



uniongas

A Spectra Energy Company

October 6, 2010

TO: *ALL EB-2010-0296 INTERVENORS OF RECORD*

Union Gas filed an application with the Ontario Energy Board on September 30, 2010 for an order or orders amending or varying its approved C1 and M12 rate schedules to accommodate new firm transportation services.

Enclosed is a copy of the application, as well as a copy of the Notice of Application, Written Hearing and Procedural Order No. 1 issued by the Ontario Energy Board on October 5, 2010 under Docket No. EB-2010-0296.

Yours truly,

[original signed by Joanne Clark for]

Karen Hockin
Manager, Regulatory Initiatives

Encl.



September 30, 2010

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Union Gas Limited – C1 Kirkwall to Dawn and M12-X

Please find attached Union Gas Limited's ("Union") application and evidence seeking approval of both a firm C1 transportation rate from Union's interconnect at Kirkwall to Dawn and a firm, bi-directional, M12-X transportation rate. This application is made pursuant to section 36 of the *Ontario Energy Board Act, 1998*.

Union is seeking approval to modify its approved C1 and M12 Rate Schedules effective September 1, 2011. Union respectfully requests that the Board initiate an expedited, written process to review Union's application for the above noted services, which would provide for a targeted approval date of November 30, 2010. This will allow for the timely ordering of long lead materials for the required Kirkwall station modifications.

Please contact me at (519) 436-5473 if you have any questions or wish to discuss this submission in more detail.

Yours truly,

[Original signed by]

Karen Hockin
Manager, Regulatory Initiatives

c.c.: Emily Kirkpatrick, Torys
Mark Kitchen, Union Gas
Neil McKay, Board Staff

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an Application by Union Gas Limited for an order or orders amending or varying its approved C1 and M12 rate schedules to accommodate new firm transportation services;

APPLICATION

1. Union Gas Limited (“Union”) is a business corporation, incorporated under the laws of Ontario, with its head office in the Municipality of Chatham-Kent.
2. Union conducts an integrated natural gas utility business that combines the operations of selling, distributing, transmitting and storing gas within the meaning of the *Ontario Energy Board Act, 1998* (the “Act”).
3. Union is proposing to modify its current approved C1 Rate Schedule to accommodate firm transportation service from Union’s interconnect at Kirkwall to Dawn. Union plans to offer this service beginning September 1, 2011.
4. Union is also proposing to modify its current approved M12 Rate Schedule to accommodate a firm, bi-directional, M12-X transportation service. Union plans to offer this service beginning September 1, 2011.
5. The new services are a direct response to the changing North American gas supply dynamics. The North American natural gas market continues to evolve. The continued decline in gas supplies from the Western Canadian Sedimentary Basin, concurrent with the rapid and significant growth in new sources of supply, including U.S. Rockies gas

and the Marcellus Shale in Pennsylvania and New York, are impacting the flows of natural gas, both into and out of Ontario. This proposal will require Union to make modifications to its existing facilities at Kirkwall. No Leave to Construct approval from the Board is required.

6. Union conducted a non-binding open season in February and March of 2010 to determine market interest in C1 transportation service from Kirkwall to Dawn and M12-X firm transportation service. As a result, Union executed 10 year firm M12-X transportation service contracts with TransCanada and Enbridge Gas Distribution Inc. to convert a total of approximately 328,000 GJ/d of existing M12 service to the new, flexible M12-X service beginning in September of 2011.
7. As a result of additional inquiries, Union recently re-opened the non-binding Open Season for each of the services above. As a result of this Open Season, Union received over 1,200,000 GJ/d of non-binding interest for transportation service commencing as early as July 2012.
8. Union hereby applies to the OEB pursuant to section 36 of the Act for an order or orders amending or varying the rate and other charges charged to customers served under the C1 and M12 rate schedule effective September 1, 2011.
9. Union also applies to the Board for such interim order or orders approving interim rates or other charges and accounting orders as may from time to time appear appropriate or necessary.
10. Union further applies to the Board for all necessary orders and directions concerning pre-hearing and hearing procedures for the determination of this application.

11. This application will be supported by written evidence. This evidence will be pre-filed and will be amended from time to time as required by the Board, or as circumstances may require.
12. The persons affected by this application are the customers resident or located in the municipalities, police villages and Indian reserves served by Union, together with those to whom Union sells gas, or on whose behalf Union distributes, transmits or stores gas. It is impractical to set out in this application the names and addresses of such persons because they are too numerous.
13. The address of service for Union is:

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

Attention: Karen Hockin
Manager, Regulatory Initiatives
Telephone: (519) 436-5473
Fax: (519) 436-4641
khockin@uniongas.com

- and -

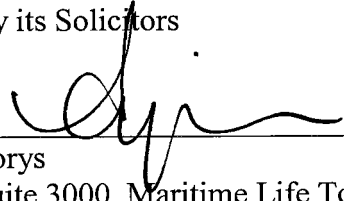
Torys LLP
Suite 3000, Maritime Life Tower
P.O. Box 270
Toronto-Dominion Centre
Toronto, Ontario
M5K 1N2

Attention: Emily A. Kirkpatrick
Telephone: (416) 865-7337
Fax: (416) 865-7380
email: ekirkpatrick@torys.com

DATED: September 30, 2010.

UNION GAS LIMITED

By its Solicitors

A handwritten signature in black ink, appearing to be 'A. Kirkpatrick', is written over a horizontal line.

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

Attention: Emily A. Kirkpatrick

Telephone: (416) 865-7337

Fax: (416) 865-7380

UNION GAS LIMITED

C1 KIRKWALL to DAWN AND M12-X FIRM TRANSPORTATION RATES

PREFILED EVIDENCE

The purpose of this evidence is to support the application of Union Gas Limited (“Union”) for approval of (i) a firm C1 transportation rate from the Kirkwall Custody Transfer Station (“Kirkwall”), Union’s interconnect with TransCanada PipeLines (“TCPL”), to the Dawn Compressor Station (“Dawn”); and (ii) a firm transportation rate for a bi-directional M12 transportation service (“M12-X”).

