066), (0.0150) and (0.0428) cents/m³.

(4) Includes Prospective Recovery of (0.0066), (0.0150), (0.0428) and (0.0004) cents/m³.

* Price changes to individual interruptible and seasonal contract rates are provided in Appendix C.

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Contract Carriage Rates

Line No.	Particulars	EB-2007-0598 Approved October 1, 2007	Rate Change	EB-2007-0720 Approved October 1, 2007
		Rate (a)		Rate (c)
	<u>Contract Carriage Service</u>			
	<u>T1 Storage and Transportation</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.010		0.010
	Firm Injection/Withdrawal Right			
2	Union provides deliverability inventory	1.980		1.980
3	Customer provides deliverability inventory	1.050		1.050
4	Firm incremental injection	1.050		1.050
5	Interruptible withdrawal	1.050		1.050
	Commodity charges:			
6	Withdrawal	0.064		0.064
7	Customer provides compressor fuel	0.007		0.007
8	Injection	0.064		0.064
9	Customer provides compressor fuel	0.007		0.007
10	Storage fuel ratio - customer provides fuel	0.600%		0.600%
	<u>Transportation (cents / m³)</u>			
11	Monthly demand charge first 140,870 m ³	18.9471		18.9471
12	Monthly demand charge all over 140,870 m ³	12.9470		12.9470
	Commodity charges:			
13	Firm- Union provides compressor fuel first 2,360,653 m ³	0.3573		0.3573
14	Union provides compressor fuel all over 2,360,653 m ³	0.2767		0.2767
15	Customer provides compressor fuel first 2,360,653 m ³	0.1604		0.1604
16	Customer provides compressor fuel all over 2,360,653 m ³	0.0798		0.0798
	Interruptible: *			
17	Maximum - Union provides compressor fuel	2.7337		2.7337
18	Maximum - customer provides compressor fuel	2.5368		2.5368
19	Transportation fuel ratio - customer provides fuel	0.554%		0.554%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges			
20	Injection May 1 to Oct 31	0.169		0.169
21	Customer provides compressor fuel	0.072		0.072
22	Withdrawals Nov 1 to Apr 30	0.169		0.169
23	Customer provides compressor fuel	0.072		0.072
24	Transportation commodity charge (cents / m ³)	0.9803		0.9803
25	Customer provides compressor fuel	0.7833		0.7833
26	<u>Monthly Charge</u>	\$1,800		\$1,800

* Price changes to individual interruptible contract rates are provided in Appendix C.

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Contract Carriage Rates

Line No.	Particulars	EB-2007-0598 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0720 Approved October 1, 2007 Rate (c)
	<u>T3 Storage and Transportation</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.010		0.010
	Firm Injection/Withdrawal Right			
2	Union provides deliverability inventory	1.980		1.980
3	Customer provides deliverability inventory	1.050		1.050
4	Firm incremental injection	1.050		1.050
5	Interruptible withdrawal	1.050		1.050
	Commodity charges:			
6	Withdrawal	0.064		0.064
7	Customer provides compressor fuel	0.007		0.007
8	Injection	0.064		0.064
9	Customer provides compressor fuel	0.007		0.007
10	Storage fuel ratio- Cust. provides fuel	0.600%		0.600%
	<u>Transportation (cents / m³)</u>			
11	Monthly demand charge	9.0121		9.0121
	Commodity charges			
12	Firm- Union supplies compressor fuel	0.3242		0.3242
13	Customer provides compressor fuel	0.0666		0.0666
14	Transportation fuel ratio- Cust. provides fuel	0.725%		0.725%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
15	Injection	0.169		0.169
16	Customer provides compressor fuel	0.072		0.072
17	Withdrawals	0.169		0.169
18	Customer provides compressor fuel	0.072		0.072
19	Transportation commodity charge (cents / m ³)	0.6205		0.6205
20	Customer provides compressor fuel (cents / m ³)	0.3629		0.3629
	<u>Monthly Charge</u>			
21	City of Kitchener	\$17,155		\$17,155
22	Natural Resource Gas	\$2,631		\$2,631
23	Six Nations	\$877		\$877

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Unbundled Rates

Line No.	Particulars	EB-2007-0598 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0720 Approved October 1, 2007 Rate (c)
	<u>U2 Unbundled Customers</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
	Standard Storage Service (SSS)			
1	Combined Firm Space & Deliverability	0.021		0.021
	Standard Peaking Service (SPS)			
2	Combined Firm Space & Deliverability	0.106		0.106
3	Incremental firm injection right	0.955		0.955
4	Incremental firm withdrawal right	0.955		0.955
	Commodity charges:			
5	Injection customer provides compressor fuel	0.015		0.015
6	Withdrawal customer provides compressor fuel	0.015		0.015
7	Storage fuel ratio - Customer provides fuel	0.600%		0.600%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
8	Injection customer provides compressor fuel	0.046		0.046
9	Withdrawal customer provides compressor fuel	0.046		0.046
	<u>U5 Unbundled Customers</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
	Combined Firm Space & Deliverability	0.021		0.021
10	Combined Firm Space & Deliverability	0.021		0.021
11	Incremental firm injection right	0.955		0.955
12	Incremental firm withdrawal right	0.955		0.955
	Commodity charges:			
13	Injection customer provides compressor fuel	0.015		0.015
14	Withdrawal customer provides compressor fuel	0.015		0.015
15	Storage fuel ratio - Customer provides fuel	0.600%		0.600%
	<u>Delivery (cents / m³)</u>			
	<u>Firm contracts</u>			
16	Monthly demand charge	21.8236		21.8236
17	Monthly delivery commodity charge	1.7957		1.7957
18	Transportation fuel ratio - Customer provides fuel	0.554%		0.554%
	<u>Interruptible contracts</u>			
19	Monthly Charge	\$500.00		\$500.00
	Monthly delivery commodity charge:			
20	4 800 m ³ to 17 000 m ³	1.5464		1.5464
21	17 000 m ³ to 30 000 m ³	1.4165		1.4165
22	30 000 m ³ to 50 000 m ³	1.3482		1.3482
23	50 000 m ³ to 70 000 m ³	1.3003		1.3003
24	70 000 m ³ to 100 000 m ³	1.2660		1.2660
25	100 000 m ³ to 140 870 m ³	1.2323		1.2323
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
26	Injection customer provides compressor fuel	0.046		0.046
27	Withdrawal customer provides compressor fuel	0.046		0.046

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Unbundled Rates

Line No.	Particulars	EB-2007-0598 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0720 Approved October 1, 2007 Rate (c)
	<u>U7 Unbundled Customers</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Combined Firm Space & Deliverability	0.021		0.021
2	Incremental firm injection right	0.955		0.955
3	Incremental firm withdrawal right	0.955		0.955
	Commodity charges:			
4	Injection customer provides compressor fuel	0.015		0.015
5	Withdrawal customer provides compressor fuel	0.015		0.015
6	Storage fuel ratio - Customer provides fuel	0.600%		0.600%
	<u>Delivery (cents / m³)</u>			
7	Monthly demand charge first 140,870 m ³	18.9471		18.9471
8	Monthly demand charge all over 140,870 m ³	12.9470		12.9470
	Commodity charges			
9	Firm Customer provides compressor fuel first 2,360,653 m ³	0.1604		0.1604
10	Firm Customer provides compressor fuel all over 2,360,653 m ³	0.0798		0.0798
	Interruptible:			
11	Maximum customer provides compressor fuel	2.5368		2.5368
12	Transportation fuel ratio - Customer provides fuel	0.554%		0.554%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
13	Injection customer provides compressor fuel	0.046		0.046
14	Withdrawal customer provides compressor fuel	0.046		0.046
15	Transportation commodity charge (cents / m ³)	0.7833		0.7833
	<u>Other Services & Charges</u>			
16	Monthly Charge	\$1,800		\$1,800

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Unbundled Rates

Line No.	Particulars	EB-2007-0598 Approved October 1, 2007 Rate (a)	Rate Change (b)	EB-2007-0720 Approved October 1, 2007 Rate (c)
	<u>U9 Unbundled Customers</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.021		0.021
2	Incremental firm injection right	0.955		0.955
3	Incremental firm withdrawal right	0.955		0.955
	Commodity charges:			
4	Injection customer provides compressor fuel	0.015		0.015
5	Withdrawal customer provides compressor fuel	0.015		0.015
6	Storage fuel ratio - Customer provides fuel	0.600%		0.600%
	<u>Delivery (cents / m³)</u>			
7	Monthly demand charge	9.0121		9.0121
	Commodity charges			
8	Firm customer provides compressor fuel	0.0666		0.0666
9	Transportation fuel ratio - Customer provides fuel	0.725%		0.725%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
10	Injection customer provides compressor fuel	0.046		0.046
11	Withdrawal customer provides compressor fuel	0.046		0.046
12	Transportation commodity charge (cents / m ³)	0.3629		0.3629
	<u>Other Services & Charges</u>			
	Monthly Charge			
13	City of Kitchener	\$17,155		\$17,155
14	NRG	\$2,631		\$2,631
15	Six Nations	\$877		\$877

APPENDIX B

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uniongas

Effective
2007-10-01
Schedule "A"
Page 1 of 2

Union Gas Limited
Northern and Eastern Operations Area
Gas Supply Charges

(A) Availability

Available to customers in Union's Fort Frances, Western, Northern and Eastern Delivery Zones.

(B) Applicability:

To all sales customers served under Rate 01A, Rate 10, Rate 20, Rate 100 and Rate 25.

(C) Rates

Utility Sales

	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
<u>Rate 01A (cents / m³)</u>				
Effective October 1, 2007				
Storage	1.9099	1.9075	2.2951	2.6079
Storage - Price Adjustment (1)	(0.0170)	(0.0170)	(0.0170)	(0.0170)
Commodity and Fuel	28.5823	28.8494	29.2137	29.5223
Commodity and Fuel - Price Adjustment (1)	(6.2521)	(6.2521)	(6.2521)	(6.2521)
Transportation	2.9778	3.0018	3.6137	4.1393
Transportation - Price Adjustment (1)	(0.9132)	(0.9132)	(0.9132)	(0.9132)
Total Gas Supply Charge	<u>26.2877</u>	<u>26.5764</u>	<u>27.9401</u>	<u>29.0873</u>

Rate 10 (cents / m³)

Effective October 1, 2007

Storage	1.2255	1.2231	1.6107	1.9235
Storage - Price Adjustment (1)	(0.0193)	(0.0193)	(0.0193)	(0.0193)
Commodity and Fuel	28.5823	28.8494	29.2137	29.5223
Commodity and Fuel - Price Adjustment (1)	(6.2521)	(6.2521)	(6.2521)	(6.2521)
Transportation	2.7311	2.7552	3.3670	3.8927
Transportation - Price Adjustment (1)	(0.8860)	(0.8860)	(0.8860)	(0.8860)
Total Gas Supply Charge	<u>25.3816</u>	<u>25.6703</u>	<u>27.0341</u>	<u>28.1812</u>

Notes:

(1) As laid out in Appendix A. The Commodity and Fuel line includes gas supply administration charge of 0.3173 cents/m³.



uniongas

Effective
2007-10-01
Schedule "A"
Page 2 of 2

Union Gas Limited
Northern and Eastern Operations Area
Gas Supply Charges

Utility Sales

	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
<u>Rate 20 (cents / m³)</u>				
Effective October 1, 2007				
Commodity and Fuel	28.8230	29.0924	29.4598	29.7710
Commodity and Fuel - Price Adjustment (1)	(6.2521)	(6.2521)	(6.2521)	(6.2521)
Commodity Transportation - Charge 1	2.1971	2.2058	2.6055	2.9409
Transportation 1 - Price Adjustment (1)	(0.0909)	(0.0909)	(0.0909)	(0.0909)
Commodity Transportation - Charge 2	0.1334	0.1310	0.2059	0.2733
Monthly Gas Supply Demand	25.3849	25.8508	42.7815	56.9336
Gas Supply Demand - Price Adjustment (1)	0.3573	0.3573	0.3573	0.3573
Commissioning and Decommissioning Rate	3.4043	3.4414	4.8894	6.1017

Rate 100 (cents / m³)

Effective October 1, 2007				
Commodity and Fuel	28.8230	29.0924	29.4598	29.7710
Commodity and Fuel - Price Adjustment (1)	(6.2521)	(6.2521)	(6.2521)	(6.2521)
Commodity Transportation - Charge 1	3.8838	3.8903	4.1901	4.4417
Commodity Transportation - Charge 2	0.1334	0.1310	0.2059	0.2733
Monthly Gas Supply Demand	40.6945	41.2381	60.9906	77.5013
Commissioning and Decommissioning Rate	3.6520	3.6790	4.7780	5.6997

Rate 25 (cents / m³)

Effective October 1, 2007				
Gas Supply Charge:	Interruptible Service			
	Minimum	14.3135	14.3135	14.3135
	Maximum	140.5622	140.5622	140.5622

Notes:

(1) As laid out in Appendix A. The Commodity and Fuel line includes gas supply administration charge of 0.3173 cents/m³.

Effective: October 1, 2007
O.E.B. Order # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0598 Rate Schedule effective October 1, 2007.

RATE 01A – SMALL VOLUME GENERAL FIRM SERVICE**ELIGIBILITY**

Any customer in Union's Fort Frances, Western, Northern or Eastern Zones who is an end user whose total gas requirements at that location are equal to or less than 50,000 m³ per year.

SERVICES AVAILABLE

The following services are available under this rate schedule:

(a) Sales Service

For continuous supply of natural gas by Union and associated transportation and storage services necessary to ensure deliverability in accordance with the customer's needs. For this service, the Monthly, Delivery and Gas Supply Charges shall apply.

(b) Transportation Service

For continuous delivery on Union's distribution system from the Point of Receipt on TCPL's system to the Point of Consumption on the customer's premises of natural gas owned by the customer and transported by TCPL under a firm transportation service tariff or equivalent National Energy Board Order. For this service, the Monthly and Delivery Charges shall apply. Unless otherwise authorized by Union, customers who initiate a movement to Transportation Service from a Sales Service or Bundled Transportation Service must accept an assignment from Union of transportation capacity on upstream pipeline systems.

(c) Bundled Transportation Service

For continuous delivery by Union of gas owned by the customer and for the associated transportation and storage services necessary to ensure deliverability in accordance with the customer's needs. For this service the Monthly, and Delivery Charges, as well as the Storage and Transportation Charges of the Gas Supply Charge shall apply.

MONTHLY RATES AND CHARGES

Zone	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
Rate Schedule No.	201	101	301	601
<u>APPLICABLE TO ALL SERVICES</u>				
<u>MONTHLY CHARGE</u>	\$16.00	\$16.00	\$16.00	\$16.00
<u>DELIVERY CHARGE</u>	<u>¢ per m³</u>	<u>¢ per m³</u>	<u>¢ per m³</u>	<u>¢ per m³</u>
First 100 m ³ per month @	9.2380	9.2380	9.2380	9.2380
Next 200 m ³ per month @	8.6369	8.6369	8.6369	8.6369
Next 200 m ³ per month @	8.2100	8.2100	8.2100	8.2100
Next 500 m ³ per month @	7.8180	7.8180	7.8180	7.8180
Over 1,000 m ³ per month @	7.4944	7.4944	7.4944	7.4944
Delivery- Price Adjustment (All Volumes)	0.0886	0.0886	0.0886	0.0886

**ADDITIONAL CHARGES FOR SALES SERVICE****GAS SUPPLY CHARGES****Gas Supply Charge (if applicable)**

The gas supply charge is comprised of charges for transportation and for commodity and fuel.
The applicable rates are provided in Schedule "A".

MONTHLY BILL

The monthly bill will equal the sum of the monthly charges plus the rates multiplied by the applicable gas quantities delivered plus all applicable taxes. If the customer transports its own gas, the Gas Supply Charge under Sales Service will not apply.

MINIMUM MONTHLY BILL

The Minimum Monthly Bill shall be the Monthly Charge.

DELAYED PAYMENT

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

SERVICE AGREEMENT

Customers providing their own gas supply in whole or in part, for transportation by Union, must enter into a Service Agreement with Union.

TERMS AND CONDITIONS OF SERVICE

1. If multiple end-users are receiving service from a customer under this rate, for billing purposes, the Monthly Charge, the Delivery Charge and any other charge that is specific to the location of each end-user shall be used to develop a monthly bill for each end-user at each location. Upon request, possibly for a fee, Union will combine the individual bills on a single invoice or statement for administrative convenience. However, Union will not combine the quantities or demands of several end-use locations so that eligibility to a different rate class will result. Further, Union will not combine the monthly billing data of individual end-users to generate a single bill which is less than the sum of the monthly bills of the individual end-users involved at each location.
2. Customers must enter into a Service Agreement with Union prior to the commencement of service.
3. The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

Effective

October 1, 2007
O.E.B. ORDER # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0598 Rate Schedule effective October 1, 2007.



RATE 10 – LARGE VOLUME GENERAL FIRM SERVICE

ELIGIBILITY

Any customer in Union's Fort Frances, Western, Northern or Eastern Zones who is an end-user whose total firm gas requirements at one or more Company-owned meters at one location exceed 50,000 m³ per year.

SERVICES AVAILABLE

The following services are available under this rate schedule:

(a) **Sales Service**

For continuous supply of natural gas by Union and associated transportation and storage services necessary to ensure deliverability in accordance with the customer's needs. For this service, the Monthly, Delivery and Gas Supply Charges shall apply.

(b) **Transportation Service**

For continuous delivery on Union's distribution system from the Point of Receipt on TCPL's system to the Point of Consumption on the customer's premises of natural gas owned by the customer and transported by TCPL under a firm transportation service tariff or equivalent National Energy Board Order. For this service, the Monthly, and Delivery Charges shall apply. Unless otherwise authorized by Union, customers who initiate a movement to Transportation Service from a Sales Service or Bundled Transportation Service must accept an assignment from Union of transportation capacity on upstream pipeline systems. Customers may reduce their assignment of transportation capacity in compliance with Union's Turnback Policy.

(c) **Bundled Transportation Service**

For continuous delivery by Union of gas owned by the customer and for the associated transportation and storage services necessary to ensure deliverability in accordance with the customer's needs. For this service the Monthly, and Delivery Charges, as well as the Storage and Transportation Charges of the Gas Supply Charge shall apply.

MONTHLY RATES AND CHARGES

Zone Rate Schedule No.	<u>Fort Frances</u> 210	<u>Western</u> 110	<u>Northern</u> 310	<u>Eastern</u> 610
<u>APPLICABLE TO ALL SERVICES</u>				
<u>MONTHLY CHARGE</u>	\$70.00	\$70.00	\$70.00	\$70.00
<u>DELIVERY CHARGE</u>	<u>¢ per m³</u>	<u>¢ per m³</u>	<u>¢ per m³</u>	<u>¢ per m³</u>
First 1,000 m ³ per month @	7.3562	7.3562	7.3562	7.3562
Next 9,000 m ³ per month @	5.8543	5.8543	5.8543	5.8543
Next 20,000 m ³ per month @	4.9979	4.9979	4.9979	4.9979
Next 70,000 m ³ per month @	4.4495	4.4495	4.4495	4.4495
Over 100,000 m ³ per month @	2.3725	2.3725	2.3725	2.3725
Delivery-Price Adjustment (All Volumes)	0.3049	0.3049	0.3049	0.3049

**ADDITIONAL CHARGES FOR SALES SERVICE****GAS SUPPLY CHARGES****Gas Supply Charge (if applicable)**

The gas supply charge is comprised of charges for transportation and for commodity and fuel.
The applicable rates are provided in Schedule "A".

