



**uniongas**

A Spectra Energy Company

June 9, 2009

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 26<sup>th</sup> Floor  
Toronto, ON  
M4P 1E4

**Re: EB-2009-0101 – Draft Rate Order for Rates Effective July 1, 2009**

Dear Ms. Walli:

Please find attached a draft Rate Order and supporting working papers for rates effective July 1, 2009 reflecting the Board's June 8, 2009 Decision approving the EB-2009-0101 Settlement Agreement. This draft Rate Order will supersede Union's July 1, 2009 QRAM application (EB-2009-0147).

Schedule 1 of the Working Papers provides the earnings sharing balance, including interest up to June 30, 2009, to be shared with ratepayers. Schedule 2 of the Working Papers provides the allocation of the earnings sharing balance, including interest, to each rate class.

Appendix C provides the earnings sharing disposition unit rates for each rate class. For General Service rate classes (M1, M2, Rate 01 and Rate 10) Union will dispose of the balance prospectively through a temporary rate adjustment between July 1, 2009 and December 31, 2009. For all other rate classes, Union will apply the unit rates as a one-time adjustment to customers' July 1, 2009 bills.

If you have any questions concerning this application and evidence please contact me at (519) 436-5476.

Yours truly,

*[original signed by]*

Chris Ripley  
Manager, Regulatory Applications

cc M. Penny (Torys)  
EB-2009-0101 Intervenors

**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 for an order or orders amending or varying  
the rate or rates charged to customers as of July 1, 2009;

**BEFORE:**

Gordon Kaiser  
Presiding Member

Paul Sommerville  
Member

Paul Vlahos  
Member

**DRAFT DECISION AND ORDER**  
**(for rates effective July 1, 2009)**

Union Gas Distribution Inc. ("Union" or "Applicant") filed an Application on April 2, 2009 with the Ontario Energy Board ("the Board") under section 36 of the *Ontario Energy Board Act*, 1998, S.O. c. 15, Sched. B, as amended, for an order of the Board amending or varying the rate or rates charged to customers as of July 1, 2009, in connection with the sharing of 2008 earnings under the incentive rate mechanism approved by the Board on January 17, 2008 (the "Application"). The Board assigned file number EB-2009-0101 to the Application.

On April 28, 2009, the Board issued Procedural Order No. 1 which directed a technical conference to convene on May 25, 2009 followed by a Settlement Conference on May 27, 2009 and May 28, 2009.

On June 3, 2009, the Board issued Procedural Order No. 2 which directed that a Settlement Proposal arising from the Settlement Conference shall be filed with the Board on June 4, 2009 and submissions on the Settlement Proposal be heard at an oral hearing on June 8, 2009.

Union filed the Settlement Proposal with the Board on June 4, 2009. On June 8, 2009 an oral hearing was heard concerning submissions on the Settlement Proposal.

The Board issued a Decision on June 8, 2009 approving the Settlement Proposal. In addition, the Board directed Union to file a Rate Order for implementation July 1, 2009. This Rate Order represents the implementation in rates of the amounts that were decided by the Board in its June 8 Decision.

Interest on the earnings sharing amount shall accrue from January 1, 2009 to June 30, 2009. The earnings sharing disposition shall be timed with the July 1 QRAM for General Service M1, M2, Rate 01 and Rate 10 customers and as a one-time adjustment for infranchise distribution contract and exfranchise rate classes.

**THE BOARD THEREFORE ORDERS THAT:**

1. The rate changes set out in Appendix "A" and the rate schedules set out in Appendix "B" are approved effective July 1, 2009. Union shall implement these rates on the first billing cycle on or after July 1, 2009.
2. The 2008 earnings sharing amount available for distribution to ratepayers is \$34.461 million (credit), including interest up to June 30, 2009, as set out in Rate Order Working Papers Schedule 1.
3. For General Service rate classes M1, M2, Rate 01 and Rate 10, Union shall dispose of the total balance prospectively for each of these rate classes through a temporary rate adjustment between July 1, 2009 and December 31, 2009 as set out on page 1 of Appendix "C". For all

other infranchise rate classes, Union shall apply the unit rates as a one-time adjustment as set out on page 2 of Appendix "C". For exfranchise rate classes, Union shall apply a refund as a one-time adjustment as set out on page 3 of Appendix "C".

4. The customer notices in Appendix "D" shall be given to all customers with the first bill or invoice reflecting the balances for disposition.
5. Union shall pay the Board's costs of, and incidental to, this proceeding immediately upon receipt of the Board's invoice.

DATED at Toronto \_\_\_\_\_, 2009.

ONTARIO ENERGY BOARD

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Kirsten Walli  
Board Secretary

**Index of  
Appendices**

Filed: 2009-06-09  
EB-2009-0101  
Rate Order  
Appendices

**EB-2009-0101**  
**Rate Order**  
**Index of Appendices**

Appendix A	Summary of Changes to Sales Rates
Appendix B	General Service Rate Schedules (Rate 01, Rate 10, Rate M1 and Rate M2)
Appendix C	Unit Rates for Prospective Refund and One-Time Adjustments
Appendix D	Customer Notices



**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 <sup>3</sup> )	EB-2009-0147	Rate Change (b)	EB-2009-0101
		Approved July 1, 2009		Approved July 1, 2009
		Rate (a)		Rate (c)
1	Monthly Charge - All Zones	\$18.00		\$18.00
	Monthly Delivery Charge - All Zones			
2	First 100 m <sup>3</sup>	8.7142		8.7142
3	Next 200 m <sup>3</sup>	8.1473		8.1473
4	Next 200 m <sup>3</sup>	7.7445		7.7445
5	Next 500 m <sup>3</sup>	7.3748		7.3748
6	Over 1,000 m <sup>3</sup>	7.0695		7.0695
7	Delivery - Price Adjustment (All Volumes)	0.0431 (1)	(1.8198)	(1.7767) (2)
	Gas Transportation Service			
8	Fort Frances	3.3308		3.3308
9	Western Zone	3.4254		3.4254
10	Northern Zone	4.1325		4.1325
11	Eastern Zone	4.7466		4.7466
12	Transportation - Price Adjustment (All Zones)	(0.4199) (3)		(0.4199) (3)
	Storage Service			
13	Fort Frances	1.8950		1.8950
14	Western Zone	1.8926		1.8926
15	Northern Zone	2.2788		2.2788
16	Eastern Zone	2.5905		2.5905
17	Storage - Price Adjustment (All Zones)	0.0025 (4)		0.0025 (4)
	Commodity Cost of Gas and Fuel			
18	Fort Frances	20.0550		20.0550
19	Western Zone	20.2127		20.2127
20	Northern Zone	20.4121		20.4121
21	Eastern Zone	20.5848		20.5848
22	Commodity and Fuel - Price Adjustment (All Zones)	(8.0676) (5)		(8.0676) (5)