The evidence is organized as follows:

1. Introduction
2. Customer Need
3. Rate Design
4. Summary

1. INTRODUCTION

In response to market needs, Union is applying for approval of a firm C1 Kirkwall to Dawn transportation rate, and a flexible M12-X transportation rate, both effective September 1, 2011.

The new services are in direct response to the changing North American gas supply dynamics.

The continued decline in gas supplies from conventional sources such as the Western Canadian Sedimentary Basin, concurrent with the rapid and significant growth in new, unconventional

1 sources of supply, including U.S. Rockies gas and the Marcellus Shale¹ in Pennsylvania, West
2 Virginia and New York, will have an impact on the flow of natural gas into and out of Ontario.
3 Marcellus Shale will be able to access Ontario through interconnections with National Fuel Gas
4 Supply Corporation (“NFG”), Tennessee Gas Pipeline (“TGP”) and Dominion Transmission at
5 the TCPL point called Niagara and through the Empire State Pipeline (“Empire”) at the TCPL
6 point called Chippawa. ICF International predicts that increasing Marcellus Shale production
7 will create some flow of gas back into Ontario from Niagara, New York , particularly in the
8 spring and fall when U.S. Northeast gas demand is low. This seasonal flow is expected to help
9 fill storage at Dawn, which is critical to meeting Ontario’s peak winter demand.²

10
11 Union held an initial non-binding open season in February and March of this year and then re-
12 opened the non-binding open season in July and August. The purpose of these non-binding
13 open seasons was to assess the level of customer interest in C1 transportation service from
14 Kirkwall to Dawn and in the new, flexible M12-X transportation service. The open seasons,
15 where possible, were aligned with open seasons on upstream pipelines including TCPL and
16 three of the U.S. pipelines that connect to the Marcellus Shale basin.

17
18 The new C1 Kirkwall to Dawn transportation service provides a path to Dawn for gas arriving
19 at Kirkwall and will facilitate Ontario’s ability to access the emerging gas supply from the
20 Marcellus Shale basin.

1) ICF International, in its 2010 Natural Gas Market Review dated August 18, 2010 (pages 50 and 51) estimates economically recoverable reserves in the Marcellus Shale of up to 700 Tcf with production projected to surpass 6 Bcf/d by 2020.

2) ICF International, 2010 Natural Gas Market Review, August 18, 2010, p. 10.

1 Union's traditional M12 transportation service only allows parties to receive gas at Dawn and
2 deliver that same volume to either Parkway or Kirkwall. The proposed M12-X service is a firm
3 transportation service that allows a shipper to receive and deliver gas between any two M12
4 points (Dawn, Parkway or Kirkwall) on any day and in any direction. For example, a shipper
5 could move gas westerly in the summer to Dawn and from Dawn to Parkway in the winter, or
6 change paths day to day. Subject to capacity constraints, this service will be available to
7 existing shippers holding M12 transportation contracts that wish to convert to M12-X, and to
8 new shippers who are interested in a firm transportation service between any of Dawn, Parkway
9 and Kirkwall. Consistent with the long-term nature of the M12 service, the minimum term for
10 M12-X is 10 years.

11
12 To allow Union to receive volumes at Kirkwall, and accommodate the proposed transportation
13 services, Union must make modifications to its existing facilities at Kirkwall to allow for the
14 reversal (and bi-directional flow) of the station. The estimated capital cost of the facilities is
15 \$4.7 million and construction is expected to occur in the summer of 2011 in order to meet
16 contracted requirements. These facilities do not require Leave to Construct approval from the
17 Board. Kirkwall will be included as both a receipt and delivery point on the Receipt and
18 Delivery Points and Pressures schedules of the C1 and M12 tariffs, attached with the associated
19 Rates Schedules (as provided at Attachments 4 and 6).

Union's C1 Kirkwall to Dawn rate proposal is provided in Table 1. Union's M12-X rate proposal is provided in Table 2.

Table 1
Proposed Firm C1 Kirkwall to Dawn Transportation Rate

<u>Line No.</u>		<u>Proposed</u>
1	Monthly Demand Charge (\$/GJ applied to Daily Contract Demand)	\$1.176
2	Customer Supplied Fuel & UFG – April 1 to October 31	0.353%
3	Customer Supplied Fuel & UFG – November 1 to March 31	0.328%

Table 2
Proposed Firm M12-X Transportation Rate

<u>Line No.</u>		<u>Proposed</u>
1	Monthly Demand Charge (\$/GJ applied to Daily Contract Demand)	\$2.877
2	Customer Supplied Fuel & UFG	In accordance with M12 Schedule "C"

Union seeks approval of the proposed rates by November 30, 2010 in order to provide rate certainty to the market in contracting for services in conjunction with upstream paths and to allow for the timely ordering of long lead materials for the Kirkwall modifications.

2. CUSTOMER NEED

In the fall of 2009 and the winter of 2009/2010, Union worked with TCPL, Empire and NFG to determine the market interest in moving Marcellus gas to Dawn along the various pipeline

1 paths. This work included co-ordinating open seasons, where possible, to allow potential
2 shippers the ability to link pipelines to form one path. This work was extended into the summer
3 of 2010, when TCPL and Union held open seasons again to determine the level of market
4 interest in moving Marcellus gas to Dawn. As a result of those joint efforts, shippers have
5 contracted for transportation capacity north and west from the Marcellus Shale producing
6 region in an effort to seek diverse, liquid trading points outside of Appalachia and the U.S.
7 northeast.

