



**uniongas**

A Spectra Energy Company

November 27, 2007

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

Attention: Ms. Kirsten Walli, Board Secretary

**Re: QRAM Rate Application (EB-2007-0918) – Effective January 1, 2008**

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 changes to the forecasted 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 \$6.834/GJ. This is a decrease of \$0.593/GJ from the amount currently approved in rates. Union is also proposing to prospectively refund projected 12-month gas cost deferral account credits of \$22.406 million. The result is a net annual decrease for sales service customers in the Southern Operations area of \$66 and a net annual increase for sales service customers in the Northern & Eastern Operations area of \$26. Bundled direct purchase customers will see a net annual increase of \$0.05 in the Southern Operations area and a net annual increase of \$4 in the Northern & Eastern Operations area.

Union has enclosed an application to the Board for Orders effective January 1, 2008 to change the rates and other charges that were authorized by the Board's EB-2007-0720 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

The proposed rate changes reflect the implementation of the new M1 and M2 rate classes.

Please note that the evidence package does not include the following schedules which have been provided in the past. In Union's view, the schedules that have been omitted are of little value. It is unlikely that they are used by anyone. Union can provide the schedules to anyone who would like to receive them.

- Exhibit A, Tab 2, Schedules 5 - Quarterly Residential Bill Impacts
- Exhibit A, Tab 2, Working Papers - Schedule 3 - Details of Forecast and Actual Prospective Recovery
- Exhibit A, Tab 2, Working Papers - Schedule 4 - Prospective Recovery Reconciliation

Union requests the Board's decision on this application by Thursday, December 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-2007-0606 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/>.

Although this application deals with Union's proposed QRAM rate changes effective January 1<sup>st</sup>, Union also proposes to implement concurrently rate changes to reflect the impacts of the following:

- EB-2007-0598 Decision and Rate Order dated November 12, 2007 which dealt with Union's 2006 Deferral Disposition and Earnings Sharing amounts, and
- EB-2007-0606 Board Decision on 2008 Interim Rates issued at the oral hearing on November 6, 2007. The EB-2007-0606 Draft Rate Order for 2008 Interim Rates was filed with the Board and distributed to intervenors on November 16<sup>th</sup>.

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

Yours truly,

*[Original signed by]*

Chris Ripley  
Manager, Regulatory Applications

cc: EB-2007-0606 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 January 1, 2008;

**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") is 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 effective January 1, 2008 under Board File No. EB-2007-0606. Union filed the EB-2007-0606 Draft Rate Order for 2008 Interim Rates on November 16, 2007 in accordance with the Board Decision issued at the oral hearing on November 6, 2007.
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 January 1, 2008 as follows:

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

	Current (Approved in EB-2007-0720)	Proposed (Effective January 1, 2008)
Alberta Border Reference Price <sup>1</sup>	7.426 \$/GJ	6.834 \$/GJ
	27.8995 cents/m <sup>3</sup>	25.6753 cents/m <sup>3</sup>
Ontario Landed Reference Price <sup>2</sup>	8.804 \$/GJ	8.183 \$/GJ
	33.0766 cents/m <sup>3</sup>	30.7435 cents/m <sup>3</sup>
South Portfolio Cost Differential ("SPCD") <sup>3</sup>	0.145 \$/GJ	0.237 \$/GJ
	0.5448 cents/m <sup>3</sup>	0.8904 cents/m <sup>3</sup>

Notes:

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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 January 1, 2008;

(c) an order reflecting the prospective recovery of the projected balance for the twelve month period ending December 31, 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-2007-0606 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 November 27, 2007.

UNION GAS LIMITED

*[Original signed by]*

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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 January 1, 2008;

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 November 27, 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-2007-0720. Union seeks the following orders, effective January 1, 2008:

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

	Current (Approved in EB-2007-0720)	Proposed (Effective January 1, 2008)
Alberta Border Reference Price <sup>1</sup>	7.426 \$/GJ	6.834 \$/GJ
	27.8995 cents/m <sup>3</sup>	25.6753 cents/m <sup>3</sup>
Ontario Landed Reference Price <sup>2</sup>	8.804 \$/GJ	8.183 \$/GJ
	33.0766 cents/m <sup>3</sup>	30.7435 cents/m <sup>3</sup>
South Portfolio Cost Differential ("SPCD") <sup>3</sup>	0.145 \$/GJ	0.237 \$/GJ
	0.5448 cents/m <sup>3</sup>	0.8904 cents/m <sup>3</sup>

**Notes:**

<sup>1</sup> 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.

<sup>2</sup> 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 .

<sup>3</sup> 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 January 1, 2008;
- (c) an order reflecting the prospective recovery of the projected balance for the twelve-month period ending December 31, 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 Intervenor of record in the EB-2007-0606 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 4:45 p.m., Tuesday, December 4, 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 (four hard copies plus an electronic copy by e-mail) and serving a copy on all parties who make submissions no later than 4:45 p.m., Thursday, December 6, 2007.



3. Union shall reply to any comments received by filing such replies with the board Secretary (four hard copies plus an electronic copy by e-mail) and serving a copy on all parties who make submissions no later than 4:45 p.m., Monday, December 10, 2007.
4. All parties must also provide the Case Manager, \_\_\_\_\_  
\_\_\_\_\_[@oeb.gov.on.ca](mailto: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, November, 2007.

ONTARIO ENERGY BOARD

John Pickernell  
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 January 1, 2008 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 inventory levels are at a record high at the end of the injection season. Despite the ample storage inventories, forward prices have not dropped significantly

November 2007

1 because of the uncertainty of winter weather. At current prices, liquefied natural gas (LNG)  
2 supplies are expected to be low through the winter because of a high demand for LNG in  
3 European markets. Assuming normal weather prevails through the winter, domestic production  
4 and stored gas is expected to provide adequate supplies to meet North American forecasted  
5 demand.

## 7 **2. PRICING**

### 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 January  
12 2008 to December 2008. 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 January 2008 to December 2008 period.  
15 (See Tab 1, Schedule 1 for the details of this calculation.)

17 Based on the approved method, the Alberta Border Reference price for the period January 1,  
18 2008 to December 31, 2008 is \$6.834/GJ. This represents a decrease of \$0.593/GJ from the  
19 Alberta Border Reference price of \$7.426/GJ last approved by the Board in the EB-2007-0720  
20 proceeding. Consistent with the updated Alberta Border Reference Price, Union proposes that

November 2007

the reference price of \$6.834/GJ be used for amounts to be recorded in the North PGVA Account (“NPGVA”) (Deferral Account No. 179-105).

Union also proposes that the reference price of \$6.834/GJ be used in determining the amounts to be recorded in the TCPL Tolls and Fuel – Northern and Eastern Operations Area deferral account (Deferral Account No. 179-100) with respect to fuel gas.

## 2.2 Ontario Landed Reference Price

The Ontario Landed Reference Price is \$8.183/GJ and is calculated by adding the TCPL EDA toll and fuel to the Alberta Border Reference Price as shown on Schedule 1. This represents a decrease of \$0.621/GJ from the Ontario Landed Reference Price of \$8.804/GJ last approved by the Board in the EB-2007-0720 proceeding. This change represents the decrease in the Alberta Border Reference Price of \$0.593/GJ plus the associated changes in TCPL tolls and compressor fuel costs.

As previously approved, the Ontario Landed Reference Price will be used to defer amounts to be recorded in the South PGVA Account (“SPGVA”) (Deferral Account No. 179-106) and the Spot Gas Variance Account (Deferral Account No. 179-107). The Ontario Landed Reference Price 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 January 1, 2008 the SPCD is projected to be \$0.237/GJ as shown on Schedule 2. The SPCD results in a South Transportation Sales Rate of \$0.793/GJ calculated by subtracting the SPCD of \$0.237/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 December 31, 2008 is shown on Schedule 3. The opening deferral account balances are the projected deferral account balances at January 1, 2008 plus the projected inventory revaluation adjustment at January 1, 2008.

The deferral account forecast is based on the actual and forecast gas costs for the period January 1, 2008 to December 31, 2008 and on the proposed Alberta Border Reference Price and the

1 Ontario Landed Reference Price effective January 1, 2008.

2  
3 3.2 Prospective Recovery of Deferral Account Balances

4 January 1, 2008 deferral account balances relating to the North PGVA, North Tolls and Fuel,  
5 South PGVA, Inventory Revaluation, and Spot Gas accounts are identified below.

6  
7 3.2.1 North PGVA

8 The balance in the North PGVA (Deferral Account No.179-105) as of January 1, 2008 is a credit  
9 of \$92.620 million as identified in Schedule 3, page 2.

10  
11 3.2.2 North Tolls and Fuel

12 The balance in the North Tolls and Fuel Account (Deferral Account No.179-100) as of January 1,  
13 2008 is a credit of \$6.111 million as identified in Schedule 3, page 3. This balance is comprised  
14 of a \$9.674 million credit related to Northern tolls, offset by a \$3.562 million debit related to fuel  
15 costs.

16  
17 3.2.3 South PGVA

18 The balance in the South PGVA (Deferral Account No.179-106) as of January 1, 2008 is a credit  
19 of \$269.950 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 January 1,  
3    2008 is a debit of \$12.559 million. The calculation for the inventory revaluation amount is  
4    presented in Schedule 3, page 5.

6    3.2.5        Spot Gas Account/Load Balancing

7    Spot Gas and Load Balancing costs are tracked separately. There is a debit balance of \$0.310  
8    million for Spot Gas purchases and a credit balance of \$11.626 million for Load Balancing. Both  
9    balances are recorded in the Spot Gas Variance Account (Deferral No.179-107) as identified in  
10   Schedule 3, page 6.

12   3.3         North Heat Value and UDC Accounts

13   The balance in the North Heat Value Account as of January 1, 2008 is a credit of \$1.389 million  
14   as identified in Schedule 3, page 1. The North Heat Value Account (Account No. 179-89) and  
15   the Joint Unabsorbed Demand Costs Account (Account No. 179-108) balances are not  
16   prospectively recovered in accordance with the current Board-approved QRAM process. Union  
17   has incurred Unabsorbed Demand Charges as a result of the need to balance the supply portfolio.  
18   Union will dispose of these deferral account balances through the annual deferral account  
19   disposition process.





[illegible]

## 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 December 31, 2008

Line No.	Particulars		
1	South Purchased Gas Variance Account (SPGVA) (\$000's)	\$ 19,650	(1)
2	South Consumption Volumes (PJ's)	<u>82.8</u>	(2)
3	South Price Cost Differential (Line 1/Line 2)	\$ 0.237 /GJ	
4	TCPL Transportation EDA Toll	\$ 1.030 /GJ	
5	South Price Cost Differential (Line 3)	\$ 0.237 /GJ	
6	South Transportation Rate (Line 4 - Line 5)	<u><u>\$ 0.793 /GJ</u></u>	

Notes:

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

**UNION GAS LIMITED**  
**Summary of Gas Supply Deferral Accounts**

Line No.	Particulars	Joint Accounts									Total (\$000's)
		North PGVA (179-105) (\$000's) (1)	North Tolls and LBA (179-100) (\$000's) (2)	North Fuel (179-100) (\$000's) (2)	North Heat Value (179-89) (\$000's) (6) (7)	South PGVA (179-106) (\$000's) (3)	Inventory Revaluation (179-109) (\$000's) (4)	Load Balancing (179-107) (\$000's) (5)	Spot Gas Purchases (179-107) (\$000's) (5)	Unabsorbed Demand Costs (179-108) (\$000's) (6)	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)=sum of (a) to (i)
1	Cumulative to end of December, 2006	\$ (63,563)	\$ (11,714)	\$ 5,330	\$ -	\$ (143,244)	\$ (107,556)	\$ (8,401)	\$ 311	\$ -	\$ (328,838)
2	January, 2007 *	\$ (3,781)	\$ 223	\$ 14	\$ (544)	\$ (11,105)	\$ 28,161	\$ (23)	\$ (0)	\$ -	\$ 12,944
3	February *	\$ (1,367)	\$ 120	\$ (209)	\$ (122)	\$ (1,916)	\$ 123	\$ (18)	\$ (0)	\$ -	\$ (3,389)
4	March *	\$ (985)	\$ 542	\$ (99)	\$ (287)	\$ (5,361)	\$ 102	\$ (29)	\$ (0)	\$ 267	\$ (5,851)
5	April, 2007 *	\$ (2,539)	\$ 204	\$ 3	\$ (234)	\$ (9,992)	\$ (729)	\$ (3,097)	\$ (0)	\$ -	\$ (16,385)
6	May *	\$ (2,176)	\$ 196	\$ (4)	\$ (54)	\$ (12,971)	\$ 60	\$ (11)	\$ (0)	\$ 239	\$ (14,722)
7	June *	\$ (3,075)	\$ (100)	\$ (280)	\$ (48)	\$ (10,493)	\$ 52	\$ (10)	\$ (0)	\$ -	\$ (13,954)
8	July, 2007 *	\$ (4,045)	\$ 54	\$ 19	\$ (15)	\$ (15,723)	\$ (1,741)	\$ (9)	\$ (0)	\$ 77	\$ (21,384)
9	August *	\$ (2,136)	\$ 357	\$ (181)	\$ (24)	\$ (23,305)	\$ 42	\$ (9)	\$ (0)	\$ 204	\$ (25,052)
10	September *	\$ 98	\$ 537	\$ (667)	\$ (31)	\$ (15,032)	\$ 38	\$ (8)	\$ (0)	\$ 72	\$ (14,994)
11	October, 2007 *	\$ (3,190)	\$ 33	\$ (118)	\$ (29)	\$ (6,477)	\$ 27,472	\$ (9)	\$ (0)	\$ 54	\$ 17,736
12	November	\$ (3,281)	\$ (63)	\$ (149)	\$ -	\$ (7,680)	\$ -	\$ -	\$ -	\$ -	\$ (11,173)
13	December	\$ (2,579)	\$ (62)	\$ (96)	\$ -	\$ (6,648)	\$ -	\$ -	\$ -	\$ -	\$ (9,386)
14	Total (Lines 1 to 13)	\$ (92,620)	\$ (9,674)	\$ 3,562	\$ (1,389)	\$ (269,950)	\$ (53,976)	\$ (11,626)	\$ 310	\$ 914	\$ (434,448)
<b>Current QRAM Period</b>											
15	January, 2008	\$ (147)	\$ (59)	\$ 4	\$ -	\$ 1,348	\$ 12,559	\$ -	\$ -	\$ -	\$ 13,704
16	February	\$ (95)	\$ (60)	\$ 4	\$ -	\$ 1,814	\$ -	\$ -	\$ -	\$ -	\$ 1,663
17	March	\$ (469)	\$ (63)	\$ (22)	\$ -	\$ 88	\$ -	\$ -	\$ -	\$ -	\$ (466)
18	April, 2008	\$ (839)	\$ (63)	\$ (42)	\$ -	\$ (2,119)	\$ -	\$ -	\$ -	\$ -	\$ (3,063)
19	May	\$ (747)	\$ (60)	\$ (32)	\$ -	\$ (2,815)	\$ -	\$ -	\$ -	\$ -	\$ (3,654)
20	June	\$ (554)	\$ (59)	\$ (19)	\$ -	\$ (2,542)	\$ -	\$ -	\$ -	\$ -	\$ (3,174)
21	July, 2008	\$ (400)	\$ (59)	\$ (9)	\$ -	\$ (2,576)	\$ -	\$ -	\$ -	\$ -	\$ (3,044)
22	August	\$ (214)	\$ (59)	\$ 1	\$ -	\$ (1,947)	\$ -	\$ -	\$ -	\$ -	\$ (2,219)
23	September	\$ (161)	\$ (59)	\$ 2	\$ -	\$ (1,284)	\$ -	\$ -	\$ -	\$ -	\$ (1,501)
24	October, 2008	\$ (14)	\$ (62)	\$ (1)	\$ -	\$ (1,006)	\$ -	\$ -	\$ -	\$ -	\$ (1,083)
25	November	\$ 1,302	\$ (63)	\$ 34	\$ -	\$ 3,753	\$ -	\$ -	\$ -	\$ -	\$ 5,026
26	December	\$ 2,338	\$ (62)	\$ 79	\$ -	\$ 7,287	\$ -	\$ -	\$ -	\$ -	\$ 9,642
27	Total (Lines 15 to 26)	\$ -	\$ (729)	\$ (1)	\$ -	\$ -	\$ 12,559	\$ -	\$ -	\$ -	\$ 11,829

\* reflects actual information

**Notes:**

- (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 December, 2006						\$ (62,660)	\$ (903)	\$ (63,563)
2	January, 2007 *	\$ 13,660	2,178,234	\$ 6.271	\$ 7.926	\$ (1.655)	\$ (3,604)	\$ (177)	\$ (3,781)
3	February *	\$ 15,156	2,068,366	\$ 7.328	\$ 7.926	\$ (0.598)	\$ (1,237)	\$ (130)	\$ (1,367)
4	March *	\$ 10,150	1,392,074	\$ 7.291	\$ 7.926	\$ (0.634)	\$ (883)	\$ (102)	\$ (985)
5	April, 2007 *	\$ 18,056	2,477,070	\$ 7.289	\$ 8.288	\$ (0.999)	\$ (2,474)	\$ (66)	\$ (2,539)
6	May *	\$ 14,455	1,999,967	\$ 7.227	\$ 8.288	\$ (1.061)	\$ (2,121)	\$ (55)	\$ (2,176)
7	June *	\$ 16,848	2,397,572	\$ 7.027	\$ 8.288	\$ (1.261)	\$ (3,023)	\$ (52)	\$ (3,075)
8	July, 2007 *	\$ 11,518	1,849,918	\$ 6.226	\$ 8.379	\$ (2.153)	\$ (3,983)	\$ (62)	\$ (4,045)
9	August *	\$ 5,072	851,113	\$ 5.959	\$ 8.379	\$ (2.420)	\$ (2,060)	\$ (76)	\$ (2,136)
10	September *	\$ 1,142	115,031	\$ 9.924	\$ 8.379	\$ 1.545	\$ 178	\$ (80)	\$ 98
11	October, 2007 *	\$ 8,636	1,580,872	\$ 5.463	\$ 7.426	\$ (1.964)	\$ (3,104)	\$ (85)	\$ (3,190)
12	November	\$ 16,300	2,636,599	\$ 6.182	\$ 7.426	\$ (1.244)	\$ (3,281)	\$ -	\$ (3,281)
13	December	\$ 19,056	2,913,212	\$ 6.541	\$ 7.426	\$ (0.885)	\$ (2,579)	\$ -	\$ (2,579)
14	Total (Lines 1 to 13)	\$ 150,048	22,460,028				\$ (90,832)	\$ (1,789)	\$ (92,620)
	<u>Current QRAM Period</u>								
15	January, 2008	\$ 18,842	2,778,845	\$ 6.781	\$ 6.834	\$ (0.053)	\$ (147)	\$ -	\$ (147)
16	February	\$ 17,607	2,590,466	\$ 6.797	\$ 6.834	\$ (0.037)	\$ (95)	\$ -	\$ (95)
17	March	\$ 18,502	2,776,196	\$ 6.665	\$ 6.834	\$ (0.169)	\$ (469)	\$ -	\$ (469)
18	April, 2008	\$ 17,529	2,687,901	\$ 6.522	\$ 6.834	\$ (0.312)	\$ (839)	\$ -	\$ (839)
19	May	\$ 18,198	2,772,414	\$ 6.564	\$ 6.834	\$ (0.270)	\$ (747)	\$ -	\$ (747)
20	June	\$ 17,844	2,692,260	\$ 6.628	\$ 6.834	\$ (0.206)	\$ (554)	\$ -	\$ (554)
21	July, 2008	\$ 18,564	2,775,095	\$ 6.690	\$ 6.834	\$ (0.144)	\$ (400)	\$ -	\$ (400)
22	August	\$ 18,702	2,767,995	\$ 6.756	\$ 6.834	\$ (0.077)	\$ (214)	\$ -	\$ (214)
23	September	\$ 18,046	2,664,200	\$ 6.773	\$ 6.834	\$ (0.060)	\$ (161)	\$ -	\$ (161)
24	October, 2008	\$ 18,751	2,745,980	\$ 6.828	\$ 6.834	\$ (0.005)	\$ (14)	\$ -	\$ (14)
25	November	\$ 19,376	2,644,871	\$ 7.326	\$ 6.834	\$ 0.492	\$ 1,302	\$ -	\$ 1,302
26	December	\$ 21,033	2,735,698	\$ 7.688	\$ 6.834	\$ 0.855	\$ 2,338	\$ -	\$ 2,338
27	Total (Lines 15 to 26)	\$ 222,994	32,631,921				\$ -	\$ -	\$ -

\* reflects actual information

(1) 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 December 2007 is as approved in EB-2007-0720.