Notes:

- (1) Includes a temporary charge of 0.0431 cents/m<sup>3</sup> for the period April 1-December 31, 2009.
- (2) Includes a temporary charge of 0.0431 cents/m<sup>3</sup> for the period Apr 1-Dec 31, 2009, and a temporary credit of (1.8198) cents/m<sup>3</sup> for the period Jul 1-Dec 31, 2009.
- (3) Includes Prospective Recovery of 0.1621, 0.0076, (0.5758), (0.0151) cents/m<sup>3</sup>, and a temporary charge of 0.0013 cents/m<sup>3</sup> for the period Apr 1-Dec 31, 2009.
- (4) Includes a temporary charge of 0.0025 cents/m<sup>3</sup> for the period April 1 - December 31, 2009.
- (5) Includes Prospective Recovery of 1.2170, (1.9159), (3.7043), and (3.6644) cents/m<sup>3</sup>.

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 <sup>3</sup> )	EB-2009-0147	Rate Change	EB-2009-0101
		Approved July 1, 2009 Rate (a)		Approved July 1, 2009 Rate (c)
1	Monthly Charge - All Zones	\$70.00		\$70.00
	Monthly Delivery Charge - All Zones			
2	First 1,000 m <sup>3</sup>	7.5341		7.5341
3	Next 9,000 m <sup>3</sup>	5.9959		5.9959
4	Next 20,000 m <sup>3</sup>	5.1188		5.1188
5	Next 70,000 m <sup>3</sup>	4.5572		4.5572
6	Over 100,000 m <sup>3</sup>	2.4299		2.4299
7	Delivery - Price Adjustment (All Volumes)	0.0559 (1)	(0.6735)	(0.6175) (2)
	Gas Transportation Service			
8	Fort Frances	3.0598		3.0598
9	Western Zone	3.1544		3.1544
10	Northern Zone	3.8615		3.8615
11	Eastern Zone	4.4756		4.4756
12	Transportation - Price Adjustment (All Zones)	(0.4214) (3)		(0.4214) (3)
	Storage Service			
13	Fort Frances	1.2139		1.2139
14	Western Zone	1.2116		1.2116
15	Northern Zone	1.5986		1.5986
16	Eastern Zone	1.9106		1.9106
17	Storage - Price Adjustment (All Zones)	0.0016 (4)		0.0016 (4)
	Commodity Cost of Gas and Fuel			
18	Fort Frances	20.0550		20.0550
19	Western Zone	20.2127		20.2127
20	Northern Zone	20.4121		20.4121
21	Eastern Zone	20.5848		20.5848
22	Commodity and Fuel - Price Adjustment (All Zones)	(8.0676) (5)		(8.0676) (5)

Notes:

- (1) Includes a temporary charge of 0.0559 cents/m<sup>3</sup> for the period April 1-December 31, 2009.
- (2) Includes a temporary charge of 0.0559 cents/m<sup>3</sup> for the period Apr 1-Dec 31, 2009, and a temporary credit of (0.6735) cents/m<sup>3</sup> for the period Jul 1-Dec 31, 2009
- (3) Includes Prospective Recovery of 0.1621, 0.0076, (0.5764), (0.0148) cents/m<sup>3</sup>, and a temporary charge of 0.0001 cents/m<sup>3</sup> for the period Apr 1-Dec 31, 2009.
- (4) Includes a temporary charge of 0.0016 cents/m<sup>3</sup> for the period April 1 - December 31, 2009.
- (5) Includes Prospective Recovery of 1.2170, (1.9159), (3.7043), and (3.6644) cents/m<sup>3</sup>.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2009-0147 Approved July 1, 2009 Rate (a)	Rate Change (b)	EB-2009-0101 Approved July 1, 2009 Rate (c)
1	Monthly Charge	\$779.53		\$779.53
	Delivery Demand Charge			
2	First 70,000 m <sup>3</sup>	20.1719		20.1719
3	All over 70,000 m <sup>3</sup>	11.8621		11.8621
	Delivery Commodity Charge			
4	First 852,000 m <sup>3</sup>	0.3280		0.3280
5	All over 852,000 m <sup>3</sup>	0.2429		0.2429
	Monthly Gas Supply Demand Charge			
6	Fort Frances	28.3704		28.3704
7	Western Zone	29.9524		29.9524
8	Northern Zone	48.4085		48.4085
9	Eastern Zone	63.9966		63.9966
10	Gas Supply Demand - Price Adjustment (All Zones)	-		-
	Commodity Transportation 1			
11	Fort Frances	2.4266		2.4266
12	Western Zone	2.4635		2.4635
13	Northern Zone	2.9014		2.9014
14	Eastern Zone	3.2721		3.2721
15	Transportation 1 - Price Adjustment (All Zones)	(0.4205) (1)		(0.4205) (1)
	Commodity Transportation 2			
16	Fort Frances	0.1551		0.1551
17	Western Zone	0.1687		0.1687
18	Northern Zone	0.2635		0.2635
19	Eastern Zone	0.3471		0.3471
	Commodity Cost of Gas and Fuel			
20	Fort Frances	20.1072		20.1072
21	Western Zone	20.2653		20.2653
22	Northern Zone	20.4652		20.4652
23	Eastern Zone	20.6384		20.6384
24	Commodity and Fuel - Price Adjustment (All Zones)	(8.0676) (2)		(8.0676) (2)
	Bundled Storage Service (\$/GJ)			
25	Monthly Demand Charge	11.217		11.217
26	Commodity Charge	0.240		0.240
27	Storage Demand - Price Adjustment	-		-

Notes:

- (1) Includes Prospective Recovery of 0.1621, 0.0076, (0.5752), and (0.0150) cents/m<sup>3</sup>.  
 (2) Includes Prospective Recovery of 1.2170, (1.9159), (3.7043), and (3.6644) cents/m<sup>3</sup>.