8
9 To date, Empire, NFG and TGP have combined commitments of approximately 865,000 GJ/d
10 for long-term, firm transportation from the Marcellus Shale to interconnections between New
11 York and Ontario pipeline systems, as shown in Table 3. Information with respect to the
12 Empire, NFG and TGP open seasons is included in Attachment 1.

13
14 Table 3
15 Pipeline Capacity Awarded Between
16 Marcellus Region and U.S./Canadian Border
17

Pipeline	Quantity GJ/d (Approx.)	Receipt Point	Delivery Point	Service Commencement Date	Term Yrs
Empire State Pipeline	369,000	Marcellus Shale in Tioga County, PA	Chippawa	As early as Sept. 2011	10
National Fuel Gas Supply Corporation	338,000	Marcellus Shale, Leidy & Ellisburg, PA	Niagara	As early as July 2012	20
Tennessee Gas Pipeline	158,000	Marcellus Shale & Leidy	Niagara	November 2012	15

18
19 Union conducted a non-binding open season in February and March of 2010 to determine
20 market interest in C1 transportation service from Kirkwall to Dawn and M12-X firm

1 transportation service. As a result, Union received over 800,000 GJ/d of non-binding interest
2 from producers, marketers and LDCs for service starting September 2011. A copy of the open
3 season description is included in Attachment 2. Following the open season, Union executed 10
4 year firm M12-X transportation service contracts with TCPL and Enbridge Gas Distribution
5 Inc. to convert a total of approximately 328,000 GJ/d of existing M12 service to the new,
6 flexible M12-X service. The details of the firm M12-X transportation service contracts are
7 shown in Table 4 below.

8
9 Table 4
10 February/March 2010 Open Season Results
11

Customer	Quantity GJ/d	Service Commencement Date	Initial Term Yrs
TCPL	128,316	September 2011	10
Enbridge Gas Distribution Inc.	200,000	September 2011	10

12
13 After the close of the first open season, Union received additional inquiries regarding services
14 and capacity on the path. Consequently, Union re-opened the non-binding open season in July
15 2010 to further solicit interest in these services. Union received over 1,200,000 GJ/d of non-
16 binding interest for transportation service commencing as early as July 2012. A description of
17 the second open season is included in Attachment 3.

18
19 Union does not anticipate that all expressed interest in the second open season for C1 Kirkwall
20 to Dawn transportation service will result in contracted capacity. Union forecasts a contracted

1 demand level of 100,000 GJ/d for the C1 Kirkwall to Dawn transportation service.

2

3 Union expects to see continued interest in Kirkwall as a receipt point given that the Marcellus
4 Shale basin is early in its development and U.S. pipelines continue to develop projects to
5 deliver gas to Niagara and Chippawa. In June 2010, Empire announced plans to construct
6 additional infrastructure (Phase II expansion) to expand its pipeline system further into the gas
7 producing regions of Tioga, Bradford, Lycoming and Sullivan Counties in Pennsylvania which
8 could provide an additional 260,000 Dth/d of capacity delivered to Chippawa starting as early
9 as November, 2013. This capacity is still under development.

10

11 **3. RATE DESIGN**

12 Union is proposing to modify the current C1 and M12 Rate Schedules to accommodate two new
13 services:

- 14 1. C1 Kirkwall to Dawn firm transportation service; and
- 15 2. M12-X firm transportation service.

16

17 In its design of the transportation demand charges, Union considered;

- 18 • The forecasted physical flow of gas on the Dawn-Trafalgar system;
- 19 • The rate design principles underpinning Union's existing approved rates; and
- 20 • Recovery of costs directly attributable to the Kirkwall to Dawn transportation service.

1 1 . C1 Kirkwall to Dawn Firm Transportation Service

2 Union is proposing to modify the current approved C1 Rate Schedule to accommodate firm
3 transportation service from Kirkwall to Dawn.

4
5 Union's proposed rate design consists of the following components:

6
7 a) A firm monthly transportation demand charge of \$1.176/GJ applied to daily contracted
8 demand. This component of the rate provides for a reasonable recovery of the fixed costs
9 associated with the assets used to provide the transportation service and to recover the costs
10 associated with the new facilities necessary to provide the firm transportation service. The
11 details on the additional facilities required to receive gas at Kirkwall are discussed below.

12
13 b) A seasonal fuel ratio of 0.353% for the period April to October and 0.328% for the period
14 November to March to recover compressor fuel and unaccounted for gas ("UFG")
15 associated with providing the Kirkwall to Dawn transportation service, in accordance with
16 the C1 Rate Schedule.

17
18 Each component of the proposed rate is discussed in more detail below. A copy of the C1 Rate
19 Schedule with the proposed firm Kirkwall to Dawn rates is provided at Attachment 4.

1 a) Firm Monthly Transportation Demand Charge

2
3 To physically transport gas from Kirkwall to Dawn, Union will require custody transfer
4 metering at the Kirkwall interconnect. The capital costs associated with the station and metering
5 modifications is \$4.7 million.

6
7 Union proposes that a single demand charge be used to recover the use of existing transmission
8 assets and the additional meter and station-related capital requirements.

9
10 The first part of the firm monthly demand charge is calculated using the proposed 2011 M12
11 Dawn to Kirkwall firm transportation demand charge excluding Dawn compression, and
12 adjusted for the number of days the Kirkwall to Dawn service is required. Consistent with ICF
13 International's views, Union expects gas will flow from Kirkwall to Dawn, particularly in the
14 spring and fall, when U.S. northeast gas demand is low. Union forecasts that the Kirkwall to
15 Dawn service will be used 214 days per year from April 1 to October 31. This component of
16 Union's proposed rate design provides for a reasonable contribution to the recovery of fixed
17 costs associated with the assets used to provide the transportation service.

18
19 The second part of the firm monthly demand charge recovers the costs associated with the
20 capital investment of approximately \$4.7 million required to provide the firm transportation
21 service. The annual revenue requirement associated with the capital investment is \$0.266
22 million.