MONTHLY BILL

The monthly bill will equal the sum of the monthly charges plus the rates multiplied by the applicable gas quantities delivered plus all applicable taxes. If the customer transports its own gas, the Gas Supply Charge under Sales Service will not apply.

MINIMUM MONTHLY BILL

The minimum monthly bill shall be the Monthly Charge.

DELAYED PAYMENT

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

SERVICE AGREEMENT

Customers providing their own gas supply in whole or in part, for transportation by Union and customers purchasing gas from Union with maximum daily requirements in excess of 3,000 m³ per day must enter into a Service Agreement with Union.

TERMS AND CONDITIONS OF SERVICE

1. Service shall be for a minimum term of one year.
2. If multiple end-users are receiving service from a customer under this rate, for billing purposes, the Monthly Charge, the Delivery Charge and any other charge that is specific to the location of each end-user shall be used to develop a monthly bill for each end-user at each location. Upon request, possibly for a fee, Union will combine the individual bills on a single invoice or statement for administrative convenience. However, Union will not combine the quantities or demands of several end-use locations so that eligibility to a different rate class will result. Further, Union will not combine the monthly billing data of individual end-users to generate a single bill which is less than the sum of the monthly bills of the individual end-users involved at each location.
3. Customers must enter into a Service Agreement with Union prior to the commencement of service.
4. For the purposes of qualifying for a rate class, the total quantities of gas consumed or expected to be consumed on the customer's contiguous property will be used, irrespective of the number of meters installed.
5. The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

Effective

October 1, 2007
O.E.B. ORDER # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0598 Rate Schedule effective October 1, 2007.



RATE 20 – MEDIUM VOLUME FIRM SERVICE

ELIGIBILITY

Any customer in Union's Fort Frances, Western, Northern or Eastern Zones who is an end-user or who is authorized to serve an end-user of gas through one or more Company-owned meters at one location, and whose total maximum daily requirements for firm or combined firm and interruptible service is 14,000 m³ or more.

SERVICES AVAILABLE

The following services are available under this rate schedule:

(a) Sales Service

For continuous supply of natural gas by Union and associated transportation and storage services necessary to ensure deliverability in accordance with the customer's needs. For this service, the Monthly, Delivery and Gas Supply Charges shall apply.

(b) Transportation Service

For continuous delivery on Union's distribution system from the Point of Receipt on TCPL's system to the Point of Consumption on the customer's premises of natural gas owned by the customer. The customer is responsible for obtaining the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Monthly, Delivery, Transportation Account and Diversion Transaction Charges shall apply. Unless otherwise authorized by Union, customers who initiate a movement to Transportation Service from a Sales Service or Bundled Transportation Service must accept an assignment from Union of transportation capacity on upstream pipeline systems. Customers may reduce their assignment of transportation capacity in compliance with Union's Turnback Policy.

(c) Bundled Transportation Service

For continuous delivery by Union of gas owned by the customer and for the associated transportation and storage services necessary to ensure deliverability in accordance with the customer's needs. For this service the Monthly, Delivery, Gas Supply Demand and Commodity Transportation Charges shall apply.

(d) Storage Service

For load balancing purposes for customers using Transportation Service on this rate schedule. If at the sole discretion of Union, adequate supplies exist, bundled and unbundled storage and delivery/redelivery services will be provided.

The charge for Bundled Storage Service will consist of the charges for Transportation Service plus the charges for Bundled Storage Service.

The charge for Unbundled Storage Service will consist of the charges for Transportation Service plus the charges for Unbundled Storage Service which must include charges for delivery/redelivery service to/from storage.

NOTE: Union has a short-term intermittent gas supply service under Rate 30 which customers may avail themselves of, if they qualify for use of the service.

**MONTHLY RATES AND CHARGES**APPLICABLE TO ALL SERVICES – ALL ZONES (1)

<u>MONTHLY CHARGE</u>	\$780.00
<u>DELIVERY CHARGES</u> (cents per month per m ³)	
Monthly Demand Charge for first 70,000 m ³ of Contracted Daily Demand	20.3317
Monthly Demand Charge for all units over 70,000 m ³ of Contracted Daily Demand	11.9561
Commodity Charge for first 852,000 m ³ of gas volumes delivered	0.2877
Commodity Charge for all units over 852,000 m ³ of gas volumes delivered	0.2131

NOTE

(1) Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates, charges and terms and conditions applicable thereto, different from the rates, charges and terms and conditions specified herein if changed rates, charges and terms and conditions are considered by either party to be necessary, desirable and in the public interest.

ADDITIONAL CHARGES FOR SALES SERVICE**Gas Supply Charge**

The gas supply charge is comprised of charges for transportation and for commodity and fuel.
The applicable rates are provided in Schedule "A".

Commodity Transportation

Charge 1 applies for all gas volumes delivered in the billing month up to the volume represented by the Contract Demand multiplied by the number of days in the billing month multiplied by 0.4.

Charge 2 applies for all additional gas volumes delivered in the billing month.

HEAT CONTENT ADJUSTMENT

The gas supply commodity charges hereunder will be adjusted upwards or downwards as described below if the average total heating value of the gas per cubic metre (m³) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m³, respectively.

The adjustment shall be determined by multiplying the amount otherwise payable by a fraction, where the numerator is the monthly weighted average total heating value per cubic meter and the denominator 37.89.

**COMMISSIONING AND DECOMMISSIONING RATE**

The contract may provide that the Monthly Demand Charges specified above shall not apply on all or part of the daily contracted demand used by the customer either during the testing, commissioning and phasing in of gas using equipment or, alternatively, in the decommissioning and phasing out of gas using equipment being displaced by other gas using equipment, for a period not to exceed one year ("the transition period"). To be eligible the new or displaced gas using equipment must be separately meterable. In such event, the contract will provide the following rates that such volume during the transitional period will be charged.

Zone Rate Schedule No.	<u>Fort Frances</u> 220	<u>Western</u> 120	<u>Northern</u> 320	<u>Eastern</u> 620
<u>MONTHLY CHARGE</u>	\$780.00	\$780.00	\$780.00	\$780.00
<u>DELIVERY CHARGES</u>	<u>cents per m³</u>	<u>cents per m³</u>	<u>cents per m³</u>	<u>cents per m³</u>
Commodity Charge for each unit of gas volumes delivered	1.6246	1.6246	1.6246	1.6246

GAS SUPPLY CHARGES

The gas supply charge is comprised of charges for transportation and for commodity and fuel.
The applicable rates are provided in Schedule "A".

ADDITIONAL CHARGES FOR TRANSPORTATION AND STORAGE SERVICES – ALL ZONESMONTHLY TRANSPORTATION ACCOUNT CHARGE

For customers that currently have installed or will require installing telemetering equipment: \$220.00

BUNDLED (T-SERVICE) STORAGE SERVICE CHARGES

Monthly Demand Charge for each unit of Contracted Daily Storage Withdrawal Entitlement (\$ per GJ per Month) \$11.289

Monthly Storage Demand- Price Adjustment for each unit of Contracted Daily Storage Withdrawal Entitlement: (\$ per GJ per Month) \$ (0.268)

Commodity Charge for each unit of gas withdrawn from storage (\$ per GJ) \$0.240

Authorized Overrun Commodity Charge on each additional unit of gas Union authorizes for withdrawal from storage (\$ per GJ) \$0.611

The Authorized Overrun Commodity Charge is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

UNBUNDLED STORAGE SERVICE CHARGES

Storage Space Charge:

Applied to Contracted Maximum Storage Balance (\$ per GJ per Month) \$0.032

Fuel Ratio:

Applied to all gas injected and withdrawn from storage (%) 0.600%

Commodity Charge:

Applied to all gas injected and withdrawn from storage (\$ per GJ) \$0.015

UNBUNDLED STORAGE SERVICE AUTHORIZED OVERRUN CHARGES:

Fuel Ratio:

Applied to all gas injected and withdrawn from storage (%) 1.03%

Commodity Charge:

Applied to all gas injected and withdrawn from storage (\$ per GJ) \$0.072

The Authorized Overrun Commodity Charge is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

**UNBUNDLED STORAGE SERVICE UNAUTHORIZED OVERRUN CHARGES**

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

UNBUNDLED SERVICE NOMINATION VARIANCES

The rate for unauthorized parking or drafting which results from nomination variances shall be equal to 50% of the "Daily Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff. No Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 4% of the nominated amount and 150 GJ.

Zone Rate Schedule No.	<u>Fort Frances</u> 220	<u>Western</u> 120	<u>Northern</u> 320	<u>Eastern</u> 620
<u>Delivery service to Storage Facilities (1)</u>				
Demand Charge (\$/GJ/month)	N/A	\$29.227	\$12.025	\$1.202
Commodity (\$/GJ)	N/A	\$0.032	\$0.024	\$0.019
<u>Redelivery Service from Storage Facilities</u>				
Demand Charge (\$/GJ/month)	\$2.255	\$2.255	\$2.255	\$5.916
Commodity (\$/GJ)	N/A	\$0.095	\$0.095	\$0.099

Notes:

1. Delivery Service to Storage Facilities is not available to Northern Zone Customers in the Sault Ste. Marie Delivery Area (SSMDA).
2. Daily Firm injection and Withdrawal Rights shall be pursuant to the storage contract.
3. Storage Space, Withdrawal Rights and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.

DIVERSION TRANSACTION CHARGE

Charge to a customer Receiving Delivery of diverted gas each time such customer requests a diversion and Union provides the service: \$10.00

THE BILL

The bill will equal the sum of the charges for all services selected plus the rates multiplied by the applicable gas quantities delivered or withdrawn for each service chosen plus all applicable taxes. If the customer transports its own gas, the Gas Supply Charge under Sales Service will not apply. If the customer selects Union's Sales Service which includes the Gas Supply Charge, no additional charges for Transportation and Storage Services will apply.

MINIMUM BILL

The minimum bill shall be the Monthly Charge, the Transportation Account Charge and the Demand Charges, as applicable.



DELAYED PAYMENT

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

SERVICE AGREEMENT

All customers must enter into a Service Agreement with Union before receiving service under this rate schedule.

TERMS AND CONDITIONS OF SERVICE

1. Service shall be for a minimum term of one year.
2. If multiple end-users are receiving service from a customer under this rate, for billing purposes, the Monthly Charge, the Delivery Charge, the Transportation Account Charge and any other charge that is specific to the location of each end-user shall be used to develop a monthly bill for each end-user at each location. Upon request, possibly for a fee, Union will combine the individual bills on a single invoice or statement for administrative convenience. However, Union will not combine the quantities or demands of several end-use locations so that eligibility to a different rate class will result. Further, Union will not combine the billing data of individual end-users to generate a single bill which is less than the sum of the bills of the individual end-users involved at each location.
3. Customers must enter into a Service Agreement with Union prior to the commencement of service.
4. For the purposes of qualifying for a rate class, the total quantities of gas consumed or expected to be consumed on the customer's contiguous property will be used, irrespective of the number of meters installed.
5. The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

Effective

October 1, 2007
O.E.B. ORDER # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0634 Rate Schedule effective July 1, 2007.

**RATE 25 – LARGE VOLUME INTERRUPTIBLE SERVICE****ELIGIBILITY**

Any customer in Union's Fort Frances, Western, Northern or Eastern Zones who is an end-user or who is authorized to serve an end-user of gas through one or more Company-owned meters at one location, and whose total maximum daily interruptible requirement is 3,000 m³ or more or the interruptible portion of a maximum daily requirement for combined firm and interruptible service is 14,000 m³ or more and whose operations, in the judgement of Union, can readily accept interruption and restoration of gas service.

SERVICES AVAILABLE

The following services are available under this rate schedule:

(a) Sales Service

For interruptible supply of natural gas by Union and associated transportation services necessary to ensure its delivery in accordance with customer's needs. For this service, the Monthly, Delivery and Gas Supply Charges shall apply.

(b) Transportation Service

For delivery of natural gas owned by the customer on Union's distribution system from the Point of Receipt from TCPL's system to the Point of Consumption on the customer's or end-user's premises, providing that, in the judgement of Union, acting reasonably, the customer-owned gas does not displace service from Union under a Rate 20 or Rate 100 contract specific to that location. The customer is responsible for obtaining the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Monthly, Delivery, Transportation Account and Diversion Transaction Charges shall apply.

NOTE: Union has a short-term intermittent gas supply service under Rate 30 which customers may avail themselves of, if they qualify for use of the service.

MONTHLY RATES AND CHARGES**APPLICABLE TO ALL SERVICES – ALL ZONES (1)**

<u>MONTHLY CHARGE</u>	\$190.00
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<u>DELIVERY CHARGES</u>	<u>cents per m³</u>
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A Delivery Price for all volumes delivered to the customer to be negotiated between Union and the customer and the average price during the period in which these rates remain in effect shall not exceed:

4.5768

NOTE

(1) Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates, charges and terms and conditions applicable thereto, different from the rates, charges and terms and conditions specified herein if changed rates, charges and terms and conditions are considered by either party to be necessary, desirable and in the public interest.



ADDITIONAL CHARGES FOR SALES SERVICE

Gas Supply Charge

As per applicable rate provided in
Schedule "A".

Interruptible Service Applicable all year at a price agreed upon between Union and the customer and the average price during the period in which these rates remain in effect.

HEAT CONTENT ADJUSTMENT

The gas supply commodity charges hereunder will be adjusted upwards or downwards as described below if the average total heating value of the gas per cubic metre (m³) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m³, respectively.

The adjustment shall be determined by multiplying the amount otherwise payable by a fraction, where the numerator is the monthly weighted average total heating value per cubic meter and the denominator 37.89.

ADDITIONAL CHARGES FOR TRANSPORTATION – ALL ZONES

MONTHLY TRANSPORTATION ACCOUNT CHARGE: For customers that currently have installed or will require installing telemetering equipment.

\$220.00

THE BILL

The bill will equal the sum of the monthly charges for all services selected plus the rates multiplied by the applicable gas volumes delivered or withdrawn for each service chosen plus all applicable taxes. If the customer transports its own gas, the Gas Supply Charge under Sales Service will not apply. If the customer selects Union's Sales Service which includes the Gas Supply Charge, no additional charges for Transportation will apply.

MINIMUM BILL

The minimum bill shall be the Monthly Charge and the Transportation Account Charge, if applicable.

DELAYED PAYMENT

When payment of the monthly bill has not been made in full, 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

SERVICE AGREEMENT

All customers must enter into a Service Agreement with Union before receiving service under this rate schedule.



TERMS AND CONDITIONS OF SERVICE

1. Service shall be for a minimum term of one year.
2. If multiple end-users are receiving service from a customer under this rate, for billing purposes, the Monthly Charge, the Delivery Charge, the Transportation Account Charge and any other charge that is specific to the location of each end-user shall be used to develop a monthly bill for each end-user at each location. Upon request, Union will combine the individual bills on a single invoice or statement for administrative convenience. However, Union will not combine the volumes or demands of several end-use locations so that eligibility to a different rate class will result. Further, Union will not combine the monthly billing data of individual end-users to generate a single bill which is less than the sum of the monthly bills of the individual end-users involved at each location.
3. Customers must enter into a Service Agreement with Union prior to the commencement of service.
4. For the purposes of qualifying for a rate class, the total volumes of gas consumed or expected to be consumed on the customer's contiguous property will be used, irrespective of the number of meters installed.
5. The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

Effective

October 1, 2007
O.E.B. ORDER # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0634 Rate Schedule effective July 1, 2007.



RATE 30 – INTERMITTENT GAS SUPPLY SERVICE AND SHORT TERM STORAGE / BALANCING SERVICE

ELIGIBILITY

Any customer in Union's Fort Frances, Western, Northern or Eastern Zones already connected to Union's gas distribution system who is an end-user or is authorized to serve an end-user.

SERVICE AVAILABLE

For intermittent, short-term gas supply which will be a substitute for energy forms other than Company owned gas sold under other rate schedules. This may include situations where customer-owned gas supplies are inadequate and short-term backstopping service is requested or during a situation of curtailment on the basis of price when the purchase price of Spot gas is outside the interruptible service price range. The gas supply service available hereunder is offered only in conjunction with service to the customer under an applicable firm or interruptible service rate schedule of Union. The service is for intermittent gas supply and short term storage / balancing service and will be billed in combination with Monthly, Delivery, and other applicable charges for such services under the applicable rate schedule. Gas supply under this rate will be provided when, at the sole discretion of Union, adequate supplies are available.

GAS SUPPLY CHARGE

The gas supply charge shall be \$5.00 per 10³m³ plus the greater of the incremental cost of gas for Union and the customer's gas supply charge.

SHORT TERM STORAGE / BALANCING SERVICE

Short Term Storage / Balancing Service is:

- i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
- ii) short-term firm deliverability, OR
- iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for service, the matters that are to be considered include:

- i) the minimum amount of storage service to which a customer is willing to commit,
- ii) whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
- iii) utilization of facilities, and
- iv) competition.

A commodity charge to be negotiated between Union and the customer not to exceed \$6.000/GJ.

THE BILL

The bill for gas supply and/or short term supplemental services under this rate shall be rendered in conjunction with the billing for delivery and other services under the customer's applicable rate for such services.

SERVICE AGREEMENT

All customers must enter into a Service Agreement with Union for this service and must agree therein to curtail or interrupt use of gas under this rate schedule whenever requested to do so by Union.



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TERMS AND CONDITIONS OF SERVICE

1. Failure of the customer to interrupt or curtail use of gas on this rate as requested by Union shall be subject to the Unauthorized Overrun Gas Penalty as provided in Union's Terms and Conditions. Anytime the customer has such failure, Union reserves the right to cancel service under this rate.
2. The Terms and Conditions of the applicable rate schedule for delivery of the gas sold hereunder shall also apply.
3. The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

Effective

October 1, 2007
O.E.B. ORDER # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0634 Rate Schedule effective July 1, 2007.

**RATE 77 – WHOLESALE TRANSPORTATION SERVICE****ELIGIBILITY**

Any natural gas distributor in Union's Fort Frances, Western, Northern or Eastern Zones who uses Union's gas distribution facilities for the transportation of natural gas to customers outside Union's franchise area.

SERVICES AVAILABLE

The following services are available under this rate schedule:

(a) Transportation Service

For the continuous delivery through Union's distribution system from the Point of Receipt on TCPL to the Point of Consumption at the Consumer's distribution system of natural gas owned by the customer. The customer is responsible for obtaining the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Monthly and Delivery Charges shall apply.

MONTHLY RATES AND CHARGES – ALL ZONES

<u>MONTHLY CHARGE</u> (\$ per month)	\$145.00
<u>MONTHLY DELIVERY DEMAND CHARGE</u> (cents per m ³)	28.2927

THE BILL

The bill will equal the sum of the monthly charges plus all applicable taxes.

DELAYED PAYMENT

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

SERVICE AGREEMENT

All customers must enter into a Service Agreement with Union before receiving service under this rate schedule.

TERMS AND CONDITIONS OF SERVICE

1. Service shall be for a minimum term of one year.
2. Customers must enter into a Service Agreement with Union prior to the commencement of service.
3. The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

Effective

October 1, 2007
O.E.B. ORDER # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0634 Rate Schedule effective July 1, 2007.



RATE 100 – LARGE VOLUME HIGH LOAD FACTOR FIRM SERVICE

ELIGIBILITY

Any customer in Union's Fort Frances, Western, Northern or Eastern Zones who is an end-user or who is authorized to serve an end-user of gas through one or more Company-owned meters at one location, and whose maximum daily requirement for firm service is 100,000 m³ or more, and whose annual requirement for firm service is equal to or greater than its maximum daily requirement multiplied by 256.