The reference price from January 2008 to December 2008 is as proposed in EB-2007-0918.

(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)	Interest (\$000's) (1)	Deferral Amount With Interest (\$000's)	Deferral Amount Before Interest (\$000's)	Interest (\$000's) (1)	Deferral Amount With Interest (\$000's)	
		(a)	(b)	(c) = (a) + (b)	(d)	(e)	(f) = (d) + (e)	
1	Cumulative to end of December, 2006	\$ (11,591)	\$ (123)	\$ (11,714)	\$ 5,060	\$ 269	\$ 5,330	\$ (6,384)
2	January, 2007 *	\$ 227	\$ (5)	\$ 223	\$ 10	\$ 4	\$ 14	\$ 237
3	February *	\$ 123	\$ (2)	\$ 120	\$ (213)	\$ 4	\$ (209)	\$ (89)
4	March *	\$ 522	\$ 20	\$ 542	\$ (95)	\$ (5)	\$ (99)	\$ 442
5	April, 2007 *	\$ 202	\$ 2	\$ 204	\$ 0	\$ 3	\$ 3	\$ 207
6	May *	\$ 193	\$ 3	\$ 196	\$ (8)	\$ 4	\$ (4)	\$ 192
7	June *	\$ (103)	\$ 3	\$ (100)	\$ (284)	\$ 4	\$ (280)	\$ (380)
8	July, 2007 *	\$ 51	\$ 3	\$ 54	\$ 16	\$ 3	\$ 19	\$ 73
9	August *	\$ 355	\$ 2	\$ 357	\$ (185)	\$ 4	\$ (181)	\$ 176
10	September *	\$ 535	\$ 2	\$ 537	\$ (671)	\$ 4	\$ (667)	\$ (130)
11	October, 2007 *	\$ 31	\$ 2	\$ 33	\$ (122)	\$ 4	\$ (118)	\$ (85)
12	November	\$ (63)	\$ -	\$ (63)	\$ (149)	\$ -	\$ (149)	\$ (211)
13	December	\$ (62)	\$ -	\$ (62)	\$ (96)	\$ -	\$ (96)	\$ (158)
14	Total (Lines 1 to 13)	\$ (9,582)	\$ (92)	\$ (9,674)	\$ 3,264	\$ 298	\$ 3,562	\$ (6,111)
	<u>Current QRAM Period</u>							
15	January, 2008	\$ (59)	\$ -	\$ (59)	\$ 4	\$ -	\$ 4	\$ (56)
16	February	\$ (60)	\$ -	\$ (60)	\$ 4	\$ -	\$ 4	\$ (56)
17	March	\$ (63)	\$ -	\$ (63)	\$ (22)	\$ -	\$ (22)	\$ (85)
18	April, 2008	\$ (63)	\$ -	\$ (63)	\$ (42)	\$ -	\$ (42)	\$ (105)
19	May	\$ (60)	\$ -	\$ (60)	\$ (32)	\$ -	\$ (32)	\$ (92)
20	June	\$ (59)	\$ -	\$ (59)	\$ (19)	\$ -	\$ (19)	\$ (79)
21	July, 2008	\$ (59)	\$ -	\$ (59)	\$ (9)	\$ -	\$ (9)	\$ (68)
22	August	\$ (59)	\$ -	\$ (59)	\$ 1	\$ -	\$ 1	\$ (57)
23	September	\$ (59)	\$ -	\$ (59)	\$ 2	\$ -	\$ 2	\$ (57)
24	October, 2008	\$ (62)	\$ -	\$ (62)	\$ (1)	\$ -	\$ (1)	\$ (62)
25	November	\$ (63)	\$ -	\$ (63)	\$ 34	\$ -	\$ 34	\$ (30)
26	December	\$ (62)	\$ -	\$ (62)	\$ 79	\$ -	\$ 79	\$ 17
27	Total (Lines 15 to 26)	\$ (729)	\$ -	\$ (729)	\$ (1)	\$ -	\$ (1)	\$ (730)

\* 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)	Volume (GJ)	Weighted Avg. Price (\$/GJ)	Reference Price (\$/GJ) (1)	Unit Rate Difference (\$/GJ)	Monthly Deferral Amount (\$000's)	Southern Portfolio Cost Differential Impact Adjustment (\$000's)	Deferral Amount Before Interest (\$000's)	Interest (\$000's) (2)	Total Deferral Amount (\$000's)
		(a)	(b)	(c) = (a)/(b)	(d)	(e) = (c) - (d)	(f) = (b) x (e)	(g)	(h)	(i)	(j) = (h) + (i)
1	Cumulative to end of December, 2006						\$ (161,855)	# \$ 21,005	\$ (140,851)	\$ (2,394)	\$ (143,244)
2	January, 2007 *	\$ 61,069	7,732,881	\$ 7.897	\$ 9.329	\$ (1.432)	\$ (11,070)	\$ 559	\$ (10,511)	\$ (594)	\$ (11,105)
3	February *	\$ 48,131	5,384,612	\$ 8.939	\$ 9.329	\$ (0.390)	\$ (2,102)	\$ 640	\$ (1,462)	\$ (454)	\$ (1,916)
4	March *	\$ 75,542	8,684,617	\$ 8.698	\$ 9.329	\$ (0.631)	\$ (5,476)	\$ 487	\$ (4,989)	\$ (372)	\$ (5,361)
5	April, 2007 *	\$ 58,744	7,066,456	\$ 8.313	\$ 9.711	\$ (1.398)	\$ (9,879)	\$ 163	\$ (9,716)	\$ (276)	\$ (9,992)
6	May *	\$ 66,534	8,169,014	\$ 8.145	\$ 9.711	\$ (1.566)	\$ (12,795)	\$ 77	\$ (12,718)	\$ (254)	\$ (12,971)
7	June *	\$ 55,890	6,813,156	\$ 8.203	\$ 9.711	\$ (1.508)	\$ (10,273)	\$ 41	\$ (10,232)	\$ (261)	\$ (10,493)
8	July, 2007 *	\$ 49,825	6,851,591	\$ 7.491	\$ 9.833	\$ (2.342)	\$ (15,580)	\$ 146	\$ (15,434)	\$ (290)	\$ (15,723)
9	August *	\$ 52,352	7,675,361	\$ 6.821	\$ 9.833	\$ (3.012)	\$ (23,120)	\$ 148	\$ (22,972)	\$ (333)	\$ (23,305)
10	September *	\$ 37,054	5,273,550	\$ 7.026	\$ 9.833	\$ (2.807)	\$ (14,801)	\$ 162	\$ (14,639)	\$ (393)	\$ (15,032)
11	October, 2007 *	\$ 26,250	3,716,719	\$ 7.063	\$ 8.804	\$ (1.742)	\$ (6,473)	\$ 498	\$ (5,976)	\$ (502)	\$ (6,477)
12	November	\$ 52,493	6,963,031	\$ 7.539	\$ 8.804	\$ (1.265)	\$ (8,811)	\$ 1,131	\$ (7,680)	\$ -	\$ (7,680)
13	December	\$ 60,116	7,776,227	\$ 7.731	\$ 8.804	\$ (1.074)	\$ (8,348)	\$ 1,700	\$ (6,648)	\$ -	\$ (6,648)
14	Total (Lines 1 to 13)	\$ 644,000	81,907,214				\$ (290,583)	\$ 26,755	\$ (263,828)	\$ (6,122)	\$ (269,950)
<u>Current QRAM Period</u>											
15	January, 2008	\$ 61,690	7,755,705	\$ 7.954	\$ 8.183	\$ (0.229)	\$ (1,774)	\$ 3,121	\$ 1,348	\$ -	\$ 1,348
16	February	\$ 58,005	7,237,212	\$ 8.015	\$ 8.183	\$ (0.168)	\$ (1,216)	\$ 3,030	\$ 1,814	\$ -	\$ 1,814
17	March	\$ 60,527	7,730,130	\$ 7.830	\$ 8.183	\$ (0.353)	\$ (2,727)	\$ 2,815	\$ 88	\$ -	\$ 88
18	April, 2008	\$ 55,863	7,309,021	\$ 7.643	\$ 8.183	\$ (0.540)	\$ (3,946)	\$ 1,827	\$ (2,119)	\$ -	\$ (2,119)
19	May	\$ 57,911	7,552,655	\$ 7.668	\$ 8.183	\$ (0.515)	\$ (3,891)	\$ 1,076	\$ (2,815)	\$ -	\$ (2,815)
20	June	\$ 56,753	7,312,111	\$ 7.762	\$ 8.183	\$ (0.421)	\$ (3,080)	\$ 539	\$ (2,542)	\$ -	\$ (2,542)
21	July, 2008	\$ 58,938	7,555,848	\$ 7.800	\$ 8.183	\$ (0.383)	\$ (2,890)	\$ 314	\$ (2,576)	\$ -	\$ (2,576)
22	August	\$ 59,461	7,555,848	\$ 7.869	\$ 8.183	\$ (0.313)	\$ (2,367)	\$ 420	\$ (1,947)	\$ -	\$ (1,947)
23	September	\$ 57,887	7,312,111	\$ 7.917	\$ 8.183	\$ (0.266)	\$ (1,946)	\$ 663	\$ (1,284)	\$ -	\$ (1,284)
24	October, 2008	\$ 59,617	7,555,848	\$ 7.890	\$ 8.183	\$ (0.293)	\$ (2,211)	\$ 1,205	\$ (1,006)	\$ -	\$ (1,006)
25	November	\$ 61,191	7,246,527	\$ 8.444	\$ 8.183	\$ 0.261	\$ 1,894	\$ 1,860	\$ 3,753	\$ -	\$ 3,753
26	December	\$ 65,779	7,488,078	\$ 8.785	\$ 8.183	\$ 0.602	\$ 4,506	\$ 2,781	\$ 7,287	\$ -	\$ 7,287
27	Total (Lines 15 to 26)	\$ 713,623	89,611,090				\$ (19,650)	\$ 19,650	\$ -	\$ -	\$ -

\* reflects actual information

- (1) 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 December 2007 is as approved in EB-2007-0720.  
The reference price from January 2008 to December 2008 is as proposed in EB-2007-0918.
- (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 Forecast/ Actual (\$000's) (1) (d) = - (b) x (c)	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)				
1	Cumulative to end of December, 2006					\$ (105,871)	\$ (1,685)	\$ (107,556)
2	January, 2007	* EB-2006-0502	\$ 9.329	\$ (1.0141)	30.3	\$ 28,105	\$ 56	\$ 28,161
3	February	*					\$ 123	\$ 123
4	March	*					\$ 102	\$ 102
5	April, 2007	* EB-2007-0053	\$ 9.711	\$ 0.382	4.0	\$ (802)	\$ 74	\$ (729)
6	May	*					\$ 60	\$ 60
7	June	*					\$ 52	\$ 52,268
8	July, 2007	* EB-2007-0634	\$ 9.833	\$ 0.122	14.4	\$ (1,792)	\$ 51	\$ (1,741)
9	August	*					\$ 42	\$ 42
10	September	*					\$ 38	\$ 38
11	October, 2007	* EB-2007-0720	\$ 8.804	\$ (1.029)	26.9	\$ 27,431	\$ 41	\$ 27,472
12	November						\$ -	\$ -
13	December						\$ -	\$ -
14	Total (lines 1 to 13)					\$ (52,930)	\$ (1,045)	\$ (53,976)
<u>Current QRAM Period</u>								
15	January, 2008	EB-2007-0918	\$ 8.183	\$ (0.621)	20.2	\$ 12,559	\$ -	\$ 12,559
16	February						\$ -	\$ -
17	March						\$ -	\$ -
18	April, 2008					\$ -	\$ -	\$ -
19	May						\$ -	\$ -
20	June						\$ -	\$ -
21	July, 2008					\$ -	\$ -	\$ -
22	August						\$ -	\$ -
23	September						\$ -	\$ -
24	October, 2008					\$ -	\$ -	\$ -
25	November						\$ -	\$ -
26	December						\$ -	\$ -
27	Total (lines 15 to 26)					\$ 12,559	\$ -	\$ 12,559

\* 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) (1)	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) (1)	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 December, 2006	\$ 233	\$ 78	\$ 311	\$ 5,884	\$ (2,791)	\$ (11,107)	\$ (8,014)	\$ (387)	\$ (8,401)
2	January, 2007 *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (23)	\$ (23)
3	February *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (18)	\$ (18)
4	March *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (29)	\$ (29)
5	April, 2007 *	\$ -	\$ (0)	\$ (0)	\$ -	\$ (590)	\$ (2,495)	\$ (3,084)	\$ (13)	\$ (3,097)
6	May *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (11)	\$ (11)
7	June *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (10)	\$ (10)
8	July, 2007 *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (9)	\$ (9)
9	August *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (9)	\$ (9)
10	September *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (8)	\$ (8)
11	October, 2007 *	\$ -	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ (9)	\$ (9)
12	November	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	December	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	Total (Lines 1 to 13)	\$ 233	\$ 76	\$ 310	\$ 5,884	\$ (3,381)	\$ (13,602)	\$ (11,099)	\$ (527)	\$ (11,626)
<u>Current QRAM Period</u>										
15	January, 2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	February	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	March	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	April, 2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	May	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	June	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	July, 2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	August	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	September	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	October, 2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	November	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	December	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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.



**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 January 1, 2008.

**1. REFERENCE PRICES**

The unit rate changes applicable to both operating areas, which reflect a decrease in the Alberta Border Reference Price to \$6.834/GJ (25.6753 cents/ m<sup>3</sup>) and the change in associated fuel are provided at Tab 2, Schedule 1. The Ontario Landed Reference Price is \$8.183/GJ (30.7435 cents/m<sup>3</sup>) 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 \$0.793/GJ (2.9793 cents/m<sup>3</sup>). Proposed January 1, 2008 prices reflect the heat value conversion factor of 37.57 GJ/10<sup>3</sup>m<sup>3</sup> 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

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 \$22.406  
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.

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

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

### **3. SUMMARY OF PROPOSED RATE CHANGES**

The proposed changes to rates (Appendix A), infranchise rate schedules (Appendix B), and the summary of interruptible rate changes (Appendix C) are attached. The unit rates for prospective recovery of the gas cost deferral accounts are provided at Tab 2, Schedule 5 (column c).

### **4. CUSTOMER BILL IMPACTS**

General Service annual customer bill impacts (including the prospective recovery of deferral account balances outlined at Tab 2, Schedule 2) are provided at Tab 2, Schedule 4. The bill impacts shown at Tab 2, Schedule 4 reflect (i) the introduction of January 1, 2008 proposed

1 QRAM changes detailed above and (ii) the elimination of expiring January 1, 2007 prospective  
2 riders. Differences in the annual sales service bill impacts between operating areas are largely  
3 due to relative differences between expiring and new rate riders and PGVA deferral account  
4 changes which are specific to each operating area.

5  
6 A typical M1 residential sales service customer consuming 2,600 m<sup>3</sup> per year will see a net bill  
7 decrease of \$66 per year. A typical bundled M1 direct purchase customer will see a net bill  
8 increase of \$0.05 per year. A typical Rate 01 residential sales service customer consuming 2,600  
9 m<sup>3</sup> per year will see a net bill increase of \$26 per year. A typical bundled Rate 01 direct purchase  
10 customer will see a net bill increase of \$4 per year.

## 12 **5. CUSTOMER NOTICES**

13 Union has adopted a standard customer notice for use in QRAM commodity price changes.  
14 Notices that will accompany the January 2008 bills will be in the same format and use the same  
15 standard wording as the current approved QRAM customer notices. January 2008 notices will  
16 also reflect the January 2008 interim rate changes and related bill impacts proposed in the EB-  
17 2007-0606 Draft Rate Order. In addition, General Service rates M1, M2, 01 and 10 will be  
18 further adjusted to reflect the temporary charges/(credits) related to the disposition of the 2006  
19 deferral accounts and earnings sharing amounts that apply to the period January 1, 2008 to  
20 March 31, 2008. These temporary charges/ (credits) were approved by the Board in the EB-2007-  
21 0598 Decision and Rate Order dated November 12, 2007.

November 2007



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

Line No.	Particulars	EB-2007-0598		EB-2007-0918		Change	
		Effective January 1, 2008		Effective January 1, 2008		Effective January 1, 2008	
		(cents/m <sup>3</sup> )	(\$/GJ) (1)	(cents/m <sup>3</sup> )	(\$/GJ) (2)	(cents/m <sup>3</sup> )	(\$/GJ)
		(a)	(b)	(c)	(d)	(e) = (c) - (a)	(f) = (d) - (b)
1	Alberta Border Price	27.8995	7.426	25.6753	6.834 (3)	(2.2242)	(0.592)
2	Fuel Ratios	4.679%	4.679%	4.667%	4.667%	-0.013%	-0.013%
3	Compressor Fuel Charge	1.3055	0.348	1.1982	0.319	(0.1073)	(0.029)
4	Administration Charge	0.3173	0.085	0.3173	0.085	-	-
5	Gas Commodity & Fuel Rate (line 1+3+4)	29.5223	7.859	27.1908	7.238	(2.3315)	(0.621)
<u>Prospective Recovery</u>							
6	Inventory Revaluations	1.8322	0.488	1.4056	0.374	(0.4266) (4)	(0.114)
7	Spot Gas	(0.0000)	-	0.0001	-	0.0001 (5)	-
8	Firm PGVA	(6.4210)	(1.709)	(5.8711)	(1.563)	0.5499 (6)	0.146
9	Commodity Temporary Charge/(Credit) - Jan 1-Mar 31, 2008	0.0484	0.013	0.0484	0.013	- (7)	-
10	Prospective Recovery (line 6+7+8+9)	(4.5404)	(1.2080)	(4.4170)	(1.1760)	0.1234	0.0320
11	Total Commodity and Fuel Rate (line 5+10)	24.9819	6.651	22.7738	6.062	(2.2081)	(0.589)
12	Transportation Tolls	3.3287	0.886	2.9793	0.793 (8)	(0.3494)	(0.093)
13	Total Commodity & Fuel & Transportation Rate (line 11+12)	28.3106	7.537	25.7531 (9)	6.855	(2.5575)	(0.682)

Notes:

- (1) Conversion to GJs based on avg. heating value of Western suppliers of 37.57 GJ / 10<sup>3</sup>m<sup>3</sup>.
- (2) Conversion to GJs based on avg. heating value of Western suppliers of 37.57 GJ / 10<sup>3</sup>m<sup>3</sup>.
- (3) Alberta Border price per Tab 1, Schedule 1, Line 11.
- (4) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery charge of 0.8700 cents/m<sup>3</sup>.
- (5) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery credit of (0.0001) cents/m<sup>3</sup>.
- (6) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery credit of (2.1172) cents/m<sup>3</sup>.
- (7) Commodity temporary charge of 0.0484 cents/m<sup>3</sup> for the period Jan 1-Mar 31, 2008.
- (8) EB-2007-0918, 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-2007-0720		EB-2007-0918		Change	
Line		Effective October 1, 2007		Effective January 1, 2008		Effective January 1, 2008	
No.	Description	(cents/m <sup>3</sup> )	(\$/GJ) (5)	(cents/m <sup>3</sup> )	(\$/GJ) (6)	(cents/m <sup>3</sup> )	(\$/GJ)
		(a)	(b)	(c)	(d)	(e) = (c)-(a)	(f) = (d)-(b)
<b>Rates 01A &amp; 10</b>							
1	Alberta Border Price	27.8995	7.426	25.6753	6.834	(2.2242)	(0.592)
2	Fuel ratios	1.310%	1.310%	1.300%	1.300%	-0.010%	-0.010%
3	Compressor Fuel Charge	0.3655	0.097	0.3338	0.089	(0.0317)	(0.008)
4	Administration Charge	0.3173	0.084	0.3173	0.084	-	-
5	Gas Commodity & Fuel Rate (line 1+3+4)	28.5823	7.607	26.3264	7.007	(2.2559)	(0.600)
<b>Prospective Recovery</b>							
6	Inventory Revaluations	1.8322	0.488	1.4056	0.374	(0.4266) (1)	(0.114)
7	Spot Gas	(0.0000)	-	0.0001	-	0.0001 (2)	-
8	Firm PGVA	(7.8722)	(2.095)	(4.2622)	(1.134)	3.6100 (3)	0.961
9	Fuel	(0.2121)	(0.056)	(0.2701)	(0.072)	(0.0580) (4)	(0.016)
10	Total Prospective Recovery (line 6+7+8+9)	(6.2521)	(1.664)	(3.1266)	(0.832)	3.1255	0.831
11	Total Commodity and Fuel Rate (line 5+10)	22.3302	5.943	23.1998	6.175	0.8696	0.231
<b>Rates 20 &amp; 100 (7)</b>							
12	Alberta Border Price	28.1371	7.426	25.8940	6.834	(2.243)	(0.592)
13	Fuel ratios	1.310%	1.310%	1.300%	1.300%	-0.010%	-0.010%
14	Compressor Fuel Charge	0.3686	0.097	0.3366	0.089	(0.0320)	(0.008)
15	Administration Charge	0.3173	0.084	0.3173	0.084	-	-
16	Gas Commodity & Fuel Rate (line 12+14+15)	28.8230	7.607	26.5479	7.007	(2.2751)	(0.600)
<b>Prospective Recovery</b>							
17	Inventory Revaluations	1.8322	0.488	1.4056	0.374	(0.4266) (1)	(0.114)
18	Spot Gas	(0.0000)	-	0.0001	-	0.0001 (2)	-
19	Firm PGVA	(7.8722)	(2.095)	(4.2622)	(1.134)	3.6100 (3)	0.961
20	Fuel	(0.2121)	(0.056)	(0.2701)	(0.072)	(0.0580) (4)	(0.016)
21	Total Prospective Recovery (line 17+18+19+20)	(6.2521)	(1.664)	(3.1266)	(0.832)	3.1255	0.831
22	Total Commodity and Fuel Rate (line 16+21)	22.5709	5.943	23.4213	6.175	0.8504	0.231

Notes:

- (1) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery charge of 0.8700 cents/m<sup>3</sup>.
- (2) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery credit of (0.0001) cents/m<sup>3</sup>.
- (3) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery credit of (3.6178) cents/m<sup>3</sup>.
- (4) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery charge of 0.0125 cents/m<sup>3</sup>.
- (5) Conversion to GJs based on 37.57 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (6) Conversion to GJs based on 37.57 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (7) Conversion to GJs based on 37.89 GJs / 10<sup>3</sup>m<sup>3</sup>.