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 <sup>3</sup> )	EB-2009-0147	Rate Change	EB-2009-0101
		Approved July 1, 2009		Approved July 1, 2009
		Rate (a)	(b)	Rate (c)
1	Monthly Charge	\$779.53		\$779.53
2	Delivery Demand Charge All Zones	11.8941		11.8941
3	Delivery Commodity Charge All Zones	0.2255		0.2255
4	Monthly Gas Supply Demand Charge Fort Frances	45.9252		45.9252
5	Western Zone	47.7711		47.7711
6	Northern Zone	69.3032		69.3032
7	Eastern Zone	87.4891		87.4891
8	Commodity Transportation 1 Fort Frances	4.3790		4.3790
9	Western Zone	4.4067		4.4067
10	Northern Zone	4.7351		4.7351
11	Eastern Zone	5.0132		5.0132
12	Commodity Transportation 2 Fort Frances	0.1551		0.1551
13	Western Zone	0.1687		0.1687
14	Northern Zone	0.2635		0.2635
15	Eastern Zone	0.3471		0.3471
16	Commodity Cost of Gas and Fuel Fort Frances	20.1072		20.1072
17	Western Zone	20.2653		20.2653
18	Northern Zone	20.4652		20.4652
19	Eastern Zone	20.6384		20.6384
20	Commodity and Fuel - Price Adjustment (All Zones)	(8.0676) (1)		(8.0676) (1)
21	Bundled Storage Service (\$/GJ) Monthly Demand Charge	11.217		11.217
22	Commodity Charge	0.240		0.240
23	Storage Demand - Price Adjustment	-		-

Notes:

(1) Includes Prospective Recovery of 1.2170, (1.9159), (3.7043), and (3.6644) cents/m<sup>3</sup>.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2009-0147	Rate Change (b)	EB-2009-0101
		Approved July 1, 2009 Rate (a)		Approved July 1, 2009 Rate (c)
	<u>Rate 25 - Large Volume Interruptible Service</u>			
1	Monthly Charge	\$189.88		\$189.88
	Delivery Charge - All Zones			
2	Maximum	4.6875		4.6875
	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	\$144.91		\$144.91
6	Delivery Demand Charge - All Zones	28.3493		28.3493

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2009-0147	Rate	EB-2009-0101
		Approved July 1, 2009	Change	Approved July 1, 2009
		Rate	(b)	Rate
		(a)		(c)
<u>Utility Sales</u>				
1	Commodity and Fuel	20.5848		20.5848
2	Commodity and Fuel - Price Adjustment	(5.2484) (1)		(5.2484) (1)
3	Transportation	3.7337		3.7337
4	Total Gas Supply Commodity Charge	19.0701		19.0701
<u>M4 Firm Commercial/Industrial</u>				
5	Minimum annual gas supply commodity charge	4.8037		4.8037
<u>M5A Interruptible Commercial/Industrial</u>				
6	Minimum annual gas supply commodity charge	4.8037		4.8037
<u>Storage and Transportation Supplemental Services - Rate T1 &amp; T3</u>				
		<u>\$/GJ</u>		<u>\$/GJ</u>
Monthly demand charges: (\$/GJ)				
7	Firm gas supply service	33.067		33.067
8	Firm backstop gas	2.561		2.561
Commodity charges:				
9	Gas supply	5.456		5.456
10	Backstop gas	6.863		6.863
11	Reasonable Efforts Backstop Gas	7.932		7.932
12	Supplemental Inventory	Note (2)		Note (2)
13	Supplemental Gas Sales Service (cents/m <sup>3</sup> )	27.9041		27.9041
14	Failure to Deliver	2.866		2.866
15	Discretionary Gas Supply Service (DGSS)	Note (3)		Note (3)

Notes:

(1) Includes Prospective Recovery of 1.3139, (1.4467), (2.9121), and (2.2035) cents/m<sup>3</sup>.

(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 avg. cost of gas.

(3) 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 <sup>3</sup> )	EB-2009-0147	Rate	EB-2009-0101
		Approved July 1, 2009	Change	Approved July 1, 2009
		(a)	(b)	(c)
<u>M1 Small Volume General Service Rate</u>				
1	Monthly Charge	\$18.00		\$18.00
2	First 100 m <sup>3</sup>	4.6685		4.6685
3	Next 150 m <sup>3</sup>	4.4284		4.4284
4	All over 250 m <sup>3</sup>	3.8601		3.8601
5	Delivery - Price Adjustment (All Volumes)	(0.0275) (1)	(1.2901)	(1.3176) (2)
6	Storage Service	0.9899		0.9899
7	Storage - Price Adjustment	0.0023 (3)		0.0023 (3)
<u>M2 Large Volume General Service Rate</u>				
8	Monthly Charge	\$70.00		\$70.00
9	First 1 000 m <sup>3</sup>	3.7565		3.7565
10	Next 6 000 m <sup>3</sup>	3.6845		3.6845
11	Next 13 000 m <sup>3</sup>	3.4700		3.4700
12	All over 20 000 m <sup>3</sup>	3.2126		3.2126
13	Delivery - Price Adjustment (All Volumes)	0.0613 (4)	(0.5018)	(0.4405) (5)
14	Storage Service	0.7289		0.7289
15	Storage - Price Adjustment	0.0013 (6)		0.0013 (6)
<u>M4 Firm comm/ind contract rate</u>				
Monthly demand charge:				
16	First 8 450 m <sup>3</sup>	45.3025		45.3025
17	Next 19 700 m <sup>3</sup>	19.6552		19.6552
18	All over 28 150 m <sup>3</sup>	16.3226		16.3226
Monthly delivery commodity charge:				
19	First block	0.9602		0.9602
20	All remaining use	0.5259		0.5259
21	Delivery - Price Adjustment (All Volumes)	0.0022 (7)		0.0022 (7)
22	Minimum annual delivery commodity charge	1.2740		1.2740