1 Union's approach to designing the demand charge for the Kirkwall to Dawn firm transportation
2 service is consistent with the rate design approved by the Board (EB-2005-0520) for the design
3 of the C1 Parkway to Kirkwall/Dawn firm transportation demand charge.

4
5 The derivation of the C1 Kirkwall to Dawn firm transportation rate can be found at Attachment
6 5.

7
8 b) Seasonal Fuel Ratios

9
10 Union is proposing to set the transportation fuel ratios to recover compressor fuel and UFG in
11 accordance with the C1 Rate Schedule. The proposed summer fuel ratio for the firm Kirkwall to
12 Dawn transportation service is 0.353%. The proposed winter fuel ratio for the firm Kirkwall to
13 Dawn transportation service is 0.328%. The C1 Rate Schedule and associated fuel ratios are
14 found at Attachment 4.

15
16 2. M12-X Firm Transportation Service

17
18 Union's proposed rate design for the M12-X transportation service consists of the following
19 components:

20
21 a) A firm monthly transportation demand charge of \$2.877/GJ applied to daily contracted
22 demand; and

1 b) Monthly fuel ratios in accordance with Union's proposed 2011 M12 and C1 Rate Schedules.

2
3 Each component of the proposed rate is discussed in more detail below. A copy of the M12
4 Rate Schedule with the proposed M12-X rates is provided at Attachment 6.

5
6 a) Firm Monthly Transportation Demand Charge

7
8 The firm monthly M12-X transportation demand charge will combine Union's proposed 2011
9 monthly M12 transportation demand charge from Dawn to Parkway of \$2.332/GJ and monthly
10 C1 transportation demand charge from Parkway to Dawn of \$0.545/GJ. This approach to
11 calculating the firm monthly M12-X transportation demand charge ensures that M12-X shippers
12 pay the same demand charge as existing shippers utilizing both M12 and C1 transportation
13 services between Dawn and Parkway.

14
15 b) Monthly Fuel Ratios

16
17 Union is proposing to set the transportation fuel ratios to recover compressor fuel and UFG in
18 accordance with the C1 and M12 Rate Schedules.

19
20 The fuel ratios for easterly transportation service from Dawn to Parkway and Kirkwall are the
21 proposed 2011 VT1 Easterly fuel ratios per M12 Schedule "C", and are provided at Attachment
22 7.

1 The fuel ratio for easterly transportation service from Kirkwall to Lisgar, Parkway (Consumers)
2 is 0.328%, which recovers UFG only.

3
4 The monthly fuel ratios for easterly transportation service from Kirkwall to Parkway (TCPL)
5 recover Parkway compressor fuel and UFG. The compressor fuel component is the difference
6 between Union's proposed monthly VT1 Easterly fuel ratios from Dawn to Parkway (TCPL)
7 and Dawn to Parkway (Consumers) per M12 Schedule "C".

8
9 The fuel ratios for all westerly M12-X transportation service are the same as the proposed 2011
10 C1 Rate Schedule fuel ratios for Parkway to Kirkwall/Dawn transportation.

11
12 This approach to setting fuel ratios ensures that M12-X shippers provide the same fuel as
13 existing shippers utilizing both M12 and C1 transportation services between Dawn and
14 Parkway.

15
16 The monthly fuel ratios for the new M12-X service are provided at Attachment 7.

17
18 **SUMMARY**

19
20 Union is proposing to modify its current approved C1 and M12 Rate Schedules to accommodate
21 C1 Kirkwall to Dawn and M12-X firm transportation services.

1 1. Union proposes to modify its C1 Rate Schedule to accommodate a firm Kirkwall to Dawn
2 transportation service. The proposed rate design consists of two components:

3
4 a) A firm monthly transportation demand charge of \$1.176/GJ applied to daily contracted
5 demand. This component of the rate is intended to make a contribution towards the
6 recovery of the fixed costs associated with the assets used to provide the transportation
7 service as well as recover the annual revenue requirement associated with Union's
8 capital investment; and

9
10 b) A seasonal fuel ratio of 0.353% for the period April to October and a seasonal fuel ratio
11 of 0.328% for the period November to March to recover compressor fuel and UFG
12 associated with providing the transportation service in accordance with the C1 Rate
13 Schedule.

14
15 2. Union proposes to modify its M12 Rate Schedule to accommodate an M12-X Firm
16 transportation service. The proposed rate design consists of two components:

17
18 a) A firm monthly transportation demand charge of \$2.877/GJ applied to daily contracted
19 demand. This component of the rate combines Union's proposed 2011 M12
20 transportation rate from Dawn to Parkway and C1 transportation rate from Parkway to
21 Dawn; and

- 1 b) Monthly fuel ratios in accordance with the proposed 2011 M12 and C1 Rate Schedules.
- 2
- 3 Union seeks approval of the proposed rates by November 30, 2010 to be effective September 1,
- 4 2011.



6363 MAIN STREET/WILLIAMSVILLE, NY 14221/TEL 800-634-5440
www.nationalfuelgas.com

MEMBERS OF THE MEDIA. FOR ADDITIONAL INFORMATION

Donna DeCarolis (716) 857-7872

National Fuel Reaches Key Milestones on Two Pipeline Expansions

(April 28, 2010) Williamsville, New York: National Fuel Gas Supply Corporation (“Supply”) and Empire Pipeline, Inc. (“Empire”), the companies that comprise the Pipeline and Storage segment of National Fuel Gas Company (NYSE: NFG) (“National Fuel”), have reached major milestones on two pipeline expansion projects that are the first in the industry designed to receive natural gas produced from the Marcellus Shale and transport it to key markets of Canada and the Northeast U.S. Supply has entered into a binding precedent agreement with Statoil Natural Gas LLC (“Statoil”) for 100 percent of the capacity on Supply’s “Northern Access” expansion project. Empire also has a binding precedent agreement in place with anchor shipper East Resources, Inc. (“East”) for Empire’s “Tioga County Extension” project, and is concluding negotiations for additional capacity with a second shipper. The precedent agreements provide for Statoil and East to sign, after satisfaction of conditions, firm transportation service agreements under which Supply and Empire will transport natural gas for Statoil and East.