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

Line No.	Description	EB-2007-0720		EB-2007-0918		Change	
		Effective October 1, 2007	Effective January 1, 2008	Effective January 1, 2008	Effective January 1, 2008	Effective January 1, 2008	Effective January 1, 2008
		(cents/m <sup>3</sup> ) (a)	(\$/GJ) (b)	(cents/m <sup>3</sup> ) (c)	(\$/GJ) (d)	(e) = (c)-(a)	(f) = (d)-(b)
<b>Rates 01A &amp; 10</b>							
1	Alberta Border Price	27.8995	7.426	25.6753	6.834	(2.2242)	(0.592)
2	Fuel ratios	2.268%	2.268%	2.248%	2.248%	-0.019%	-0.019%
3	Compressor Fuel Charge	0.6326	0.168	0.5773	0.154	(0.0553)	(0.014)
4	Administration Charge	0.3173	0.084	0.3173	0.084	-	-
5	Gas Commodity & Fuel Rate (line 1+3+4)	28.8494	7.678	26.5699	7.072	(2.2795)	(0.606)
<b>Prospective Recovery</b>							
6	Inventory Revaluations	1.8322	0.488	1.4056	0.374	(0.4266)	(1) (0.114)
7	Spot Gas	(0.0000)	-	0.0001	-	0.0001	(2) -
8	Firm PGVA	(7.8722)	(2.095)	(4.2622)	(1.134)	3.6100	(3) 0.961
9	Fuel	(0.2121)	(0.056)	(0.2701)	(0.072)	(0.0580)	(4) (0.016)
10	Total Prospective Recovery (line 6+7+8+9)	(6.2521)	(1.664)	(3.1266)	(0.832)	3.1255	0.831
11	Total Commodity and Fuel Rate (line 5+10)	22.5973	6.014	23.4433	6.240	0.8460	0.225
<b>Rates 20 &amp; 100 (7)</b>							
12	Alberta Border Price	28.1371	7.426	25.8940	6.834	(2.243)	(0.592)
13	Fuel ratios	2.268%	2.268%	2.248%	2.248%	-0.019%	-0.019%
14	Compressor Fuel Charge	0.6380	0.168	0.5822	0.154	(0.0558)	(0.014)
15	Administration Charge	0.3173	0.084	0.3173	0.084	-	-
16	Gas Commodity Charge (line 12+14+15)	29.0924	7.678	26.7935	7.072	(2.2989)	(0.606)
<b>Prospective Recovery</b>							
17	Inventory Revaluations	1.8322	0.488	1.4056	0.374	(0.4266)	(1) (0.114)
18	Spot Gas	(0.0000)	-	0.0001	-	0.0001	(2) -
19	Firm PGVA	(7.8722)	(2.095)	(4.2622)	(1.134)	3.6100	(3) 0.961
20	Fuel	(0.2121)	(0.056)	(0.2701)	(0.072)	(0.0580)	(4) (0.016)
21	Total Prospective Recovery (line 17+18+19+20)	(6.2521)	(1.664)	(3.1266)	(0.832)	3.1255	0.831
22	Total Commodity and Fuel Rate (line 16+21)	22.8403	6.014	23.6669	6.240	0.8266	0.225

**Notes:**

- (1) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery charge of 0.8700 cents/m<sup>3</sup>.
- (2) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery credit of (0.0001) cents/m<sup>3</sup>.
- (3) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery credit of (3.6178) cents/m<sup>3</sup>.
- (4) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery charge of 0.0125 cents/m<sup>3</sup>.
- (5) Conversion to GJs based on 37.57 GJs / 10<sup>3</sup> m<sup>3</sup>.
- (6) Conversion to GJs based on 37.57 GJs / 10<sup>3</sup> m<sup>3</sup>.
- (7) Conversion to GJs based on 37.89 GJs / 10<sup>3</sup> m<sup>3</sup>.

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

		EB-2007-0720		EB-2007-0918		Change	
Line		Effective October 1, 2007		Effective January 1, 2008		Effective January 1, 2008	
No.	Description	(cents/m <sup>3</sup> )	(\$/GJ) (5)	(cents/m <sup>3</sup> )	(\$/GJ) (6)	(cents/m <sup>3</sup> )	(\$/GJ)
		(a)	(b)	(c)	(d)	(e) = (c)-(a)	(f) = (d)-(b)
<b>Rates 01A &amp; 10</b>							
1	Alberta Border Price	27.8995	7.426	25.6753	6.834	(2.2242)	(0.592)
2	Fuel ratios	3.573%	3.573%	3.549%	3.549%	-0.024%	-0.024%
3	Compressor Fuel Charge	0.9969	0.265	0.9113	0.243	(0.0856)	(0.022)
4	Administration Charge	0.3173	0.0840	0.3173	0.0840	-	-
5	Gas Commodity & Fuel Rate (line 1+3+4)	29.2137	7.775	26.9039	7.161	(2.3098)	(0.614)
<b>Prospective Recovery</b>							
6	Inventory Revaluations	1.8322	0.488	1.4056	0.374	(0.4266) (1)	(0.114)
7	Spot Gas	(0.0000)	-	0.0001	-	0.0001 (2)	-
8	Firm PGVA	(7.8722)	(2.095)	(4.2622)	(1.134)	3.6100 (3)	0.961
9	Fuel	(0.2121)	(0.056)	(0.2701)	(0.072)	(0.0580) (4)	(0.016)
10	Total Prospective Recovery (line 6+7+8+9)	(6.2521)	(1.664)	(3.1266)	(0.832)	3.1255	0.831
11	Total Commodity and Fuel Rate (line 5+10)	22.9616	6.111	23.7773	6.329	0.8157	0.217
<b>Rates 20 &amp; 100 (7)</b>							
12	Alberta Border Price	28.1371	7.426	25.8940	6.834	(2.243)	(0.592)
13	Fuel ratios	3.573%	3.573%	3.549%	3.549%	-0.024%	-0.024%
14	Compressor Fuel Charge	1.0054	0.265	0.9190	0.243	(0.0864)	(0.022)
15	Administration Charge	0.3173	0.084	0.3173	0.084	-	-
16	Gas Commodity Charge (line 12+14+15)	29.4598	7.775	27.1303	7.161	(2.3295)	(0.614)
<b>Prospective Recovery</b>							
17	Inventory Revaluations	1.8322	0.488	1.4056	0.374	(0.4266) (1)	(0.114)
18	Spot Gas	(0.0000)	-	0.0001	-	0.0001 (2)	-
19	Firm PGVA	(7.8722)	(2.095)	(4.2622)	(1.134)	3.6100 (3)	0.961
20	Fuel	(0.2121)	(0.056)	(0.2701)	(0.072)	(0.0580) (4)	(0.016)
21	Total Prospective Recovery (line 17+18+19+20)	(6.2521)	(1.664)	(3.1266)	(0.832)	3.1255	0.831
22	Total Commodity and Fuel Rate (line 16+21)	23.2077	6.111	24.0037	6.329	0.7960	0.217

Notes:

- (1) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery charge of 0.8700 cents/m<sup>3</sup>.
- (2) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery credit of (0.0001) cents/m<sup>3</sup>.
- (3) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery credit of (3.6178) cents/m<sup>3</sup>.
- (4) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery charge of 0.0125 cents/m<sup>3</sup>.
- (5) Conversion to GJ's based on 37.57 GJ's / 10<sup>3</sup>m<sup>3</sup>.
- (6) Conversion to GJ's based on 37.57 GJ's / 10<sup>3</sup>m<sup>3</sup>.
- (7) Conversion to GJ's based on 37.89 GJ's / 10<sup>3</sup>m<sup>3</sup>.

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

Line		EB-2007-0720		EB-2007-0918		Change	
No.	Description	Effective October 1, 2007		Effective January 1, 2008		Effective January 1, 2008	
		(cents/m <sup>3</sup> )	(\$/GJ) (5)	(cents/m <sup>3</sup> )	(\$/GJ) (6)	(cents/m <sup>3</sup> )	(\$/GJ)
		(a)	(b)	(c)	(d)	(e) = (c)-(a)	(f) = (d)-(b)
<b>Rates 01A &amp; 10</b>							
1	Alberta Border Price	27.8995	7.426	25.6753	6.834	(2.2242)	(0.592)
2	Fuel ratios	4.679%	4.679%	4.667%	4.667%	-0.013%	-0.013%
3	Compressor Fuel Charge	1.3055	0.347	1.1982	0.319	(0.1073)	(0.028)
4	Administration Charge	0.3173	0.0840	0.3173	0.0840	-	-
5	Gas Commodity & Fuel Rate (line 1+3+4)	29.5223	7.857	27.1908	7.237	(2.3315)	(0.620)
<u>Prospective Recovery</u>							
6	Inventory Revaluations	1.8322	0.488	1.4056	0.374	(0.4266) (1)	(0.114)
7	Spot Gas	(0.0000)	-	0.0001	-	0.0001 (2)	-
8	Firm PGVA	(7.8722)	(2.095)	(4.2622)	(1.134)	3.6100 (3)	0.961
9	Fuel	(0.2121)	(0.056)	(0.2701)	(0.072)	(0.0580) (4)	(0.016)
10	Total Prospective Recovery (line 6+7+8+9)	(6.2521)	(1.664)	(3.1266)	(0.832)	3.1255	0.831
11	Total Commodity and Fuel Rate (line 5+10)	23.2702	6.193	24.0642	6.405	0.7940	0.211
<b>Rates 20 &amp; 100 (7)</b>							
12	Alberta Border Price	28.1371	7.426	25.8940	6.834	(2.243)	(0.592)
13	Fuel ratios	4.679%	4.679%	4.667%	4.667%	-0.013%	-0.013%
14	Compressor Fuel Charge	1.3166	0.347	1.2084	0.319	(0.1082)	(0.028)
15	Administration Charge	0.3173	0.084	0.3173	0.084	-	-
16	Gas Commodity Charge (line 12+14+15)	29.7710	7.857	27.4197	7.237	(2.3513)	(0.620)
<u>Prospective Recovery</u>							
17	Inventory Revaluations	1.8322	0.488	1.4056	0.374	(0.4266) (1)	(0.114)
18	Spot Gas	(0.0000)	-	0.0001	-	0.0001 (2)	-
19	Firm PGVA	(7.8722)	(2.095)	(4.2622)	(1.134)	3.6100 (3)	0.961
20	Fuel	(0.2121)	(0.056)	(0.2701)	(0.072)	(0.0580) (4)	(0.016)
21	Total Prospective Recovery (line 17+18+19+20)	(6.2521)	(1.664)	(3.1266)	(0.832)	3.1255	0.831
22	Total Commodity and Fuel Rate (line 16+21)	23.5189	6.193	24.2931	6.405	0.7742	0.211

Notes:

- (1) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery charge of 0.8700 cents/m<sup>3</sup>.
- (2) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery credit of (0.0001) cents/m<sup>3</sup>.
- (3) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of January 2007 Prospective Recovery credit of (3.6178) cents/m<sup>3</sup>.
- (4) EB-2007-0918, Tab 2, Schedule 6, Page 1 of 4, less the expiry of October 2006 Prospective Recovery charge of 0.0125 cents/m<sup>3</sup>.
- (5) Conversion to GJs based on 37.57 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (6) Conversion to GJs based on 37.57 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (7) Conversion to GJs based on 37.89 GJs / 10<sup>3</sup>m<sup>3</sup>.



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

Line No.			TCPL Tolls		TCPL		Inventory	Load	Spot Gas	
		NPGVA	Transportation	Storage	Fuel	SPGVA	Revaluation	Balancing	Purchases	Total
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
<u>Deferral Account Balance Continuity (\$000's)</u>										
1	Cumulative to January 1, 2008	(1) (92,620)	(9,674)	-	3,562	(269,950)	(53,976)	(11,626)	310	(433,973)
2	Forecast Balance: Next 12 months	(2) -	(729)	-	(1)	-	12,559	-	-	11,829
3	Total Balance - Current QRAM	(3) (92,620)	(10,403)	-	3,562	(269,950)	(41,416)	(11,626)	309	(422,145)
4	Total Balance - Previous QRAM	(4) (93,877)	(11,309)	-	3,834	(238,304)	(53,336)	(11,615)	309	(404,298)
5	Deferral Account Balance Variance	(5) 1,257	906	-	(272)	(31,646)	11,919	(11)	0	(17,847)
6	Prospective Recovery Variance	(6) (1,308)	29	-	(31)	(4,397)	1,229	(80)	(0)	(4,559)
7	Net Amount for Prospective Recovery	(7) (52)	934	-	(303)	(36,043)	13,148	(92)	-	(22,406)
<u>Prospective Rate Rider Changes</u>										
8	Forecast Billing Units (10 <sup>3</sup> m <sup>3</sup> )	(8) 665,525	1,444,544		665,525	2,299,677	2,965,202	6,480,202	2,965,202	
9	Unit Rate Change (cents/m <sup>3</sup> )	(9) (0.0078)	0.0647		(0.0455)	(1.5673)	0.4434	(0.0014)	-	

Notes:

- (1) Balance in each deferral account at January 1, 2008. 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-2007-0720.
- (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 December 31, 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)
<b>Deferral Amounts for Recovery</b>										
Change in 12-month deferral account projection:										
1	12-month projection from current QRAM application	(1)	(729)	-	(1)	-	12,559	-	-	11,829
2	Less: 12-month projection from previous QRAM application	(2)	(731)	-	(354)	(0)	28,136	-	-	27,051
3	Change (Line 1 - Line 2)		1	-	354	0	(15,577)	-	-	(15,221)
<b>Previous Quarter: True-up of deferral balances</b>										
4	Actual deferral balance for August, September, October	(3)	928	-	(967)	(44,815)	27,552	(27)	(0)	(22,556)
5	Current projected deferral amount for November, December	(4)	(125)	-	(245)	(14,329)	-	-	-	(20,558)
6	Less: Previous projection included in recovery for August, September	(5)	(12,344)	-	(586)	(27,498)	56	(15)	(1)	(40,490)
7	Variance (Line 4 + Line 5 - Line 6)		1,257	-	(626)	(31,646)	27,496	(11)	0	(2,625)
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)		1,257	-	(272)	(31,646)	11,919	(11)	0	(17,847)
<b>Previous Quarter: True-up of Prospective Recovery Amounts</b>										
9	Forecast prospective recovery amount for August, September, October	(6)	128	-	(141)	(17,528)	4,802	(435)	(0)	(19,501)
10	Less: Actual prospective recovery amount for August, September, October	(7)	99	-	(111)	(13,131)	3,573	(354)	0	(14,942)
11	Variance (Line 9 - Line 10)		29	-	(31)	(4,397)	1,229	(80)	(0)	(4,559)
12	Total Amount for Prospective Recovery (Line 8 + Line 11)		934	-	(303)	(36,043)	13,148	(92)	-	(22,406)

**Notes:**

- (1) Tab 1, Schedule 3, Page 1, Line 27.
- (2) EB-2007-0720, 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-2007-0720, 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

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**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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
		(a)	(b)	(c)	(d)	(e)	
<b><u>Deferral Amounts for Recovery</u></b>							
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)	(28,438)	(11,850)	(4,892)	(9,296)	
5	Current projected deferral amounts	(\$000's)	(10,120)	(3,073)	(5,086)	(12,344)	
6	Less: Previous projection included in recovery	(\$000's)	(14,492)	(10,120)	(3,073)	(5,086)	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(24,066)	(4,802)	(6,905)	(16,555)	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(24,066)	(4,802)	(6,905)	(16,555)	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(65,614)	(70,417)	(77,322)	(93,877)	
<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(2,416)	(19,990)	(27,563)	(6,195)	
11	Less: Actual prospective recovery amount	(\$000's)	(2,499)	(18,235)	(29,488)	(6,005)	
12	Variance (Line 10 - Line 11)	(\$000's)	83	(1,755)	1,925	(190)	
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(23,983)	(6,557)	(4,980)	(16,745)	
14	Forecast - 12 month sales service volume	(10 <sup>3</sup> m <sup>3</sup> )	662,903	664,847	664,889	664,706	
15	Unit Rate	(cents/m <sup>3</sup> )	(3.6178)	(0.9863)	(0.7489)	(2.5192)	
<b><u>Summary of Unit Rates</u></b>							
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	(3.6178)	(3.6178)	(3.6178)	(3.6178)	
17	Unit Rate Q2	(cents/m <sup>3</sup> )	(1.6964)	(0.9863)	(0.9863)	(0.9863)	
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(3.2982)	(3.2982)	(0.7489)	(0.7489)	
19	Unit Rate Q4	(cents/m <sup>3</sup> )	(2.9870)	(2.9870)	(2.9870)	(2.5192)	
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>(11.5994)</b>	<b>(10.8893)</b>	<b>(8.3400)</b>	<b>(7.8722)</b>	
						<b>(4.2622)</b>	

**Notes:**

- (1) EB-2007-0053, Tab 2, Schedule 2, Column (a).  
(2) EB-2007-0634, Tab 2, Schedule 2, Column (a).  
(3) EB-2007-0720, Tab 2, Schedule 2, Column (a).  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
		(a)	(b)	(c)	(d)	(e)	
<b><u>Deferral Amounts for Recovery</u></b>							
Change in 12-month deferral account projection:							
1	12-month projection from current QRAM application	(\$000's)	(1,141)	(1,005)	(727)	(731)	(729)
2	Less: 12-month projection from previous QRAM application	(\$000's)	(1,581)	(1,141)	(1,005)	(727)	(731)
3	Change (Line 1 - Line 2)	(\$000's)	440	136	278	(4)	1
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	(1,523)	415	866	149	928
5	Current projected deferral amounts	(\$000's)	(272)	216	230	(102)	(125)
6	Less: Previous projection included in recovery	(\$000's)	(264)	(272)	226	230	(102)
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(1,532)	903	870	(182)	904
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(1,092)	1,039	1,148	(186)	906
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(5,973)	(4,935)	(3,787)	(3,973)	(3,067)
<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(464)	(992)	(727)	(15)	128
11	Less: Actual prospective recovery amount	(\$000's)	(455)	(860)	(725)	(17)	99
12	Variance (Line 10 - Line 11)	(\$000's)	(9)	(132)	(2)	2	29
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(1,101)	906	1,146	(184)	934
14	Forecast - 12 month volume	(10 <sup>3</sup> m <sup>3</sup> )	1,456,005	1,452,280	1,449,347	1,447,639	1,444,544
15	Unit Rate	(cents/m <sup>3</sup> )	(0.0756)	0.0624	0.0791	(0.0127)	0.0647
<b><u>Summary of Unit Rates</u></b>							
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	(0.0756)	(0.0756)	(0.0756)	(0.0756)	0.0647
17	Unit Rate Q2	(cents/m <sup>3</sup> )	(0.0665)	0.0624	0.0624	0.0624	0.0624
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(0.0438)	(0.0438)	0.0791	0.0791	0.0791
19	Unit Rate Q4	(cents/m <sup>3</sup> )	0.0146	0.0146	0.0146	(0.0127)	(0.0127)
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>(0.1713)</b>	<b>(0.0424)</b>	<b>0.0805</b>	<b>0.0532</b>	<b>0.1935</b>

Notes:

- (1) EB-2007-0053, Tab 2, Schedule 2, Column (b).  
(2) EB-2007-0634, Tab 2, Schedule 2, Column (b).  
(3) EB-2007-0720, Tab 2, Schedule 2, Column (b).  
(4) EB-2007-0918, Tab 2, Schedule 2, Column (b).