Notes:

- (1) Includes Prospective Recovery of 0.0026, 0.0001, (0.0004), (0.0001) cents/m<sup>3</sup>, and a temporary credit of (0.0297) cents/m<sup>3</sup> for the period Apr 1-Dec 31, 2009.
- (2) Incl's Prosp Rec of 0.0026, 0.0001, (0.0004), (0.0001), a temp credit of (0.0297) for Apr 1-Dec 31, 2009, and a temp credit of (1.2901) for Jul 1-Dec 31, 2009
- (3) Includes a temporary charge of 0.0023 cents/m<sup>3</sup> for the period April 1 to December 31, 2009.
- (4) Includes Prospective Recovery of 0.0026, 0.0001, (0.0004), (0.0001) cents/m<sup>3</sup>, and a temporary charge of 0.0591 cents/m<sup>3</sup> for the period Apr 1-Dec 31, 2009.
- (5) Incl's Prosp Rec of 0.0026, 0.0001, (0.0004), (0.0001), a temp charge of 0.0591 for Apr 1-Dec 31, 2009, and a temp credit of (0.5018) for Jul 1-Dec 31, 2009.
- (6) Includes a temporary charge of 0.0013 cents/m<sup>3</sup> for the period April 1 to December 31, 2009.
- (7) Includes Prospective Recovery of 0.0026, 0.0001, (0.0004), and (0.0001) cents/m<sup>3</sup>.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2009-0147 Approved July 1, 2009 Rate (a)	Rate Change (b)	EB-2009-0101 Approved July 1, 2009 Rate (c)
<u>M5A interruptible comm/ind contract</u>				
<u>Firm contracts</u>				
1	Monthly demand charge	27.4441		27.4441
2	Monthly delivery commodity charge	1.8828		1.8828
3	Delivery - Price Adjustment (All Volumes)	0.0022 (1)		0.0022 (1)
<u>Interruptible contracts</u>				
4	Monthly Charge	\$499.70		\$499.70
Daily delivery commodity charge:				
5	4 800 m <sup>3</sup> to 17 000 m <sup>3</sup>	1.9571		1.9571
6	17 000 m <sup>3</sup> to 30 000 m <sup>3</sup>	1.8272		1.8272
7	30 000 m <sup>3</sup> to 50 000 m <sup>3</sup>	1.7589		1.7589
8	50 000 m <sup>3</sup> to 70 000 m <sup>3</sup>	1.7110		1.7110
9	70 000 m <sup>3</sup> to 100 000 m <sup>3</sup>	1.6767		1.6767
10	100 000 m <sup>3</sup> to 140 870 m <sup>3</sup>	1.6430		1.6430
11	Delivery - Price Adjustment (All Volumes)	0.0022 (1)		0.0022 (1)
12	Annual minimum delivery commodity charge	2.2709		2.2709
<u>M7 Special large volume contract</u>				
<u>Firm</u>				
13	Monthly demand charge	25.3025		25.3025
14	Monthly delivery commodity charge	0.3812		0.3812
15	Delivery - Price Adjustment	0.0022 (1)		0.0022 (1)
<u>Interruptible</u>				
Monthly delivery commodity charge:				
16	Maximum	2.7579		2.7579
17	Delivery - Price Adjustment	0.0022 (1)		0.0022 (1)
<u>Seasonal</u>				
Monthly delivery commodity charge:				
18	Maximum	2.5138		2.5138
19	Delivery - Price Adjustment	0.0022 (1)		0.0022 (1)
<u>M9 Large wholesale service</u>				
20	Monthly demand charge	16.9216		16.9216
21	Monthly delivery commodity charge	0.5377		0.5377
22	Delivery - Price Adjustment	0.0022 (1)		0.0022 (1)
<u>M10 Small wholesale service</u>				
23	Monthly delivery commodity charge	2.6751		2.6751

Notes:

(1) Includes Prospective Recovery of 0.0026, 0.0001, (0.0004), and (0.0001) cents/m<sup>3</sup>.

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

Line No.	Particulars	EB-2009-0147 Approved July 1, 2009 Rate (a)	Rate Change (b)	EB-2009-0101 Approved July 1, 2009 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
2	Firm Injection/Withdrawal Right			
3	Union provides deliverability inventory	1.947		1.947
4	Customer provides deliverability inventory	1.035		1.035
5	Firm incremental injection	1.035		1.035
5	Interruptible withdrawal	1.035		1.035
	Commodity charges:			
6	Withdrawal	0.063		0.063
7	Customer provides compressor fuel	0.006		0.006
8	Injection	0.063		0.063
9	Customer provides compressor fuel	0.006		0.006
10	Storage fuel ratio - customer provides fuel	0.599%		0.599%
	<u>Transportation (cents / m<sup>3</sup>)</u>			
11	Monthly demand charge first 140,870 m <sup>3</sup>	18.8968		18.8968
12	Monthly demand charge all over 140,870 m <sup>3</sup>	12.9127		12.9127
	Commodity charges:			
13	Firm- Union provides compressor fuel first 2,360,653 m <sup>3</sup>	0.3669		0.3669
14	Union provides compressor fuel all over 2,360,653 m <sup>3</sup>	0.2815		0.2815
15	Customer provides compressor fuel first 2,360,653 m <sup>3</sup>	0.1700		0.1700
16	Customer provides compressor fuel all over 2,360,653 m <sup>3</sup>	0.0846		0.0846
	Interruptible:			
17	Maximum - Union provides compressor fuel	2.7579		2.7579
18	Maximum - customer provides compressor fuel	2.5610		2.5610
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	0.167		0.167
21	Customer provides compressor fuel	0.070		0.070
22	Withdrawals Nov 1 to Apr 30	0.167		0.167
23	Customer provides compressor fuel	0.070		0.070
24	Transportation commodity charge (cents/m <sup>3</sup> )	0.9882		0.9882
25	Customer provides compressor fuel	0.7913		0.7913
26	<u>Monthly Charge</u>	\$1,798.91		\$1,798.91