SERVICES AVAILABLE

The following services are available under this rate schedule:

(a) **Sales Service**

For continuous supply of natural gas by Union and associated transportation and storage services necessary to ensure deliverability in accordance with the customer's needs. For this service, the Monthly, Delivery and Gas Supply Charges shall apply.

(b) **Transportation Service**

For continuous delivery on Union's distribution system from the Point of Receipt on TCPL's system to the Point of Consumption on the customer's premises of natural gas owned by the customer. The customer is responsible for obtaining the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Monthly, Delivery, Transportation Account and Diversion Transaction Charges shall apply. Unless otherwise authorized by Union, customers who initiate a movement to Transportation Service from a Sales Service or Bundled Transportation Service must accept an assignment from Union of transportation capacity on upstream pipeline systems. Customers may reduce their assignment of transportation capacity in compliance with Union's Turnback Policy.

(c) **Bundled Transportation Service**

For continuous delivery by Union of gas owned by the customer and for the associated transportation and storage services necessary to ensure deliverability in accordance with the customer's needs. For this service the Monthly, Delivery, Gas Supply Demand and Commodity Transportation Charges shall apply.

(d) **Storage Service**

For load balancing purposes for customers using Transportation Service on this rate schedule. If at the sole discretion of Union, adequate supplies exist, bundled and unbundled storage and delivery/redelivery services will be provided.

The charge for Bundled Storage Service will consist of the charges for Transportation Service plus the charges for Bundled Storage Service.

The charge for Unbundled Storage Service will consist of the charges for Transportation Service plus the charges for Unbundled Storage Service which must include charges for delivery/redelivery service to/from storage.

NOTE: Union has a short-term intermittent gas supply service under Rate 30 which customers may avail themselves of, if they qualify for use of the service.

**MONTHLY RATES AND CHARGES**APPLICABLE TO ALL SERVICES – ALL ZONES (1)

<u>MONTHLY CHARGE</u>	\$780.00
<u>DELIVERY CHARGES</u> (cents per Month per m ³ of Daily Contract Demand)	
Monthly Demand Charge for each unit of Contracted Daily Demand:	11.9268
COMMODITY CHARGE for each unit of gas volumes delivered (cents per m ³)	0.2102

NOTE:

(1) Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates, charges and terms and conditions applicable thereto, different from the rates, charges and terms and conditions specified herein if changed rates, charges and terms and conditions are considered by either party to be necessary, desirable and in the public interest.

ADDITIONAL CHARGES FOR SALES SERVICEGas Supply Charges

The gas supply charge is comprised of charges for transportation and for commodity and fuel. The applicable rates are provided in Schedule "A".

Commodity Transportation

Charge 1 applies for all gas volumes delivered in the billing month up to the volume represented by the Contract Demand multiplied by the number of days in the billing month multiplied by 0.3.

Charge 2 applies for all additional gas volumes delivered in the billing month.

HEAT CONTENT ADJUSTMENT

The gas supply commodity charges hereunder will be adjusted upwards or downwards as described below if the average total heating value of the gas per cubic metre (m³) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m³, respectively.

The adjustment shall be determined by multiplying the amount otherwise payable by a fraction, where the numerator is the monthly weighted average total heating value per cubic meter and the denominator 37.89.



COMMISSIONING AND DECOMMISSIONING RATE

The contract may provide that the Monthly Demand Charges specified above shall not apply on all or part of the daily contracted demand used by the customer either during the testing, commissioning and phasing in of gas using equipment or, alternatively, in the decommissioning and phasing out of gas using equipment being displaced by other gas using equipment, for a period not to exceed one year ("the transitional period"). To be eligible the new or displaced gas using equipment must be separately meterable. In such event, the contract will provide the following rates that such volume during the transitional period will be charged.

Zone Rate Schedule No.	<u>Fort Frances</u> 2100	<u>Western</u> 1100	<u>Northern</u> 3100	<u>Eastern</u> 6100
<u>MONTHLY CHARGE</u>	\$780.00	\$780.00	\$780.00	\$780.00
<u>DELIVERY CHARGES</u>				
Commodity Charge for each unit of gas volumes delivered	<u>cents per m³</u> 0.7704	<u>cents per m³</u> 0.7704	<u>cents per m³</u> 0.7704	<u>cents per m³</u> 0.7704

GAS SUPPLY CHARGES

The gas supply charge is comprised of charges for transportation and for commodity and fuel. The applicable rates are provided in Schedule "A".

ADDITIONAL CHARGES FOR TRANSPORTATION AND STORAGE SERVICES – ALL ZONES

MONTHLY TRANSPORTATION ACCOUNT CHARGE

For customers that currently have installed or will require installing telemetering equipment \$220.00

BUNDLED (T-SERVICE) STORAGE SERVICE CHARGES

Monthly Demand Charge for each unit of Contracted Daily Storage Withdrawal Entitlement (\$ per GJ per Month) \$11.289

Monthly Storage Demand- Price Adjustment for each unit of Contracted Daily Storage Withdrawal Entitlement:
(\$ per GJ per Month) \$ (0.268)

Commodity Charge for each unit of gas withdrawn from storage (\$ per GJ) \$0.240

Authorized Overrun Commodity Charge on each additional unit of gas Union authorizes for
withdrawal from storage (\$ per GJ) \$0.611

The Authorized Overrun Commodity Charge is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

UNBUNDLED STORAGE SERVICE CHARGES

Storage Space Charge:

Applied to Contracted Maximum Storage Balance (\$ per GJ per Month) \$0.032

Fuel Ratio:

Applied to all gas injected and withdrawn from storage (%) 0.600%

Commodity Charge:

Applied to all gas injected and withdrawn from storage (\$ per GJ) \$0.015

UNBUNDLED STORAGE SERVICE AUTHORIZED OVERRUN CHARGES

Fuel Ratio:

Applied to all gas injected and withdrawn from storage (%) 1.03%

Commodity Charge:

Applied to all gas injected and withdrawn from storage (\$ per GJ) \$0.072

The Authorized Overrun Commodity Charge is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

**UNBUNDLED STORAGE SERVICE UNAUTHORIZED OVERRUN CHARGES**

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

UNBUNDLED SERVICE NOMINATION VARIANCES

The rate for unauthorized parking or drafting which results from nomination variances shall be equal to 50% of the "Daily Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff. No Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 4% of the nominated amount and 150 GJ.

Zone Rate Schedule No.	<u>Fort Frances</u> 2100	<u>Western</u> 1100	<u>Northern</u> 3100	<u>Eastern</u> 6100
<u>Delivery service to Storage Facilities (1)</u>				
Demand Charge (\$/GJ/month)	N/A	\$29.227	\$12.025	\$1.202
Commodity (\$/GJ)	N/A	\$0.032	\$0.024	\$0.019
<u>Redelivery Service from Storage Facilities</u>				
Demand Charge (\$/GJ/month)	\$2.255	\$2.255	\$2.255	\$5.916
Commodity (\$/GJ)	N/A	\$0.095	\$0.095	\$0.099

Notes:

1. Delivery Service to Storage Facilities is not available to Northern Zone customers in the Sault Ste. Marie Delivery Area (SSMDA).
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the storage contract.
3. Storage Space, Withdrawal Rights and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.

DIVERSION TRANSACTION CHARGE

Charge to a customer Receiving Delivery of diverted gas each time such customer requests a diversion and Union provides the service:

\$10.00**THE BILL**

The bill will equal the sum of the charges for all services selected plus the rates multiplied by the applicable gas quantities delivered or withdrawn for each service chosen plus all applicable taxes. If the customer transports its own gas, the Gas Supply Charge under Sales Service will not apply. If the customer selects Union's Sales Service which includes the Gas Supply Charge, no additional charges for Transportation and Storage Services will apply.

MINIMUM BILL

The minimum bill shall be the Monthly Charge, the Transportation Account Charge and the Demand Charges, as applicable.

**DELAYED PAYMENT**

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

SERVICE AGREEMENT

All customers must enter into a Service Agreement with Union before receiving service under this rate schedule.

TERMS AND CONDITIONS OF SERVICE

1. Service shall be for a minimum term of one year.
2. If multiple end-users are receiving service from a customer under this rate, for billing purposes, the Monthly Charge, the Delivery Charge, the Transportation Account Charge and any other charge that is specific to the location of each end-user shall be used to develop a monthly bill for each end-user at each location. Upon request, possibly for a fee, Union will combine the individual bills on a single invoice or statement for administrative convenience. However, Union will not combine the quantities or demands of several end-use locations so that eligibility to a different rate class will result. Further, Union will not combine the billing data of individual end-users to generate a single bill which is less than the sum of the bills of the individual end-users involved at each location.
3. Customers must enter into a Service Agreement with Union prior to the commencement of service.
4. For the purposes of qualifying for a rate class, the total quantities of gas consumed or expected to be consumed on the customer's contiguous property will be used, irrespective of the number of meters installed.
5. The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

**RATE S1 – GENERAL FIRM SERVICE STORAGE RATES****ELIGIBILITY**

Any customer or agent in Union's Fort Frances, Western, Northern or Eastern Zones who is authorized to serve an end-user of gas, paying for delivery services under Rate 01A or Rate 10.

SERVICES AVAILABLE

The following services are available under this rate schedule:

(a) Transportation Service

The customer is responsible for obtaining all Gas Supply services to the end-user including the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Diversion Transaction Charge shall apply. Unless otherwise authorized by Union, customers who initiate a movement to Transportation Service from a Sales Service or Bundled Transportation Service must accept an assignment from Union of transportation capacity on upstream pipeline systems.

(b) Storage Service

For load balancing purposes for customers using Transportation Service on this rate schedule. If at the sole discretion of Union, adequate supplies exist, unbundled storage and delivery/redelivery services will be provided.

The charge for Unbundled Storage Service will consist of the charges for Transportation Service plus the charges for Unbundled Storage Service which must include charges for delivery/redelivery service to/from storage.

MONTHLY RATES AND CHARGES**UNBUNDLED STORAGE SERVICE CHARGES**

Storage Space Charge	
Applied to Contracted Maximum Storage Space (\$ per GJ per Month)	\$0.032
Fuel Ratio	
Applied to all gas injected and withdrawn from storage (%)	0.600%
Commodity Charge	
Applied to all gas injected and withdrawn from storage (\$ per GJ)	\$0.015

UNBUNDLED STORAGE SERVICE AUTHORIZED OVERRUN CHARGES

Fuel Ratio	
Applied to all gas injected and withdrawn from storage (%)	1.03%
Commodity Charge	
Applied to all gas injected and withdrawn from storage (\$ per GJ)	\$0.072

The Authorized Overrun Commodity Charge is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

**UNBUNDLED STORAGE SERVICE UNAUTHORIZED OVERRUN CHARGES**

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

Zone	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
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Delivery Service to Storage Facilities (1)

Demand Charge (\$/GJ/month)	N/A	\$29.227	\$12.025	\$1.202
Commodity (\$/GJ)	N/A	\$0.032	\$0.024	\$0.019

Redelivery Service from Storage Facilities

Demand Charge (\$/GJ/month)	\$2.255	\$2.255	\$2.255	\$5.916
Commodity (\$/GJ)	N/A	\$0.095	\$0.095	\$0.099

Notes:

1. Delivery Service to Storage Facilities is not available to Northern Zone customers in the Sault Ste. Marie Delivery Area (SSMDA).
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the storage contract.
3. Storage Space, Withdrawal Rights, and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.

Diversion Transaction Charge

Charge to a customer receiving delivery of diverted gas each time such customer requests a diversion and Union provides the service: \$10.00

MONTHLY BILL

The monthly bill will equal the sum of the monthly charges for all services selected plus the rates multiplied by the applicable gas quantities delivered or withdrawn for each service chosen plus all applicable taxes.

DELAYED PAYMENT

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

TERMS AND CONDITIONS OF SERVICE

1. Customers must enter into a Service Agreement with Union prior to the commencement of service.
2. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

Effective

October 1, 2007
O.E.B. ORDER # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0634 Rate Schedule effective July 1, 2007.



uniongas

Effective
2007-10-01
Schedule "A"

Gas Supply Charges

(A) Availability:

Available to customers in Union's Southern Delivery Zone.

(B) Applicability:

To all sales customers served under rates M2, M4, M5A, M7, M9, M10 and storage and transportation customers taking supplemental services under rates T1 and T3.

(C) Rates:

cents / m³

Utility Sales

Commodity and Fuel	29.5223 (1)
Commodity and Fuel - Price Adjustment	(4.5173)
Transportation	3.3287
Total Gas Supply Commodity Charge	<u>28.3337</u>

Minimum Annual Gas Supply Commodity Charge

Rate M4 Firm and Rate M5A Interruptible Contract	4.9515
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Storage and Transportation Supplemental Services - Rate T1 & T3

\$/GJ

Monthly demand charges:	
Firm gas supply service	29.027
Firm backstop gas	3.902
Commodity charges:	
Gas supply	7.846
Backstop gas	10.696
Reasonable Efforts Backstop Gas	10.368
Supplemental Inventory	Note (2)
Supplemental Gas Sales Service (cents / m ³)	42.5875
Failure to Deliver: Applied to quantities not delivered to Union in the event the customer's supply fails	3.000
Discretionary Gas Supply Service (DGSS)	Note (3)

Notes:

- (1) The Commodity and Fuel line includes gas supply administration charge of 0.3173 cents/ m³.
- (2) The charge for banked gas purchases shall be the higher of the daily spot gas cost at Dawn in the month of or the month following the month in which gas is sold under this rate and shall not be less than Union's approved weighted average cost of gas.
- (3) Reflects the "back to back" price plus gas supply administration charge.

Effective: October 1, 2007
O.E.B. Order # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0598 Rate Schedule effective October 1, 2007.

GENERAL SERVICE RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To residential and non-contract commercial and industrial customers.

(C) Rates

The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated which may be higher than the identified rates.

a) Monthly Charge \$ 16.00

b) Delivery Charge

First	1 400 m ³	5.1701¢ per m ³
Next	4 600 m ³	4.1427¢ per m ³
Next	124 000 m ³	3.0859¢ per m ³
Next	270 000 m ³	2.4743¢ per m ³
All Over	400 000 m ³	2.2978¢ per m ³

Delivery – Price Adjustment (All Volumes) 0.0920 ¢ per m³

c) Storage Charge (if applicable) 0.9309¢ per m³

Applicable to all bundled customers (sales and bundled transportation service).

d) Gas Supply Charge (if applicable)

The gas supply charge is comprised of charges for transportation and for commodity and fuel.
The applicable rates are provided in Schedule "A".

During any month in which a customer terminates service or begins service, the fixed charge for the month will be prorated to such customer.

(D) Supplemental Service to Commercial and Industrial Customers Under Group Meters

Combination of readings from several meters may be authorized by the Company and the Company will not reasonably withhold authorization in cases where meters are located on contiguous pieces of property of the same owner not divided by a public right-of-way. In such cases, an additional service charge shall be rendered each month in the amount of \$15.00 per month for each additional meter so combined.

(E) Delayed Payment

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

**(F) Direct Purchase**

Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must obligate to deliver at a point(s) specified by Union, and must acquire and maintain firm transportation on all upstream pipeline systems. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

(G) Overrun Charge

In the event that a direct purchase customer fails to deliver its contracted volumes to Union, and Union has the capability to continue to supply the customer, Union will do so. The customer may pay 6.1010¢ per m³ for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m³, plus 7¢ per m³.

(H) Bundled Direct Purchase Delivery

Where a customer elects transportation service under this rate schedule, the customer must enter into a Bundled T Gas Contract with Union for delivery of gas to Union. Bundled T Gas Contract Rates and Gas Purchase Contract Rates are described in rate schedule R1.

(I) Company Policy Relating to Terms of Service

- a. Customers who temporarily discontinue service during any twelve consecutive months without payment of the monthly fixed charge for the months in which the gas is temporarily disconnected shall pay for disconnection and reconnection.
- b. When gas is delivered at an absolute pressure in excess of 101.325 kilopascals, then for purposes of measurement, hereunder, such volume of gas shall be corrected to an absolute pressure of 101.325 kilopascals. Atmospheric pressure is assumed to be the levels shown below in kilopascals (absolute) regardless of the actual atmospheric pressure at which the gas is measured and delivered.

<u>Zone</u>	Assumed Atmospheric Pressure <u>kPa</u>
1	100.148
2	99.494
3	98.874
4	98.564
5	98.185
6	97.754
7	97.582
8	97.065
9	96.721
10	100.561
11	99.321
12	98.883

FIRM INDUSTRIAL AND COMMERCIAL CONTRACT RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a customer who enters into a contract for the purchase or transportation of gas for a minimum term of one year that specifies a daily contracted demand between 4 800 m³ and 140 870 m³.

(C) Rates

The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated which may be higher than the identified rates.

1. Bills will be rendered monthly and shall be the total of:

- | | | |
|-------|---|--|
| (i) | A Monthly Demand Charge | |
| | First | 8 450 m ³ of daily contracted demand 45.6744¢ per m ³ |
| | Next | 19 700 m ³ of daily contracted demand 19.8165¢ per m ³ |
| | All Over | 28 150 m ³ of daily contracted demand 16.4565¢ per m ³ |
| (ii) | A Monthly Delivery Commodity Charge | |
| | First 422 250 m ³ delivered per month | 0.9291¢ per m ³ |
| | Next volume equal to 15 days use of daily contracted demand | 0.9291¢ per m ³ |
| | For remainder of volumes delivered in the month | 0.5089¢ per m ³ |
| | Delivery- Price Adjustment (All Volumes) | (0.0713)¢ per m ³ |
| (iii) | Gas Supply Charge (if applicable) | |

The gas supply charge is comprised of charges for transportation and for commodity and fuel. The applicable rates are provided in Schedule "A"

2. Overrun Charge

Authorized overrun gas is available provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization. Overrun means gas taken on any day in excess of 103% of contracted daily demand. Authorized overrun will be available April 1 through October 31 and will be paid for at a Delivery Rate of 2.4307¢ per m³ and, if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m³ for all volumes purchased.

Unauthorized overrun gas taken in any month shall be paid for at the rate of 6.1010¢ per m³ for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m³ for all gas supply volumes purchased.

3. Minimum Annual Charge

In each contract year, the customer shall purchase from Union or pay for a minimum volume of gas or transportation services equivalent to 146 days use of contracted demand. Overrun gas volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume the customer shall pay an amount equal to the deficiency from the minimum volume times a Delivery Charge of 1.2464¢ per m³ and, if applicable a gas supply commodity charge provided in Schedule "A".

In the event that the contract period exceeds one year the annual minimum volume will be prorated for any part year.



(D) Delayed Payment

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

(E) Direct Purchase

Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must obligate to deliver at a point(s) specified by Union, and must acquire and maintain firm transportation on all upstream pipeline systems for all volumes. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

(F) Bundled Direct Purchase Delivery

Where a customer elects transportation service under this rate schedule the customer must enter into a Bundled T Gas Contract with Union for delivery of gas to Union.

Bundled T Gas Contract Rates and Gas Purchase Contract Rates are described in rate schedule R1.

INTERRUPTIBLE INDUSTRIAL AND COMMERCIAL CONTRACT RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a customer who enters into a contract for the purchase or transportation of gas for a minimum term of one year that specifies a daily contracted demand between 4 800 m³ and 140 870 m³ inclusive.

(C) Rates

The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated which may be higher than the identified rates.