**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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
		(a)	(b)	(c)	(d)	(e)	
<b><u>Deferral Amounts for Recovery</u></b>							
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)	(969)	-	-	-	
3	Change (Line 1 - Line 2)	(\$000's)	969	-	-	-	
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	(401)	(849)	-	-	
5	Current projected deferral amounts	(\$000's)	(742)	5	-	-	
6	Less: Previous projection included in recovery	(\$000's)	(176)	(742)	-	-	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(968)	(101)	-	-	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	1	(101)	-	-	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(4,873)	(4,974)	-	-	
<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(130)	(218)	-	-	
11	Less: Actual prospective recovery amount	(\$000's)	(103)	(192)	-	-	
12	Variance (Line 10 - Line 11)	(\$000's)	(27)	(26)	-	-	
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(27)	(127)	-	-	
14	Forecast - 12 month volume	(10 <sup>3</sup> m <sup>3</sup> )	905,311	904,307			
15	Unit Rate	(cents/m <sup>3</sup> )	(0.0029)	(0.0141)	-	-	
<b><u>Summary of Unit Rates</u></b>							
16	Unit Rate Q1 Expiring rider	(cents/m <sup>3</sup> )	(0.0029)	(0.0029)	(0.0029)	-	
17	Unit Rate Q2	(cents/m <sup>3</sup> )	0.0039	(0.0141)	(0.0141)	(0.0141)	
18	Unit Rate Q3	(cents/m <sup>3</sup> )	0.0028	0.0028	-	-	
19	Unit Rate Q4	(cents/m <sup>3</sup> )	(0.0021)	(0.0021)	(0.0021)	-	
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>0.0017</b>	<b>(0.0163)</b>	<b>(0.0191)</b>	<b>(0.0141)</b>	

**Notes:**

- (1) EB-2007-0053, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(2) EB-2007-0634, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(3) EB-2007-0720, Working Papers, Schedule 2, Page 2 of 2, Column (g).  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
			(a)	(b)	(c)	(d)	(e)
<b><u>Deferral Amounts for Recovery</u></b>							
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)	(273)	-	-	-	-
3	Change (Line 1 - Line 2)	(\$000's)	273	-	-	-	-
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	(156)	(251)	-	-	-
5	Current projected deferral amounts	(\$000's)	(197)	1	-	-	-
6	Less: Previous projection included in recovery	(\$000's)	(69)	(197)	-	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(284)	(52)	-	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(12)	(52)	-	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(1,542)	(1,594)	-	-	-
<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(58)	(84)	-	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(53)	(79)	-	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	(5)	(5)	-	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(16)	(57)	-	-	-
14	Forecast - 12 month volume	(10 <sup>3</sup> m <sup>3</sup> )	379,141	378,202			
15	Unit Rate	(cents/m <sup>3</sup> )	(0.0043)	(0.0150)	-	-	-
<b><u>Summary of Unit Rates</u></b>							
16	Unit Rate Q1 Expiring rider	(cents/m <sup>3</sup> )	(0.0043)	(0.0043)	(0.0043)	(0.0043)	-
17	Unit Rate Q2	(cents/m <sup>3</sup> )	(0.0046)	(0.0150)	(0.0150)	(0.0150)	(0.0150)
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(0.0030)	(0.0030)	-	-	-
19	Unit Rate Q4	(cents/m <sup>3</sup> )	(0.0052)	(0.0052)	(0.0052)	-	-
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>(0.0171)</b>	<b>(0.0275)</b>	<b>(0.0245)</b>	<b>(0.0193)</b>	<b>(0.0150)</b>

**Notes:**

- (1) EB-2007-0053, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(2) EB-2007-0634, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(3) EB-2007-0720, Working Papers, Schedule 2, Page 2 of 2, Column (g).  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
			(a)	(b)	(c)	(d)	(e)
<b>Deferral Amounts for Recovery</b>							
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)	(51)	-	-	-	-
3	Change (Line 1 - Line 2)	(\$000's)	51	-	-	-	-
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	(41)	(28)	-	-	-
5	Current projected deferral amounts	(\$000's)	(30)	1	-	-	-
6	Less: Previous projection included in recovery	(\$000's)	(39)	(30)	-	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(31)	3	-	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	19	3	-	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(213)	(210)	-	-	-
<b>Previous Quarter: True-up of Prospective Recovery Amounts</b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(12)	9	-	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(18)	8	-	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	6	1	-	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	26	4	-	-	-
14	Forecast - 12 month demand billing units	(10 <sup>3</sup> m <sup>3</sup> /d)	8,363	8,273			
15	Unit Rate	(cents/m <sup>3</sup> )	0.3066	0.0507	-	-	-
<b>Summary of Unit Rates</b>							
16	Unit Rate Q1 Expiring rider	(cents/m <sup>3</sup> )	0.3066	0.3066	0.3066	0.3066	-
17	Unit Rate Q2	(cents/m <sup>3</sup> )	0.2291	0.0507	0.0507	0.0507	0.0507
18	Unit Rate Q3	(cents/m <sup>3</sup> )	0.2276	0.2276	-	-	-
19	Unit Rate Q4	(cents/m <sup>3</sup> )	0.1426	0.1426	0.1426	-	-
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>0.9059</b>	<b>0.7275</b>	<b>0.4999</b>	<b>0.3573</b>	<b>0.0507</b>

**Notes:**

- (1) EB-2007-0053, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(2) EB-2007-0634, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(3) EB-2007-0720, Working Papers, Schedule 2, Page 2 of 2, Column (g).  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
			(a)	(b)	(c)	(d)	(e)
<b><u>Deferral Amounts for Recovery</u></b>							
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)	(51)	-	-	-	-
3	Change (Line 1 - Line 2)	(\$000's)	51	-	-	-	-
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	(82)	(57)	-	-	-
5	Current projected deferral amounts	(\$000's)	(32)	1	-	-	-
6	Less: Previous projection included in recovery	(\$000's)	(39)	(32)	-	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(75)	(24)	-	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(23)	(24)	-	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(534)	(558)	-	-	-
<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>							
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)	(19)	-	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(41)	(22)	-	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	6	3	-	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(17)	(21)	-	-	-
14	Forecast - 12 month demand billing units	(GJ/d)	142,668	142,668			
15	Unit Rate	(\$/GJ)	(0.119)	(0.149)	-	-	-
<b><u>Summary of Unit Rates</u></b>							
16	Unit Rate Q1 Expiring rider	(\$/GJ)	(0.119)	(0.119)	(0.119)	(0.119)	-
17	Unit Rate Q2	(\$/GJ)	(0.071)	(0.149)	(0.149)	(0.149)	(0.149)
18	Unit Rate Q3	(\$/GJ)	(0.051)	(0.051)	-	-	-
19	Unit Rate Q4	(\$/GJ)	(0.070)	(0.070)	(0.070)	-	-
20	<b>Total Unit Rate - Prospective Recovery</b>	(\$/GJ)	<b>(0.311)</b>	<b>(0.389)</b>	<b>(0.338)</b>	<b>(0.268)</b>	<b>(0.149)</b>

**Notes:**

- (1) EB-2007-0053, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(2) EB-2007-0634, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(3) EB-2007-0720, Working Papers, Schedule 2, Page 2 of 2, Column (g).  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan Q1 (a)	Apr Q2 (1) (b)	Jul Q3 (2) (c)	Oct Q4 (3) (d)	Jan Q1 (4) (e)
<b><u>Deferral Amounts for Recovery</u></b>							
Change in 12-month deferral account projection:							
1	12-month projection from current QRAM application	(\$000's)	(6)	(138)	(132)	(354)	(1)
2	Less: 12-month projection from previous QRAM application	(\$000's)	(967)	(6)	(138)	(132)	(354)
3	Change (Line 1 - Line 2)	(\$000's)	962	(133)	6	(223)	354
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	(1,361)	(666)	(305)	(265)	(967)
5	Current projected deferral amounts	(\$000's)	(569)	(184)	(174)	(586)	(245)
6	Less: Previous projection included in recovery	(\$000's)	(1,086)	(569)	(184)	(174)	(586)
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(844)	(281)	(294)	(677)	(626)
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	118	(414)	(288)	(900)	(272)
9	Cumulative Deferral Amounts for Recovery	(\$000's)	5,435	5,022	4,734	3,834	3,562
<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	640	1,300	(34)	(119)	(141)
11	Less: Actual prospective recovery amount	(\$000's)	675	1,179	(27)	(113)	(111)
12	Variance (Line 10 - Line 11)	(\$000's)	(35)	121	(7)	(6)	(31)
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	83	(292)	(295)	(906)	(303)
14	Forecast - 12 month sales service volume	(10 <sup>3</sup> m <sup>3</sup> )	662,903	664,847	664,889	664,706	665,525
15	Unit Rate	(cents/m <sup>3</sup> )	0.0125	(0.0439)	(0.0444)	(0.1363)	(0.0455)
<b><u>Summary of Unit Rates</u></b>							
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	0.0125	0.0125	0.0125	0.0125	(0.0455)
17	Unit Rate Q2	(cents/m <sup>3</sup> )	0.2138	(0.0439)	(0.0439)	(0.0439)	(0.0439)
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(0.1146)	(0.1146)	(0.0444)	(0.0444)	(0.0444)
19	Unit Rate Q4	(cents/m <sup>3</sup> )	(0.0682)	(0.0682)	(0.0682)	(0.1363)	(0.1363)
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>0.0435</b>	<b>(0.2142)</b>	<b>(0.1440)</b>	<b>(0.2121)</b>	<b>(0.2701)</b>

Notes:

- (1) EB-2007-0053, Tab 2, Schedule 2, Column (d).  
(2) EB-2007-0634, Tab 2, Schedule 2, Column (d).  
(3) EB-2007-0720, Tab 2, Schedule 2, Column (d).  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
		(a)	(b)	(c)	(d)	(e)	
<b>Deferral Amounts for Recovery</b>							
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)	(51,776)	(35,873)	(17,269)	(39,188)	
5	Current projected deferral amounts	(\$000's)	(23,636)	(10,246)	(14,791)	(27,498)	
6	Less: Previous projection included in recovery	(\$000's)	(27,252)	(23,636)	(10,246)	(14,791)	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(48,160)	(22,483)	(21,814)	(51,894)	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(48,160)	(22,483)	(21,814)	(51,894)	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(142,112)	(164,595)	(186,409)	(238,304)	
<b>Previous Quarter: True-up of Prospective Recovery Amounts</b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(5,715)	(51,141)	(73,105)	(16,940)	
11	Less: Actual prospective recovery amount	(\$000's)	(5,755)	(45,047)	(77,984)	(15,800)	
12	Variance (Line 10 - Line 11)	(\$000's)	40	(6,094)	4,879	(1,140)	
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(48,120)	(28,577)	(16,935)	(53,034)	
14	Forecast - 12 month sales service volume	(10 <sup>3</sup> m <sup>3</sup> )	2,272,812	2,285,585	2,289,705	2,291,978	
15	Unit Rate	(cents/m <sup>3</sup> )	(2.1172)	(1.2503)	(0.7396)	(2.3139)	
<b>Summary of Unit Rates</b>							
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	(2.1172)	(2.1172)	(2.1172)	(2.1172)	
17	Unit Rate Q2	(cents/m <sup>3</sup> )	(1.7614)	(1.2503)	(1.2503)	(1.2503)	
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(2.3738)	(2.3738)	(0.7396)	(0.7396)	
19	Unit Rate Q4	(cents/m <sup>3</sup> )	(2.5613)	(2.5613)	(2.5613)	(2.3139)	
20	Total Unit Rate - Prospective Recovery	(cents/m <sup>3</sup> )	(8.8137)	(8.3026)	(6.6684)	(6.4210)	

Notes:

- (1) EB-2007-0053, Tab 2, Schedule 2, Column (e).
- (2) EB-2007-0634, Tab 2, Schedule 2, Column (e).
- (3) EB-2007-0720, Tab 2, Schedule 2, Column (e).
- (4) EB-2007-0918, 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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
		(a)	(b)	(c)	(d)	(e)	
<b><u>Deferral Amounts for Recovery</u></b>							
Change in 12-month deferral account projection:							
1	12-month projection from current QRAM application	(\$000's)	24,992	(2,639)	(1,763)	28,136	12,559
2	Less: 12-month projection from previous QRAM application	(\$000's)	3,373	24,992	(2,639)	(1,763)	28,136
3	Change (Line 1 - Line 2)	(\$000's)	21,619	(27,630)	875	29,899	(15,577)
Previous Quarter: True-up of deferral balances							
4	Actual deferral balances	(\$000's)	3,399	28,224	(504)	(1,629)	27,552
5	Current projected deferral amounts	(\$000's)	63	164	101	56	-
6	Less: Previous projection included in recovery	(\$000's)	(9)	63	164	101	56
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	3,472	28,324	(566)	(1,674)	27,496
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	25,091	694	309	28,225	11,919
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(82,564)	(81,870)	(81,561)	(53,336)	(41,416)
<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(5,958)	953	17,530	3,122	4,802
11	Less: Actual prospective recovery amount	(\$000's)	(6,407)	779	18,660	2,945	3,573
12	Variance (Line 10 - Line 11)	(\$000's)	449	174	(1,130)	177	1,229
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	25,540	868	(821)	28,402	13,148
14	Forecast - 12 month sales service volume	(10 <sup>3</sup> m <sup>3</sup> )	2,935,715	2,950,432	2,954,594	2,956,685	2,965,202
15	Unit Rate	(cents/m <sup>3</sup> )	0.8700	0.0294	(0.0278)	0.9606	0.4434
<b><u>Summary of Unit Rates</u></b>							
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	0.8700	0.8700	0.8700	0.8700	0.4434
17	Unit Rate Q2	(cents/m <sup>3</sup> )	0.5532	0.0294	0.0294	0.0294	0.0294
18	Unit Rate Q3	(cents/m <sup>3</sup> )	0.2925	0.2925	(0.0278)	(0.0278)	(0.0278)
19	Unit Rate Q4	(cents/m <sup>3</sup> )	0.0240	0.0240	0.0240	0.9606	0.9606
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>1.7397</b>	<b>1.2159</b>	<b>0.8956</b>	<b>1.8322</b>	<b>1.4056</b>

Notes:

- (1) EB-2007-0053, Tab 2, Schedule 2, Column (f).  
(2) EB-2007-0634, Tab 2, Schedule 2, Column (f).  
(3) EB-2007-0720, Tab 2, Schedule 2, Column (f).  
(4) EB-2007-0918, 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	Year 2008
			Oct Q4 (1) (a)	Jan Q1 (2) (b)
	<b><u>Deferral Amounts for Recovery</u></b>			
	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)	(27)
5	Current projected deferral amounts	(\$000's)	(15)	-
6	Less: Previous projection included in recovery	(\$000's)	(18)	(15)
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(27)	(11)
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(27)	(11)
9	Cumulative Deferral Amounts for Recovery	(\$000's)		-
	<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>			
	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)	(435)
11	Less: Actual prospective recovery amount	(\$000's)	(585)	(354)
12	Variance (Line 10 - Line 11)	(\$000's)	2	(80)
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(25)	(92)
14	Forecast - 12 month volume	(10 <sup>3</sup> m <sup>3</sup> )	6,484,976	6,480,202
15	Unit Rate	(cents/m <sup>3</sup> )	(0.0004)	(0.0014)
	<b><u>Summary of Unit Rates</u></b>			
16	Unit Rate Q1	(cents/m <sup>3</sup> )	-	(0.0014)
17	Unit Rate Q2	(cents/m <sup>3</sup> )	-	-
18	Unit Rate Q3	(cents/m <sup>3</sup> )	-	-
19	Unit Rate Q4	(cents/m <sup>3</sup> )	(0.0004)	(0.0004)
20	Total Unit Rate - Prospective Recovery	(cents/m <sup>3</sup> )	(0.0004)	(0.0018)

Notes:

- (1) EB-2007-0720, Working Papers, Schedule 2, Page 1 of 2.  
(2) EB-2007-0918, 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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
			(a)	(b)	(c)	(d)	(e)
<b><u>Deferral Amounts for Recovery</u></b>							
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)	(9)	(7)	(353)	-	-
5	Current projected deferral amounts	(\$000's)	(4)	(0)	(2)	-	-
6	Less: Previous projection included in recovery	(\$000's)	(4)	(4)	(0)	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(9)	(4)	(355)	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(9)	(4)	(355)	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(1,191)	(1,194)	(1,550)	-	-
<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(85)	(330)	(280)	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(57)	(294)	(292)	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	(28)	(36)	12	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(36)	(40)	(343)	-	-
14	Forecast - 12 month volume	(10 <sup>3</sup> m <sup>3</sup> )	905,311	904,307	903,072	-	-
15	Unit Rate	(cents/m <sup>3</sup> )	(0.0040)	(0.0044)	(0.0380)	(0.0004)	(0.0014)
<b><u>Summary of Unit Rates</u></b>							
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	(0.0040)	(0.0040)	(0.0040)	(0.0040)	(0.0014)
17	Unit Rate Q2	(cents/m <sup>3</sup> )	(0.0027)	(0.0044)	(0.0044)	(0.0044)	(0.0044)
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(0.0749)	(0.0749)	(0.0380)	(0.0380)	(0.0380)
19	Unit Rate Q4	(cents/m <sup>3</sup> )	(0.0024)	(0.0024)	(0.0024)	(0.0004)	(0.0004)
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>(0.0840)</b>	<b>(0.0857)</b>	<b>(0.0488)</b>	<b>(0.0468)</b>	<b>(0.0442)</b>

**Notes:**

- (1) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(2) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(3) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
			(a)	(b)	(c)	(d)	(e)
<b><u>Deferral Amounts for Recovery</u></b>							
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)	(3)	(135)	-	-
5	Current projected deferral amounts	(\$000's)	(1)	(1)	(1)	-	-
6	Less: Previous projection included in recovery	(\$000's)	(2)	(1)	(1)	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(2)	(2)	(135)	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(2)	(2)	(135)	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(211)	(213)	(348)	-	-
<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(37)	(103)	(91)	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(30)	(97)	(98)	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	(7)	(6)	6	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(9)	(8)	(129)	-	-
14	Forecast - 12 month volume	(10 <sup>3</sup> m <sup>3</sup> )	379,141	378,202	377,776	-	-
15	Unit Rate	(cents/m <sup>3</sup> )	(0.0023)	(0.0020)	(0.0342)	(0.0004)	(0.0014)
<b><u>Summary of Unit Rates</u></b>							
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	(0.0023)	(0.0023)	(0.0023)	(0.0023)	(0.0014)
17	Unit Rate Q2	(cents/m <sup>3</sup> )	(0.0014)	(0.0020)	(0.0020)	(0.0020)	(0.0020)
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(0.0640)	(0.0640)	(0.0342)	(0.0342)	(0.0342)
19	Unit Rate Q4	(cents/m <sup>3</sup> )	(0.0017)	(0.0017)	(0.0017)	(0.0004)	(0.0004)
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>(0.0694)</b>	<b>(0.0700)</b>	<b>(0.0402)</b>	<b>(0.0389)</b>	<b>(0.0380)</b>

**Notes:**

- (1) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(2) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(3) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan Q1 (a)	Apr Q2 (1) (b)	Jul Q3 (2) (c)	Oct Q4 (3) (d)	Jan Q1 (4) (e)
	<b><u>Deferral Amounts for Recovery</u></b>						
	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)	(120)	-	-
5	Current projected deferral amounts	(\$000's)	(1)	(1)	(1)	-	-
6	Less: Previous projection included in recovery	(\$000's)	(1)	(1)	(1)	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(2)	(2)	(120)	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(2)	(2)	(120)	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(501)	(503)	(623)	-	-
	<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>						
	Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:						
10	Forecast prospective recovery amount	(\$000's)	(60)	(83)	(85)	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(34)	(37)	(38)	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	(26)	(46)	(47)	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(28)	(48)	(167)	-	-
14	Forecast - 12 month volume	(10 <sup>3</sup> m <sup>3</sup> )	171,553	169,771	168,499	-	-
15	Unit Rate	(cents/m <sup>3</sup> )	<u>(0.0162)</u>	<u>(0.0281)</u>	<u>(0.0994)</u>	<u>(0.0004)</u>	<u>(0.0014)</u>
	<b><u>Summary of Unit Rates</u></b>						
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	(0.0162)	(0.0162)	(0.0162)	(0.0162)	(0.0014)
17	Unit Rate Q2	(cents/m <sup>3</sup> )	(0.0154)	(0.0281)	(0.0281)	(0.0281)	(0.0281)
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(0.1255)	(0.1255)	(0.0994)	(0.0994)	(0.0994)
19	Unit Rate Q4	(cents/m <sup>3</sup> )	<u>(0.0093)</u>	<u>(0.0093)</u>	<u>(0.0093)</u>	<u>(0.0004)</u>	<u>(0.0004)</u>
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>(0.1664)</b>	<b>(0.1791)</b>	<b>(0.1530)</b>	<b>(0.1441)</b>	<b>(0.1293)</b>

**Notes:**

- (1) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(2) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(3) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.  
(4) EB-2007-0918, Tab 2, Schedule 3, Page 10 of 19.