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

Line No.	Particulars	EB-2009-0147 Approved July 1, 2009 Rate (a)	Rate Change (b)	EB-2009-0101 Approved July 1, 2009 Rate (c)
<u>T3 Storage and Transportation</u>				
<u>Storage (\$ / GJ)</u>				
Monthly demand charges:				
1	Firm space	0.010		0.010
2	Firm Injection/Withdrawal Right			
3	Union provides deliverability inventory	1.947		1.947
4	Customer provides deliverability inventory	1.035		1.035
5	Firm incremental injection	1.035		1.035
6	Interruptible withdrawal	1.035		1.035
Commodity charges:				
7	Withdrawal	0.063		0.063
8	Customer provides compressor fuel	0.006		0.006
9	Injection	0.063		0.063
10	Customer provides compressor fuel	0.006		0.006
10	Storage fuel ratio- Cust. provides fuel	0.599%		0.599%
 <u>Transportation (cents / m<sup>3</sup>)</u>				
11	Monthly demand charge	8.9561		8.9561
Commodity charges				
12	Firm- Union supplies compressor fuel	0.3245		0.3245
13	Customer provides compressor fuel	0.0671		0.0671
14	Transportation fuel ratio- Cust. provides fuel	0.724%		0.724%
 <u>Authorized overrun services</u>				
<u>Storage (\$ / GJ)</u>				
Commodity charges:				
15	Injection	0.167		0.167
16	Customer provides compressor fuel	0.070		0.070
17	Withdrawals	0.167		0.167
18	Customer provides compressor fuel	0.070		0.070
19	Transportation commodity charge (cents/m <sup>3</sup> )	0.6189		0.6189
20	Customer provides compressor fuel (cents/m <sup>3</sup> )	0.3615		0.3615
 <u>Monthly Charge</u>				
21	City of Kitchener	\$17,285.43		\$17,285.43
22	Natural Resource Gas	\$2,653.49		\$2,653.49
23	Six Nations	\$884.50		\$884.50

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

Line No.	Particulars	EB-2009-0147 Approved July 1, 2009 Rate (a)	Rate Change (b)	EB-2009-0101 Approved July 1, 2009 Rate (c)
<u>U2 Unbundled Service</u>				
<u>Storage (\$ / GJ)</u>				
Monthly demand charges:				
	Standard Storage Service (SSS)			
1	Combined Firm Space & Deliverability	0.021		0.021
2	Standard Peaking Service (SPS) Combined Firm Space & Deliverability	0.104		0.104
3	Incremental firm injection right	0.940		0.940
4	Incremental firm withdrawal right	0.940		0.940
Commodity charges:				
5	Injection customer provides compressor fuel	0.014		0.014
6	Withdrawal customer provides compressor fuel	0.014		0.014
7	Storage fuel ratio - Customer provides fuel	0.599%		0.599%
<u>Authorized overrun services</u>				
<u>Storage (\$ / GJ)</u>				
Commodity charges:				
8	Injection customer provides compressor fuel	0.045		0.045
9	Withdrawal customer provides compressor fuel	0.045		0.045
<u>U5 Unbundled Service</u>				
<u>Storage (\$ / GJ)</u>				
Monthly demand charges:				
10	Combined Firm Space & Deliverability	0.021		0.021
11	Incremental firm injection right	0.940		0.940
12	Incremental firm withdrawal right	0.940		0.940
Commodity charges:				
13	Injection customer provides compressor fuel	0.014		0.014
14	Withdrawal customer provides compressor fuel	0.014		0.014
15	Storage fuel ratio - Customer provides fuel	0.599%		0.599%
<u>Delivery (cents / m<sup>3</sup>)</u>				
<u>Firm contracts</u>				
16	Monthly demand charge	21.7116		21.7116
17	Monthly delivery commodity charge	1.8067		1.8067
18	Transportation fuel ratio - Customer provides fuel	0.554%		0.554%
<u>Interruptible contracts</u>				
19	Monthly Charge	\$499.70		\$499.70
Monthly delivery commodity charge:				
20	4 800 m <sup>3</sup> to 17 000 m <sup>3</sup>	1.5400		1.5400
21	17 000 m <sup>3</sup> to 30 000 m <sup>3</sup>	1.4101		1.4101
22	30 000 m <sup>3</sup> to 50 000 m <sup>3</sup>	1.3418		1.3418
23	50 000 m <sup>3</sup> to 70 000 m <sup>3</sup>	1.2939		1.2939
24	70 000 m <sup>3</sup> to 100 000 m <sup>3</sup>	1.2596		1.2596
25	100 000 m <sup>3</sup> to 140 870 m <sup>3</sup>	1.2259		1.2259
<u>Authorized overrun services</u>				
<u>Storage (\$ / GJ)</u>				
Commodity charges:				
26	Injection customer provides compressor fuel	0.045		0.045
27	Withdrawal customer provides compressor fuel	0.045		0.045