1. Interruptible Service

The price of all gas delivered by Union pursuant to any contract, contract amendment, or contract renewal shall be determined on the basis of the following schedules:

a) (i) Monthly Delivery Commodity Charge

<u>Daily Contracted Demand Level (CD)</u>	<u>Price per m³</u>
4 800 m ³ ≤ CD < 17 000 m ³	1.9019¢ per m ³
17 000 m ³ ≤ CD < 30 000 m ³	1.7720¢ per m ³
30 000 m ³ ≤ CD < 50 000 m ³	1.7037¢ per m ³
50 000 m ³ ≤ CD < 70 000 m ³	1.6558¢ per m ³
70 000 m ³ ≤ CD < 100 000 m ³	1.6215¢ per m ³
100 000 m ³ ≤ CD ≤ 140 870 m ³	1.5878¢ per m ³

Delivery- Price Adjustment (All Volumes) (0.0409)¢ per m³

(ii) Days Use of Interruptible Contract Demand

The price determined under Paragraph 1(a) of "Rates" will be reduced by the amount based on the number of Days Use of Contracted Demand as scheduled below:

For 75 days use of contracted demand	0.0530¢ per m ³
For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of	0.00212¢ per m ³

(iii) Gas Supply Charge (if applicable)

The gas supply charge is comprised of charges for transportation and for commodity and fuel.
The applicable rates are provided in Schedule "A"

(iv) Monthly Charge \$500 per month



2. In each contract year, the customer shall take delivery from Union, or in any event pay for, if available and not accepted by the customer, a minimum volume of gas or transportation services as specified in the contract between the parties and which will not be less than 700 000 m³ per annum. Overrun volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume, the customer shall pay an amount equal to the deficiency from the minimum volume times a Delivery Charge of 2.2192¢ per m³, and if applicable, a gas supply charge provided in Schedule "A".

In the event that the contract period exceeds one year, the annual minimum volume will be prorated for any part year.

3. Overrun gas is available without penalty provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization. Overrun means gas taken on any day in excess of 105% of contracted daily demand.

Unauthorized overrun gas taken in any month shall be paid for at the rate of 6.1010¢ per m³ for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m³ for all gas supply volumes purchased.

4. Non-Interruptible Service

Union may agree, in its sole discretion, to combine an interruptible service with a firm service in which case the amount of firm daily demand to be delivered shall be agreed upon by Union and the customer.

- a) The monthly demand charge for firm daily deliveries will be 27.5785¢ per m³.
- b) The commodity charge for firm service shall be the rate for firm service at Union's firm rates net of a monthly demand charge of 27.5785¢ per m³ of daily contracted demand and a delivery commodity price adjustment of (0.0409)¢ per m³.
- c) The interruptible commodity charge will be established under Clause 1 of this schedule.

(D) Delayed Payment

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

(E) Direct Purchase

Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must obligate to deliver at a point(s) specified by Union, and must acquire and maintain firm transportation on all upstream pipeline systems. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

(F) Bundled Direct Purchase Delivery

Where a customer elects transportation service under this rate schedule the customer must enter into a Bundled T Gas Contract with Union for delivery of gas to Union.

Bundled T Gas Contract Rates and Gas Purchase Contract Rates are described in rate schedule R1.

Effective

October 1, 2007
O.E.B. ORDER # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0634 Rate Schedule effective July 1, 2007.



SPECIAL LARGE VOLUME
INDUSTRIAL AND COMMERCIAL CONTRACT RATE

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a Customer

- a) who enters into a contract for the purchase or transportation of gas for a minimum term of one year that specifies a combined maximum daily requirement for firm, interruptible and seasonal service of at least 140 870 m³, and a qualifying annual volume of at least 28 327 840 m³; and
- b) who has site specific energy measuring equipment installed at each Point of Consumption that will be used in determining energy balances.

For the purposes of qualifying for a rate class, the total quantities of gas consumed or expected to be consumed on the customer's contiguous property will be used, irrespective of the number of meters installed.

(C) Rates

The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated which may be higher than the identified rates.

1. Bills will be rendered monthly and shall be the total of:

(i) A Monthly Demand Charge

A negotiated Monthly Demand Charge of up to 25.5426¢ per m³ for each m³ of daily contracted firm demand.

(ii) A Monthly Delivery Commodity Charge

- (1) A Monthly Firm Delivery Commodity Charge for all firm volumes of 0.3344¢ per m³ for each m³, and a Delivery- Price Adjustment of 0.0162 ¢ per m³.
- (2) A Monthly Interruptible Delivery Commodity Charge for all interruptible volumes to be negotiated between Union and the customer not to exceed an annual average of 2.7337¢ per m³.
- (3) A Monthly Seasonal Delivery Commodity Charge for all seasonal volumes to be negotiated between Union and the customer not to exceed an annual average of 2.4896¢ per m³.

(iii) Gas Supply Charge (if applicable)

The gas supply charge is comprised of charges for transportation and for commodity and fuel.
The applicable rates are provided in Schedule "A".



(iv) **Overrun Gas**

Overrun gas is available without penalty provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization.

Unauthorized overrun gas taken in any month shall be paid for at the M2 rate in effect at the time the overrun occurs, plus, if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m³ for all the gas supply volumes purchased.

2. In negotiating the Monthly Interruptible and Seasonal Commodity Charges, the matters to be considered include:
 - a) The volume of gas for which the customer is willing to contract,
 - b) The load factor of the customer's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for,
 - c) Interruptible or curtailment provisions, and
 - d) Competition.
3. In each contract year, the customer shall take delivery from Union, or in any event, pay for if available and not accepted by the customer, a minimum volume of gas as specified in the contract between the parties. Overrun gas volumes will not contribute to the minimum volume.
4. The contract may provide that the Monthly Demand Charge specified in Rate Section 1 above shall not apply on all or part of the daily contracted firm demand used by the customer during the testing, commissioning, phasing in, decommissioning and phasing out of gas-using equipment for a period not to exceed one year (the "transition period"). In such event, the contract will provide for a Monthly Delivery Commodity Charge to be applied on such volume during the transition of 2.4715¢ per m³ and the total gas supply charge for utility sales provided in Schedule "A" per m³, if applicable.
5. Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates and other charges different from the rates and other charges specified herein if the changed rates and other charges are considered by either party to be necessary, desirable and in the public interest.

(D) Delayed Payment

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

(E) Direct Purchase

Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must obligate to deliver at a point(s) specified by Union, and must acquire and maintain firm transportation on all upstream pipeline systems. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

(F) Bundled Direct Purchase Delivery and Short Term Supplemental Services

Where a customer elects transportation service and/or a short term supplemental service under this rate schedule, the customer must enter into a Contract under rate schedule R1.

Effective October 1, 2007
O.E.B. ORDER # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0634 Rate Schedule effective July 1, 2007.

LARGE WHOLESALE SERVICE RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a distributor who enters into a contract to purchase and/or receive delivery of a firm supply of gas for distribution to its customers and who agrees to take or pay for an annual quantity of at least two million cubic metres.

(C) Rates

The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated which may be higher than the identified rates.

1. (i) A Monthly Demand Charge of 17.0902¢ per m³ of established daily demand determined in accordance with the service contract, such demand charge to be computed on a calendar month basis and a prorata charge to be made for the fraction of a calendar month which will occur if the day of first regular delivery does not fall on the first day of a month,
- (ii) A Delivery Commodity Charge of 0.5367¢ per m³, a Delivery- Price Adjustment of (0.0648)¢ per m³ for gas delivered and,
- (iii) Gas Supply Charge (if applicable)

The gas supply charge is comprised of charges for transportation and for commodity and fuel.
The applicable rates are provided in Schedule "A".

(D) Delayed Payment

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

(E) Direct Purchase

Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must obligate to deliver at a point(s) specified by Union, and must acquire and maintain firm transportation on all upstream pipeline systems. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

(F) Overrun Charge

Authorized:

For all quantities on any day in excess of 103% of the customer's contractual rights, for which authorization has been received, the customer will be charged 1.0986¢ per m³. Overrun will be authorized by Union at its sole discretion.

Unauthorized:

For all quantities on any day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged 36.0¢ per m³.



uniongas

Effective
2007-10-01
Rate M9
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(G) Bundled Direct Purchase Delivery

Where a customer elects transportation service under this rate schedule the customer must enter into a Bundled T Gas Contract with Union for delivery of gas to Union.

Bundled T Gas Contract Rates and Gas Purchase Contract Rates are described in rate schedule R1.

Effective

October 1, 2007
O.E.B. ORDER # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0634 Rate Schedule effective July 1, 2007.

SMALL WHOLESALE SERVICE RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a non-contract distributor who purchases and/or receives delivery of a firm supply of gas for distribution only to its own customers.

(C) Rates

The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated which may be higher than the identified rates.

1. A Delivery Commodity Charge of 2.6978¢ per m³ for gas delivered
2. Gas Supply Charge (if applicable)

The gas supply charge is comprised of charges for transportation and for commodity and fuel.
The applicable rates are provided in Schedule "A".

(D) Delayed Payment

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

(E) Direct Purchase

Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must obligate to deliver at a point(s) specified by Union, and must acquire and maintain firm transportation on all upstream pipeline systems. Customers initiating direct purchase arrangements must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

(F) Overrun Charge

In the event that a direct purchase customer fails to deliver its contracted volumes to Union, and Union has the capability to continue to supply the customer, Union will do so. This gas shall be paid for at the rate of 6.1010¢ per m³ for the delivery and, if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m³, plus 7¢ per m³ for all gas supply volumes purchased.

(G) Bundled Direct Purchase Delivery

Where a customer elects transportation service under this rate schedule, the customer must enter into a Bundled T Gas Contract with Union for delivery of gas to Union.

Bundled T Gas Contract Rates and Gas Purchase Contract Rates are described in rate schedule R1.

Effective October 1, 2007
O.E.B. ORDER # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0634 Rate Schedule effective July 1, 2007.

BUNDLED DIRECT PURCHASE CONTRACT RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a customer who enters into a Receipt Contract or Gas Purchase Contract for delivery and/or sale of gas to Union.

(C) Rates

	<u>Demand Charge Rate/GJ/month</u>	<u>Commodity Charges/Credits Rate/GJ</u>
a) Transportation by Union For gas delivered to Union at any point other than the Ontario Point(s) of Receipt, Union will charge a customer all approved tolls and charges, incurred by Union to transport the gas to the Ontario Point(s) of Receipt		
b) Firm Backstop Gas Applied to the contracted Firm Backstop Gas Supply Service	\$3.902	
Backstop Gas Commodity Charge On all quantities supplied by Union to the Ontario Point(s) of Receipt		\$10.696
c) Reasonable Efforts Backstop Gas Paid on all quantities of gas supplied by Union to the customer's Point(s) of Consumption		\$10.368
d) Banked Gas Purchase T-service		Note (1)
e) Failure to Deliver Applied to all quantities not delivered to Union in the event the customer's supply fails		\$3.000
f) Short Term Storage / Balancing Service (2) Maximum		\$6.000
g) Discretionary Gas Supply Service ("DGSS")		Note (3)



Notes:

- (1) The charge for banked gas purchases shall be the higher of the daily spot cost at Dawn in the month of or the month following the month in which gas is sold under this rate and shall not be less than Union's approved weighted average cost of gas.
- (2) Short Term Storage / Balancing Service is:
 - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
 - ii) short-term firm deliverability, OR
 - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for short term storage services, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
 - ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
 - iii) Utilization of facilities, and
 - iv) Competition
- (3) Discretionary Gas Supply Service price reflects the "back-to-back" price plus gas supply administration charge.

**STORAGE AND TRANSPORTATION RATES
FOR CONTRACT CARRIAGE CUSTOMERS****(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a customer

- a) whose combined firm and interruptible service minimum annual transportation of natural gas is 5 000 000 m³ or greater; and
- b) who enters into a Carriage Service Contract with Union for the transportation or the storage and transportation of Gas for use at facilities located within Union's gas franchise area; and
- c) who has meters with electronic recording at each Point of Consumption; and
- d) who has site specific energy measuring equipment installed at each Point of Consumption that will be used in determining energy balances; and
- e) for whom Union has determined transportation and/or storage capacity is available.

For the purposes of qualifying for a rate class, the total quantities of gas consumed or expected to be consumed on the customer's contiguous property will be used, irrespective of the number of meters installed.

(C) Rates

The following rates shall be charged for all quantities contracted or handled as appropriate. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

STORAGE SERVICE:

	Demand Charge <u>Rate/GJ/mo</u>	Commodity Charge <u>Rate/GJ</u>	<u>For Customers Providing Their Own Compressor Fuel</u>	
			<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
a) Annual Firm Storage Space Applied to contracted Maximum Annual Storage Space	\$0.010			
b) Annual Firm Injection/Withdrawal Right: Applied to the contracted Maximum Annual Firm Injection/Withdrawal Right Union provides deliverability Inventory	\$1.980			
Customer provides deliverability Inventory (4)	\$1.050			
c) Incremental Firm Injection Right: Applied to the contracted Maximum Incremental Firm Injection Right	\$1.050			
d) Annual Interruptible Withdrawal Right: Applied to the contracted Maximum Annual Interruptible Withdrawal Right	\$1.050			



	Demand Charge <u>Rate/GJ/mo</u>	Commodity Charge <u>Rate/GJ</u>	For Customers Providing Their Own Compressor Fuel Fuel Ratio	Commodity Charge <u>Rate/GJ</u>
e) Withdrawal Commodity Paid on all quantities withdrawn from storage up to the Maximum Daily Storage Withdrawal Quantity		\$0.064	0.600%	\$0.007
f) Injection Commodity Paid on all quantities injected into storage up to the Maximum Daily Storage Injection Quantity		\$0.064	0.600%	\$0.007
g) Short Term Storage / Balancing Service Maximum		\$6.000		

Notes:

1. Demand charges for Annual Services are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.
2. Annual Firm Injection Rights are equal to 100% of their respective Annual Firm Withdrawal Rights. Injection Rights in excess of the Annual Firm Injection Rights will be charged at the Incremental Firm Injection Right.
3. Storage Space and Withdrawal Rights are not assignable to any other party without the prior written consent of Union. Storage and withdrawal rights are for the exclusive purpose of meeting the requirements of the specific locations included in each contract.
4. Deliverability Inventory being defined as 20% of annual storage space.
5. Short Term Storage / Balancing Service is:
 - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
 - ii) short-term firm deliverability, OR
 - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for service, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
- ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
- iii) Utilization of facilities, and
- iv) Competition



TRANSPORTATION CHARGES:

	Demand Charge <u>Rate/m³/mo</u>	Commodity Charge <u>Rate/m³</u>	For Customers Providing Their Own Compressor Fuel	
			Fuel Ratio (5) (6)	Commodity Charge <u>Rate/m³</u>
a) Annual Firm Transportation Demand				
Applied to the Firm Daily Contract Demand				
First 140,870 m ³ per month	18.9471¢			
All over 140,870 m ³ per month	12.9470¢			
b) Firm Transportation Commodity				
Paid on all firm quantities redelivered to the customer's Point(s) of Consumption				
First 2,360,653 m ³ per month		0.3573¢	0.554%	0.1604¢
All over 2,360,653 m ³ per month		0.2767¢	0.554%	0.0798¢
c) Interruptible Transportation Commodity				
Paid on all interruptible quantities redelivered to the customer's Point(s) of Consumption				
Maximum		2.7337¢	0.554%	2.5368¢

Notes:

- All demand charges are paid monthly during the term of the contract for not less than one year unless Union, at its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.
- Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m³/day and who are directly connected to i) the Dawn-Trafalgar transmission system in close proximity to Parkway or ii) a third party pipeline, have the option to pay for service using a Billing Contract Demand. The Billing Contract Demand shall be determined by Union such that the annual revenues over the term of the contract will recover the invested capital, return on capital and operating and maintenance costs associated with the dedicated service in accordance with Union's system expansion policy. The firm transportation demand charge will be applied to the Billing Contract Demand. For customers choosing the Billing Contract Demand option, the authorized transportation overrun rate will apply to all volumes in excess of the Billing Contract Demand but less than the daily firm demand requirement.
- In negotiating the rate to be charged for the transportation of gas under Interruptible Transportation, the matters that are to be considered include:
 - The amount of the interruptible transportation for which customer is willing to contract,
 - The anticipated load factor for the interruptible transportation quantities,
 - Interruptible or curtailment provisions, and
 - Competition.
- In each contract year, the customer shall pay for a Minimum Interruptible Transportation Activity level as specified in the Contract. Overrun activity will not contribute to the minimum activity level.
- Transportation fuel ratios do not apply to customers served from dedicated facilities directly connected to third party transmission systems with custody transfer metering at the interconnect.
- Firm transportation fuel ratio does not apply to new customers or existing customers with incremental daily firm demand requirements in excess of 1,200,000 m³/day that contract for M12 Dawn to Parkway transportation service equivalent to 100% of their daily firm demand requirement. If a customer with a daily firm demand requirement in



excess of 1,200,000 m³/day contracts for M12 Dawn to Parkway transportation service at less than 100% of their firm daily demand requirement, the firm transportation fuel ratio will be applicable to daily volumes not transported under the M12 transportation contract.

7. Either Union or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates and other charges different from the rates and other charges specified herein if the changed rates and other charges are considered by either party to be necessary, desirable and in the public interest.

SUPPLEMENTAL CHARGES:

Rates for supplemental services are provided in Schedule "A".

Notes:

1. All demand charges are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year.

OVERRUN SERVICE:**1. Annual Storage Space**

Authorized

Authorized Overrun is provided as Storage/Balancing Service. It is payable on all quantities on any Day in excess of the customer's contracted Maximum Storage Space. Overrun will be authorized by Union at its sole discretion. Storage Space Overrun equal to the customer's firm deliveries from TCPL: less the customer's Firm Daily Contract Demand, all multiplied by the Days of Interruption called during the period of November 1 to March 31, will be automatically authorized until the following July 1.

Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space, and which has not been authorized by Union or provided for under a short term supplemental storage service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate will be \$6.000 per GJ applied to the greatest excess for each occurrence.

If on any Day the gas storage balance for the account of the customer is less than zero, the Unauthorized Overrun charge will apply for each GJ of gas below a zero inventory level and this amount of gas shall be deemed not to have been withdrawn from storage. The gas shall be deemed to have been sold to the customer at the highest spot price at Dawn in the month of occurrence and the month following occurrence as identified in the Canadian Gas Price Reporter and shall not be less than Union's approved weighted average cost of gas. If the customer has contracted to provide its own deliverability inventory, the zero inventory level shall be deemed to mean twenty percent (20%) of the Annual Firm Storage Space.

**2. Injection, Withdrawals and Transportation**

Authorized

The following Overrun rates are applied to any quantities transported, injected or withdrawn in excess of 103% of the Contract parameters. Overrun will be authorized by Union at its sole discretion.

Automatic authorization of Injection Overrun will be given during all Days a customer has been interrupted.

	Union Providing <u>Fuel</u>	For Customers Providing Their Own Compressor Fuel <u>Firm or Interruptible Service</u>	
	Firm or Interruptible <u>Service</u>	Fuel <u>Ratio</u>	Commodity <u>Charge</u>
Storage Injections	\$0.169/GJ	1.03%	\$0.072/GJ
Storage Withdrawals	\$0.169/GJ	1.03%	\$0.072/GJ
Transportation	0.9803 ¢/m ³	0.554%	0.7833 ¢/m ³

Unauthorized

For all quantities on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged 6.1010¢ per m³ or \$1.624 per GJ, as appropriate.

3. Storage / Balancing Service

Authorized

The following Overrun rates are applied to any quantities stored in excess of the Contract parameters. Overrun will be authorized by Union Gas at its sole discretion.

	Firm Service <u>Rate/GJ</u>
Space	\$6.000
Injection / Withdrawal Maximum	\$6.000

**OTHER SERVICES & CHARGES:****1. Monthly Charge**

In addition to the rates and charges described previously for each Point of Consumption, a Monthly Charge shall be applied as follows:

Monthly Charge	\$1 800
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2. Diversion of Gas

The availability of the right to divert gas will be based on Union's ability to accommodate the diversion. The price to be charged for the right to divert shall be determined through negotiation.