“The market dynamics generated by the Marcellus Shale development have created a unique opportunity to move gas away from the increasingly competitive Appalachian Basin and into the newly expanding markets of Canada and the Northeast,” said David F. Smith, Chairman, President and Chief Executive Officer of National Fuel. “We are excited to provide the pathway to new markets for Appalachian gas production and we look forward to executing our plans while continuing to identify new opportunities to alleviate regional infrastructure constraints. In addition to these projects, we continue to implement the first phases of other Appalachian infrastructure projects designed to transport 190,000 dekatherms per day for a number of Marcellus producers, including Range Resources Corporation, Seneca Resources Corporation and EOG Resources, Inc.”

Supply’s Northern Access expansion project is designed to transport 320,000 dekatherms per day of Marcellus Shale production utilizing Supply’s existing pipelines to an existing interconnection between Supply and TransCanada Pipeline (“TCPL”) at the Niagara River near Lewiston, New York (“Niagara”), for delivery to the diverse markets accessible on the TCPL system. The required project facilities include bi-directional metering at Niagara and at Supply’s interconnects with Tennessee Gas Pipeline (“TGP”) at East Aurora, New York, along with incremental compression at Supply’s interconnect with TGP at Ellisburg Station and at East Aurora. Initial estimates place project costs at approximately \$60 million, with an expected in-service date of June 1, 2012. The Open Season for firm transportation capacity that concluded on February 17, 2010, received requests for transportation of more than 1.6 million dekatherms per day.

-more-

Page 2.
National Fuel
April 28, 2010

The Statoil agreement, which was executed today, includes a 20-year firm transportation commitment for all of the available 320,000 dekatherms per day of natural gas transportation service from Ellisburg for delivery to Niagara. Statoil is currently a partner in a joint venture with Chesapeake Energy Corporation for the development of natural gas from the Marcellus Shale.

Empire's Tioga County Extension project will stretch approximately 16 miles south from its existing interconnection with Millennium Pipeline at Corning, New York, into Tioga County, Pennsylvania. The project will require the construction of 16 miles of new 24-inch diameter pipeline. Additionally, Empire will replace 1.3 miles of pipeline near Victor, New York, and construct a new interconnection with TGP's Line 200 in Ontario County, New York. Project costs are estimated to be approximately \$45 million and the facilities are expected to be operational by September 1, 2011. The Open Season for the project offered pipeline capacity of at least 300,000 dekatherms per day and concluded on November 25, 2009.

Earlier this year, East executed a precedent agreement that contains a 10-year firm transportation service commitment with Empire for 200,000 dekatherms per day. East's contracted capacity allows for gas produced in both the Marcellus Shale and Trenton-Black River formations to be delivered to an interconnect with TCPL at the Canadian border between Grand Island, New York, and Chippawa, Ontario, Canada. Based on this anchor shipper support, on January 28, 2010, Empire began the FERC National Environmental Policy Act pre-filing process. Additionally, Empire expects to conclude negotiations with another shipper for an additional 150,000 dekatherms per day.

"These two projects are the most recent examples of our continued progress in executing on our Appalachian development strategy across multiple subsidiaries of our Company," said Smith. "From Seneca Resources Corporation's accelerating Marcellus Shale drilling program, to our ongoing investment in National Fuel Gas Midstream Corporation's gathering assets, to market broadening projects like these from Supply and Empire, our Company is positioned to be a key player in the increasingly important Appalachian market."

National Fuel is an integrated energy company with \$4.8 billion in assets comprised of the following four operating segments: Exploration and Production, Pipeline and Storage, Utility, and Energy Marketing. Additional information about National Fuel is available at <http://www.nationalfuelgas.com> or through its investor information service at 1-800-334-2188.

Page 3.
National Fuel
April 28, 2010

Certain statements contained herein, including those that are identified by the use of the words “anticipates,” “estimates,” “expects,” “forecasts,” “intends,” “plans,” “predicts,” “projects,” “believes,” “seeks,” “will,” “may” and similar expressions, are “forward-looking statements” as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve risks and uncertainties, which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. The Company’s expectations, beliefs and projections contained herein are expressed in good faith and are believed to have a reasonable basis, but there can be no assurance that such expectations, beliefs or projections will result or be achieved or accomplished. In addition to other factors, the following are important factors that could cause actual results to differ materially from those discussed in the forward-looking statements: financial and economic conditions, including the availability of credit, and their effect on the Company’s ability to obtain financing on acceptable terms for working capital, capital expenditures and other investments; occurrences affecting the Company’s ability to obtain financing under credit lines or other credit facilities or through the issuance of commercial paper, other short-term notes or debt or equity securities, including any downgrades in the Company’s credit ratings and changes in interest rates and other capital market conditions; changes in economic conditions, including global, national or regional recessions, and their effect on the demand for, and customers’ ability to pay for, the Company’s products and services; the creditworthiness or performance of the Company’s key suppliers, customers and counterparties; economic disruptions or uninsured losses resulting from terrorist activities, acts of war, major accidents, fires, hurricanes, other severe weather, or other natural disasters; changes in the availability and/or price of natural gas, and the effect of such changes on natural gas production levels; significant differences between projected and actual natural gas production levels; uncertainty of natural gas reserve estimates; inability to obtain or retain sufficient customers or commitments for planned projects; factors affecting the Company’s ability to complete expansion projects as planned, including among others geography, weather conditions, shortages or unavailability of equipment and services required in construction operations, unanticipated project delays or changes in project costs or plans, and the need to obtain governmental approvals and permits and comply with environmental laws and regulations; changes in laws and regulations to which the Company is subject, including energy, environmental, tax, safety and employment laws and regulations; governmental/regulatory actions, initiatives and proceedings, including those involving expansion projects, financings, rate cases, affiliate relationships, industry structure, and environmental/safety requirements; significant changes in the Company’s relationship with its employees or contractors and the potential adverse effects if labor disputes, grievances or shortages were to occur; or the cost and effects of legal and administrative claims against the Company. The Company disclaims any obligation to update any forward-looking statements to reflect events or circumstances after the date hereof.