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

Line No.	Particulars	EB-2009-0147 Approved July 1, 2009 Rate (a)	Rate Change (b)	EB-2009-0101 Approved July 1, 2009 Rate (c)
<u>U7 Unbundled Service</u>				
<u>Storage (\$ / GJ)</u>				
Monthly demand charges:				
1	Combined Firm Space & Deliverability	0.021		0.021
2	Incremental firm injection right	0.940		0.940
3	Incremental firm withdrawal right	0.940		0.940
Commodity charges:				
4	Injection customer provides compressor fuel	0.014		0.014
5	Withdrawal customer provides compressor fuel	0.014		0.014
6	Storage fuel ratio - Customer provides fuel	0.599%		0.599%
<u>Delivery (cents / m<sup>3</sup>)</u>				
7	Monthly demand charge first 140,870 m <sup>3</sup>	18.8968		18.8968
8	Monthly demand charge all over 140,870 m <sup>3</sup>	12.9127		12.9127
Commodity charges				
9	Firm Customer provides compressor fuel first 2,360,653 m <sup>3</sup>	0.1700		0.1700
10	Firm Customer provides compressor fuel all over 2,360,653 m <sup>3</sup>	0.0846		0.0846
Interruptible:				
11	Maximum customer provides compressor fuel	2.5610		2.5610
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	0.045		0.045
14	Withdrawal customer provides compressor fuel	0.045		0.045
15	Transportation commodity charge (cents/m <sup>3</sup> )	0.7913		0.7913
<u>Other Services &amp; Charges</u>				
16	Monthly Charge	\$1,798.91		\$1,798.91
<u>U9 Unbundled Service</u>				
<u>Storage (\$ / GJ)</u>				
Monthly demand charges:				
17	Firm space	0.021		0.021
18	Incremental firm injection right	0.940		0.940
19	Incremental firm withdrawal right	0.940		0.940
Commodity charges:				
20	Injection customer provides compressor fuel	0.014		0.014
21	Withdrawal customer provides compressor fuel	0.014		0.014
22	Storage fuel ratio - Customer provides fuel	0.599%		0.599%
<u>Delivery (cents / m<sup>3</sup>)</u>				
23	Monthly demand charge	8.9561		8.9561
Commodity charges				
24	Firm customer provides compressor fuel	0.0671		0.0671
25	Transportation fuel ratio - Customer provides fuel	0.724%		0.724%
<u>Authorized overrun services</u>				
<u>Storage (\$ / GJ)</u>				
Commodity charges:				
26	Injection customer provides compressor fuel	0.045		0.045
27	Withdrawal customer provides compressor fuel	0.045		0.045
28	Transportation commodity charge (cents/m <sup>3</sup> )	0.3615		0.3615
<u>Other Services &amp; Charges</u>				
Monthly Charge				
29	City of Kitchener	\$17,285.43		\$17,285.43
30	NRG	\$2,653.49		\$2,653.49
31	Six Nations	\$884.50		\$884.50





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 m<sup>3</sup> 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 Rate Schedule No.	<u>Fort Frances</u> 201	<u>Western</u> 101	<u>Northern</u> 301	<u>Eastern</u> 601
<u>APPLICABLE TO ALL SERVICES</u>				
<u>MONTHLY CHARGE</u>	\$18.00	\$18.00	\$18.00	\$18.00
<u>DELIVERY CHARGE</u>	¢ per m <sup>3</sup>	¢ per m <sup>3</sup>	¢ per m <sup>3</sup>	¢ per m <sup>3</sup>
First 100 m <sup>3</sup> per month @	8.7142	8.7142	8.7142	8.7142
Next 200 m <sup>3</sup> per month @	8.1473	8.1473	8.1473	8.1473
Next 200 m <sup>3</sup> per month @	7.7445	7.7445	7.7445	7.7445
Next 500 m <sup>3</sup> per month @	7.3748	7.3748	7.3748	7.3748
Over 1,000 m <sup>3</sup> per month @	7.0695	7.0695	7.0695	7.0695
Delivery- Price Adjustment (All Volumes)	(1.7767) (1)	(1.7767) (1)	(1.7767) (1)	(1.7767) (1)

Note (1) The Delivery – Price Adjustment is composed of a temporary charge of 0.0431 cents/m<sup>3</sup> for the period April 1 to December 31, 2009, and a temporary credit of (1.8198) cents/m<sup>3</sup> for the period July 1 to December 31, 2009.



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% (annual effective rate of 19.56%).

**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

July 1, 2009  
O.E.B. ORDER # EB-2009-0101

Chatham, Ontario

Supersedes EB-2009-0147 Rate Schedule effective July 1, 2009.



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 m<sup>3</sup> 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>	¢ per m <sup>3</sup>	¢ per m <sup>3</sup>	¢ per m <sup>3</sup>	¢ per m <sup>3</sup>
First 1,000 m <sup>3</sup> per month @	7.5341	7.5341	7.5341	7.5341
Next 9,000 m <sup>3</sup> per month @	5.9959	5.9959	5.9959	5.9959
Next 20,000 m <sup>3</sup> per month @	5.1188	5.1188	5.1188	5.1188
Next 70,000 m <sup>3</sup> per month @	4.5572	4.5572	4.5572	4.5572
Over 100,000 m <sup>3</sup> per month @	2.4299	2.4299	2.4299	2.4299
Delivery-Price Adjustment (All Volumes)	(0.6175) (1)	(0.6175) (1)	(0.6175) (1)	(0.6175) (1)

Note (1) The Delivery – Price Adjustment is composed of a temporary charge of 0.0559 cents/m<sup>3</sup> for the period April 1 to December 31, 2009, and a temporary credit of (0.6735) cents/m<sup>3</sup> for the period July 1 to December 31, 2009.



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% (annual effective rate of 19.56%).

**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 m<sup>3</sup> 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 July 1, 2009  
O.E.B. ORDER # EB-2009-0101

Chatham, Ontario

Supersedes EB-2009-0147 Rate Schedule effective July 1, 2009.



SMALL VOLUME GENERAL SERVICE RATE

**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To general service customers whose total consumption is equal to or less than 50,000 m<sup>3</sup> per year.

**(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		\$ 18.00
b)	Delivery Charge		
	First	100 m <sup>3</sup>	4.6685 ¢ per m <sup>3</sup>
	Next	150 m <sup>3</sup>	4.4284 ¢ per m <sup>3</sup>
	All Over	250 m <sup>3</sup>	3.8601 ¢ per m <sup>3</sup>
	Delivery – Price Adjustment (All Volumes) (1)		(1.3176) ¢ per m <sup>3</sup>
c)	Storage Charge (if applicable)		0.9899 ¢ per m <sup>3</sup>
	Storage – Price Adjustment (2)		0.0023 ¢ per m <sup>3</sup>

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.