3. Delivery Obligations

Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m³/day who are delivering gas to Union under direct purchase arrangements may be entitled to non-obligated deliveries. The delivery options available to customers are detailed at www.uniongas.com/aboutus/regulatory/rates/deliveryobligations.asp.

Unless otherwise authorized by Union, all other customers who are delivering gas to Union under direct purchase arrangements must obligate to deliver at a point(s) specified by Union and must acquire and maintain firm transportation on all upstream pipeline systems. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

4. Nominations

Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m³/day who have non obligated deliveries may contract to use Union's 5 additional nomination windows (13 in total) for the purposes of delivering gas to Union. These windows are in addition to the standard NAESB and TCPL STS nomination windows. Customers taking the additional nomination window service will pay an additional monthly demand charge of \$0.692/GJ/day/month multiplied by the non-obligated daily contract quantity.

5. Additional Service Information

Additional information on Union's T1 service offering can be found at www.uniongas.com/aboutus/regulatory/rates/T1info.asp. The additional information consists of, but is not limited to, the following:

- i. Storage space and deliverability entitlement;
- ii. The determination of gas supply receipt points and delivery obligations;
- iii. The nomination schedule;
- iv. The management of multiple redelivery points by a common fuel manager; and
- v. The availability of supplemental transactional services including title transfers.



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(D) Delayed Payment

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

Effective

October 1, 2007
O.E.B. ORDER # EB-2007-0720

Chatham, Ontario

Supersedes EB-2007-0634 Rate Schedule effective July 1, 2007.

**STORAGE AND TRANSPORTATION RATES
FOR CONTRACT CARRIAGE CUSTOMERS****(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a Distributor:

- a) whose minimum annual transportation of natural gas is 700 000 m³ or greater; and
- b) who enters into a Carriage Service Contract with Union for the transportation or the storage and transportation of Gas for distribution to its customers; and
- c) who has meters with electronic recording at each Point of Redelivery; and
- d) for whom Union has determined transportation and/or storage capacity is available.

(C) Rates

The following rates shall be charged for all quantities contracted or handled as appropriate. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

STORAGE SERVICE

	Demand Charge <u>Rate/GJ/mo</u>	Commodity Charge <u>Rate/GJ</u>	For Customers Providing Their Own Compressor Fuel	
			<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
a) Annual Firm Storage Space Applied to contracted Maximum Annual Storage Space	\$0.010			
b) Annual Firm Injection/Withdrawal Right Applied to the contracted Maximum Annual Firm Injection/Withdrawal Right Union provides deliverability Inventory	\$1.980			
Customer provides deliverability Inventory (4)	\$1.050			
c) Incremental Firm Injection Right Applied to the contracted Maximum Incremental Firm Injection Right	\$1.050			
d) Annual Interruptible Withdrawal Right Applied to the contracted Maximum Annual Interruptible Withdrawal Right	\$1.050			



	Demand Charge <u>Rate/GJ/mo</u>	Commodity Charge <u>Rate/GJ</u>	<u>For Customers Providing Their Own Compressor Fuel</u>	
			<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
e) Withdrawal Commodity Paid on all quantities withdrawn from storage up to the Maximum Daily Storage Withdrawal Quantity		\$0.064	0.600%	\$0.007
f) Injection Commodity Paid on all quantities injected into storage up to the Maximum Daily Storage Injection Quantity		\$0.064	0.600%	\$0.007
g) Short Term Storage / Balancing Service Maximum		\$6.000		

Notes:

1. Demand charges for Annual Services are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.
2. Annual Firm Injection Rights are equal to 100% of their respective Annual Firm Withdrawal Rights. Injection Rights in excess of the Annual Firm Injection Rights will be charged at the Incremental Firm Injection Right.
3. Storage Space and Withdrawal Rights are not assignable to any other party without the prior written consent of Union.
4. Deliverability Inventory being defined as 20% of annual storage space.
5. Short Term Storage / Balancing Service is:
 - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
 - ii) short-term firm deliverability, OR
 - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for this service, the matters that are to be considered include:

 - i) The minimum amount of storage service to which a customer is willing to commit,
 - ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
 - iii) Utilization of facilities, and
 - iv) Competition

**TRANSPORTATION CHARGES**

	Demand Charge <u>Rate/m³/mo</u>	Commodity Charge <u>Rate/m³</u>	<u>For Customers Providing Their Own Compressor Fuel</u>	
			<u>Fuel Ratio</u>	<u>Commodity Charge Rate/m³</u>
a) Annual Firm Transportation Demand (1) Applied to the Firm Daily Contract Demand	9.0121¢			
b) Firm Transportation Commodity Paid on all firm quantities redelivered to the Customer's Point(s) of Redelivery		0.3242¢	0.725%	0.0666¢

Notes:

- (1) All demand charges are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.

SUPPLEMENTAL CHARGES

Rates for supplemental services are provided in Schedule "A".

Notes:

1. All demand charges are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year.

OVERRUN SERVICE**1. Annual Storage Space****Authorized**

Authorized Overrun is provided as Storage/Balancing Service. It is payable on all quantities on any Day in excess of the customer's contracted Maximum Storage Space. Overrun will be authorized by Union at its sole discretion.

Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space, and which has not been authorized by Union or provided for under a short term supplemental storage service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate will be \$6.000 per GJ applied to the greatest excess for each occurrence.

If on any Day, the gas storage balance for the account of the customer is less than zero, the Unauthorized Overrun charge will apply for each GJ of gas below a zero inventory level and this amount of gas shall be deemed not to have been withdrawn from storage. The gas shall be deemed to have been sold to the customer at the highest spot price at Dawn in the month of occurrence and the month following occurrence as identified in the Canadian Gas Price Reporter and shall not be less than Union's approved weighted average cost of gas. If the customer has contracted to provide its own deliverability inventory, the zero inventory level shall be deemed to mean twenty percent (20%) of the Annual Firm Storage Space.

**2. Injection, Withdrawals and Transportation**

Authorized

The following Overrun rates are applied to any quantities transported, injected or withdrawn in excess of 103% of the Contract parameters. Overrun will be authorized by Union at its sole discretion.

	Union Providing <u>Fuel</u>	For Customers Providing Their Own Compressor Fuel <u>Firm or Interruptible Service</u>	
	Firm or Interruptible <u>Service</u>	Fuel <u>Ratio</u>	Commodity <u>Charge</u>
Storage Injections	\$0.169/GJ	1.03%	\$0.072/GJ
Storage Withdrawals	\$0.169/GJ	1.03%	\$0.072/GJ
Transportation	0.6205¢/m ³	0.725%	0.3629¢/m ³

Unauthorized

For all quantities on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged 36.0¢ per m³ or \$9.582 per GJ, as appropriate.

3. Short Term Storage Services

Authorized

The following Overrun rates are applied to any quantities stored in excess of the Contract parameters. Overrun will be authorized by Union Gas at its sole discretion.

	Firm Service <u>Rate/GJ</u>
Space	\$6.000
Injection Maximum	\$6.000

**OTHER SERVICES & CHARGES****1. Monthly Charge**

In addition to the rates and charges described previously for each Point of redelivery a Monthly Charge shall be applied to each specific customer as follows:

	<u>Monthly Charge</u>
City of Kitchener	\$ 17,155
NRG	\$ 2,631
Six Nations	\$ 877

If a customer combines Sales Service with Contract Carriage Service, the monthly charge will be prorated such that the customer will under both services pay no more than the above monthly charge.

2. Diversion of Gas

The availability of the right to divert gas will be based on Union's ability to accommodate the diversion. The price to be charged for the right to divert shall be determined through negotiation.

3. Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must obligate to deliver at a point(s) specified by Union and must acquire and maintain firm transportation on all upstream pipeline systems. Customers initiating direct purchase arrangements must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

(D) Delayed Payment

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

**STORAGE RATES FOR
UNBUNDLED CUSTOMERS****(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a customer, or an agent, who is authorized to service residential and non-contract commercial and industrial end-users paying for the Monthly Fixed Charge and Delivery charge under Rate M2:

- a) who enters into an Unbundled Service Contract with Union for the storage of Gas for use at facilities located within Union's gas franchise area;
- b) who contracts for Standard Peaking Service (SPS) with Union unless the customer can demonstrate that it has a replacement to the deliverability available in the SPS physically tied into Union's system and an OEB approved rate to provide the SPS replacement service;
- c) who accepts daily estimates of consumption at Points of Consumption as prepared by Union so that they may nominate an equivalent amount from storage, upstream transportation, or Ontario Producers authorized to sell to third parties;
- d) who nominates injections and withdrawals from storage and deliveries on upstream pipeline systems daily or Ontario Producers authorized to sell to third parties;
- e) for whom Union has determined storage capacity is available; and
- f) who accepts a monthly bill as prepared by Union.

(C) Rates

The following rates shall be charged for all volumes contracted or handled as appropriate. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

STORAGE SERVICE

	<u>Demand Charge Rate/GJ/mo</u>	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	\$0.021		
b) Injection Commodity		0.600%	\$0.015
c) Withdrawal Commodity		0.600%	\$0.015
ii) Standard Peaking Service (SPS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	\$0.106		
b) Injection Commodity		0.600%	\$0.015
c) Withdrawal Commodity		1.03%	\$0.015



	<u>Demand Charge Rate/GJ/mo</u>	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
iii) Supplemental Service			
a) Incremental Firm Injection Right: (5) Applied to the contracted Maximum Incremental Firm Injection Right	\$0.955		
b) Incremental Firm Withdrawal Right: (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	\$0.955		
c) Short Term Storage / Balancing Service - Maximum			\$6.000

Notes:

1. Demand charges for Annual Services are paid monthly during the term of the Contract, which shall not be less than one year, unless Union, in its sole discretion, accepts a term of less than one year.
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the Storage Contract.
3. Storage Space, Withdrawal Rights, and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.
4. Short Term Storage / Balancing service (less than 2 years) is:
 - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
 - ii) short-term incremental firm deliverability, OR
 - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for service, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
 - ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
 - iii) Utilization of facilities,
 - iv) Competition, and
 - v) Term.
5. Union's ability to offer incremental injection and withdrawal rights is subject to annual asset availability.

**OVERRUN SERVICE****1. Injection and Withdrawal**

Authorized

	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
Injection	1.03%	\$0.046
Withdrawal	1.03%	\$0.046

The Authorized Overrun rate is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

OTHER SERVICES & CHARGES

1. Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must commit to provide a call at Parkway, throughout the winter period, for a specified number of days. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

(D) Delayed Payment

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

**STORAGE AND DELIVERY RATES
FOR UNBUNDLED CUSTOMERS****(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To an interruptible industrial and commercial customer:

- a) whose daily contracted demand is between 4 800 m³ and 140 870 m³ inclusive;
- b) who enters into an Unbundled Service Contract with Union for the delivery or the storage and delivery of Gas for use at facilities located within Union's gas franchise area;
- c) who has meters with electronic recording at each Point of Consumption;
- d) who nominates injections and withdrawals from storage, deliveries on upstream pipeline systems daily or Ontario Producers authorized to sell to third parties; and
- e) for whom Union has determined delivery and/or storage capacity is available.

(C) Rates

The following rates shall be charged for all volumes contracted or handled as appropriate. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

STORAGE SERVICE

	<u>Demand Charge Rate/GJ/mo</u>	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	\$0.021		
b) Injection Commodity		0.600%	\$0.015
c) Withdrawal Commodity		0.600%	\$0.015
ii) Supplemental Service			
a) Incremental Firm Injection Right (5) Applied to the contracted Maximum Incremental Firm Injection Right	\$0.955		
b) Incremental Firm Withdrawal Right (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	\$0.955		
c) Short Term Storage / Balancing Service - Maximum			\$6.000

**Notes:**

1. Demand charges for Annual Services are paid monthly during the term of the Contract, which shall not be less than one year, unless Union, in its sole discretion, accepts a term of less than one year.
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the Storage Contract.
3. Storage Space, Withdrawal Rights, and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.
4. Short Term Storage / Balancing service (less than 2 years) is:
 - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
 - ii) short-term incremental firm deliverability, OR
 - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for service, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
 - ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
 - iii) Utilization of facilities,
 - iv) Competition, and
 - v) Term.
5. Union's ability to offer incremental injection and withdrawal rights is subject to annual asset availability.

DELIVERY SERVICE**1. Interruptible Service**

The price of all gas delivered by the Company pursuant to any contract, contract amendment, or contract renewal shall be determined on the basis of the following schedules:

(i) Monthly Delivery Commodity Charge

<u>Daily Contracted Demand Level (CD)</u>	<u>Price per m³</u> (¢/m ³)
4 800 m ³ ≤ CD < 17 000 m ³	1.5464
17 000 m ³ ≤ CD < 30 000 m ³	1.4165
30 000 m ³ ≤ CD < 50 000 m ³	1.3482
50 000 m ³ ≤ CD < 70 000 m ³	1.3003
70 000 m ³ ≤ CD < 100 000 m ³	1.2660
100 000 m ³ ≤ CD ≤ 140 870 m ³	1.2323

(ii) Days Use of Interruptible Contract Demand

The price determined under Paragraph 1(i) of "Delivery Service" will be reduced by the amount based on the number of Days Use of Contracted Demand as scheduled below:

For 75 days use of contracted demand	0.053¢ per m ³ minimum
For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of	0.00212¢ per m ³ minimum

(iii) Monthly Charge **\$500 per month**



2. In each contract year, the customer shall take delivery from the Company or in any event pay for if available and not accepted by the customer, a minimum volume of gas or delivery services as specified in the contract between the parties and which will not be less than 700 000 m³ per annum. Overrun volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume, the customer shall pay an amount equal to the deficiency from the minimum volume times a Delivery charge of 1.5464¢ per m³.

In the event that the contract period exceeds one year, the annual minimum volume will be prorated for any part year.

3. **Non-Interruptible Service**

The Company may agree, at its sole discretion, to combine an interruptible service with a firm service in which case the amount of firm daily demand to be delivered shall be agreed upon by the Company and the customer.

- a) The monthly demand charge for firm daily deliveries will be 21.8236¢ per m³.
- b) The commodity charge for firm service shall be the rate for firm service at the Company's firm rates net of a monthly demand charge of 21.8236¢ per m³ of daily contracted demand.
- c) The interruptible commodity charge will be established under Clause 1 of "Delivery Service" of this schedule.

OVERRUN SERVICE

1. Injection and Withdrawal

Authorized

	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
Injection	1.03%	\$0.046
Withdrawal	1.03%	\$0.046

The Authorized Overrun rate is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.



2. Delivery

Authorized

Overrun Delivery Service is available without penalty provided that it is authorized by the Company in advance. The Company will not unreasonably withhold authorization.

Unauthorized

Unauthorized Delivery Overrun Service taken in a month shall be paid for at the rate of 6.1010¢ per m³.

OTHER SERVICES & CHARGES

1. Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must commit to provide a call at Parkway, throughout the winter period, for a specified number of days. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

2. Nomination Variances

The rate for unauthorized parking or drafting which results from nomination variances shall be equal to 50% of the "Daily Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff. During the period September 1 to November 30, and February 1 to April 30, no Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 4% of the nominated amount and 150 GJ's. For the remainder of the year, no Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 8% of the nominated amount and 302 GJ's.

(D) Delayed Payment

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

**STORAGE AND DELIVERY RATES
FOR UNBUNDLED CUSTOMERS****(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a customer:

- a) whose combined firm and interruptible service minimum annual delivery of natural gas is 5 000 000 m³ or greater;
- b) who enters into an Unbundled Service Contract with Union for the delivery or the storage and delivery of Gas for use at facilities located within Union's gas franchise area;
- c) who has meters with electronic recording at each Point of Consumption;
- d) who nominates injections and withdrawals from storage, deliveries on upstream pipeline systems daily, or Ontario Producers authorized to sell to third parties;
- e) for whom Union has determined delivery and/or storage capacity is available; and
- f) who has site specific energy measuring equipment installed at each Point of Consumption that will be used in determining energy balances.

For the purposes of qualifying for a rate class, the total quantities of gas consumed or expected to be consumed on the customer's property will be used, irrespective of the number of meters installed.

(C) Rates

The following rates shall be charged for all volumes contracted or handled as appropriate. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

STORAGE SERVICE

	Demand Charge <u>Rate/GJ/mo</u>	Fuel <u>Ratio</u>	Commodity Charge <u>Rate/GJ</u>
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	\$0.021		
b) Injection Commodity		0.600%	\$0.015
c) Withdrawal Commodity		0.600%	\$0.015
ii) Supplemental Service			
a) Incremental Firm Injection Right (5) Applied to the contracted Maximum Incremental Firm Injection Right	\$0.955		
b) Incremental Firm Withdrawal Right (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	\$0.955		
c) Short Term Storage / Balancing Service - Maximum			\$6.000



Notes:

1. Demand charges for Annual Services are paid monthly during the term of the Contract, which shall not be less than one year, unless Union, in its sole discretion, accepts a term of less than one year.
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the Storage Contract.
3. Storage Space, Withdrawal Rights, and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.
4. Short Term Storage / Balancing Service (less than 2 years) is:
 - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
 - ii) short-term incremental firm deliverability, OR
 - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for service, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
 - ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
 - iii) Utilization of facilities,
 - iv) Competition, and
 - v) Term.
5. Union's ability to offer incremental injection and withdrawal rights is subject to annual asset availability.

DELIVERY SERVICE

	Demand Charge Rate/m ³ /mo	Fuel Ratio (5) (6)	Commodity Charge Rate/ m ³
a) Annual Firm Delivery Demand			
Applied to the Firm Daily Contracted Demand			
First 140,870 m ³ per month	18.9471¢		
All over 140,870 m ³ per month	12.9470¢		
b) Firm Delivery Commodity			
Paid on all firm volumes redelivered to the customer's Point(s) of Consumption			
First 2,360,653 m ³ per month		0.554%	0.1604¢
All over 2,360,653 m ³ per month		0.554%	0.0798¢
c) Interruptible Delivery Commodity			
Paid on all interruptible volumes redelivered to the customer's Point of Consumption – Maximum		0.554%	2.5368¢



Notes:

1. All demand charges are paid monthly during the term of the Contract, which shall not be less than one year unless Union, at its sole discretion, accepts a term of less than one year.
2. Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m³/day and who are directly connected to i) the Dawn-Trafalgar transmission system in close proximity to Parkway or ii) a third party pipeline, have the option to pay for service using a Billing Contract Demand. The Billing Contract Demand shall be determined by Union such that the annual revenues over the term of the contract will recover the invested capital, return on capital and operating and maintenance costs associated with the dedicated service in accordance with Union's system expansion policy. The firm transportation demand charge will be applied to the Billing Contract Demand. For customers choosing the Billing Contract Demand option, the authorized transportation overrun rate will apply to all volumes in excess of the Billing Contract Demand but less than the daily firm demand requirement.
3. In negotiating the rate to be charged for the delivery of gas under interruptible Delivery, the matters that are to be considered include:
 - a) The amount of the Interruptible Delivery for which customer is willing to contract,
 - b) The anticipated load factor for the Interruptible Delivery volumes,
 - c) Interruptible or curtailment provisions, and
 - d) Competition.
4. In each contract year, the customer shall pay for a Minimum Interruptible Delivery Activity level as specified in the Contract. Overrun activity will not contribute to the minimum activity level.
5. Transportation fuel ratios do not apply to customers served from dedicated facilities directly connected to third party transmission systems with custody transfer metering at the interconnect.
6. Firm transportation fuel ratio does not apply to new customers or existing customers with incremental daily firm demand requirements in excess of 1,200,000 m³/day that contract for M12 Dawn to Parkway transportation service equivalent to 100% of their daily firm demand requirement. If a customer with a daily firm demand requirement in excess of 1,200,000 m³/day contracts for M12 Dawn to Parkway transportation service at less than 100% of their firm daily demand requirement, the firm transportation fuel ratio will be applicable to daily volumes not transported under the M12 transportation contract.