**UNION GAS LIMITED**  
Rate M1 and Rate M2 - Load Balancing (Deferral Account 179-107)  
Derivation of Amounts and Unit Rates for Prospective Recovery

Line No.	Particulars	Units	Year 2007				Year 2008
			Jan Q1 (a)	Apr Q2 (1) (b)	Jul Q3 (2) (c)	Oct Q4 (3) (d)	Jan Q1 (4) (e)
	<b>Deferral Amounts for Recovery</b>						
	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)	(42)	(46)	(1,767)	-	-
5	Current projected deferral amounts	(\$000's)	(17)	(2)	(9)	-	-
6	Less: Previous projection included in recovery	(\$000's)	(22)	(17)	(2)	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(37)	(31)	(1,775)	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(37)	(31)	(1,775)	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(5,731)	(5,762)	(7,537)	-	-
	<b>Previous Quarter: True-up of Prospective Recovery Amounts</b>						
	Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:						
10	Forecast prospective recovery amount	(\$000's)	(421)	(1,495)	(1,336)	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(338)	(1,420)	(1,505)	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	(83)	(75)	168	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(120)	(106)	(1,606)	-	-
14	Forecast - 12 month volume	(10 <sup>3</sup> m <sup>3</sup> )	3,857,353	3,857,847	3,858,025	-	-
15	Unit Rate	(cents/m <sup>3</sup> )	(0.0031)	(0.0027)	(0.0416)	(0.0004)	(0.0014)
	<b>Summary of Unit Rates</b>						
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	(0.0031)	(0.0031)	(0.0031)	(0.0031)	(0.0014)
17	Unit Rate Q2	(cents/m <sup>3</sup> )	(0.0020)	(0.0027)	(0.0027)	(0.0027)	(0.0027)
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(0.0855)	(0.0855)	(0.0416)	(0.0416)	(0.0416)
19	Unit Rate Q4	(cents/m <sup>3</sup> )	(0.0028)	(0.0028)	(0.0028)	(0.0004)	(0.0004)
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>(0.0934)</b>	<b>(0.0941)</b>	<b>(0.0502)</b>	<b>(0.0478)</b>	<b>(0.0461)</b>

Notes:

- (1) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(2) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(3) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan Q1	Apr Q2 (1)	Jul Q3 (2)	Oct Q4 (3)	Jan Q1 (4)
			(a)	(b)	(c)	(d)	(e)
<b><u>Deferral Amounts for Recovery</u></b>							
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)	(5)	(5)	(368)	-	-
5	Current projected deferral amounts	(\$000's)	(3)	(0)	(2)	-	-
6	Less: Previous projection included in recovery	(\$000's)	(4)	(3)	(0)	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(4)	(2)	(370)	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(4)	(2)	(370)	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(636)	(638)	(1,008)	-	-
<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(131)	(194)	(176)	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(144)	(199)	(209)	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	13	5	32	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	9	3	(338)	-	-
14	Forecast - 12 month volume	(10 <sup>3</sup> m <sup>3</sup> )	452,403	455,069	459,280	-	-
15	Unit Rate	(cents/m <sup>3</sup> )	0.0020	0.0006	(0.0735)	(0.0004)	(0.0014)
<b><u>Summary of Unit Rates</u></b>							
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	0.0020	0.0020	0.0020	0.0020	(0.0014)
17	Unit Rate Q2	(cents/m <sup>3</sup> )	(0.0010)	0.0006	0.0006	0.0006	0.0006
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(0.1300)	(0.1300)	(0.0735)	(0.0735)	(0.0735)
19	Unit Rate Q4	(cents/m <sup>3</sup> )	(0.0008)	(0.0008)	(0.0008)	(0.0004)	(0.0004)
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>(0.1298)</b>	<b>(0.1282)</b>	<b>(0.0717)</b>	<b>(0.0713)</b>	<b>(0.0747)</b>

Notes:

- (1) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(2) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(3) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
			(a)	(b)	(c)	(d)	(e)
<b>Deferral Amounts for Recovery</b>							
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)	(208)	-	-
5	Current projected deferral amounts	(\$000's)	(1)	(1)	(1)	-	-
6	Less: Previous projection included in recovery	(\$000's)	(2)	(1)	(1)	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(2)	(1)	(208)	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(2)	(1)	(208)	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	524	523	315	-	-
<b>Previous Quarter: True-up of Prospective Recovery Amounts</b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(65)	(89)	(77)	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(84)	(108)	(90)	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	19	19	13	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	17	18	(195)	-	-
14	Forecast - 12 month volume	(10 <sup>3</sup> m <sup>3</sup> )	404,634	398,563	395,271	-	-
15	Unit Rate	(cents/m <sup>3</sup> )	0.0043	0.0045	(0.0493)	(0.0004)	(0.0014)
<b>Summary of Unit Rates</b>							
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	0.0043	0.0043	0.0043	0.0043	(0.0014)
17	Unit Rate Q2	(cents/m <sup>3</sup> )	(0.0024)	0.0045	0.0045	0.0045	0.0045
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(0.0700)	(0.0700)	(0.0493)	(0.0493)	(0.0493)
19	Unit Rate Q4	(cents/m <sup>3</sup> )	0.0009	0.0009	0.0009	(0.0004)	(0.0004)
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>(0.0672)</b>	<b>(0.0603)</b>	<b>(0.0396)</b>	<b>(0.0409)</b>	<b>(0.0466)</b>

Notes:

- (1) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(2) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(3) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
			(a)	(b)	(c)	(d)	(e)
<b><u>Deferral Amounts for Recovery</u></b>							
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)	(0)	(183)	-	-
5	Current projected deferral amounts	(\$000's)	(1)	0	(0)	-	-
6	Less: Previous projection included in recovery	(\$000's)	(2)	(1)	0	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(1)	0	(184)	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(1)	0	(184)	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(574)	(573)	(757)	-	-
<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	(63)	(73)	(40)	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(184)	(135)	(80)	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	121	62	40	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	120	63	(144)	-	-
14	Forecast - 12 month volume	(10 <sup>3</sup> m <sup>3</sup> )	277,546	287,743	297,940	-	-
15	Unit Rate	(cents/m <sup>3</sup> )	0.0431	0.0218	(0.0483)	(0.0004)	(0.0014)
<b><u>Summary of Unit Rates</u></b>							
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	0.0431	0.0431	0.0431	0.0431	(0.0014)
17	Unit Rate Q2	(cents/m <sup>3</sup> )	(0.0043)	0.0218	0.0218	0.0218	0.0218
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(0.1107)	(0.1107)	(0.0483)	(0.0483)	(0.0483)
19	Unit Rate Q4	(cents/m <sup>3</sup> )	0.0126	0.0126	0.0126	(0.0004)	(0.0004)
20	Total Unit Rate - Prospective Recovery	(cents/m <sup>3</sup> )	(0.0593)	(0.0332)	0.0292	0.0162	(0.0283)

**Notes:**

- (1) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(2) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(3) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
			(a)	(b)	(c)	(d)	(e)
<b><u>Deferral Amounts for Recovery</u></b>							
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)	(11)	-	-
5	Current projected deferral amounts	(\$000's)	(0)	(0)	(0)	-	-
6	Less: Previous projection included in recovery	(\$000's)	(0)	(0)	(0)	-	-
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(0)	(0)	(11)	-	-
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(0)	(0)	(11)	-	-
9	Cumulative Deferral Amounts for Recovery	(\$000's)	(70)	(70)	(81)	-	-
<b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>							
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)	(14)	(10)	-	-
11	Less: Actual prospective recovery amount	(\$000's)	(4)	(10)	(11)	-	-
12	Variance (Line 10 - Line 11)	(\$000's)	(1)	(4)	1	-	-
13	Total Amount for Prospective Recovery (Line 8 + Line 12)	(\$000's)	(2)	(4)	(10)	-	-
14	Forecast - 12 month volume	(10 <sup>3</sup> m <sup>3</sup> )	24,506	24,506	24,506	-	-
15	Unit Rate	(cents/m <sup>3</sup> )	(0.0066)	(0.0150)	(0.0428)	(0.0004)	(0.0014)
<b><u>Summary of Unit Rates</u></b>							
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	(0.0066)	(0.0066)	(0.0066)	(0.0066)	(0.0014)
17	Unit Rate Q2	(cents/m <sup>3</sup> )	(0.0045)	(0.0150)	(0.0150)	(0.0150)	(0.0150)
18	Unit Rate Q3	(cents/m <sup>3</sup> )	(0.1123)	(0.1123)	(0.0428)	(0.0428)	(0.0428)
19	Unit Rate Q4	(cents/m <sup>3</sup> )	(0.0019)	(0.0019)	(0.0019)	(0.0004)	(0.0004)
20	<b>Total Unit Rate - Prospective Recovery</b>	(cents/m <sup>3</sup> )	<b>(0.1253)</b>	<b>(0.1358)</b>	<b>(0.0663)</b>	<b>(0.0648)</b>	<b>(0.0596)</b>

**Notes:**

- (1) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(2) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(3) EB-2007-0720, Tab 2, Schedule 3, Page 10 of 19.  
(4) EB-2007-0918, 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 2007				Year 2008
			Jan	Apr	Jul	Oct	Jan
			Q1	Q2 (1)	Q3 (2)	Q4 (3)	Q1 (4)
		(a)	(b)	(c)	(d)	(e)	
<b>Deferral Amounts for Recovery</b>							
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)	(0)	
5	Current projected deferral amounts	(\$000's)	(0)	(1)	(1)	(1)	
6	Less: Previous projection included in recovery	(\$000's)	(0)	(0)	(1)	(1)	
7	Variance (Line 4 + Line 5 - Line 6)	(\$000's)	(1)	(1)	(0)	(0)	
8	Total Deferral Amounts for Recovery (Line 3 + Line 7)	(\$000's)	(1)	(1)	(0)	(0)	
9	Cumulative Deferral Amounts for Recovery	(\$000's)	311	310	310	309	
<b>Previous Quarter: True-up of Prospective Recovery Amounts</b>							
Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application:							
10	Forecast prospective recovery amount	(\$000's)	4	11	3	0	
11	Less: Actual prospective recovery amount	(\$000's)	5	8	3	0	
12	Variance (Line 10 - Line 11)	(\$000's)	(1)	3	(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 <sup>3</sup> m <sup>3</sup> )	2,935,715	2,950,432	2,954,594	2,956,685	
15	Unit Rate	(cents/m <sup>3</sup> )	(0.0001)	0.0001	(0.0000)	-	
<b>Summary of Unit Rates</b>							
16	Unit Rate Q1 Expiring rider replaced by new rider	(cents/m <sup>3</sup> )	(0.0001)	(0.0001)	(0.0001)	(0.0001)	
17	Unit Rate Q2	(cents/m <sup>3</sup> )	0.0003	0.0001	0.0001	0.0001	
18	Unit Rate Q3	(cents/m <sup>3</sup> )	0.0001	0.0001	(0.0000)	(0.0000)	
19	Unit Rate Q4	(cents/m <sup>3</sup> )	-	-	-	-	
20	Total Unit Rate - Prospective Recovery	(cents/m <sup>3</sup> )	0.0003	0.0001	(0.0000)	(0.0000)	

Notes:

- (1) EB-2007-0053, Tab 2, Schedule 2, Column (h).  
(2) EB-2007-0634, Tab 2, Schedule 2, Column (h).  
(3) EB-2007-0720, Tab 2, Schedule 2, Column (h).  
(4) EB-2007-0918, Tab 2, Schedule 2, Column (h).



UNION GAS LIMITED  
Southern Operations Area  
General Service Customer Bill Impacts

		Rate M1 - Residential (Annual Consumption of 2,600 m <sup>3</sup> )			Rate M2 - Commercial (Annual Consumption of 73,000 m <sup>3</sup> )		
Line No.		EB-2007-0606	EB-2007-0918		EB-2007-0606	EB-2007-0918	
		Approved	Proposed		Approved	Proposed	
		01-Jan-08	01-Jan-08		01-Jan-08	01-Jan-08	
		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	192.00	192.00	-	840.00	840.00	-
2	Delivery Commodity Charge	135.90	135.90	-	2,624.27	2,624.27	-
3	Prospective Recovery - Delivery	(1.26) (2)	(1.21) (3)	0.05	(34.91) (2)	(33.65) (3)	1.26
4	Storage Services	26.11	26.11	-	539.47	539.47	-
5	Total Delivery Charge	352.75	352.80	0.05	3,968.83	3,970.09	1.26
	<u>Supply Charges</u>						
6	Transportation to Union	86.55	77.48	(9.07)	2,429.96	2,174.90	(255.06)
7	Commodity & Fuel	767.59	706.94	(60.65)	21,551.28	19,849.29	(1,701.99)
8	Prospective Recovery - Commodity & Fuel	(119.31) (4)	(116.11) (5)	3.20	(3,349.83) (4)	(3,259.75) (5)	90.08
9	Subtotal	648.28	590.83	(57.45)	18,201.45	16,589.54	(1,611.91)
10	Total Gas Supply Charge	734.83	668.31	(66.52)	20,631.41	18,764.44	(1,866.97)
11	Total Bill	1,087.58	1,021.11	(66.47)	24,600.24	22,734.53	(1,865.71)
12	Impacts for Customer Notices - Sales (line 11)			(66.47)			(1,865.71)
13	Impacts for Customer Notices - Direct Purchase (line 5)			0.05			1.26

Notes:

- (1) Excludes temporary charges/(credits).  
(2) Prospective recovery credit of (0.0478) cents/m<sup>3</sup> for 12 months.  
(3) Prospective recovery credit of (0.0461) cents/m<sup>3</sup> for 12 months.  
(4) Prospective recovery credit of (4.5888) cents/m<sup>3</sup> for 12 months.  
(5) Prospective recovery credit of (4.4654) cents/m<sup>3</sup> 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 m3)			(Western) Rate 01 - Residential (Annual Consumption of 2,600 m3)		
	EB-2007-0606 Approved 01-Jan-08	EB-2007-0918 Proposed 01-Jan-08	Impact (\$)	EB-2007-0606 Approved 01-Jan-08	EB-2007-0918 Proposed 01-Jan-08	Impact (\$)
	Total Bill (\$)(1)	Total Bill (\$)(1)		Total Bill (\$)(1)	Total Bill (\$)(1)	
	(a)	(b)	(c) = (b) - (a)	(d)	(e)	(f) = (e) - (d)
	<u>Delivery Charges</u>					
1	Monthly Charge	192.00	192.00	-	192.00	-
2	Delivery Commodity Charge	233.57	233.57	-	233.57	-
3	Total Delivery Charge	425.57	425.57	-	425.57	-
	<u>Supply Charges</u>					
4	Transportation to Union	77.43	77.43	-	78.05	-
5	Prospective Recovery - Transportation	0.16 (2)	3.89 (3)	3.73	0.16 (2)	3.89 (3)
6	Storage Services	49.67	49.67	-	49.59	-
7	Prospective Recovery - Storage	(0.45) (4)	(0.37) (5)	0.08	(0.45) (4)	(0.37) (5)
8	Subtotal	126.81	130.62	3.81	127.35	131.16
9	Commodity & Fuel	743.15	684.50	(58.65)	750.08	690.81
10	Prospective Recovery - Commodity & Fuel	(162.56) (6)	(81.30) (7)	81.26	(162.56) (6)	(81.30) (7)
11	Subtotal	580.59	603.20	22.61	587.52	609.51
12	Total Gas Supply Charge	707.40	733.82	26.42	714.87	740.67
13	Total Bill	1,132.97	1,159.39	26.42	1,140.44	1,166.24
14	Impacts for Customer Notices - Sales (line 13)					
15	Impacts for Customer Notices - Direct Purchase (line 3 + line 8)					
			26.42			25.80
			3.81			3.81
	<u>(Northern)</u> Rate 01 - Residential (Annual Consumption of 2,600 m3)			<u>(Eastern)</u> Rate 01 - Residential (Annual Consumption of 2,600 m3)		
	EB-2007-0606 Approved 01-Jan-08	EB-2007-0918 Proposed 01-Jan-08	Impact (\$)	EB-2007-0606 Approved 01-Jan-08	EB-2007-0918 Proposed 01-Jan-08	Impact (\$)
	Total Bill (\$)(1)	Total Bill (\$)(1)		Total Bill (\$)(1)	Total Bill (\$)(1)	
	(g)	(h)	(i) = (h) - (g)	(j)	(k)	(l) = (k) - (j)
	<u>Delivery Charges</u>					
16	Monthly Charge	192.00	192.00	-	192.00	-
17	Delivery Commodity Charge	233.39	233.39	-	233.01	-
18	Total Delivery Charge	425.39	425.39	-	425.01	-
	<u>Supply Charges</u>					
19	Transportation to Union	93.97	93.97	-	107.64	-
20	Prospective Recovery - Transportation	0.16 (2)	3.88 (3)	3.72	0.17 (2)	3.88 (3)
21	Storage Services	59.68	59.68	-	67.81	-
22	Prospective Recovery - Storage	(0.46) (4)	(0.37) (5)	0.09	(0.44) (4)	(0.39) (5)
23	Subtotal	153.35	157.16	3.81	175.18	178.94
24	Commodity & Fuel	759.54	699.51	(60.03)	767.59	706.98
25	Prospective Recovery - Commodity & Fuel	(162.56) (6)	(81.29) (7)	81.27	(162.57) (6)	(81.28) (7)
26	Subtotal	596.98	618.22	21.24	605.02	625.70
27	Total Gas Supply Charge	750.33	775.38	25.05	780.20	804.64
28	Total Bill	1,175.72	1,200.77	25.05	1,205.21	1,229.65
29	Impacts for Customer Notices - Sales (line 28)					
30	Impacts for Customer Notices - Direct Purchase (line 18 + line 23)					
			25.05			24.44
			3.81			3.76

Notes:

- (1) Excludes temporary charges/credits.
- (2) Prospective recovery charge of 0.0664 cents/m<sup>3</sup> for 12 months.
- (3) Prospective recovery charge of 0.1493 cents/m<sup>3</sup> for 12 months.
- (4) Prospective recovery credit of (0.0170) cents/m<sup>3</sup> for 12 months.
- (5) Prospective recovery credit of (0.0141) cents/m<sup>3</sup> for 12 months.
- (6) Prospective recovery credit of (6.2521) cents/m<sup>3</sup> for 12 months.
- (7) Prospective recovery credit of (3.1266) cents/m<sup>3</sup> 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 <sup>3</sup> )				Rate 10 - Commercial / Industrial (Annual Consumption of 93,000 m <sup>3</sup> )			
		EB-2007-0606 Approved 01-Jan-08 Total Bill (\$)(1)	EB-2007-0918 Proposed 01-Jan-08 Total Bill (\$)(1)	Impact (\$)	(a) = (b) - (a)	EB-2007-0606 Approved 01-Jan-08 Total Bill (\$)(1)	EB-2007-0918 Proposed 01-Jan-08 Total Bill (\$)(1)	Impact (\$)	(f) = (e) - (d)
1	Delivery Charges								
2	Monthly Charge	840.00	840.00	-	-	840.00	840.00	-	-
3	Delivery Commodity Charge	5,600.45	5,600.45	-	-	5,600.45	5,600.45	-	-
	Total Delivery Charge	6,440.45	6,440.45	-	-	6,440.45	6,440.45	-	-
4	Supply Charges								
5	Transportation to Union	2,539.92	2,539.92	-	-	2,539.92	2,539.92	-	-
6	Prospective Recovery - Transportation	13.31	144.62 (3)	131.31		13.31	144.62 (3)	131.31	
7	Storage Services	1,139.72	1,139.72	-	-	1,139.72	1,139.72	-	-
8	Prospective Recovery - Storage	(17.94) (4)	(13,972) (5)	3,972		(17.94) (4)	(13,972) (5)	3,972	
	Subtotal	3,675.01	3,610.29	135.28		3,675.01	3,610.29	135.28	
9	Commodity & Fuel	26,581.53	24,483.64	(2,097.89)		26,581.53	24,483.64	(2,097.89)	
10	Prospective Recovery - Commodity & Fuel	(5,814.46) (6)	(2,907.73) (7)	2,906.73		(5,814.46) (6)	(2,907.73) (7)	2,906.73	
11	Subtotal	20,767.07	21,575.81	808.74		20,767.07	21,575.81	808.74	
12	Total Gas Supply Charge	24,442.08	25,386.10	944.02		24,442.08	25,386.10	944.02	
13	Total Bill	30,882.53	31,828.55	944.02		30,882.53	31,828.55	944.02	
14	Impacts for Customer Notices - Sales (line 13)			944.02				944.02	
15	Impacts for Customer Notices - Direct Purchase (line 3 + line 8)			135.28				135.28	
		(Northern)				(Eastern)			
		Rate 10 - Commercial / Industrial (Annual Consumption of 93,000 m <sup>3</sup> )				Rate 10 - Commercial / Industrial (Annual Consumption of 93,000 m <sup>3</sup> )			
		EB-2007-0606 Approved 01-Jan-08 Total Bill (\$)(1)	EB-2007-0918 Proposed 01-Jan-08 Total Bill (\$)(1)	Impact (\$)	(i) = (h) - (g)	EB-2007-0606 Approved 01-Jan-08 Total Bill (\$)(1)	EB-2007-0918 Proposed 01-Jan-08 Total Bill (\$)(1)	Impact (\$)	(j) = (k) - (l)
16	Delivery Charges								
17	Monthly Charge	840.00	840.00	-	-	840.00	840.00	-	-
18	Delivery Commodity Charge	5,594.43	5,594.43	-	-	5,608.90	5,608.90	-	-
	Total Delivery Charge	6,434.43	6,434.43	-	-	6,448.90	6,448.90	-	-
19	Supply Charges								
20	Transportation to Union	3,131.31	3,131.31	-	-	3,620.22	3,620.22	-	-
21	Prospective Recovery - Transportation	14.62	144.62 (3)	131.32		13.30	144.61 (3)	131.31	
22	Storage Services	1,497.95	1,497.95	-	-	1,788.86	1,788.86	-	-
23	Prospective Recovery - Storage	(17.95) (4)	(13,984) (5)	4.01		(17.95) (4)	(13,984) (5)	3.99	
	Subtotal	4,624.61	4,759.94	135.33		5,404.43	5,538.73	135.30	
24	Commodity & Fuel	27,168.73	25,020.64	(2,148.09)		27,455.74	25,287.46	(2,168.28)	
25	Prospective Recovery - Commodity & Fuel	(5,914.45) (6)	(2,907.73) (7)	2,906.71		(5,814.46) (6)	(2,907.73) (7)	2,906.73	
26	Subtotal	21,354.28	22,112.90	758.62		21,641.28	22,378.73	738.45	
27	Total Gas Supply Charge	25,978.89	26,872.84	893.95		27,045.71	27,919.46	873.75	
28	Total Bill	32,413.32	33,307.27	893.95		33,485.61	34,369.36	883.75	
29	Impacts for Customer Notices - Sales (line 28)			893.95				873.75	
30	Impacts for Customer Notices - Direct Purchase (line 18 + line 23)			135.33				135.30	

Notes:  
(1) Excludes temporary charges/credits.  
(2) Prospective recovery charge of 0.0143 cent/m<sup>3</sup> for 12 months.  
(3) Prospective recovery charge of 0.1555 cent/m<sup>3</sup> for 12 months.  
(4) Prospective recovery credit of (0.0193) cent/m<sup>3</sup> for 12 months.  
(5) Prospective recovery credit of (0.0150) cent/m<sup>3</sup> for 12 months.  
(6) Prospective recovery credit of (6.2521) cent/m<sup>3</sup> for 12 months.  
(7) Prospective recovery credit of (3.1266) cent/m<sup>3</sup> for 12 months.





UNION GAS LIMITED  
Prospective Recovery - Commodity Unit Rates

Line No.	Particulars	Incremental Amount for Prospective Recovery (1) (\$000's) (a)	Forecast Sales Service Billing Units (2) (10 <sup>3</sup> m <sup>3</sup> ) (b)	Proposed Incremental Prospective Recovery Unit Rate (cents/m <sup>3</sup> ) (c) = (a) / (b) x 100
<u>Northern and Eastern Operations Area</u>				
1	North Purchase Gas Variance Account (NPGVA)	(52)	665,525	(0.0078)
2	Inventory Revaluations	2,951	665,525	0.4434
3	Spot Gas	-	665,525	-
4	Fuel	(303)	665,525	(0.0455)
5	Total Northern Commodity	<u>2,597</u>		<u>0.3901</u>
<u>Southern Operations Area</u>				
6	South Purchase Gas Variance Account (SPGVA)	(36,043)	2,299,677	(1.5673)
7	Inventory Revaluations	10,197	2,299,677	0.4434
8	Spot Gas	-	2,299,677	-
9	Total Southern Commodity	<u>(25,845)</u>		<u>(1.1239)</u>
10	Total	<u><u>(23,248)</u></u>		

Notes:

- (1) Tab 2, Schedule 2  
(2) Forecast volumes for the 12 month period: January 1, 2008 to December 31, 2008.

UNION GAS LIMITED  
Prospective Recovery - Transportation Unit Rates

Line No.	Particulars	Incremental Amount for Prospective Recovery (\$000's) (a)	Forecast Firm Bundled Billing Units (4) (10 <sup>3</sup> m <sup>3</sup> ) (b)	Proposed Incremental Prospective Recovery Unit Rate (cents/m <sup>3</sup> ) (c) = (a) / (b) x 100
	<u>Northern and Eastern Operations Area</u>			
1	<u>TCPL Tolls and LBA - Transportation</u> R01, R10, R20	934 (1)	1,444,544	0.0647
2	<u>Load balancing</u>	(20) (2)	1,444,544	(0.0014)
3	<u>TCPL Tolls and LBA - Storage</u> R20 - Monthly Gas Supply Demand Charge	- (3)	-	-
4	Total	<u>914</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  
Prospective Recovery - Delivery Unit Rates

Line No.	Particulars	Incremental Amount for Prospective Recovery (1) (\$000's)	Forecast Delivery Billing Units (2) (10 <sup>3</sup> m <sup>3</sup> )	Proposed Incremental Prospective Recovery Unit Rate (cents/m <sup>3</sup> )
		(a)	(b)	(c) = (a) / (b) x 100
<u>Southern Operations Area</u>				
1	<u>Load Balancing</u>	(71)	5,035,657	(0.0014)
2	Total	<u>(71)</u>		

Notes:

(1) Schedule 2, Working Papers, Page 1 of 2, Column (i)

(2) Forecast volumes for the 12 month period: January 1, 2008 to December 31, 2008.

UNION GAS LIMITED  
Prospective Recovery - Storage Unit Rates

Line No.	Particulars	Incremental Amount for Prospective Recovery (1) (\$000's) (a)	Forecast Firm Storage Billing Units (10 <sup>3</sup> m <sup>3</sup> ) (b)	Proposed Incremental Prospective Recovery Unit Rate (cents/m <sup>3</sup> ) (c) = (a) / (b) x 100
<u>Northern and Eastern Operations Area</u>				
<u>TCPL 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-2007-0918**  
**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 <sup>3</sup> )	EB-2007-0606 Approved January 1, 2008	Rate Change (b)	EB-2007-0918 Approved January 1, 2008
		Rate (a)		Rate (c)
1	Monthly Charge - All Zones	\$16.00		\$16.00
	Monthly Delivery Charge - All Zones			
2	First 100 m <sup>3</sup>	9.3995		9.3995
3	Next 200 m <sup>3</sup>	8.7906		8.7906
4	Next 200 m <sup>3</sup>	8.3582		8.3582
5	Next 500 m <sup>3</sup>	7.9611		7.9611
6	Over 1,000 m <sup>3</sup>	7.6333		7.6333
7	Delivery - Price Adjustment (All Volumes)	(0.3277) (1)		(0.3277) (2)
	Gas Transportation Service			
8	Fort Frances	2.9782		2.9782
9	Western Zone	3.0023		3.0023
10	Northern Zone	3.6142		3.6142
11	Eastern Zone	4.1400		4.1400
12	Transportation - Price Adjustment (All Zones)	(0.6158) (3)	0.1429	(0.4729) (4)
	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)	(0.0170) (5)	0.0029	(0.0141) (6)
	Commodity Cost of Gas and Fuel			
18	Fort Frances	28.5823	(2.2559)	26.3264
19	Western Zone	28.8494	(2.2795)	26.5699
20	Northern Zone	29.2137	(2.3098)	26.9039
21	Eastern Zone	29.5223	(2.3315)	27.1908
22	Commodity and Fuel - Price Adjustment (All Zones)	(6.2521) (7)	3.1255	(3.1266) (8)

Notes:

- (1) Includes a temporary credit of (0.3277) cents/m<sup>3</sup> for the period January 1 to March 31, 2008.
- (2) Includes a temporary credit of (0.3277) cents/m<sup>3</sup> for the period January 1 to March 31, 2008.
- (3) Includes Prospective Recovery of (0.0796), 0.0580, 0.0411, (0.0131) and a temp credit of (0.6222) cents/m<sup>3</sup> for the period Jan 1-Mar 31, 2008.
- (4) Includes Prospective Recovery of 0.0580, 0.0411, (0.0131), 0.0633 and a temp credit of (0.6222) cents/m<sup>3</sup> for the period Jan 1-Mar 31, 2008.
- (5) Includes Prospective Recovery of (0.0029) and (0.0141) cents/m<sup>3</sup>.
- (6) Includes Prospective Recovery of (0.0141) cents/m<sup>3</sup>.
- (7) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m<sup>3</sup>.
- (8) Includes Prospective Recovery of (1.0007), (0.8211), (1.6949) and 0.3901 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-2007-0606 Approved January 1, 2008	Rate Change (b)	EB-2007-0918 Approved January 1, 2008
		Rate (a)		Rate (c)
1	Monthly Charge - All Zones	\$70.00		\$70.00
	Monthly Delivery Charge - All Zones			
2	First 1,000 m <sup>3</sup>	7.4586		7.4586
3	Next 9,000 m <sup>3</sup>	5.9360		5.9360
4	Next 20,000 m <sup>3</sup>	5.0678		5.0678
5	Next 70,000 m <sup>3</sup>	4.5118		4.5118
6	Over 100,000 m <sup>3</sup>	2.4062		2.4062
7	Delivery - Price Adjustment (All Volumes)	0.0563 (1)		0.0563 (2)
	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)	(0.6437) (3)	0.1412	(0.5025) (4)
	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)	(0.0193) (5)	0.0043	(0.0150) (6)
	Commodity Cost of Gas and Fuel			
18	Fort Frances	28.5823	(2.2559)	26.3264
19	Western Zone	28.8494	(2.2795)	26.5699
20	Northern Zone	29.2137	(2.3098)	26.9039
21	Eastern Zone	29.5223	(2.3315)	27.1908
22	Commodity and Fuel - Price Adjustment (All Zones)	(6.2521) (7)	3.1255	(3.1266) (8)

Notes:

- (1) Includes a temporary charge of 0.0563 cents/m<sup>3</sup> for the period January 1 to March 31, 2008.  
(2) Includes a temporary charge of 0.0563 cents/m<sup>3</sup> for the period January 1 to March 31, 2008.  
(3) Includes Prospective Recovery of (0.0779), 0.0604, 0.0449, (0.0131) and a temp credit of (0.6580) cents/m<sup>3</sup> for the period Jan 1-Mar 31, 2008.  
(4) Includes Prospective Recovery of 0.0604, 0.0449, (0.0131), 0.0633 and a temp credit of (0.6580) cents/m<sup>3</sup> for the period Jan 1-Mar 31, 2008.  
(5) Includes Prospective Recovery of (0.0043) and (0.0150) cents/m<sup>3</sup>.  
(6) Includes Prospective Recovery of (0.0150) cents/m<sup>3</sup>.  
(7) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m<sup>3</sup>.  
(8) Includes Prospective Recovery of (1.0007), (0.8211), (1.6949) and 0.3901 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-2007-0606 Approved January 1, 2008	Rate Change (b)	EB-2007-0918 Approved January 1, 2008
		Rate (a)		Rate (c)
1	Monthly Charge	\$780.00		\$780.00
	Delivery Demand Charge			
2	First 70,000 m <sup>3</sup>	20.4784		20.4784
3	All over 70,000 m <sup>3</sup>	12.0424		12.0424
	Delivery Commodity Charge			
4	First 852,000 m <sup>3</sup>	0.3091		0.3091
5	All over 852,000 m <sup>3</sup>	0.2289		0.2289
	Monthly Gas Supply Demand Charge			
6	Fort Frances	25.3849		25.3849
7	Western Zone	25.8560		25.8560
8	Northern Zone	42.7901		42.7901
9	Eastern Zone	56.9450		56.9450
10	Gas Supply Demand - Price Adjustment (All Zones)	0.3573 (1)	(0.3066)	0.0507 (2)
	Commodity Transportation 1			
11	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)	(0.0909) (3)	0.1551	0.0642 (4)
	Commodity Transportation 2			
16	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
	Commodity Cost of Gas and Fuel			
20	Fort Frances	28.8230	(2.2751)	26.5479
21	Western Zone	29.0924	(2.2989)	26.7935
22	Northern Zone	29.4598	(2.3295)	27.1303
23	Eastern Zone	29.7710	(2.3513)	27.4197
24	Commodity and Fuel - Price Adjustment (All Zones)	(6.2521) (5)	3.1255	(3.1266) (6)
	Bundled Storage Service (\$/GJ)			
25	Monthly Demand Charge	11.289		11.289
26	Commodity Charge	0.240		0.240
27	Storage Demand - Price Adjustment	(0.268) (7)	0.119	(0.149) (8)

Notes:

- (1) Includes Prospective Recovery of 0.3066 and 0.0507 cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery of 0.0507 cents/m<sup>3</sup>.  
(3) Includes Prospective Recovery of (0.0918), 0.0343, (0.0203) and (0.0131) cents/m<sup>3</sup>.  
(4) Includes Prospective Recovery of 0.0343, (0.0203), (0.0131) and 0.0633 cents/m<sup>3</sup>.  
(5) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m<sup>3</sup>.  
(6) Includes Prospective Recovery of (1.0007), (0.8211), (1.6949) and 0.3901 cents/m<sup>3</sup>.  
(7) Includes Prospective Recovery of (0.119) and (0.149) \$/GJ.  
(8) Includes Prospective Recovery of (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 <sup>3</sup> )	EB-2007-0606 Approved January 1, 2008 Rate	Rate Change	EB-2007-0918 Approved January 1, 2008 Rate
		(a)		(c)
1	Monthly Charge	\$780.00		\$780.00
2	Delivery Demand Charge All Zones	12.0047		12.0047
3	Delivery Commodity Charge All Zones	0.2181		0.2181
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	28.8230	(2.2751)	26.5479
17	Western Zone	29.0924	(2.2989)	26.7935
18	Northern Zone	29.4598	(2.3295)	27.1303
19	Eastern Zone	29.7710	(2.3513)	27.4197
20	Commodity and Fuel - Price Adjustment (All Zones)	(6.2521) (1)	3.1255	(3.1266) (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	(0.268) (3)	0.119	(0.149) (4)

Notes:

- (1) Includes Prospective Recovery of (2.7354), (1.0007), (0.8211) and (1.6949) cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery of (1.0007), (0.8211), (1.6949) and 0.3901 cents/m<sup>3</sup>.  
(3) Includes Prospective Recovery of (0.119) and (0.149) \$/GJ.  
(4) Includes Prospective Recovery of (0.149) \$/GJ.

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2007-0606 Approved January 1, 2008 Rate (a)	Rate Change (b)	EB-2007-0918 Approved January 1, 2008 Rate (c)
1	<u>Rate 25 - Large Volume Interruptible Service</u> Monthly Charge	\$190.00		\$190.00
2	Delivery Charge - All Zones * Maximum	4.6408		4.6408
3	Gas Supply Charges - All Zones Minimum	14.3135		14.3135
4	Maximum	140.5622		140.5622
5	<u>Rate 77 - Wholesale Transportation Service</u> Monthly Charge	\$145.00		\$145.00
6	Delivery Demand Charge - All Zones	28.4857		28.4857

\* see Appendix C

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

Line No.	Particulars (cents/m <sup>3</sup> )	EB-2007-0606 Approved January 1, 2008	Rate Change	EB-2007-0918 Approved January 1, 2008
		Rate (a)		Rate (c)
	<u>Utility Sales</u>			
1	Commodity and Fuel	29.5223	(2.3315)	27.1908
2	Commodity and Fuel - Price Adjustment	(4.5404) (1)	0.1234	(4.4170) (2)
3	Transportation	3.3287	(0.3494)	2.9793
4	Total Gas Supply Commodity Charge	28.3106	(2.5575)	25.7531
	<u>M4 Firm Commercial/Industrial</u>			
5	Minimum annual gas supply commodity charge	4.9515	(0.4567)	4.4948
	<u>M5A Interruptible Commercial/Industrial</u>			
6	Minimum annual gas supply commodity charge	4.9515	(0.4567)	4.4948
	<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	29.027		29.027
8	Firm backstop gas	3.902	(0.238)	3.664
	Commodity charges:			
9	Gas supply	7.846	(0.620)	7.226
10	Backstop gas	10.698	(0.713)	9.985
11	Reasonable Efforts Backstop Gas	10.494	(0.714)	9.780
12	Supplemental Inventory	Note (3)		Note (3)
13	Supplemental Gas Sales Service (cents/m <sup>3</sup> )	42.6016	(2.8055)	39.7961
14	Failure to Deliver	3.126		3.126
15	Discretionary Gas Supply Service (DGSS)	Note (4)		Note (4)

Notes:

- (1) Incls. Prospective Recovery of (1.2473), (1.2208), (0.7674), (1.3533) and a temp charge of 0.0484 cents/m<sup>3</sup> for the period Jan 1-Mar 31, 2008.  
(2) Incls. Prospective Recovery of (1.2208), (0.7674), (1.3533), (1.1239) and a temp charge of 0.0484 cents/m<sup>3</sup> for the period Jan 1-Mar 31, 2008.  
(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 <sup>3</sup> )	EB-2007-0606 Approved January 1, 2008 Rate (a)	Rate Change (b)	EB-2007-0918 Approved January 1, 2008 Rate (c)
	<u>M1 Small Volume General Service Rate</u>			
1	Monthly Charge	\$16.00		\$16.00
2	First 100 m <sup>3</sup>	5.5704		5.5704
3	Next 150 m <sup>3</sup>	5.2862		5.2862
4	All over 250 m <sup>3</sup>	4.6134		4.6134
5	Delivery - Price Adjustment (All Volumes)	(0.1753) (1)	0.0017	(0.1736) (2)
6	Storage Service	1.0047		1.0047
	<u>M2 Large Volume General Service Rate</u>			
7	Monthly Charge	\$70.00		\$70.00
8	First 1 000 m <sup>3</sup>	3.7061		3.7061
9	Next 6 000 m <sup>3</sup>	3.6352		3.6352
10	Next 13 000 m <sup>3</sup>	3.4235		3.4235
11	All over 20 000 m <sup>3</sup>	3.1697		3.1697
12	Delivery - Price Adjustment (All Volumes)	(0.1753) (3)	0.0017	(0.1736) (4)
13	Storage Service	0.7390		0.7390
	<u>M4 Firm comm/ind contract rate</u>			
	Monthly demand charge:			
14	First 8 450 m <sup>3</sup>	45.9138		45.9138
15	Next 19 700 m <sup>3</sup>	19.9204		19.9204
16	All over 28 150 m <sup>3</sup>	16.5428		16.5428
	Monthly delivery commodity charge:			
17	First block	0.9709		0.9709
18	All remaining use	0.5318		0.5318
19	Delivery - Price Adjustment (All Volumes)	(0.0713) (5)	(0.0034)	(0.0747) (6)
20	Minimum annual delivery commodity charge	1.2882		1.2882

Notes:

(1) Incl. Prospective Recovery of (0.0031), (0.0027), (0.0416), (0.0004) and a temp credit of (0.1275) cents/m<sup>3</sup> for the period Jan 1-Mar 31, 2008.