Notes:

- (1) The Delivery – Price Adjustment includes a temporary credit of (0.0297) cents/m<sup>3</sup> for the period April 1 to December 31, 2009, and a temporary credit of (1.2901) cents/m<sup>3</sup> for the period July 1 to December 31, 2009.
- (2) The Storage – Price Adjustment is composed of a temporary charge of 0.0023 cents/m<sup>3</sup> for the period April 1 to December 31, 2009.

**(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% (annual effective rate of 19.56%).



**(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 5.6584 ¢ per m<sup>3</sup> for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, plus 7¢ per m<sup>3</sup>.

**(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>	<u>Assumed Atmospheric Pressure 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



LARGE VOLUME GENERAL SERVICE RATE

**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To general service customers whose total consumption is greater than 50,000 m<sup>3</sup> per year.

**(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		\$ 70.00
b)	Delivery Charge		
	First	1 000 m <sup>3</sup>	3.7565 ¢ per m <sup>3</sup>
	Next	6 000 m <sup>3</sup>	3.6845 ¢ per m <sup>3</sup>
	Next	13 000 m <sup>3</sup>	3.4700 ¢ per m <sup>3</sup>
	All Over	20 000 m <sup>3</sup>	3.2126 ¢ per m <sup>3</sup>
	Delivery – Price Adjustment (All Volumes) (1)		(0.4405) ¢ per m <sup>3</sup>
c)	Storage Charge (if applicable)		0.7289 ¢ per m <sup>3</sup>
	Storage – Price Adjustment (2)		0.0013 ¢ per m <sup>3</sup>
	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.

Notes:

- (1) The Delivery – Price Adjustment includes a temporary charge of 0.0591 cents/m<sup>3</sup> for the period April 1 to December 31, 2009, and a temporary credit of (0.5018) cents/m<sup>3</sup> for the period July 1 to December 31, 2009.
- (2) The Storage – Price Adjustment is composed of a temporary charge of 0.0013 cents/m<sup>3</sup> for the period April 1 to December 31, 2009.

**(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% (annual effective rate of 19.56%).



**(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 4.4854¢ per m<sup>3</sup> for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, plus 7¢ per m<sup>3</sup>.

**(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>	<u>Assumed Atmospheric Pressure 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

Effective

July 1, 2009  
O.E.B. ORDER # EB-2009-0101

Chatham, Ontario

Supersedes EB-2009-0147 Rate Schedule effective July 1, 2009.



UNION GAS LIMITED  
 General Service Rates  
 Unit Rates for Prospective Refund: Delivery - 2008 Earnings Sharing

Line No.	Particulars	Rate Class	2008 Earnings Sharing Balances		2009 Forecast Volume (10 <sup>3</sup> m <sup>3</sup> ) (2)	Unit Rate for Prospective Refund (cents/m <sup>3</sup> ) (c) = (a/b)*100
			(\$000's) (1)	(a)		
1	Small Volume General Service	01	(5,917)	(5,917)	325,165	(1.8198)
2	Large Volume General Service	10	(1,094)	(1,094)	162,395	(0.6735)
3	Small Volume General Service	M1	(13,831)	(13,831)	1,072,157	(1.2901)
4	Large Volume General Service	M2	(2,102)	(2,102)	418,954	(0.5018)

Notes:

- (1) EB-2009-0101, Rate Order, Working Papers, Schedule 2
- (2) Forecast volume for the period July 1, 2009 to December 31, 2009

UNION GAS LIMITED  
Unit Rates for One-Time Adjustments - 2008 Earnings Sharing

Line No.	Particulars	Rate Class	2008 Earnings Sharing		2008 Actual Volume (10 <sup>3</sup> m <sup>3</sup> ) (2)	Unit Rate (cents/m <sup>3</sup> ) (c) = (a/b)*100
			Balances (\$000's) (1)	(a)		
	<u>Northern and Eastern Operations Area:</u>					
1	Medium Volume Firm Service	20	(566)		481,077	(0.1177)
3	Large Volume High Load Factor	100	(749)		1,964,681	(0.0381)
4	Wholesale Service	77	(1)		77	(1.3180)
5	Large Volume Interruptible	25	(254)		306,957	(0.0828)
	<u>Southern Operations Area:</u>					
6	Firm Com/Ind Contract	M4	(560)		519,542	(0.1079)
7	Interruptible Com/Ind Contract	M5A	(344)		498,505	(0.0689)
8	Special Large Volume Contract	M7	(348)		553,253	(0.0628)
9	Large Wholesale	M9	(29)		30,748	(0.0947)
10	Small Wholesale	M10	(1)		222	(0.6232)
11	Contract Carriage Service	T1	(1,705)		3,756,946	(0.0454)
12	Contract Carriage- Wholesale	T3	(205)		273,898	(0.0750)

Notes:

- (1) EB-2009-0101, Rate Order, Working Papers, Schedule 2
- (2) Actual volume for the period January 1, 2008 to December 31, 2008

UNION GAS LIMITED  
 Summary of 2008 Earnings Sharing  
 Storage and Transportation Services

Line No.	Particulars (\$000's)	Rate Class	2008 Earnings Sharing Balance (\$000's) (1) (2)
1	Storage and Transportation	M12	(6,715)
2	Local Production	M13	(5)
3	Short-Term Cross Franchise	C1	(25)
4	Storage Transportation Service	M16	(7)

Notes:

- (1) EB-2009-0101, Rate Order, Working Papers, Schedule 2
- (2) Exfranchise M12, M13, M16 and C1 customers based on specific amounts determined using approved Earnings Sharing allocation methodologies.