Media Contact: Donna L. DeCarolis (716) 857-7872

Analyst Contact: Timothy J. Silverstein (716) 857-6987

Filed: 2010-09-30
EB-2010-0296
Exhibit A
Attachment 1
Page 4 of 5

El Paso Corporation Announces Northeast Supply Diversification Project

HOUSTON, TX, Jul 28, 2010 (MARKETWIRE via COMTEX) --

El Paso Corporation (NYSE: EP) announced today that its wholly owned subsidiary, Tennessee Gas Pipeline Company (TGP), has executed binding, 15-year term agreements with Cabot Oil & Gas Corporation, Anadarko Energy Services Company and Seneca Resources Corporation for up to 250,000 dekatherms per day of incremental firm transportation capacity from the Marcellus Shale region to existing markets in New England and Niagara via its Northeast Supply Diversification Project (NSD Project).

"The NSD Project is TGP's third expansion in as many years out of the Appalachian / Marcellus supply basins," said Bryan Neskora, senior vice president and chief commercial officer of Tennessee Gas Pipeline. "In addition to strengthening TGP's position as the premier pipeline in the Northeast, the NSD Project provides TGP's customers with additional diversity by increasing transportation capacity between growing Marcellus supplies and markets in New England and Niagara."

To accommodate shippers' requested transportation paths from Marcellus receipt points to markets in New England and at Niagara, the NSD Project combines TGP's original NSD Project, which provided transportation to New England, with TGP's Marcellus to Leidy and Niagara Project (MLN Project), which provided transportation service to Niagara. The combined projects are now called the NSD Project.

TGP will expand capacity through a combination of pipeline looping, compressor station modifications, and use of existing capacity. Specifically, the NSD Project involves the installation of approximately seven miles of 30-inch diameter pipeline along TGP's existing right-of-way, compressor modifications on the Niagara Spur, and the utilization of existing and off-system capacity.

Capital for the NSD project is expected to be less than \$100 million. TGP anticipates filing a certificate application with the Federal Energy Regulatory Commission in late 2010. Pending regulatory approvals, construction would begin in the first half of 2012, with a November 1, 2012 in-service date.

El Paso Corporation provides natural gas and related energy products in a safe, efficient, and dependable manner. The company owns North America's largest interstate natural gas pipeline system and one of North America's largest independent natural gas producers. For more information, visit www.elpaso.com.

El Paso Corporation Cautionary Statement Regarding Forward-Looking Statements

This release includes forward-looking statements and projections, made in reliance on the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The company has made every reasonable effort to ensure that the information and assumptions on which these statements and projections are based are current, reasonable, and complete. However, a variety of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this release, including, without limitation, our ability to obtain all necessary federal, state and local regulatory approvals; our ability to successfully construct and operate the proposed facilities described in this release on time and within budget; creditworthiness of our shippers; general economic conditions in geographic regions or markets served by El Paso Corporation and its affiliates, or where operations of the company and its affiliates are located, and other factors described in the company's (and its affiliates') Securities and Exchange Commission filings. While the company makes these statements and projections in good faith, neither the company nor its management can guarantee that anticipated future results will be achieved. Reference must be made to those filings for additional important factors that may affect actual results. The company assumes no obligation to publicly update or revise any forward-looking statements made herein or any other forward-looking statements made by the company, whether as a result of new information, future events, or otherwise.

Contacts
Investor-Media Relations
Bruce L. Connery
Vice President
Office: (713) 420-5855

Media Relations
Robert C. Newberry
Principal
Office: (713) 420-7298

SOURCE: El Paso Corporation



empire pipeline
A National Fuel Gas Company

June 4, 2010

Empire recently announced that Open Season 006 has successfully concluded with the award of 350,000 Dth/day of long-term firm transportation capacity from the Marcellus shale gas production area of Tioga County, Pennsylvania (near Jackson Township) to an interconnection with TransCanada Pipeline at Chippawa.

It is expected that the continued regional Marcellus shale gas production activity will require additional pipeline infrastructure to be built, and Empire feels that the production may support continued expansion of its system. Empire is considering additional projects that could include the expansion of its pipeline and related facilities further into the Marcellus shale gas producing regions of Tioga, Bradford, Lycoming and Sullivan Counties in Pennsylvania. These additional projects could include multiple interconnections with gas production gathering systems in the area and could also include significant interconnections with other major interstate pipelines in the region such as Tennessee Gas Pipeline's "300 line" and Transco's Leidy line.

We invite you to contact us for more information on specific project locations where facilities may be extended and to discuss potential projects that may impact your business. Please contact Empire's Marketing Department at (716) 857-7440.

Westerly Firm Transportation Service Parameters

- Transportation service commencement date is flexible in order to align with upstream offerings, ranging from as early as September 1, 2011, to as late as November 1, 2012 as requested by Shipper.
- Receipt Point is Kirkwall.
- Delivery Point is Dawn.
- Term of the bid will be a minimum term of 10 years.
- The expected demand charge rate for this service is between \$0.035 - \$0.045 Cdn/GJ/d, subject to OEB approval.
- The expected fuel requirement for this service is 0.357% April-October and 0.332% November-March in accordance with the C1 Rate Schedule, subject to OEB approval.