(2) Incl. Prospective Recovery of (0.0027), (0.0416), (0.0004), (0.0014) and a temp credit of (0.1275) cents/m<sup>3</sup> for the period Jan 1-Mar 31, 2008.

(3) Incl. Prospective Recovery of (0.0031), (0.0027), (0.0416), (0.0004) and a temp credit of (0.1275) cents/m<sup>3</sup> for the period Jan 1-Mar 31, 2008.

(4) Incl. Prospective Recovery of (0.0027), (0.0416), (0.0004), (0.0014) and a temp credit of (0.1275) cents/m<sup>3</sup> for the period Jan 1-Mar 31, 2008.

(5) Includes Prospective Recovery of 0.0020, 0.0006, (0.0735) and (0.0004) cents/m<sup>3</sup>.

(6) Includes Prospective Recovery of 0.0006, (0.0735), (0.0004) and (0.0014) 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-2007-0606 Approved January 1, 2008	Rate Change (b)	EB-2007-0918 Approved January 1, 2008
		Rate (a)		Rate (c)
	<u>M5A interruptible comm/ind contract</u>			
	<u>Firm contracts</u> *			
1	Monthly demand charge	27.7382		27.7382
2	Monthly delivery commodity charge	1.8051		1.8051
3	Delivery - Price Adjustment (All Volumes)	(0.0409) (1)	(0.0057)	(0.0466) (2)
	<u>Interruptible contracts</u> *			
4	Monthly Charge	\$500.00		\$500.00
	Daily delivery commodity charge:			
5	4 800 m <sup>3</sup> to 17 000 m <sup>3</sup>	1.9098		1.9098
6	17 000 m <sup>3</sup> to 30 000 m <sup>3</sup>	1.7799		1.7799
7	30 000 m <sup>3</sup> to 50 000 m <sup>3</sup>	1.7116		1.7116
8	50 000 m <sup>3</sup> to 70 000 m <sup>3</sup>	1.6637		1.6637
9	70 000 m <sup>3</sup> to 100 000 m <sup>3</sup>	1.6294		1.6294
10	100 000 m <sup>3</sup> to 140 870 m <sup>3</sup>	1.5957		1.5957
11	Delivery - Price Adjustment (All Volumes)	(0.0409) (1)	(0.0057)	(0.0466) (2)
12	Annual minimum delivery commodity charge	2.2350	(0.0079)	2.2271
	<u>M7 Special large volume contract</u>			
	<u>Firm</u>			
13	Monthly demand charge	25.6493		25.6493
14	Monthly delivery commodity charge	0.3596		0.3596
15	Delivery - Price Adjustment	0.0162 (3)	(0.0445)	(0.0283) (4)
	<u>Interruptible</u> *			
16	Monthly delivery commodity charge: Maximum	2.7689	-	2.7689
17	Delivery - Price Adjustment	0.0162 (3)	(0.0445)	(0.0283) (4)
	<u>Seasonal</u> *			
18	Monthly delivery commodity charge: Maximum	2.5248		2.5248
19	Delivery - Price Adjustment	0.0162 (3)	(0.0445)	(0.0283) (4)
	<u>M9 Large wholesale service</u>			
20	Monthly demand charge	17.1521		17.1521
21	Monthly delivery commodity charge	0.5377		0.5377
22	Delivery - Price Adjustment	(0.0648) (5)	0.0052	(0.0596) (6)
	<u>M10 Small wholesale service</u>			
23	Monthly delivery commodity charge	2.7065		2.7065

Notes:

- (1) Includes Prospective Recovery of 0.0043, 0.0045, (0.0493) and (0.0004) cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery of 0.0045, (0.0493), (0.0004) and (0.0014) cents/m<sup>3</sup>.  
(3) Includes Prospective Recovery of 0.0431, 0.0218, (0.0483) and (0.0004) cents/m<sup>3</sup>.  
(4) Includes Prospective Recovery of 0.0218, (0.0483), (0.0004) and (0.0014) cents/m<sup>3</sup>.  
(5) Includes Prospective Recovery of (0.0066), (0.0150), (0.0428) and (0.0004) cents/m<sup>3</sup>.  
(6) Includes Prospective Recovery of (0.0150), (0.0428), (0.0004) and (0.0014) cents/m<sup>3</sup>.

\* 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-2007-0606 Approved January 1, 2008 Rate (a)	Rate Change (b)	EB-2007-0918 Approved January 1, 2008 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 / m<sup>3</sup>)</u>			
11	Monthly demand charge first 140,870 m <sup>3</sup>	19.0756		19.0756
12	Monthly demand charge all over 140,870 m <sup>3</sup>	13.0348		13.0348
	Commodity charges:			
13	Firm- Union provides compressor fuel first 2,360,653 m <sup>3</sup>	0.3619		0.3619
14	Union provides compressor fuel all over 2,360,653 m <sup>3</sup>	0.2790		0.2790
15	Customer provides compressor fuel first 2,360,653 m <sup>3</sup>	0.1650		0.1650
16	Customer provides compressor fuel all over 2,360,653 m <sup>3</sup>	0.0821		0.0821
	Interruptible: *			
17	Maximum - Union provides compressor fuel	2.7689		2.7689
18	Maximum - customer provides compressor fuel	2.5720		2.5720
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 <sup>3</sup> )	0.9891		0.9891
25	Customer provides compressor fuel	0.7921		0.7921
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-2007-0606 Approved January 1, 2008 Rate (a)	Rate Change (b)	EB-2007-0918 Approved January 1, 2008 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 / m<sup>3</sup>)</u>			
11	Monthly demand charge	9.0742		9.0742
	Commodity charges			
12	Firm- Union supplies compressor fuel	0.3246		0.3246
13	Customer provides compressor fuel	0.0670		0.0670
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 <sup>3</sup> )	0.6229		0.6229
20	Customer provides compressor fuel (cents/m <sup>3</sup> )	0.3653		0.3653
	<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-2007-0606 Approved January 1, 2008 Rate (a)	Rate Change (b)	EB-2007-0918 Approved January 1, 2008 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
	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 Service</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
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 / m<sup>3</sup>)</u>			
	<u>Firm contracts</u>			
16	Monthly demand charge	21.9833		21.9833
17	Monthly delivery commodity charge	1.8051		1.8051
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 <sup>3</sup> to 17 000 m <sup>3</sup>	1.5544		1.5544
21	17 000 m <sup>3</sup> to 30 000 m <sup>3</sup>	1.4245		1.4245
22	30 000 m <sup>3</sup> to 50 000 m <sup>3</sup>	1.3562		1.3562
23	50 000 m <sup>3</sup> to 70 000 m <sup>3</sup>	1.3083		1.3083
24	70 000 m <sup>3</sup> to 100 000 m <sup>3</sup>	1.2740		1.2740
25	100 000 m <sup>3</sup> to 140 870 m <sup>3</sup>	1.2403		1.2403
	<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-2007-0606 Approved January 1, 2008 Rate (a)	Rate Change (b)	EB-2007-0918 Approved January 1, 2008 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	0.955		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 / m<sup>3</sup>)</u>			
7	Monthly demand charge first 140,870 m <sup>3</sup>	19.0756		19.0756
8	Monthly demand charge all over 140,870 m <sup>3</sup>	13.0348		13.0348
	Commodity charges			
9	Firm Customer provides compressor fuel first 2,360,653 m <sup>3</sup>	0.1650		0.1650
10	Firm Customer provides compressor fuel all over 2,360,653 m <sup>3</sup>	0.0821		0.0821
	Interruptible:			
11	Maximum customer provides compressor fuel	2.5720		2.5720
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 <sup>3</sup> )	0.7921		0.7921
	<u>Other Services &amp; Charges</u>			
16	Monthly Charge	\$1,800		\$1,800
	<u>U9 Unbundled Service</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
17	Firm space	0.021		0.021
18	Incremental firm injection right	0.955		0.955
19	Incremental firm withdrawal right	0.955		0.955
	Commodity charges:			
20	Injection customer provides compressor fuel	0.015		0.015
21	Withdrawal customer provides compressor fuel	0.015		0.015
22	Storage fuel ratio - Customer provides fuel	0.600%		0.600%
	<u>Delivery (cents / m<sup>3</sup>)</u>			
23	Monthly demand charge	9.0742		9.0742
	Commodity charges			
24	Firm customer provides compressor fuel	0.0670		0.0670
25	Transportation fuel ratio - Customer provides fuel	0.725%		0.725%
	<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
28	Transportation commodity charge (cents/m <sup>3</sup> )	0.3653		0.3653
	<u>Other Services &amp; Charges</u>			
	Monthly Charge			
29	City of Kitchener	\$17,155		\$17,155
30	NRG	\$2,631		\$2,631
31	Six Nations	\$877		\$877

## APPENDIX B

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>	\$16.00	\$16.00	\$16.00	\$16.00
<u>DELIVERY CHARGE</u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>
First 100 m <sup>3</sup> per month @	9.3995	9.3995	9.3995	9.3995
Next 200 m <sup>3</sup> per month @	8.7906	8.7906	8.7906	8.7906
Next 200 m <sup>3</sup> per month @	8.3582	8.3582	8.3582	8.3582
Next 500 m <sup>3</sup> per month @	7.9611	7.9611	7.9611	7.9611
Over 1,000 m <sup>3</sup> per month @	7.6333	7.6333	7.6333	7.6333
Delivery- Price Adjustment (All Volumes)	(0.3277)	(0.3277)	(0.3277)	(0.3277)



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

January 1, 2008  
O.E.B. ORDER # EB-2007-0918

Chatham, Ontario

Supersedes EB-2007-0606 Rate Schedule effective January 1, 2008.



## 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>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>
First 1,000 m <sup>3</sup> per month @	7.4586	7.4586	7.4586	7.4586
Next 9,000 m <sup>3</sup> per month @	5.9360	5.9360	5.9360	5.9360
Next 20,000 m <sup>3</sup> per month @	5.0678	5.0678	5.0678	5.0678
Next 70,000 m <sup>3</sup> per month @	4.5118	4.5118	4.5118	4.5118
Over 100,000 m <sup>3</sup> per month @	2.4062	2.4062	2.4062	2.4062
Delivery-Price Adjustment (All Volumes)	0.0563	0.0563	0.0563	0.0563



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 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.



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 m<sup>3</sup> 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 <sup>3</sup> )	
Monthly Demand Charge for first 70,000 m <sup>3</sup> of Contracted Daily Demand	20.4784
Monthly Demand Charge for all units over 70,000 m <sup>3</sup> of Contracted Daily Demand	12.0424
Commodity Charge for first 852,000 m <sup>3</sup> of gas volumes delivered	0.3091
Commodity Charge for all units over 852,000 m <sup>3</sup> of gas volumes delivered	0.2289

**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 (m<sup>3</sup>) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m<sup>3</sup>, 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	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
Rate Schedule No.	220	120	320	620
<u>MONTHLY CHARGE</u>	\$780.00	\$780.00	\$780.00	\$780.00
<u>DELIVERY CHARGES</u>	<u>cents per m<sup>3</sup></u>	<u>cents per m<sup>3</sup></u>	<u>cents per m<sup>3</sup></u>	<u>cents per m<sup>3</sup></u>
Commodity Charge for each unit of gas volumes delivered	1.6556	1.6556	1.6556	1.6556

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) \$(0.149)

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.



**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 m<sup>3</sup> or more or the interruptible portion of a maximum daily requirement for combined firm and interruptible service is 14,000 m<sup>3</sup> 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)****MONTHLY CHARGE****\$190.00****DELIVERY CHARGES****cents per m<sup>3</sup>**

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:

**4.6408****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 (m<sup>3</sup>) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m<sup>3</sup>, 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.





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 10<sup>3</sup>m<sup>3</sup> 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.



**uniongas**

Effective  
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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

January 1, 2008  
O.E.B. ORDER # EB-2007-0918

Chatham, Ontario

Supersedes EB-2007-0606 Rate Schedule effective January 1, 2008.

**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 <sup>3</sup> )	28.4857

**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

January 1, 2008  
O.E.B. ORDER # EB-2007-0918

Chatham, Ontario

Supersedes EB-2007-0606 Rate Schedule effective January 1, 2008.





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 m<sup>3</sup> 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 <sup>3</sup> of Daily Contract Demand)	
Monthly Demand Charge for each unit of Contracted Daily Demand:	12.0047
COMMODITY CHARGE for each unit of gas volumes delivered (cents per m <sup>3</sup> )	0.2181

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 (m<sup>3</sup>) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m<sup>3</sup>, 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 m<sup>3</sup></u> 0.7819	<u>cents per m<sup>3</sup></u> 0.7819	<u>cents per m<sup>3</sup></u> 0.7819	<u>cents per m<sup>3</sup></u> 0.7819

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) \$ (0.149)

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 January 1, 2008  
O.E.B. ORDER # EB-2007-0918

Chatham, Ontario

Supersedes EB-2007-0606 Rate Schedule effective January 1, 2008.



# uniongas

Effective  
2008-01-01  
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 / m<sup>3</sup>)</u>				
Storage	1.9099	1.9075	2.2951	2.6079
Storage - Price Adjustment (1)	(0.0141)	(0.0141)	(0.0141)	(0.0141)
Commodity and Fuel	26.3264	26.5699	26.9039	27.1908
Commodity and Fuel - Price Adjustment (1)	(3.1266)	(3.1266)	(3.1266)	(3.1266)
Transportation	2.9782	3.0023	3.6142	4.1400
Transportation - Price Adjustment (1)	(0.4729)	(0.4729)	(0.4729)	(0.4729)
Total Gas Supply Charge	<u>27.6009</u>	<u>27.8661</u>	<u>29.1996</u>	<u>30.3251</u>

Rate 10 (cents / m<sup>3</sup>)

Storage	1.2255	1.2231	1.6107	1.9235
Storage - Price Adjustment (1)	(0.0150)	(0.0150)	(0.0150)	(0.0150)
Commodity and Fuel	26.3264	26.5699	26.9039	27.1908
Commodity and Fuel - Price Adjustment (1)	(3.1266)	(3.1266)	(3.1266)	(3.1266)
Transportation	2.7311	2.7552	3.3670	3.8927
Transportation - Price Adjustment (1)	(0.5025)	(0.5025)	(0.5025)	(0.5025)
Total Gas Supply Charge	<u>26.6389</u>	<u>26.9041</u>	<u>28.2375</u>	<u>29.3629</u>

Notes:

(1) As in Appendix A. The Commodity and Fuel line includes gas supply administration charge of 0.3173 cents/m<sup>3</sup>.





uniongas

Effective  
2008-01-01  
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 / m<sup>3</sup>)</u>				
Commodity and Fuel	26.5479	26.7935	27.1303	27.4197
Commodity and Fuel - Price Adjustment (1)	(3.1266)	(3.1266)	(3.1266)	(3.1266)
Commodity Transportation - Charge 1	2.1971	2.2058	2.6055	2.9409
Transportation 1 - Price Adjustment (1)	0.0642	0.0642	0.0642	0.0642
Commodity Transportation - Charge 2	0.1334	0.1310	0.2059	0.2733
Monthly Gas Supply Demand	25.3849	25.8560	42.7901	56.9450
Gas Supply Demand - Price Adjustment (1)	0.0507	0.0507	0.0507	0.0507
Commissioning and Decommissioning Rate	3.5082	3.5457	4.9939	6.2064
<u>Rate 100 (cents / m<sup>3</sup>)</u>				
Commodity and Fuel	26.5479	26.7935	27.1303	27.4197
Commodity and Fuel - Price Adjustment (1)	(3.1266)	(3.1266)	(3.1266)	(3.1266)
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	3.6789	4.7779	5.6997
<u>Rate 25 (cents / m<sup>3</sup>)</u>				
Gas Supply Charge:				
Interruptible Service				
Minimum	14.3135	14.3135	14.3135	14.3135
Maximum	140.5622	140.5622	140.5622	140.5622

Notes:

(1) As in Appendix A. The Commodity and Fuel line includes gas supply administration charge of 0.3173 cents/m<sup>3</sup>.

Effective: January 1, 2008  
O.E.B. Order # EB-2007-0918

Chatham, Ontario

Supersedes EB-2007-0606 Rate Schedule effective January 1, 2008.

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                            |                    | \$ 16.00                     |
| b) | Delivery Charge                           |                    |                              |
|    | First                                     | 100 m <sup>3</sup> | 5.5704¢ per m <sup>3</sup>   |
|    | Next                                      | 150 m <sup>3</sup> | 5.2862¢ per m <sup>3</sup>   |
|    | All Over                                  | 250 m <sup>3</sup> | 4.6134¢ per m <sup>3</sup>   |
|    | Delivery – Price Adjustment (All Volumes) |                    | (0.1736)¢ per m <sup>3</sup> |
| c) | Storage Charge (if applicable)            |                    | 1.0047¢ per m <sup>3</sup>   |
| 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 6.5751¢ 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>	3.7061¢ per m <sup>3</sup>
	Next	6 000 m <sup>3</sup>	3.6352¢ per m <sup>3</sup>
	Next	13 000 m <sup>3</sup>	3.4235¢ per m <sup>3</sup>
	All Over	20 000 m <sup>3</sup>	3.1697¢ per m <sup>3</sup>
	Delivery – Price Adjustment (All Volumes)		(0.1736)¢ per m <sup>3</sup>
c)	Storage Charge (if applicable)		0.7390¢ 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.

**(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 6.5751¢ 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

January 1, 2008  
O.E.B. ORDER # EB-2007-0918

Chatham, Ontario

Supersedes EB-2007-0606 Rate Schedule effective January 1, 2008.

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 m<sup>3</sup> and 140 870 m<sup>3</sup>.

**(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 <sup>3</sup> of daily contracted demand	45.9138¢ per m <sup>3</sup>
Next	19 700 m <sup>3</sup> of daily contracted demand	19.9204¢ per m <sup>3</sup>
All Over	28 150 m <sup>3</sup> of daily contracted demand	16.5428¢ per m <sup>3</sup>

(ii) A Monthly Delivery Commodity Charge	
First 422 250 m <sup>3</sup> delivered per month	0.9709¢ per m <sup>3</sup>
Next volume equal to 15 days use of daily contracted demand	0.9709¢ per m <sup>3</sup>
For remainder of volumes delivered in the month	0.5318¢ per m <sup>3</sup>

Delivery- Price Adjustment (All Volumes)	(0.0747)¢ per m <sup>3</sup>
--	------------------------------

(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 2.4804¢ per m<sup>3</sup> and, if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup> for all volumes purchased.