Filed: 2009-06-09  
EB-2009-0101  
Rate Order  
Working Papers

**EB-2009-0101**  
**Rate Order**  
**Working Paper Index**

Schedule 1	Earnings Sharing Calculation
Schedule 2	Allocation of 2008 Earnings Sharing to Rate Classes
Schedule 3	General Service Bill Impacts

**UNION GAS LIMITED**  
Earnings Sharing Calculation including interest to June 30, 2009  
Year Ended December 31, 2008

Line No.	Particulars (\$000's)	2008 (a)	Non-Utility Storage (b)	Adjustments (c)	2008 Utility (d)=(a)-(b)+(c)
<b>Operating Revenues:</b>					
1	Operating revenue	\$ 1,869,283	\$ -	\$ (3,654) i	1,865,629
2	Storage & Transportation	243,317	78,230	-	165,087
3	Other	33,818	-	(7,530) ii	26,288
4		<u>2,146,418</u>	<u>78,230</u>	<u>(11,184)</u>	<u>2,057,004</u>
<b>Operating Expenses:</b>					
5	Cost of gas	1,171,320	8,082	-	1,163,238
6	Operating and maintenance expenses	335,115	12,028	(516) iii	322,571
7	Depreciation	185,219	4,966	-	180,253
8	Other financing	-	-	535 iv	535
9	Property and capital taxes	65,895	953	-	64,942
10		<u>1,757,549</u>	<u>26,029</u>	<u>19</u>	<u>1,731,539</u>
11	Earning Before Interest and Taxes	\$ <u>388,869</u>	\$ <u>52,201</u>	\$ <u>(11,203)</u>	\$ <u>325,465</u>
<b>Financial Expenses:</b>					
12	Long-term debt				143,546
13	Unfunded short-term debt				<u>2,805</u>
14					<u>146,351</u>
15	Utility income before income taxes				179,114
16	Income taxes				31,300
17	Preferred dividend requirements				<u>5,088</u>
18	Utility earnings				<u>142,726</u>
19	Long term storage premium subsidy (after tax)				10,676
20	Short term storage premium subsidy (after tax)				<u>7,484</u>
21					<u>18,160</u>
22	Earnings subject to sharing				\$ <u>160,886</u>
23	Common equity				1,205,196
24	Return on equity (line 22 / line 23)				13.35%
25	Benchmark return on equity				10.81%
26	50% Earnings sharing %				1.00%
27	90% Earnings sharing to ratepayer % (line 24 - line 25 - line 26)				1.54%
28	50% Earnings sharing \$ (line 26 x line 23 x 50%)				6,026
29	90% Earnings sharing to ratepayer \$ (line 27 x line 23 x 90%)				<u>16,697</u>
30	Total earnings sharing \$ (line 28 + line 29)				<u>22,723</u>
31	Pre-tax earnings sharing (line 30 / (1 minus tax rate))				\$ <u>34,170</u>
<b>Interest</b>					
32	January - March	90 days	@ 2.45%	\$ 206	
33	April - June	91 days	@ 1.00%	85	<u>291</u>
34	Total Earnings Sharing Amount for Disposition (line 31 + line 33)				\$ <u>34,461</u>

**Notes:**

i) Accounting adjustment

ii) Shared Savings Mechanism

iii) Donations (394)  
EB-2008-0304 costs (122)  
(516)

iv) Customer deposit interest

UNION GAS LIMITED  
Allocation of 2008 Earning Sharing to Rate Classes

Line No.	Particulars	Rate Class	C2007 Return on Equity Allocation (1) (\$000's) (a)	2008 Earning Sharing (\$000's) (b)
<u>Northern &amp; Eastern Operations Area</u>				
1	Small Volume General Firm Service	01	44,549	(5,917)
2	Large Volume General Firm Service	10	8,234	(1,094)
3	Medium Volume Firm Service	20	4,263	(566)
4	Large Volume High Load Factor Firm Service	100	5,641	(749)
5	Large Volume Interruptible Service	25	1,913	(254)
6	Wholesale Transportation Service	77	8	(1)
7	Total Northern & Eastern Operations Area		<u>64,608</u>	<u>(8,582)</u>
<u>Southern Operations Area</u>				
8	Small Volume General Service Rate	M1	104,130	(13,831)
9	Large Volume General Service Rate	M2	15,828	(2,102)
10	Firm Industrial and Commercial Contract Rate	M4	4,220	(560)
11	Interruptible Industrial & Commercial Contract Rate	M5A	2,587	(344)
12	Special Large Volume Industrial & Commercial Contract Rate	M7	2,617	(348)
13	Large Wholesale Service Rate	M9	219	(29)
14	Small Wholesale Service Rate	M10	10	(1)
15	S & T Rates for Contract Carriage Customers	T1	12,835	(1,705)
16	S & T Rates for Contract Carriage Customers	T3	1,546	(205)
<u>Storage and Transportation</u>				
17	Cross Franchise Transportation Rates	C1	186	(25)
18	Storage & Transportation Rates	M12	50,557	(6,715)
19	Transportation of Locally Produced Gas	M13	39	(5)
20	Storage & Transportation Services - Transportation Charges	M16	55	(7)
21	Total Southern Operations Area		<u>194,830</u>	<u>(25,879)</u>
22	Total		<u>259,438</u>	<u>(34,461)</u> (2)

Notes:

- (1) Allocated costs per 2007 Decision in EB-2005-0520  
 (2) Earning Sharing balance for Disposition as per EB-2009-0101, Rate Order, Working Papers, Schedule 1, updated for interest to June 30, 2009

UNION GAS LIMITED  
General Service Bill Impacts

Line No.	Particulars	Jul-Dec 2009			Delivery Bill Impact (\$)
		2008 Earnings Sharing (1) (\$000's)	Forecast Delivery Volumes (10 <sup>3</sup> m <sup>3</sup> ) (b)	Unit Rate for Prospective Refund (cents/m <sup>3</sup> ) (c) = (a / b) x 100	
1	Rate 01	(5,917)	325,165	(1.8198)	1,013 (18.44)
2	Rate 10	(1,094)	162,395	(0.6735)	38,833 (261.53)
3	Rate M1	(13,831)	1,072,157	(1.2901)	829 (10.70)
4	Rate M2	(2,102)	418,954	(0.5018)	23,871 (119.79)

Notes:

- (1) EB-2009-0101, Rate Order, Working Papers, Schedule 2
- (2) Average consumption, per customer, for the period July 1 to December 31, 2009