**OVERRUN SERVICE****1. Injection and Withdrawal**

Authorized

	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
Injection	1.03%	\$0.046
Withdrawal	1.03%	\$0.046

The Authorized Overrun rate is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

2. Delivery

Authorized

The following Authorized Overrun rates are applied to any volumes transported in excess of 103% of the Contract parameters. Overrun will be authorized by Union at its sole discretion.

	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/ m³</u>
Delivery	0.554%	0.7833¢

Unauthorized

For all volumes on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged a rate of 6.1010¢ per m³.

**OTHER SERVICES & CHARGES****1. Monthly Charge**

In addition to the rates and charges described previously for each Point of Consumption, a Monthly Charge shall be applied as follows:

Monthly Charge	\$1 800 per month
----------------	-------------------

2. Delivery Obligations

Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m³/day who are delivering gas to Union under direct purchase arrangements may be entitled to non-obligated deliveries. The delivery options available to customers are detailed at www.uniongas.com/aboutus/regulatory/rates/deliveryobligations.asp.

Unless otherwise authorized by Union, all other customers who are delivering gas to Union under direct purchase arrangements must commit to provide a call at Parkway, throughout the winter period, for a specified number of days. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

3. Nominations

Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m³/day who have non obligated deliveries may contract to use Union's 5 additional nomination windows (13 in total) for U7 storage services, U7 delivery services and U7 gas supply receipts. These windows are in addition to the standard NAESB and TCPL STS nomination windows. Customers taking the additional nomination window service will pay an additional monthly demand charge of \$0.692/GJ/day/month multiplied by the non-obligated daily contract quantity.

4. Nomination Variances

The rate for unauthorized parking or drafting which results from nomination variances (i.e. the difference between nominated consumption and actual consumption) shall be equal to 50% of the "Daily Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff. During the period September 1 to November 30, and February 1 to April 30, no Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 4% of the nominated amount and 150 GJ's. For the remainder of the year, no Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 8% of the nominated amount and 302 GJ's.



5. Additional Service Information

Additional information on Union's U7 service offering can be found at www.uniongas.com/aboutus/regulatory/rates/U7info.asp. The additional information consists of, but is not limited to, the following:

- i. Storage space and deliverability entitlement;
- ii. The determination of gas supply receipt points and delivery obligations;
- iii. The nomination schedule;
- iv. The management of multiple redelivery points by a common fuel manager; and
- v. The availability of supplemental transactional services including title transfers.

(D) Delayed Payment

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

**STORAGE AND DELIVERY RATES
FOR UNBUNDLED CUSTOMERS****(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To a Distributor

- a) whose minimum annual delivery of natural gas is 700 000 m³ or greater;
- b) who enters into an Unbundled Service Contract with Union for the delivery or the storage and delivery of Gas for use at facilities located within Union's gas franchise area;
- c) who has meters with electronic recording at each Point of Consumption;
- d) who nominates injections and withdrawals from storage, deliveries on upstream pipeline systems daily or Ontario Producers authorized to sell to third parties; and
- e) for whom Union has determined delivery and/or storage capacity is available.

(C) Rates

The following rates shall be charged for all volumes contracted or handled as appropriate. The identified rates represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher than the identified rates.

STORAGE SERVICE

	Demand Charge <u>Rate/GJ/mo</u>	Fuel <u>Ratio</u>	Commodity Charge <u>Rate/GJ</u>
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	\$0.021		
b) Injection Commodity		0.600%	\$0.015
c) Withdrawal Commodity		0.600%	\$0.015
ii) Supplemental Service			
a) Incremental Firm Injection Right (5) Applied to the contracted Maximum Incremental Firm Injection Right	\$0.955		
b) Incremental Firm Withdrawal Right (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	\$0.955		
c) Short Term Storage / Balancing Service - Maximum			\$6.000

**Notes:**

1. Demand charges for Annual Services are paid monthly during the term of the Contract, which shall not be less than one year, unless Union, in its sole discretion, accepts a term of less than one year.
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the Storage Contract.
3. Storage Space, Withdrawal Rights, and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.
4. Short Term Storage / Balancing service (less than 2 years) is:
 - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
 - ii) short-term incremental firm deliverability, OR
 - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for service, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
 - ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
 - iii) Utilization of facilities,
 - iv) Competition, and
 - v) Term.
5. Union's ability to offer incremental injection and withdrawal rights is subject to annual asset availability.

DELIVERY SERVICE

	Demand Charge <u>Rate/ m³/mo</u>	Fuel <u>Ratio</u>	Commodity Charge <u>Rate/ m³</u>
a) Annual Firm Delivery Demand (1) Applied to the Firm Daily Contracted Demand	9.0121¢		
b) Firm Delivery Commodity Paid on all firm volumes redelivered to the customer's Point(s) of Consumption		0.725%	0.0666¢

Notes:

1. All demand charges are paid monthly during the term of the Contract, which shall not be less than one year unless Union, at its sole discretion, accepts a term of less than one year.

**OVERRUN SERVICE****1. Injection and Withdrawal**

Authorized

	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/GJ</u>
Injection	1.03%	\$0.046
Withdrawal	1.03%	\$0.046

The Authorized Overrun rate is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

2. Delivery

Authorized

The following Authorized Overrun rates are applied to any volumes transported in excess of 103% of the Contract parameters. Overrun will be authorized by Union at its sole discretion.

	<u>Fuel Ratio</u>	<u>Commodity Charge Rate/ m³</u>
Delivery	0.725%	0.3629¢

Unauthorized

For all volumes on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged 36.0¢ per m³ or \$9.615 per GJ, as appropriate.

OTHER SERVICES & CHARGES**1. Monthly Charge**

In addition to the rates and charges described previously for each Point of Consumption, a Monthly Charge shall be applied to each specific customer as follows:

	<u>Monthly Charge</u>
City of Kitchener	\$17 155
NRG	\$ 2 631
Six Nations	\$ 877

If a customer combines Sales Service with Contract Carriage Service, the monthly charge will be prorated such that the customer will under both services pay no more than the above monthly charge.



2. Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must commit to provide a call at Parkway, throughout the winter period, for a specified number of days. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

3. **Nomination Variances**

The rate for unauthorized parking or drafting which results from nomination variances shall be equal to 50% of the "Daily Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff. During the period September 1 to November 30, and February 1 to April 30, no Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 4% of the nominated amount and 150 GJ's. For the remainder of the year, no Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 8% of the nominated amount and 302 GJ's.

(D) **Delayed Payment**

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

APPENDIX C

UNION GAS LIMITED
 Infranchise Customers
 Summary of Average Rate and Price Adjustment Changes for Rates 25, M5A, M7 and T1
Effective October 1, 2007

Line No.	Particulars	Monthly Charge Increase (Decrease) (a)	Delivery Commodity Charge Increase / (Decrease) (b)	Delivery - Price Adjustment Increase / (Decrease) (c)
	Rate 25 (cents/m*3)			
1	Fort Frances			
2	Western Zone			
3	Northern Zone			
4	Eastern Zone			
	M5A (cents / m*3)			
5	Firm			(0.0013)
6	Interruptible			(0.0013)
	M7 (cents / m*3)			
7	Interruptible			(0.0130)
8	Seasonal			(0.0130)
	T1-Interruptible (cents / m*3)			
9	Transportation-Union provides fuel			
10	Transportation-provides own fuel			

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Working Paper Index

Schedule 1	Calculation of Supplemental Service Charges
Schedule 2	Allocation by Rate Class - Load Balancing and TCPL Tolls-Storage
Schedule 3	Details of Forecast and Actual Prospective Recovery
Schedule 4	Prospective Recovery Reconciliation

UNION GAS LIMITED
Calculation of Supplemental Service Charges
Commissioning and Decommissioning Rates

Line No.	Particulars	Effective October 1, 2007			
		Ft. Frances	Western	Northern	Eastern
		(a)	(b)	(c)	(d)
Northern and Eastern Operations Area					
Rate 20 - At 50% Load Factor					
Delivery (cents / m*3)					
1	Monthly Demand (1)	20.3317	20.3317	20.3317	20.3317
2	x 12 months	243.9804	243.9804	243.9804	243.9804
3	/ 365 days	0.6684	0.6684	0.6684	0.6684
4	@ 50% L.F.	1.3369	1.3369	1.3369	1.3369
5	Commodity Charge (2)	0.2877	0.2877	0.2877	0.2877
6	Total Delivery Commissioning	1.6246	1.6246	1.6246	1.6246
Gas Supply (cents / m*3)					
7	Monthly Demand (3)	25.3849	25.8508	42.7815	56.9336
8	Gas Supply Demand - Price Adjustment (3)	0.3573	0.3573	0.3573	0.3573
9	(Line 7 + Line 8) x 12 months	308.9064	314.4972	517.6656	687.4908
10	/ 365 days	0.8463	0.8616	1.4183	1.8835
11	@ 50% L.F.	1.6926	1.7233	2.8365	3.7671
12	Transportation 1 (4)	2.1971	2.2058	2.6055	2.9409
13	Transportation 1 - Price Adjustment	(0.0909)	(0.0909)	(0.0909)	(0.0909)
14	(Line 12 + Line 13) x 4/5	1.6850	1.6919	2.0117	2.2800
15	Transportation 2 (5)	0.1334	0.1310	0.2059	0.2733
16	x 1/5	0.0267	0.0262	0.0412	0.0547
17	Total Commodity Transportation Charge for Commissioning Rate	3.4043	3.4414	4.8894	6.1017
Rate 100 - At 70% Load Factor					
Delivery (cents / m*3)					
18	Monthly Demand (6)	11.9268	11.9268	11.9268	11.9268
19	x 12 months	143.1216	143.1216	143.1216	143.1216
20	/ 365 days	0.3921	0.3921	0.3921	0.3921
21	@ 70% L.F.	0.5602	0.5602	0.5602	0.5602
22	Commodity Charge (7)	0.2102	0.2102	0.2102	0.2102
23	Total Delivery Commissioning	0.7704	0.7704	0.7704	0.7704
Gas Supply (cents / m*3)					
24	Monthly Demand (8)	40.6945	41.2381	60.9906	77.5013
25	x 12 months	488.3340	494.8572	731.8872	930.0156
26	/ 365 days	1.3379	1.3558	2.0052	2.5480
27	@ 70% L.F.	1.9113	1.9368	2.8645	3.6400
28	Transportation 1 (9)	3.8838	3.8903	4.1901	4.4417
29	x 3/7	1.6645	1.6673	1.7958	1.9036
30	Transportation 2 (10)	0.1334	0.1310	0.2059	0.2733
31	x 4/7	0.0762	0.0749	0.1177	0.1562
32	Total Commodity Transportation Charge for Commissioning Rate	3.6520	3.6790	4.7780	5.6997

Notes:

- (1) Appendix A, Page 3 of 13
- (2) Appendix A, Page 3 of 13
- (3) Appendix A, Page 3 of 13
- (4) Appendix A, Page 3 of 13
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- (10) Appendix A, Page 4 of 13

UNION GAS LIMITED
Southern Operations Area
Calculation of Supplemental Service Charges
Effective October 1, 2007

<u>Line</u> <u>No.</u>	<u>Particulars</u>	<u>cents / m³</u>	<u>(\$ / GJ)</u>
	Minimum annual gas supply commodity charge - Rate M4, M5A		
1	Compressor Fuel	1.3055	
2	Transportation Tolls	3.3287	
3	Administration Charge	0.3173	
4	Minimum annual gas supply commodity charge	<u>4.9515</u>	<u>1.318</u>
	<u>Gas Supply Commodity Charges</u>		
5	Commodity Cost of Gas	27.8995	
6	FS Transportation Commodity	0.2733	
7	FS Fuel	1.3055	
8	Total Gas Supply Commodity Charge	<u>29.4783</u>	<u>7.846</u>
	<u>Firm Gas Supply Service Monthly Demand Charge</u>		
9	FS Demand Charge	<u>109.0552</u>	<u>29.027</u>

UNION GAS LIMITED
Southern Operations Area
Calculation of Supplemental Service Charges
Effective October 1, 2007

Line No.	Particulars			cents / m ³	(\$ / GJ)
	Firm backstop gas:				
	Demand:				
1	Monthly space charge	0.0371			
2	Units required (1)	43	Note: Each unit of added delivery requires 43 m ³ of additional inventory.		
3	Number of months	12		19.1400 (a)	
	Inventory carrying costs:				
4	Sales WACOG	32.8510			
5	Withdrawal overrun	6.3526			
6		39.2036			
7	Units required (m ³)	43			
8	Pre-tax return (%)	9.300%		156.7752 (b)	
9	Annual demand charge			175.9152 (a) + (b)	
10				12	
11	Monthly demand charge			14.6596	3.902
	Commodity:				
12	Sales WACOG			32.8510	
13	Withdrawal overrun			6.3526	
14	Overrun transportation			0.9803	
15	Commodity charge			40.1839	10.696
	Reasonable efforts backstop gas:				
16	M2 Block 1 plus Storage			6.1010	
17	Sales WACOG			32.8510	
18				38.9520	10.368
	Supplemental inventory:				
19	Sales WACOG			32.8510	
20	Injection commodity			0.3920	
21	Space charge	0.0371	x 12	0.4451	
22				33.6882	8.967
	Carrying costs (1/2 year)	33.6882	x	9.300%	/ 2
23				1.5665	
24				35.2547	9.384
	Supplemental gas sales:				
25	Supplemental inventory			35.2547	
26	Overrun withdrawal			6.3526	
27	Overrun transportation			0.9803	
28				42.5875	
	Failure to Deliver:				
29	M2 Block 1 plus Storage			6.1010	1.624
30	Failure to Deliver Adjustment			5.1708	1.376
31	Failure to Deliver Charge			11.2718	3.000

Notes:

(1) Each unit of added delivery requires 43 m³ of additional inventory.

UNION GAS LIMITED
Southern Operations Area
Calculation of Supplemental Service Charges
Calculation of Minimum, Maximum & Seasonal Charges
Effective October 1, 2007

Line No.			cents / m ³
	<u>Minimum Charges</u>		
	Rate M4	Minimum annual delivery commodity charge:	
1		Monthly delivery commodity charge (1st Block M4)	0.9291
2		Administration Fee	0.3173
3		Minimum annual delivery commodity charge	<u>1.2464</u>
	Rate M5	Minimum annual delivery commodity charge:	
4		Monthly delivery commodity charge (1st block M5)	1.9019
5		Administration Fee	0.3173
6		Minimum annual delivery commodity charge	<u>2.2192</u>
	<u>Maximum Charges</u>		
	Rate M7 Interruptible	Maximum interruptible delivery commodity charge:	
7		M7 firm commodity charge	0.3344
8		M7 firm demand charge commoditized using 35% LF	2.3993
9		M7 maximum interruptible charge	<u>2.7337</u>
10	Rate T1 Interruptible	Maximum interruptible delivery commodity charge:	<u>2.7337</u>

UNION GAS LIMITED
Southern Operations Area
Calculation of Supplemental Service Charges
Effective October 1, 2007

Line
No.

M7 - Commissioning and Decommissioning Rate

	<u>Delivery (cents / m³)</u>	
1	Monthly Demand (1)	25.5426
2	x 12 months	306.5116
3	/ 365 days	0.8398
4	@ Class Average Firm Load Factor : 266,277 (2) / (22,110 (3) / 12*365) = 39.6%	2.1209
5	Commodity Charge (4)	0.3344
6	Commodity - Price Adjustment (4)	0.0162
7	Total Delivery Commissioning	<u>2.4715</u>

T1 - At 100% Load Factor

		Union Supplies Fuel	Customer Supplies Fuel
	<u>Authorized Storage Overrun (\$ / GJ)</u>		
8	Monthly Demand (5)	1.980	1.980
9	x 12 months	23.757	23.757
10	/ 365 days	0.065	0.065
11	@ 100% L.F.	0.065	0.065
12	Commodity Charge (WACOG/ Heat Value * Overrun Fuel Ratio + Injection Commodity) (6)	0.104	0.007
13	Total Storage Overrun	<u>0.169</u>	<u>0.072</u>
	<u>Authorized Transportation Overrun (cents / m³)</u>		
14	Monthly Demand (7)	18.9471	18.9471
15	x 12 months	227.3652	227.3652
16	/ 365 days	0.6229	0.6229
17	@ 100% L.F.	0.6229	0.6229
18	Commodity Charge (WACOG/10 * Transportation fuel ratio/100 + Firm Commodity Transport) (8)	0.3573	0.1604
19	Total Transportation Overrun	<u>0.9803</u>	<u>0.7833</u>

T3 - At 100% Load Factor

	<u>Authorized Transportation Overrun (cents / m³)</u>		
20	Monthly Demand (9)	9.0121	9.0121
21	x 12 months	108.1452	108.1452
22	/ 365 days	0.2963	0.2963
23	@ 100% L.F.	0.2963	0.2963
24	Commodity Charge (10)	0.3242	0.0666
25	Total Transportation Overrun	<u>0.6205</u>	<u>0.3629</u>

U5/U7/U9 - At 100% Load Factor

	<u>Authorized Storage Overrun (\$ / GJ)</u>	
26	Monthly Demand (11)	0.955
27	x 12 months	11.460
28	/ 365 days	0.031
29	@ 100% L.F.	0.031
30	Commodity Charge (12)	0.015
31	Total Storage Overrun	<u>0.046</u>

Notes:

- | | |
|---|--|
| (1) Appendix A, Page 8 of 13 | (7) Appendix A, Page 9 of 13 |
| (2) RP-2005-0520, Rate Order, Working Papers, Schedule 6, Page 7 of 10 | (8) $\$355.473/10^3\text{m}^3 / 10 * 0.554\% + 0.1604 \text{ cents/m}^3$ |
| (3) RP-2005-0520, Rate Order, Working Papers, Schedule 6, Page 7 of 10 | (9) Appendix A, Page 10 of 13 |
| (4) Appendix A, Page 8 of 13 | (10) Appendix A, Page 10 of 13 |
| (5) Appendix A, Page 9 of 13 | (11) Appendix A, Page 11 of 13, Line 11 |
| (6) $\$355.473/10^3\text{m}^3 / 37.44 \text{ GJ}/10^3\text{m}^3 * 1.03\% + \$0.007/\text{GJ}$ | (12) Appendix A, Page 11 of 13, Line 14 |

UNION GAS LIMITED
Load Balancing Costs

Line No.	Particulars	Load Balancing Allocator (PJ's) (a)	Load Balancing Costs (\$000's) (b)	Load Balancing Revenue in 2004 Rates (\$000's) (c)	Interest (\$000's) (d)	Subtotal (\$000's) (e) = (b+c+d)	Previous Projection in QRAM Rates (\$000's) (f)	Subtotal (\$000's) (g) = (e-f)	True-up of Prospective Recovery Amounts (\$000's) (h)	Net Balance (\$000's) (i) = (g+h)
<u>Northern & Eastern and Southern Operations Area</u>										
1	May-07 *			-	(11)	(11)				
2	June *			-	(10)	(10)				
3	July *			-	(9)	(9)				
4	August			-	(8)	(8)				
5	September			-	(8)	(8)				
6	October 2007 - September 2008			-						
7	Total		<u>-</u>	<u>-</u>	<u>(46)</u>	<u>(46)</u>	<u>(18)</u>	<u>(27)</u>	<u>2</u>	<u>(25)</u>