The [Kirkwall to Dawn Transportation Service Bid Form](#) is available online.

The current C1 Rate Schedule (which includes General Terms and Conditions) is available at www.uniongas.com/storagetransportation/infopostings/tariffs and is subject to revision from time to time. The agreement for the Kirkwall to Dawn transportation service is available at http://www.uniongas.com/storagetransportation/communications/pdf/openseason/2010/Feb2010/Kirkwall_Dawn_Contract_Feb2010.pdf

2. M12-X Firm Transportation Service

Union invites your company to submit non-binding bids for flexible long term firm transportation between Dawn, Parkway and Kirkwall – the M12-X service. This service allows a Shipper to transport gas between any of Dawn, Parkway and Kirkwall, in any direction and on a firm basis. On any day, Shipper may receive gas at any of Dawn, Parkway or Kirkwall and deliver gas to any of Dawn, Parkway or Kirkwall. The M12-X service commences as early as September 1, 2011 and is proposed to be in accordance with Union's M12 Rate Schedule.

The M12-X transportation service is available to existing customers holding M12 transportation service and to new customers who are interested in the flexibility to transport on a firm basis between Dawn, Parkway or Kirkwall on any day.

In this non-binding open season, existing Shippers can elect to convert their existing M12 Dawn to Parkway transportation service to the M12-X transportation service on a one-for-one GJ/d of capacity basis. Any portion or all of the Shipper's existing M12 contracted capacity can be converted. The minimum term for this service is 10 years. New or existing customers who are seeking incremental Dawn to Parkway/Kirkwall capacity are encouraged to submit requests for the new M12-X transportation service. Any incremental M12-X capacity is subject to availability. Union's capability to satisfy requirements for new M12-X capacity is limited, but Union will endeavour to work with interested parties.

M12-X Service Parameters

- Transportation service commencement date is flexible in order to align with upstream offerings, ranging from as early as September 1, 2011, to as late as November 1, 2012 as requested by Shipper.

- Receipt and Delivery Points are Dawn, Parkway and Kirkwall.
- Term of the bid will be a minimum term of 10 years.
- The expected rate for the service is approximately \$0.095 - \$0.11 Cdn/GJ/d, subject to OEB approval.
- The fuel rates for this service will be in accordance with the M12 Rate Schedule and incurred based on the nominated path, subject to OEB approval

The [M12-X Bid Form](#) is available online.

The current M12 Rate Schedule (which includes General Terms and Conditions) is available at www.uniongas.com/storagetransportation/infopostings/tariffs and is subject to revision from time to time. The standard M12-X agreement is available at www.uniongas.com/storagetransportation/communications/pdf/openseason/2010/Feb2010/M12-X_Contract_Feb2010.pdf

3. Submitting a Non-Binding Bid for Service

If you wish to participate in the 2011 Open Season, please complete, sign and return either of the Westerly Firm Transportation Services Bid Form or the M12-X Transportation Services Bid Form, available online www.uniongas.com/openseason, via email or fax to:

ATTN: Tina Hodgson
Email: thodgson@uniongas.com
Fax: (519) 436-4643

Completed forms must be returned on or before 12:00 noon Eastern Time on March 9, 2010.

Union will acknowledge Shipper's bid in writing on or before 2:30 p.m. Eastern Time March 10, 2010. All complete bids will be considered valid, indicative and non-binding until a binding agreement is reached between the parties. Only those Shippers and customers who submit non-binding bids for the Westerly Firm Transportation Service or the M12-X Transportation Service will be contacted. Union will first contact all responding parties who meet the requirements of the open season. Union in its sole discretion reserves the right to reject any and all proposals received. Bids for their respective service will be evaluated based on term and available service capacity. If two or more bids have the same term, and insufficient capacity exists to satisfy all such bids, capacity for the respective services will be awarded on a pro-rata basis. Union expects successful bidders to transition to binding agreements and will award capacity and execute contracts by no later than April 30, 2010.

If you have any questions about the 2011 Open Season, please feel free to contact your account manager www.uniongas.com/storagetransportation/contactus/index.asp#LongTermBusiness.

Yours truly,
UNION GAS LIMITED

Tina Hodgson
Business Development Manager

Phone: (519) 436-4606
Email: thodgson@uniongas.com



Updated August 12, 2010
July 19, 2010

Re: Union Gas Limited 2011-2013 Non-Binding Service Open Season

In response to continued interest in Marcellus gas supplies coming to Ontario through Kirkwall as well as deliveries of gas from Dawn to Parkway, Union Gas Limited is pleased to announce its non-binding open season for service commencing as early as November 1, 2011 (the "**2011-2013 Open Season**").

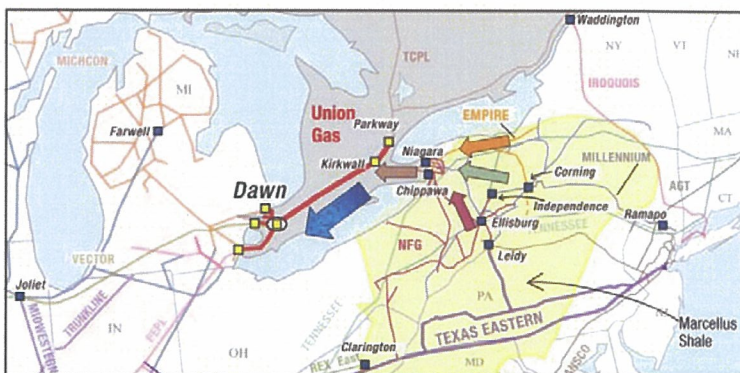
Based on requests from Shippers for additional optionality and flexibility between interconnects, Union is proposing to offer the following services:

- 1) new firm westerly C1 transportation service from Kirkwall to Dawn;
- 2) new firm M12-X transportation service;
- 3) conversion of existing firm Dawn to Parkway and Dawn to Kirkwall M12 transportation service to new firm M12-X transportation service; and
- 4) firm M12 Dawn to Parkway or Dawn to Kirkwall transportation service.