Unauthorized overrun gas taken in any month shall be paid for at the rate of 6.5751¢ 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> 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 1.2882¢ per m<sup>3</sup> 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 m<sup>3</sup> and 140 870 m<sup>3</sup> 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 m<sup>3</sup></u>
4 800 m <sup>3</sup> ≤ CD < 17 000 m <sup>3</sup>	1.9098¢ per m <sup>3</sup>
17 000 m <sup>3</sup> ≤ CD < 30 000 m <sup>3</sup>	1.7799¢ per m <sup>3</sup>
30 000 m <sup>3</sup> ≤ CD < 50 000 m <sup>3</sup>	1.7116¢ per m <sup>3</sup>
50 000 m <sup>3</sup> ≤ CD < 70 000 m <sup>3</sup>	1.6637¢ per m <sup>3</sup>
70 000 m <sup>3</sup> ≤ CD < 100 000 m <sup>3</sup>	1.6294¢ per m <sup>3</sup>
100 000 m <sup>3</sup> ≤ CD ≤ 140 870 m <sup>3</sup>	1.5957¢ per m <sup>3</sup>

Delivery- Price Adjustment (All Volumes) (0.0466)¢ per m<sup>3</sup>

**(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 <sup>3</sup>
For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of	0.00212¢ per m <sup>3</sup>

**(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 m<sup>3</sup> 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 2.2271¢ per m<sup>3</sup>, 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 6.5751¢ 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> 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 27.7382¢ per m<sup>3</sup>.
- 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 27.7382¢ per m<sup>3</sup> of daily contracted demand and a delivery commodity price adjustment of (0.0466)¢ per m<sup>3</sup>.
- 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.



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 m<sup>3</sup>, and a qualifying annual volume of at least 28 327 840 m<sup>3</sup>; 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 25.6493¢ per m<sup>3</sup> for each m<sup>3</sup> of daily contracted firm demand.

(ii) A Monthly Delivery Commodity Charge

- (1) A Monthly Firm Delivery Commodity Charge for all firm volumes of 0.3596¢ per m<sup>3</sup> for each m<sup>3</sup>, and a Delivery- Price Adjustment of (0.0283)¢ per m<sup>3</sup>.
- (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 2.7689¢ per m<sup>3</sup>.
- (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 2.5248¢ per m<sup>3</sup>.

(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 M1 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 m<sup>3</sup> 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 2.4611¢ per m<sup>3</sup> and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, 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.



## 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 17.1521¢ per m<sup>3</sup> 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 0.5377¢ per m<sup>3</sup>, a Delivery- Price Adjustment of (0.0596)¢ per m<sup>3</sup> 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 1.1016¢ per m<sup>3</sup>. 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 m<sup>3</sup>.



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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

January 1, 2008  
O.E.B. ORDER # EB-2007-0918

Chatham, Ontario

Supersedes EB-2007-0606 Rate Schedule effective January 1, 2008.



## 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 2.7065¢ per m<sup>3</sup> 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 6.5751¢ per m<sup>3</sup> for the delivery and, if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, plus 7¢ per m<sup>3</sup> 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 January 1, 2008  
O.E.B. ORDER # EB-2007-0918

Chatham, Ontario

Supersedes EB-2007-0606 Rate Schedule effective January 1, 2008.



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	\$3.664	
Backstop Gas Commodity Charge On all quantities supplied by Union to the Ontario Point(s) of Receipt		\$9.985
c) Reasonable Efforts Backstop Gas Paid on all quantities of gas supplied by Union to the customer's Point(s) of Consumption		\$ 9.780
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		\$3.126
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 m<sup>3</sup> 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			



	<u>Demand Charge Rate/GJ/mo</u>	<u>Commodity Charge 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. 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/m<sup>3</sup>/mo</u>	Commodity Charge <u>Rate/m<sup>3</sup></u>	For Customers Providing Their Own Compressor Fuel	
			Fuel Ratio (5) (6)	Commodity Charge <u>Rate/m<sup>3</sup></u>
a) Annual Firm Transportation Demand Applied to the Firm Daily Contract Demand				
First 140,870 m <sup>3</sup> per month	19.0756¢			
All over 140,870 m <sup>3</sup> per month	13.0348¢			
b) Firm Transportation Commodity Paid on all firm quantities redelivered to the customer's Point(s) of Consumption				
First 2,360,653 m <sup>3</sup> per month		0.3619¢	0.554%	0.1650¢
All over 2,360,653 m <sup>3</sup> per month		0.2790¢	0.554%	0.0821¢
c) Interruptible Transportation Commodity Paid on all interruptible quantities redelivered to the customer's Point(s) of Consumption				
Maximum		2.7689¢	0.554%	2.5720¢

### Notes:

1. 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.
2. Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m<sup>3</sup>/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 transportation of gas under Interruptible Transportation, the matters that are to be considered include:
  - a) The amount of the interruptible transportation for which customer is willing to contract,
  - b) The anticipated load factor for the interruptible transportation quantities,
  - c) Interruptible or curtailment provisions, and
  - d) Competition.
4. 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.
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 m<sup>3</sup>/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 m<sup>3</sup>/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>	<u>Fuel Ratio</u>	<u>Commodity Charge</u>
Storage Injections	\$0.169/GJ	1.03%	\$0.072/GJ
Storage Withdrawals	\$0.169/GJ	1.03%	\$0.072/GJ
Transportation	0.9891 ¢/m <sup>3</sup>	0.554%	0.7921 ¢/m <sup>3</sup>

## 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 6.5751¢ per m<sup>3</sup> or \$1.750 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.

	<u>Firm Service 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 m<sup>3</sup>/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](http://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 m<sup>3</sup>/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](http://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

January 1, 2008  
O.E.B. ORDER # EB-2007-0918

Chatham, Ontario

Supersedes EB-2007-0606 Rate Schedule effective January 1, 2008.





**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 m<sup>3</sup> 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>	<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>	<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**

	<u>Demand Charge Rate/m<sup>3</sup>/mo</u>	<u>Commodity Charge Rate/m<sup>3</sup></u>	<u>For Customers Providing Their Own Compressor Fuel</u>	
			<u>Fuel Ratio</u>	<u>Commodity Charge Rate/m<sup>3</sup></u>
a) Annual Firm Transportation Demand (1) Applied to the Firm Daily Contract Demand	9.0742¢			
b) Firm Transportation Commodity Paid on all firm quantities redelivered to the Customer's Point(s) of Redelivery		0.3246¢	0.725%	0.0670¢

## 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	0.6229¢/m <sup>3</sup>	0.725%	0.3653¢/m <sup>3</sup>

## 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 m<sup>3</sup> 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</u> <u>Rate/GJ/mo</u>	<u>Fuel</u> <u>Ratio</u>	<u>Commodity Charge</u> <u>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 m<sup>3</sup> and 140 870 m<sup>3</sup> 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 m<sup>3</sup></u> (¢/m <sup>3</sup> )
4 800 m <sup>3</sup> ≤ CD < 17 000 m <sup>3</sup>	1.5544
17 000 m <sup>3</sup> ≤ CD < 30 000 m <sup>3</sup>	1.4245
30 000 m <sup>3</sup> ≤ CD < 50 000 m <sup>3</sup>	1.3562
50 000 m <sup>3</sup> ≤ CD < 70 000 m <sup>3</sup>	1.3083
70 000 m <sup>3</sup> ≤ CD < 100 000 m <sup>3</sup>	1.2740
100 000 m <sup>3</sup> ≤ CD ≤ 140 870 m <sup>3</sup>	1.2403

(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 <sup>3</sup> minimum
For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of	0.00212¢ per m <sup>3</sup> 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 m<sup>3</sup> 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 1.5544¢ per m<sup>3</sup>.

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 21.9833¢ per m<sup>3</sup>.
- 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 21.9833¢ per m<sup>3</sup> 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 6.5751¢ per m<sup>3</sup>.

**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%.

Effective

January 1, 2008  
O.E.B. ORDER # EB-2007-0918

Chatham, Ontario

Supersedes EB-2007-0606 Rate Schedule effective January 1, 2008.

**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 m<sup>3</sup> 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 <u>Rate/m<sup>3</sup>/mo</u>	Fuel <u>Ratio (5) (6)</u>	Commodity Charge <u>Rate/ m<sup>3</sup></u>
a) Annual Firm Delivery Demand			
Applied to the Firm Daily Contracted Demand			
First 140,870 m <sup>3</sup> per month	19.0756¢		
All over 140,870 m <sup>3</sup> per month	13.0348¢		
b) Firm Delivery Commodity			
Paid on all firm volumes redelivered to the customer's Point(s) of Consumption			
First 2,360,653 m <sup>3</sup> per month		0.554%	0.1650¢
All over 2,360,653 m <sup>3</sup> per month		0.554%	0.0821¢
c) Interruptible Delivery Commodity			
Paid on all interruptible volumes redelivered to the customer's Point of Consumption – Maximum		0.554%	2.5720¢



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 m<sup>3</sup>/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 m<sup>3</sup>/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 m<sup>3</sup>/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/ m<sup>3</sup></u>
Delivery	0.554%	0.7921¢

## 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 6.5751¢ per m<sup>3</sup>.

**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
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**2. Delivery Obligations**

Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m<sup>3</sup>/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](http://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 m<sup>3</sup>/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](http://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 m<sup>3</sup> 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**

	<u>Demand Charge</u> <u>Rate/GJ/mo</u>	<u>Fuel</u> <u>Ratio</u>	<u>Commodity Charge</u> <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/ m<sup>3</sup>/mo</u>	Fuel <u>Ratio</u>	Commodity Charge <u>Rate/ m<sup>3</sup></u>
a) Annual Firm Delivery Demand (1) Applied to the Firm Daily Contracted Demand	9.0742¢		
b) Firm Delivery Commodity Paid on all firm volumes redelivered to the customer's Point(s) of Consumption		0.725%	0.0670¢

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/ m<sup>3</sup></u>
Delivery	0.725%	0.3653¢

## 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 m<sup>3</sup> or \$9.582 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%.



**uniongas**

Effective  
2008-01-01  
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 / m<sup>3</sup>

Utility Sales

Commodity and Fuel	27.1908 (1)
Commodity and Fuel - Price Adjustment	(4.4170)
Transportation	2.9793
Total Gas Supply Commodity Charge	<u>25.7531</u>

Minimum Annual Gas Supply Commodity Charge

Rate M4 Firm and Rate M5A Interruptible Contract	4.4948
--	--------

Storage and Transportation Supplemental Services - Rate T1 & T3

\$/GJ

Monthly demand charges:	
Firm gas supply service	29.027
Firm backstop gas	3.664
Commodity charges:	
Gas supply	7.226
Backstop gas	9.985
Reasonable Efforts Backstop Gas	9.780
Supplemental Inventory	Note (2)
Supplemental Gas Sales Service (cents / m <sup>3</sup> )	39.7961
Failure to Deliver: Applied to quantities not delivered to Union in the event the customer's supply fails	3.126
Discretionary Gas Supply Service (DGSS)	Note (3)

**Notes:**

- (1) The Commodity and Fuel line includes gas supply administration charge of 0.3173 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 average cost of gas.
- (3) Reflects the "back to back" price plus gas supply administration charge.

Effective: January 1, 2008  
O.E.B. Order # EB-2007-0918

Chatham, Ontario

Supersedes EB-2007-0806 Rate Schedule effective January 1, 2008.

## APPENDIX C

UNION GAS LIMITED  
 Infranchise Customers  
 Summary of Average Rate and Price Adjustment Changes for Rates 25, M5A, M7 and T1  
Effective January 1, 2008

Line No.	Particulars (cents / m <sup>3</sup> )	Monthly Charge Increase / (Decrease) (a)	Monthly Demand Charge Increase / (Decrease) (b)	Delivery Commodity Charge Increase / (Decrease) (c)	Delivery - Price Adjustment Increase / (Decrease) (d)
	Rate 25				
1	Fort Frances				
2	Western Zone				
3	Northern Zone				
4	Eastern Zone				
	M5A				
5	Firm				(0.0057)
6	Interruptible				(0.0057)
	M7				
7	Interruptible				(0.0445)
8	Seasonal				(0.0445)
	T1-Interruptible				
9	Transportation - Union supplied fuel				
10	Transportation - Customer supplied fuel				



**EB-2007-0918**  
**Working Paper Index**

Schedule 1	Calculation of Supplemental Service Charges
Schedule 2	Allocation by Rate Class - Load Balancing and TCPL Tolls-Storage



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

Line No.	Particulars	Ft. Frances (a)	Western (b)	Northern (c)	Eastern (d)
Northern and Eastern Operations Area					
Rate 20 - At 50% Load Factor					
Delivery (cents / m <sup>3</sup> )					
1	Monthly Demand (1)	20.4784	20.4784	20.4784	20.4784
2	x 12 months	245.7408	245.7408	245.7408	245.7408
3	/ 365 days	0.6733	0.6733	0.6733	0.6733
4	@ 50% L.F.	1.3465	1.3465	1.3465	1.3465
5	Commodity Charge (2)	0.3091	0.3091	0.3091	0.3091
6	Total Delivery Commissioning	1.6556	1.6556	1.6556	1.6556
Gas Supply (cents / m <sup>3</sup> )					
7	Monthly Demand (3)	25.3849	25.8560	42.7901	56.9450
8	Gas Supply Demand - Price Adjustment (3)	0.0507	0.0507	0.0507	0.0507
9	(Line 7 + Line 8) x 12 months	305.2272	310.8804	514.0896	683.9484
10	/ 365 days	0.8362	0.8517	1.4085	1.8738
11	@ 50% L.F.	1.6725	1.7035	2.8169	3.7477
12	Transportation 1 (4)	2.1971	2.2058	2.6055	2.9409
13	Transportation 1 - Price Adjustment	0.0642	0.0642	0.0642	0.0642
14	(Line 12 + Line 13) x 4/5	1.8090	1.8160	2.1358	2.4041
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	3.5082	3.5457	4.9939	6.2064
Rate 100 - At 70% Load Factor					
Delivery (cents / m <sup>3</sup> )					
18	Monthly Demand (6)	12.0047	12.0047	12.0047	12.0047
19	x 12 months	144.0564	144.0564	144.0564	144.0564
20	/ 365 days	0.3947	0.3947	0.3947	0.3947
21	@ 70% L.F.	0.5638	0.5638	0.5638	0.5638
22	Commodity Charge (7)	0.2181	0.2181	0.2181	0.2181
23	Total Delivery Commissioning	0.7819	0.7819	0.7819	0.7819
Gas Supply (cents / m <sup>3</sup> )					
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	3.6789	4.7779	5.6997

Notes:

- |                              |                               |
|------------------------------|-------------------------------|
| (1) Appendix A, Page 3 of 12 | (6) Appendix A, Page 4 of 12  |
| (2) Appendix A, Page 3 of 12 | (7) Appendix A, Page 4 of 12  |
| (3) Appendix A, Page 3 of 12 | (8) Appendix A, Page 4 of 12  |
| (4) Appendix A, Page 3 of 12 | (9) Appendix A, Page 4 of 12  |
| (5) Appendix A, Page 3 of 12 | (10) Appendix A, Page 4 of 12 |



UNION GAS LIMITED  
Southern Operations Area  
Calculation of Supplemental Service Charges  
Effective January 1, 2008

Line No.	Particulars	cents / m <sup>3</sup>	(\$ / GJ)
	Minimum annual gas supply commodity charge - Rate M4, M5A		
1	Compressor Fuel	1.1982	
2	Transportation Tolls	2.9793	
3	Administration Charge	0.3173	
4	Minimum annual gas supply commodity charge	<u>4.4948</u>	<u>1.196</u>
	<u>Gas Supply Commodity Charges</u>		
5	Commodity Cost of Gas	25.6753	
6	FT Transportation Commodity	0.2733	
7	FT Fuel	1.1982	
8	Total Gas Supply Commodity Charge	<u>27.1468</u>	<u>7.226</u>
	<u>Firm Gas Supply Service Monthly Demand Charge</u>		
9	FT Demand Charge	<u>109.0552</u>	<u>29.027</u>

UNION GAS LIMITED  
Southern Operations Area  
Calculation of Supplemental Service Charges  
Effective January 1, 2008

Line No.	Particulars				cents / m <sup>3</sup>	(\$ / GJ)
	Firm backstop gas:					
	Demand:					
1	Monthly space charge			0.0371		
2	Units required (1)		Note: Each unit of added delivery requires 43 m <sup>3</sup> of additional inventory.	43		
3	Number of months			12	19.1400 (a)	
	Inventory carrying costs:					
4	Sales WACOG			30.1701		
5	Withdrawal overrun			6.3529		
6				36.5231		
7	Units required (m <sup>3</sup> )			43		
8	Pre-tax return (%)			9.300%	146.0557 (b)	
9	Annual demand charge				165.1957 (a) + (b)	
10					12	
11	Monthly demand charge				13.7663	3.664
	Commodity:					
12	Sales WACOG				30.1701	
13	Withdrawal overrun				6.3529	
14	Overrun transportation				0.9891	
15	Commodity charge				37.5121	9.985
	Reasonable efforts backstop gas:					
16	M1 Block 1 plus Storage				6.5751	
17	Sales WACOG				30.1701	
18					36.7452	9.780
	Supplemental inventory:					
19	Sales WACOG				30.1701	
20	Injection commodity				0.3968	
21	Space charge		0.0371 x 12		0.4451	
22					31.0120	8.254
	Carrying costs (1/2 year)					
23		31.0120	x	9.300%	/ 2	
24					1.4421	
	Supplemental gas sales:				32.4541	8.638
25	Supplemental inventory				32.4541	
26	Overrun withdrawal				6.3529	
27	Overrun transportation				0.9891	
28					39.7961	
	Failure to Deliver:					
29	M1 Block 1 plus Storage				6.5751	1.750
30	Failure to Deliver Adjustment				5.1708	1.376
31	Failure to Deliver Charge				11.7459	3.126

Notes:

(1) Each unit of added delivery requires 43 m<sup>3</sup> of additional inventory.

UNION GAS LIMITED  
Southern Operations Area  
Calculation of Supplemental Service Charges  
Calculation of Minimum, Maximum & Seasonal Charges  
Effective January 1, 2008

Line No.			cents / m <sup>3</sup>
	<u>Minimum Charges</u>		
	Rate M4	Minimum annual delivery commodity charge:	
1		Monthly delivery commodity charge (1st Block M4)	0.9709
2		Administration Fee	0.3173
3		Minimum annual delivery commodity charge	<u>1.2882</u>
	Rate M5	Minimum annual delivery commodity charge:	
4		Monthly delivery commodity charge (1st block M5)	1.9098
5		Administration Fee	0.3173
6		Minimum annual delivery commodity charge	<u>2.2271</u>
	<u>Maximum Charges</u>		
	Rate M7 Interruptible	Maximum interruptible delivery commodity charge:	
7		M7 firm commodity charge	0.3596
8		M7 firm demand charge commoditized using 35% LF	2.4093
9		M7 maximum interruptible charge	<u>2.7689</u>
10	Rate T1 Interruptible	Maximum interruptible delivery commodity charge:	<u>2.7689</u>





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 &amp; Eastern and Southern Operations Area</u>										
1	August 2007 *			-	(9)	(9)				
2	September *			-	(8)	(8)				
3	October *				(9)	(9)				
4	November				-	-				
5	December				-	-				
6	January 2008 - December 2008			-	-	-				
7	Total		<u>-</u>	<u>-</u>	<u>(27)</u>	<u>(27)</u>	<u>(15)</u>	<u>(11)</u>	<u>(80)</u>	<u>(92)</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 ORAM 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)
<b>R01</b>								
1	August *	-	-	-				
2	September *	-	-	-				
3	October *							
4	November							
5	December							
6	Jan 2008 - Dec 2008	-	-	-				
7		-	-	-				
<b>R10</b>								
8	August *	-	-	-				
9	September *	-	-	-				
10	October *							
11	November							
12	December							
13	Jan 2008 - Dec 2008	-	-	-				
14		-	-	-				
<b>R20</b>								
15	August *	-	-	-				
16	September *	-	-	-				
17	October *							
18	November							
19	December							
20	Jan 2008 - Dec 2008	-	-	-				
21		-	-	-				
<b>Bundled Storage - R20 and R100</b>								
22	August *	-	-	-				
23	September *	-	-	-				
24	October *							
25	November							
26	December							
27	Jan 2008 - Dec 2008	-	-	-				
28		-	-	-				
29	Total	-	-	-	-	-	-	-

\* Actuals