* Actuals

UNION GAS LIMITED
Allocation of North Tolls and LBA - Storage Costs by Rate Class

Line No.	Rate Class	North Tolls and LBA - Storage Costs (\$000's) (a)	Interest (\$000's) (b)	Subtotal (\$000's) (c) = (a+b)	Previous Projection in QRAM Rates (\$000's) (d)	Subtotal (\$000's) (e) = (c-d)	True-up of Prospective Recovery Amounts (\$000's) (f)	Net Balance by Rate Class (\$000's) (g) = (e+f)
1	R01 May *	-	-	-				
2	June •	-	-	-				
3	July *	-	-	-				
4	August	-	-	-				
5	September	-	-	-				
6	Oct 2007 to Sept 2008	-	-	-				
7		-	-	-	-	-	-	-
8	R10 May *	-	-	-				
9	June *	-	-	-				
10	July •	-	-	-				
11	August	-	-	-				
12	September	-	-	-				
13	Oct 2007 to Sept 2008	-	-	-				
14		-	-	-	-	-	-	-
15	R20 May •	-	-	-				
16	June *	-	-	-				
17	July •	-	-	-				
18	August	-	-	-				
19	September	-	-	-				
20	Oct 2007 to Sept 2008	-	-	-				
21		-	-	-	-	-	-	-
22	Bundled Storage - R20 and R100 May *	-	-	-				
23	June *	-	-	-				
24	July •	-	-	-				
25	August	-	-	-				
26	September	-	-	-				
27	Oct 2007 to Sept 2008	-	-	-				
28		-	-	-	-	-	-	-
28	Total	-	-	-	-	-	-	-

* Actuals

UNION GAS LIMITED

North Purchased Gas Variance Account (Deferral Account 179-105)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(342)	(478)	136
2	September	(458)	(394)	(64)
3	October	<u>(1,616)</u>	<u>(1,627)</u>	<u>11</u>
4		(2,416)	(2,499)	83
5	November	(2,650)	(2,425)	(225)
6	December	(3,664)	(3,180)	(484)
7	January, 2007	<u>(13,675)</u>	<u>(12,630)</u>	<u>(1,045)</u>
8		(19,990)	(18,235)	(1,755)
9	February	(11,819)	(12,719)	900
10	March	(9,888)	(10,372)	484
11	April	<u>(5,856)</u>	<u>(6,397)</u>	<u>541</u>
12		(27,563)	(29,488)	1,925
13	May	(3,235)	(3,274)	39
14	June	(1,676)	(1,559)	(117)
15	July	<u>(1,284)</u>	<u>(1,172)</u>	<u>(112)</u>
16		(6,195)	(6,005)	(190)
17	August	(1,291)		
18	September	(1,708)		
19	October	(3,328)		
20	November	(5,470)		
21	December	(7,548)		
22	January	(5,051)		
23	February	(4,362)		
24	March	(3,646)		
25	April	(1,762)		
26	May	(968)		
27	June	(502)		
28	July	(388)		
29	August	(390)		
30	September	<u>(512)</u>		
31		(36,926)		

UNION GAS LIMITED

TCPL Tolls and LBA - Transportation - Northern and Eastern Operations Area (Deferral Account 179-100)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's)	Actual Prospective Recovery (\$000's)	Difference Forecast less Actual (\$000's)
1	August	(136)	(165)	29
2	September	(169)	(138)	(31)
3	October	(159)	(152)	(7)
4		<u>(464)</u>	<u>(455)</u>	<u>(9)</u>
5	November	(244)	(213)	(31)
6	December	(328)	(269)	(59)
7	January, 2007	(421)	(378)	(43)
8		<u>(992)</u>	<u>(860)</u>	<u>(132)</u>
9	February	(365)	(372)	7
10	March	(312)	(302)	(10)
11	April	(50)	(51)	1
12		<u>(727)</u>	<u>(725)</u>	<u>(2)</u>
13	May	(31)	(29)	(1)
14	June	(18)	(16)	(2)
15	July	33	28	6
16		<u>(15)</u>	<u>(17)</u>	<u>2</u>
17	August	34		
18	September	43		
19	October	51		
20	November	79		
21	December	106		
22	January	314		
23	February	272		
24	March	232		
25	April	77		
26	May	47		
27	June	28		
28	July	(5)		
29	August	(5)		
30	September	(7)		
31		<u>1,269</u>		



UNION GAS LIMITED

Rate 01 - North Tolls and LBA - Storage (Deferral Account 179-100)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(31)	(28)	(3)
2	September	(46)	(30)	(16)
3	October	(54)	(45)	(9)
4		(130)	(103)	(27)
5	November	(92)	(83)	(9)
6	December	(129)	(108)	(21)
7	January	3	(1)	4
8		(218)	(192)	(26)
9	February 2007	2		
10	March	2		
11	April	(12)		
12	May	(6)		
13	June	(3)		
14	July	(4)		
15	August	(4)		
16	September	(5)		
17	October	(9)		
18	November	(16)		
19	December	(23)		
20	January 2008	(23)		
21	February	(20)		
22	March	(16)		
23	April	-		
24	May	-		
25	June	-		
26	July	-		
27	August	-		
28	September	-		
29		(138)	(1)	

Note:

- (1) The true up of Prospective Recovery Amounts for the North Tolls and LBA - Storage deferrals will be captured in the North Tolls and LBA - Transportation amounts for prospective recovery, effective July 1, 2007.

UNION GAS LIMITED

Rate 10 - North Tolls and LBA - Storage (Deferral Account 179-100)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(17)	(14)	(3)
2	September	(18)	(18)	0
3	October	(23)	(21)	(2)
4		(58)	(53)	(5)
5	November	(32)	(31)	(1)
6	December	(41)	(38)	(3)
7	January	(10)	(10)	(0)
8		(84)	(79)	(5)
9	February 2007	(9)		
10	March	(8)		
11	April	(8)		
12	May	(5)		
13	June	(4)		
14	July	(3)		
15	August	(3)		
16	September	(3)		
17	October	(5)		
18	November	(7)		
19	December	(10)		
20	January 2008	(9)		
21	February	(8)		
22	March	(7)		
23	April	-		
24	May	-		
25	June	-		
26	July	-		
27	August	-		
28	September	-		
29		(90)	(1)	

Note:

- (1) The true up of Prospective Recovery Amounts for the North Tolls and LBA - Storage deferrals will be captured in the North Tolls and LBA - Transportation amounts for prospective recovery, effective July 1, 2007.

UNION GAS LIMITED

Rate 20 - North Tolls and LBA - Storage (Deferral Account 179-100)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(7)	(6)	(1)
2	September	(7)	(6)	(1)
3	October	1	(6)	7
4		<u>(12)</u>	<u>(18)</u>	<u>6</u>
5	November	1	1	0
6	December	1	1	0
7	January	<u>6</u>	<u>6</u>	<u>0</u>
8		9	8	1
9	February 2007	6		
10	March	6		
11	April	5		
12	May	5		
13	June	5		
14	July	3		
15	August	3		
16	September	3		
17	October	2		
18	November	2		
19	December	2		
20	January 2008	0		
21	February	0		
22	March	0		
23	April	-		
24	May	-		
25	June	-		
26	July	-		
27	August	-		
28	September	<u>-</u>		
29		47	(1)	

Note:

(1) The true up of Prospective Recovery Amounts for the North Tolls and LBA - Storage deferrals will be captured in the North Tolls and LBA - Transportation amounts for prospective recovery, effective July 1, 2007.

UNION GAS LIMITED

Bundled Storage (R20 and R100) - North Tolls and LBA - Storage (Deferral Account 179-100)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(14)	(17)	3
2	September	(14)	(15)	2
3	October	(8)	(9)	1
4		<u>(35)</u>	<u>(41)</u>	<u>6</u>
5	November	(8)	(9)	1
6	December	(8)	(9)	1
7	January	(4)	(4)	0
8		<u>(19)</u>	<u>(22)</u>	<u>3</u>
9	February 2007	(4)		
10	March	(4)		
11	April	(5)		
12	May	(5)		
13	June	(5)		
14	July	(4)		
15	August	(4)		
16	September	(4)		
17	October	(3)		
18	November	(3)		
19	December	(3)		
20	January 2008	(2)		
21	February	(2)		
22	March	(2)		
23	April	-		
24	May	-		
25	June	-		
26	July	-		
27	August	-		
28	September	-		
29		<u>(48)</u>	<u>(1)</u>	

Note:

- (1) The true up of Prospective Recovery Amounts for the North Tolls and LBA - Storage deferrals will be captured in the North Tolls and LBA - Transportation amounts for prospective recovery, effective July 1, 2007.

UNION GAS LIMITED

Fuel - Northern and Eastern Operations Area (Deferral Account 179-100)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	137	194	(57)
2	September	184	158	26
3	October	320	323	(3)
4		<u>640</u>	<u>675</u>	<u>(35)</u>
5	November	524	480	44
6	December	725	629	96
7	January, 2007	51	70	(19)
8		<u>1,300</u>	<u>1,179</u>	<u>121</u>
9	February	44	56	(12)
10	March	37	39	(2)
11	April	(115)	(122)	7
12		<u>(34)</u>	<u>(27)</u>	<u>(7)</u>
13	May	(64)	(62)	(2)
14	June	(33)	(31)	(2)
15	July	(22)	(20)	(2)
16		<u>(119)</u>	<u>(113)</u>	<u>(6)</u>
17	August	(22)		
18	September	(29)		
19	October	(90)		
20	November	(147)		
21	December	(203)		
22	January	(267)		
23	February	(230)		
24	March	(193)		
25	April	(97)		
26	May	(54)		
27	June	(28)		
28	July	(21)		
29	August	(21)		
30	September	(28)		
31		<u>(1,430)</u>		

UNION GAS LIMITED
Southern Purchased Gas Variance Account (Deferral Account 179-106)
Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(684)	(947)	263
2	September	(814)	(718)	(96)
3	October	(4,217)	(4,090)	(127)
4		(5,715)	(5,755)	40
5	November	(6,781)	(6,230)	(551)
6	December	(10,230)	(8,723)	(1,507)
7	January, 2007	(34,130)	(30,094)	(4,036)
8		(51,141)	(45,047)	(6,094)
9	February	(30,606)	(34,304)	3,698
10	March	(26,600)	(26,460)	(140)
11	April	(15,899)	(17,220)	1,321
12		(73,105)	(77,984)	4,879
13	May	(8,776)	(8,011)	(766)
14	June	(4,468)	(4,307)	(161)
15	July	(3,696)	(3,483)	(213)
16		(16,940)	(15,800)	(1,140)
17	August	(3,949)		
18	September	(4,632)		
19	October	(8,947)		
20	November	(14,400)		
21	December	(21,691)		
22	January	(16,876)		
23	February	(15,129)		
24	March	(13,144)		
25	April	(5,913)		
26	May	(3,259)		
27	June	(1,672)		
28	July	(1,306)		
29	August	(1,393)		
30	September	(1,615)		
31		(113,925)		

UNION GAS LIMITED

Inventory Revaluation (Deferral Account 179-109)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(1,801)	(2,582)	781
2	September	(2,200)	(1,930)	(270)
3	October	(1,957)	(1,895)	(62)
4		(5,958)	(6,407)	449
5	November	(3,161)	(2,909)	(252)
6	December	(4,674)	(3,999)	(675)
7	January, 2007	8,788	7,687	1,101
8		953	779	174
9	February	7,814	8,603	(789)
10	March	6,733	6,777	(44)
11	April	2,982	3,280	(298)
12		17,530	18,660	(1,130)
13	May	1,646	1,554	92
14	June	842	803	38
15	July	634	588	46
16		3,122	2,945	177
17	August	669		
18	September	806		
19	October	3,327		
20	November	5,382		
21	December	7,946		
22	January	4,915		
23	February	4,369		
24	March	3,763		
25	April	2,309		
26	May	1,272		
27	June	654		
28	July	690		
29	August	727		
30	September	865		
31		37,696		

UNION GAS LIMITED

Rate 01 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(16)	(13)	(3)
2	September	(23)	(15)	(8)
3	October	(46)	(29)	(17)
4		<u>(85)</u>	<u>(57)</u>	<u>(28)</u>
5	November	(79)	(71)	(7)
6	December	(111)	(93)	(18)
7	January, 2007	(140)	(130)	(10)
8		<u>(330)</u>	<u>(294)</u>	<u>(36)</u>
9	February	(120)	(127)	7
10	March	(98)	(98)	0
11	April	(62)	(67)	5
12		<u>(280)</u>	<u>(292)</u>	<u>12</u>
13	May	(33)	(32)	(2)
14	June	(15)	(15)	(0)
15	July	(9)	(9)	0
16		<u>(58)</u>	<u>(56)</u>	<u>(2)</u>
17	August	(9)		
18	September	(14)		
19	October	(26)		
20	November	(44)		
21	December	(63)		
22	January	(71)		
23	February	(61)		
24	March	(50)		
25	April	(28)		
26	May	(15)		
27	June	(7)		
28	July	(0)		
29	August	(0)		
30	September	(0)		
31		<u>(387)</u>		

UNION GAS LIMITED

Rate 10 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(8)	(7)	(1)
2	September	(9)	(9)	0
3	October	(19)	(14)	(5)
4		(37)	(30)	(7)
5	November	(27)	(25)	(1)
6	December	(34)	(31)	(3)
7	January, 2007	(42)	(40)	(2)
8		(103)	(97)	(6)
9	February	(37)	(40)	3
10	March	(33)	(35)	2
11	April	(21)	(22)	1
12		(91)	(98)	6
13	May	(14)	(14)	(0)
14	June	(9)	(8)	(1)
15	July	(5)	(4)	(1)
16		(28)	(26)	(2)
17	August	(5)		
18	September	(5)		
19	October	(11)		
20	November	(15)		
21	December	(19)		
22	January	(22)		
23	February	(19)		
24	March	(17)		
25	April	(10)		
26	May	(7)		
27	June	(5)		
28	July	(0)		
29	August	(0)		
30	September	(0)		
31		(136)		

UNION GAS LIMITED

Rate 20 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(18)	(11)	(7)
2	September	(19)	(11)	(8)
3	October	(23)	(12)	(11)
4		(60)	(34)	(26)
5	November	(25)	(12)	(14)
6	December	(27)	(12)	(15)
7	January, 2007	(31)	(13)	(18)
8		(83)	(37)	(46)
9	February	(29)	(12)	(17)
10	March	(29)	(13)	(16)
11	April	(28)	(13)	(14)
12		(85)	(38)	(47)
13	May	(25)	(13)	(12)
14	June	(20)	(11)	(9)
15	July	(15)	(9)	(6)
16		(60)	(34)	(26)
17	August	(17)		
18	September	(17)		
19	October	(20)		
20	November	(22)		
21	December	(23)		
22	January	(23)		
23	February	(21)		
24	March	(22)		
25	April	(15)		
26	May	(13)		
27	June	(11)		
28	July	(0)		
29	August	(0)		
30	September	(0)		
31		(205)		

UNION GAS LIMITED

Rate M2 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(91)	(84)	(7)
2	September	(109)	(100)	(9)
3	October	(221)	(154)	(67)
4		(421)	(338)	(83)
5	November	(353)	(352)	(1)
6	December	(527)	(481)	(46)
7	January, 2007	(615)	(587)	(28)
8		(1,495)	(1,420)	(75)
9	February	(551)	(654)	103
10	March	(479)	(500)	20
11	April	(305)	(350)	45
12		(1,336)	(1,505)	168
13	May	(168)	(165)	(3)
14	June	(84)	(92)	7
15	July	(46)	(47)	0
16		(299)	(304)	5
17	August	(50)		
18	September	(60)		
19	October	(114)		
20	November	(183)		
21	December	(273)		
22	January	(294)		
23	February	(264)		
24	March	(229)		
25	April	(136)		
26	May	(75)		
27	June	(38)		
28	July	(0)		
29	August	(0)		
30	September	(0)		
31		(1,717)		

UNION GAS LIMITED

Rate M4 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(42)	(42)	(0)
2	September	(40)	(44)	4
3	October	(49)	(58)	9
4		(131)	(144)	13
5	November	(57)	(63)	5
6	December	(65)	(63)	(2)
7	January, 2007	(71)	(73)	2
8		(194)	(199)	5
9	February	(64)	(80)	15
10	March	(63)	(72)	9
11	April	(49)	(57)	8
12		(176)	(209)	32
13	May	(40)	(45)	6
14	June	(35)	(35)	0
15	July	(17)	(18)	2
16		(91)	(99)	8
17	August	(21)		
18	September	(20)		
19	October	(25)		
20	November	(29)		
21	December	(33)		
22	January	(41)		
23	February	(37)		
24	March	(36)		
25	April	(30)		
26	May	(24)		
27	June	(21)		
28	July	(0)		
29	August	(0)		
30	September	(0)		
31		(317)		

UNION GAS LIMITED

Rate M5 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(17)	(21)	4
2	September	(22)	(28)	6
3	October	(25)	(35)	10
4		(65)	(84)	19
5	November	(27)	(35)	8
6	December	(29)	(30)	1
7	January, 2007	(33)	(43)	10
8		(89)	(108)	19
9	February	(29)	(36)	7
10	March	(28)	(30)	3
11	April	(20)	(24)	3
12		(77)	(90)	13
13	May	(17)	(22)	5
14	June	(14)	(17)	3
15	July	(8)	(11)	3
16		(40)	(51)	11
17	August	(9)		
18	September	(12)		
19	October	(14)		
20	November	(15)		
21	December	(16)		
22	January	(21)		
23	February	(19)		
24	March	(18)		
25	April	(16)		
26	May	(13)		
27	June	(11)		
28	July	(0)		
29	August	(0)		
30	September	(0)		
31		(165)		

UNION GAS LIMITED

Rate M7 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(20)	(63)	43
2	September	(20)	(56)	36
3	October	(23)	(65)	42
4		(63)	(184)	121
5	November	(24)	(49)	25
6	December	(29)	(51)	22
7	January, 2007	(20)	(35)	15
8		(73)	(135)	62
9	February	(18)	(33)	15
10	March	(16)	(32)	16
11	April	(7)	(15)	9
12		(40)	(80)	40
13	May	(5)	(14)	9
14	June	(4)	(12)	8
15	July	4	11	(7)
16		(6)	(15)	9
17	August	7		
18	September	7		
19	October	4		
20	November	4		
21	December	5		
22	January	(10)		
23	February	(9)		
24	March	(8)		
25	April	(12)		
26	May	(9)		
27	June	(8)		
28	July	(0)		
29	August	(0)		
30	September	(0)		
31		(29)		

UNION GAS LIMITED

Rate M9 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	(1)	(1)	(0)
2	September	(2)	(1)	(1)
3	October	(2)	(2)	0
4		(5)	(4)	(1)
5	November	(4)	(3)	(1)
6	December	(5)	(3)	(2)
7	January, 2007	(5)	(4)	(1)
8		(14)	(10)	(4)
9	February	(4)	(5)	1
10	March	(4)	(3)	(0)
11	April	(2)	(2)	0
12		(10)	(11)	1
13	May	(1)	(1)	(0)
14	June	(0)	(0)	(0)
15	July	(0)	(0)	0
16		(1)	(1)	(0)
17	August	(1)		
18	September	(1)		
19	October	(1)		
20	November	(2)		
21	December	(2)		
22	January	(3)		
23	February	(2)		
24	March	(2)		
25	April	(1)		
26	May	(0)		
27	June	(0)		
28	July	(0)		
29	August	(0)		
30	September	(0)		
31		(15)		

UNION GAS LIMITED
Spot Gas Purchases (Deferral Account 179-107)
Details of Forecast and Actual Prospective Recovery

Line No.	Particulars	Forecast Prospective Recovery (\$000's) (a)	Actual Prospective Recovery (\$000's) (b)	Difference Forecast less Actual (\$000's) (c) = (a) - (b)
1	August	1	2	(1)
2	September	1	1	-
3	October	2	2	0
4		<u>4</u>	<u>5</u>	<u>(1)</u>
5	November	4	3	1
6	December	5	4	1
7	January, 2007	2	1	1
8		<u>11</u>	<u>8</u>	<u>3</u>
9	February	1	2	(1)
10	March	1	1	0
11	April	0	-	0
12		<u>3</u>	<u>3</u>	<u>(0)</u>
13	May	0	0	0
14	June	0	0	0
15	July	(0)	(0)	0
16		<u>0</u>	<u>0</u>	<u>0</u>
17	August	(0)		
18	September	(0)		
19	October	(0)		
20	November	(0)		
21	December	(0)		
22	January	0		
23	February	0		
24	March	0		
25	April	(0)		
26	May	(0)		
27	June	(0)		
28	July	(0)		
29	August	(0)		
30	September	<u>(0)</u>		
31		<u>0</u>		

UNION GAS LIMITED
North Purchased Gas Variance Account (Deferral Account 179-105)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007			
			Oct	Jan	Apr	Jul	Oct
			Q4	Q1	Q2	Q3	Q4
			(a)	(b)	(c)	(d)	(e)
<u>Deferral Amounts</u>							
1	Total Deferral Amounts for Recovery	(1)	(19,645)	(24,066)	(4,802)	(6,905)	(16,555)
2	Cumulative Deferral Amounts for Recovery	(2)	(41,548)	(65,614)	(70,417)	(77,322)	(93,877)
<u>Prospective Recovery</u>							
3	Actual Prospective Recovery	(3)	486	(2,499)	(18,235)	(29,488)	(6,005)
4	Cumulative Actual Prospective Recovery		(724)	(3,223)	(21,458)	(50,946)	(56,950)
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	40,825	62,392	48,959	26,376	36,926

References:

- (1) Tab 2, Schedule 3, Page 1 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 1 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 1 of 19, Line 11.

UNION GAS LIMITED
TCPL Tolls and LBA - Transportation - Northern and Eastern Operations Area (Deferral Account 179-100)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007			
			Oct Q4 (a)	Jan Q1 (b)	Apr Q2 (c)	Jul Q3 (d)	Oct Q4 (e)
<u>Deferral Amounts</u>							
1	Total Deferral Amounts for Recovery	(1)	369	(1,092)	1,039	1,148	(186)
2	Cumulative Deferral Amounts for Recovery	(2)	(4,882)	(5,973)	(4,935)	(3,787)	(3,973)
<u>Prospective Recovery</u>							
3	Actual Prospective Recovery	(3)	(389)	(455)	(860)	(725)	(17)
4	Cumulative Actual Prospective Recovery		(3,185)	(3,640)	(4,500)	(5,225)	(5,242)
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	1,696	2,333	435	(1,438)	(1,269)

References:

- (1) Tab 2, Schedule 3, Page 2 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 2 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 2 of 19, Line 11.

UNION GAS LIMITED

Rate 01 - North Tolls and LBA - Storage (Deferral Account 179-100)

Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007			
			Oct	Jan	Apr	Jul	Oct
			Q4	Q1	Q2	Q3	Q4
			(a)	(b)	(c)	(d)	(e)
<u>Deferral Amounts</u>							
1	Total Deferral Amounts for Recovery	(1)	22	1	(101)	-	-
2	Cumulative Deferral Amounts for Recovery	(2)	(4,874)	(4,873)	(4,974)	(4,974)	(4,974)
<u>Prospective Recovery</u>							
3	Actual Prospective Recovery	(3)	(116)	(103)	(192)	-	-
4	Cumulative Actual Prospective Recovery		(4,541)	(4,644)	(4,836)	(4,836)	(4,836)
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	333	229	138	138	138 (4)

References:

- (1) Tab 2, Schedule 3, Page 3 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 3 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 3 of 19, Line 11.
- (4) The true up of Prospective Recovery Amounts for the North Tolls and LBA - Storage deferrals will be captured in the North Tolls and LBA - Transportation amounts for prospective recovery, effective July 1, 2007.

UNION GAS LIMITED
Rate 10 - North Tolls and LBA - Storage (Deferral Account 179-100)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007			
			Oct	Jan	Apr	Jul	Oct
			Q4	Q1	Q2	Q3	Q4
			(a)	(b)	(c)	(d)	(e)
<u>Deferral Amounts</u>							
1	Total Deferral Amounts for Recovery	(1)	(5)	(12)	(52)	-	-
2	Cumulative Deferral Amounts for Recovery	(2)	(1,530)	(1,542)	(1,594)	(1,594)	(1,594)
<u>Prospective Recovery</u>							
3	Actual Prospective Recovery	(3)	(60)	(53)	(79)	-	-
4	Cumulative Actual Prospective Recovery		(1,371)	(1,424)	(1,503)	(1,503)	(1,503)
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	159	117	90	90	90 (4)

References:

- (1) Tab 2, Schedule 3, Page 4 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 4 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 4 of 19, Line 11.
- (4) The true up of Prospective Recovery Amounts for the North Tolls and LBA - Storage deferrals will be captured in the North Tolls and LBA - Transportation amounts for prospective recovery, effective July 1, 2007.

UNION GAS LIMITED

Rate 20 - North Tolls and LBA - Storage (Deferral Account 179-100)

Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006		Year 2007			
			Oct Q4	(a)	Jan Q1	Apr Q2	Jul Q3	Oct Q4
					(b)	(c)	(d)	(e)
Deferral Amounts								
1	Total Deferral Amounts for Recovery	(1)						
2	Cumulative Deferral Amounts for Recovery	(2)	14 (232)		19 (213)	3 (210)	- (210)	- (210)
Prospective Recovery								
3	Actual Prospective Recovery	(3)	(32) (247)		(18) (265)	8 (257)	- (257)	- (257)
4	Cumulative Actual Prospective Recovery							
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	(14)		(52)	(47)	(47)	(47) (4)

References:

- (1) Tab 2, Schedule 3, Page 5 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 5 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 5 of 19, Line 11.
- (4) The true up of Prospective Recovery Amounts for the North Tolls and LBA - Storage deferrals will be captured in the North Tolls and LBA - Transportation amounts for prospective recovery, effective July 1, 2007.

UNION GAS LIMITED

Bundled Storage (R20 and R100) - North Tolls and LBA - Storage (Deferral Account 179-100)

Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1	Q2	Q3	Q4	
			(a)	(b)	(c)	(d)	(e)	
<u>Deferral Amounts</u>								
1	Total Deferral Amounts for Recovery	(1)	(16)	(23)	(24)	-	-	
2	Cumulative Deferral Amounts for Recovery	(2)	(511)	(534)	(558)	(558)	(558)	
<u>Prospective Recovery</u>								
3	Actual Prospective Recovery	(3)	(58)	(41)	(22)	-	-	
4	Cumulative Actual Prospective Recovery		(447)	(488)	(510)	(510)	(510)	
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	63	45	48	48	48 (4)	

References:

- (1) Tab 2, Schedule 3, Page 6 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 6 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 6 of 19, Line 11.
- (4) The true up of Prospective Recovery Amounts for the North Tolls and LBA - Storage deferrals will be captured in the North Tolls and LBA - Transportation amounts for prospective recovery, effective July 1, 2007.

UNION GAS LIMITED
Fuel - Northern and Eastern Operations Area (Deferral Account 179-100)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007			
			Oct Q4	Jan Q1	Apr Q2	Jul Q3	Oct Q4
			(a)	(b)	(c)	(d)	(e)
<u>Deferral Amounts</u>							
1	Total Deferral Amounts for Recovery	(1)	(683)	118	(414)	(288)	(900)
2	Cumulative Deferral Amounts for Recovery	(2)	5,318	5,435	5,022	4,734	3,834
<u>Prospective Recovery</u>							
3	Actual Prospective Recovery	(3)	406	675	1,179	(27)	(113)
4	Cumulative Actual Prospective Recovery		3,549	4,224	5,403	5,376	5,263
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	(1,768)	(1,211)	382	643	1,430

References:

- (1) Tab 2, Schedule 3, Page 7 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 7 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 7 of 19, Line 11.

UNION GAS LIMITED
Southern Purchased Gas Variance Account (Deferral Account 179-106)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007			
			Oct	Jan	Apr	Jul	Oct
			Q4	Q1	Q2	Q3	Q4
			(a)	(b)	(c)	(d)	(e)
<u>Deferral Amounts</u>							
1	Total Deferral Amounts for Recovery	(1)	(58,021)	(48,160)	(22,483)	(21,814)	(51,894)
2	Cumulative Deferral Amounts for Recovery	(2)	(93,952)	(142,112)	(164,595)	(186,409)	(238,304)
<u>Prospective Recovery</u>							
3	Actual Prospective Recovery	(3)	1,658	(5,755)	(45,047)	(77,984)	(15,800)
4	Cumulative Actual Prospective Recovery		20,207	14,452	(30,595)	(108,579)	(124,379)
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	114,160	156,565	134,001	77,831	113,925

References:

- (1) Tab 2, Schedule 3, Page 8 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 8 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 8 of 19, Line 11.

UNION GAS LIMITED
Inventory Revaluation (Deferral Account 179-109)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007			
			Oct	Jan	Apr	Jul	Oct
			Q4	Q1	Q2	Q3	Q4
			(a)	(b)	(c)	(d)	(e)
<u>Deferral Amounts</u>							
1	Total Deferral Amounts for Recovery	(1)	2,833	25,091	694	309	28,225
2	Cumulative Deferral Amounts for Recovery	(2)	(107,655)	(82,564)	(81,870)	(81,561)	(53,336)
<u>Prospective Recovery</u>							
3	Actual Prospective Recovery	(3)	(6,324)	(6,407)	779	18,660	2,945
4	Cumulative Actual Prospective Recovery		(107,009)	(113,416)	(112,637)	(93,977)	(91,032)
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	646	(30,852)	(30,767)	(12,416)	(37,696)

References:

- (1) Tab 2, Schedule 3, Page 9 of 19, Line 8.
(2) Tab 2, Schedule 3, Page 9 of 19, Line 9.
(3) Tab 2, Schedule 3, Page 9 of 19, Line 11.

UNION GAS LIMITED

Load Balancing (Deferral Account 179-107)

Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Jul Q3 (a)	Oct Q4 (b)
	<u>Deferral Amounts</u>			
1	Total Deferral Amounts for Recovery	(1)		(27)
2	Cumulative Deferral Amounts for Recovery	(2)	(11,589)	(11,616)
	<u>Prospective Recovery</u>			
3	Actual Prospective Recovery	(3)		(585)
4	Cumulative Actual Prospective Recovery		(8,057)	(8,642)
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	3,531	2,974

References:

- (1) Tab 2, Schedule 3, Page 10 of 19, Line 8.
- (2) Tab 2, Schedule 3, Pages 11 through 18, Line 9, Column (d).
- (3) Tab 2, Schedule 3, Page 10 of 19, Line 11.

UNION GAS LIMITED
Rate 01 - Load Balancing (Deferral Account 179-107)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1	Q2	Q3	Q4	
			(a)	(b)	(c)	(d)	(e)	
<u>Deferral Amounts</u>								
1	Total Deferral Amounts for Recovery	(1)	(7)	(9)	(4)	(355)	-	
2	Cumulative Deferral Amounts for Recovery	(2)	(1,182)	(1,191)	(1,194)	(1,550)	(1,550)	
<u>Prospective Recovery</u>								
3	Actual Prospective Recovery	(3)	(19)	(57)	(294)	(292)	-	
4	Cumulative Actual Prospective Recovery		(464)	(521)	(815)	(1,107)	(1,107)	
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	718	669	379	443	443	(4)

References:

- (1) Tab 2, Schedule 3, Page 11 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 11 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 11 of 19, Line 11.
- (4) Refer to Tab 2, Working Papers, Schedule 4, Page 10 of 19.

UNION GAS LIMITED
Rate 10 - Load Balancing (Deferral Account 179-107)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1	Q2	Q3	Q4	
			(a)	(b)	(c)	(d)	(e)	
	<u>Deferral Amounts</u>							
1	Total Deferral Amounts for Recovery	(1)	(2)	(2)	(2)	(135)	-	
2	Cumulative Deferral Amounts for Recovery	(2)	(209)	(211)	(213)	(348)	(348)	
	<u>Prospective Recovery</u>							
3	Actual Prospective Recovery	(3)	(12)	(30)	(97)	(98)	-	
4	Cumulative Actual Prospective Recovery		40	10	(88)	(185)	(185)	
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	248	220	125	163	163	(4)

References:

- (1) Tab 2, Schedule 3, Page 12 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 12 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 12 of 19, Line 11.
- (4) Refer to Tab 2, Working Papers, Schedule 4, Page 10 of 19.

UNION GAS LIMITED
Rate 20 - Load Balancing (Deferral Account 179-107)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007				
			Oct Q4 (a)	Jan Q1 (b)	Apr Q2 (c)	Jul Q3 (d)	Oct Q4 (e)	
	<u>Deferral Amounts</u>							
1	Total Deferral Amounts for Recovery	(1)	(2)	(2)	(2)	(120)	-	
2	Cumulative Deferral Amounts for Recovery	(2)	(499)	(501)	(503)	(623)	(623)	
	<u>Prospective Recovery</u>							
3	Actual Prospective Recovery	(3)	(21)	(34)	(37)	(38)	-	
4	Cumulative Actual Prospective Recovery		(250)	(284)	(321)	(359)	(359)	
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	249	217	182	264	264	(4)

References:

- (1) Tab 2, Schedule 3, Page 13 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 13 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 13 of 19, Line 11.
- (4) Refer to Tab 2, Working Papers, Schedule 4, Page 10 of 19.

UNION GAS LIMITED
Rate M2 - Load Balancing (Deferral Account 179-107)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007				
			Oct Q4 (a)	Jan Q1 (b)	Apr Q2 (c)	Jul Q3 (d)	Oct Q4 (e)	
	<u>Deferral Amounts</u>							
1	Total Deferral Amounts for Recovery	(1)	(39)	(37)	(31)	(1,775)	-	
2	Cumulative Deferral Amounts for Recovery	(2)	(5,694)	(5,731)	(5,762)	(7,537)	(7,537)	
	<u>Prospective Recovery</u>							
3	Actual Prospective Recovery	(3)	(115)	(338)	(1,420)	(1,505)	-	
4	Cumulative Actual Prospective Recovery		(2,271)	(2,609)	(4,028)	(5,533)	(5,533)	
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	3,423	3,122	1,733	2,003	2,003	(4)

References:

- (1) Tab 2, Schedule 3, Page 14 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 14 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 14 of 19, Line 11.
- (4) Refer to Tab 2, Working Papers, Schedule 4, Page 10 of 19.

UNION GAS LIMITED
Rate M4 - Load Balancing (Deferral Account 179-107)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1	Q2	Q3	Q4	
			(a)	(b)	(c)	(d)	(e)	
	Deferral Amounts							
1	Total Deferral Amounts for Recovery	(1)	(6)	(4)	(2)	(370)	-	
2	Cumulative Deferral Amounts for Recovery	(2)	(631)	(636)	(638)	(1,008)	(1,008)	
	Prospective Recovery							
3	Actual Prospective Recovery	(3)	(56)	(144)	(199)	(209)	-	
4	Cumulative Actual Prospective Recovery		(50)	(194)	(393)	(601)	(601)	
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	581	442	245	406	406	(4)

References:

- (1) Tab 2, Schedule 3, Page 15 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 15 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 15 of 19, Line 11.
- (4) Refer to Tab 2, Working Papers, Schedule 4, Page 10 of 19.

UNION GAS LIMITED
Rate M5 - Load Balancing (Deferral Account 179-107)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1	Q2	Q3	Q4	
			(a)	(b)	(c)	(d)	(e)	
	<u>Deferral Amounts</u>							
1	Total Deferral Amounts for Recovery	(1)	(3)	(2)	(1)	(208)	-	
2	Cumulative Deferral Amounts for Recovery	(2)	526	524	523	315	315	
	<u>Prospective Recovery</u>							
3	Actual Prospective Recovery	(3)	(32)	(84)	(108)	(90)	-	
4	Cumulative Actual Prospective Recovery		800	716	608	518	518	
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	273	192	85	203	203	(4)

References:

- (1) Tab 2, Schedule 3, Page 16 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 16 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 16 of 19, Line 11.
- (4) Refer to Tab 2, Working Papers, Schedule 4, Page 10 of 19.

UNION GAS LIMITED
Rate M7 - Load Balancing (Deferral Account 179-107)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007				
			Oct	Jan	Apr	Jul	Oct	
			Q4	Q1	Q2	Q3	Q4	
			(a)	(b)	(c)	(d)	(e)	
	Deferral Amounts							
1	Total Deferral Amounts for Recovery	(1)	(3)	(1)	0	(184)	-	
2	Cumulative Deferral Amounts for Recovery	(2)	(573)	(574)	(573)	(757)	(757)	
	Prospective Recovery							
3	Actual Prospective Recovery	(3)	(43)	(184)	(135)	(80)	-	
4	Cumulative Actual Prospective Recovery		(324)	(508)	(643)	(723)	(723)	
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	248	65	(70)	34	34	(4)

References:

- (1) Tab 2, Schedule 3, Page 17 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 17 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 17 of 19, Line 11.
- (4) Refer to Tab 2, Working Papers, Schedule 4, Page 10 of 19.

UNION GAS LIMITED
Rate M9 - Load Balancing (Deferral Account 179-107)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006	Year 2007			
			Oct	Jan	Apr	Jul	Oct
			Q4	Q1	Q2	Q3	Q4
			(a)	(b)	(c)	(d)	(e)
	<u>Deferral Amounts</u>						
1	Total Deferral Amounts for Recovery	(1)	(0)	(0)	(0)	(11)	-
2	Cumulative Deferral Amounts for Recovery	(2)	(70)	(70)	(70)	(81)	(81)
	<u>Prospective Recovery</u>						
3	Actual Prospective Recovery	(3)	(0)	(4)	(10)	(11)	-
4	Cumulative Actual Prospective Recovery		(41)	(45)	(55)	(66)	(66)
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	29	25	15	15	15 (4)

References:

- (1) Tab 2, Schedule 3, Page 18 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 18 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 18 of 19, Line 11.
- (4) Refer to Tab 2, Working Papers, Schedule 4, Page 10 of 19.

UNION GAS LIMITED
Spot Gas Purchases (Deferral Account 179-107)
Prospective Recovery Reconciliation

Line No.	Particulars (\$000's)	Notes	Year 2006		Year 2007			
			Oct Q4	(a)	Jan Q1	Apr Q2	Jul Q3	Oct Q4
					(b)	(c)	(d)	(e)
	Deferral Amounts							
1	Total Deferral Amounts for Recovery	(1)	(1)		(1)	(1)	(0)	(0)
2	Cumulative Deferral Amounts for Recovery	(2)	313		312	311	311	311
	Prospective Recovery							
3	Actual Prospective Recovery	(3)	4		5	8	3	0
4	Cumulative Actual Prospective Recovery		294		299	307	310	310
5	Cumulative (Prospective Recovery less Deferral Amounts)	Line 4 - Line 2	(19)		(13)	(4)	(1)	(0)

References:

- (1) Tab 2, Schedule 3, Page 19 of 19, Line 8.
- (2) Tab 2, Schedule 3, Page 19 of 19, Line 9.
- (3) Tab 2, Schedule 3, Page 19 of 19, Line 11.