This open season has been extended and now closes at **12:00 noon Eastern Daylight Time on August 31, 2010.**

These services offer Shippers flexible and reliable transportation from supply basins in both eastern and western North America. The new M12-X transportation service offers the flexibility to transport gas between any two M12 points (Dawn, Parkway and Kirkwall), easterly or westerly, all on a firm basis. For Shippers with Marcellus Shale gas supplies in the eastern U.S., these services offer access to Dawn. Shippers at Dawn enjoy access to a premium storage facility with a diverse portfolio of storage services and a liquid and diverse hub. For Shippers who have end-use needs or market demands in Ontario, eastern Canada or U.S. northeast, these services provide flexible and firm transportation options to source gas supplies at Dawn, western basins or the new, growing Marcellus Shale.

This non-binding open season is being offered in order to allow Union Gas the opportunity to better understand market interest and requirements for services which accommodate easterly and westerly flow on the Union Gas transportation system. Following the close of this non-binding open season, and based on Shipper interest, Union Gas will contact successful responding parties to transition to binding agreements using the standard forms of agreement. If the transition to binding agreements results in the need for a system expansion, such capacity may be available either November 1, 2012 or November 1, 2013, and will be subject to both internal and Ontario Energy Board (OEB) approvals.



The term of all services offered in this open season shall be a minimum of ten (10) years, with an end date of October 31. The minimum term aligns with the terms offered in recent open seasons for other upstream pipelines (Empire State Pipeline, National Fuel Gas Supply and TransCanada Pipelines). The rates for services included in this non-binding open season are subject to Ontario Energy Board (OEB) approval. Union Gas will file the appropriate applications for the new services with the OEB and approvals are expected during the 4th quarter of 2010.



1. Westerly Firm Transportation Service

Union Gas invites your company to submit non-binding bids (expressions of interest) for long-term firm transportation from Kirkwall to Dawn for service commencing as early as November 1, 2011. Service is proposed to be in accordance with the Union Gas C1 Rate Schedule. Union Gas is offering 800,000 GJ/day of new firm westerly C1 transportation service from Kirkwall to Dawn.

Westerly Firm Transportation Service Parameters

- Transportation service commencement date is flexible in order to align with upstream offerings, ranging from as early as November 1, 2011, to as late as November 1, 2013, as requested by Shipper.
- Receipt Point is Kirkwall.
- Delivery Point is Dawn (Facilities).
- Term of the bid will be a minimum term of 10 years.
- The expected demand charge rate for this service is between \$0.035 - \$0.045 Cdn/GJ/day, subject to OEB approval.
- The expected fuel requirement for this service is approximately 0.357% April-October and 0.332% November-March in accordance with the C1 Rate Schedule, subject to OEB approval.

View the [Westerly Firm Transportation Service Bid Form](#).

View the [Rate Schedule, General Terms and Conditions and Standard Contract](#).

2. M12-X Firm Transportation Service

Union Gas invites your company to submit non-binding bids (expressions of interest) for flexible long-term firm transportation between Dawn, Parkway and Kirkwall – the M12-X service. This new service allows a Shipper to transport gas between any of Dawn, Parkway and Kirkwall, in any direction and on a firm basis. On any day, Shipper may receive gas at any of Dawn, Parkway or Kirkwall and deliver gas to any of Dawn, Parkway or Kirkwall. The M12-X transportation service commences as early as November 1, 2011 and is proposed to be in accordance with the Union Gas M12 Rate Schedule.

The M12-X transportation service is available to existing customers holding M12 transportation service who are interested in the flexibility to transport on a firm basis between Dawn, Parkway or Kirkwall on any day. In this non-binding open season, existing Shippers can elect to convert their existing M12 Dawn to Parkway and/or Dawn to Kirkwall transportation service to the M12-X transportation service on a one-for-one GJ/day of capacity basis. A portion or all of the Shipper's existing M12 contracted capacity can be converted.

The M12-X transportation service is also available to new customers and existing customers who are seeking incremental firm, flexible capacity between Dawn, Kirkwall and Parkway.

Union Gas is offering 400,000 GJ/day of firm M12-X transportation service converted from existing firm Dawn to Parkway M12 transportation service. In addition, Union Gas is offering 340,000 GJ/day (subject to capacity turn back and may require system expansion which is subject to internal and OEB approvals) of new firm M12-X transportation service, firm M12-X transportation service converted from existing firm Dawn to Kirkwall M12 transportation service and firm M12 Dawn to Parkway or Dawn to Kirkwall transportation service.



uniongas

A Spectra Energy Company



M12-X Firm Transportation Service Parameters

- Transportation service commencement date is flexible in order to align with upstream offerings, ranging from as early as November 1, 2011, to as late as November 1, 2013, as requested by Shipper.
- Receipt Points are Dawn, Parkway and Kirkwall.
- Delivery Points are Dawn (Facilities), Parkway and Kirkwall.
- Term of the bid will be a minimum term of 10 years.
- The expected rate for the service is approximately \$0.095 - \$0.11 Cdn/GJ/day, subject to OEB approval.
- The fuel rates for this service will be in accordance with the M12 Rate Schedule and incurred based on the nominated path, subject to OEB approval.

View the [M12-X Firm Transportation Service Bid Form](#).

View the [Rate Schedule, General Terms and Conditions and Standard Contract](#).

3. M12 Firm Transportation Service

Union Gas invites your company to submit non-binding bids (expressions of interest) for point to point long term firm transportation from Dawn to Parkway or from Dawn to Kirkwall using the M12 transportation service. This firm service allows a Shipper to transport gas between two points on the Union Gas system. The M12 transportation service commences as early as November 1, 2011 and will be in accordance with the Union Gas M12 Rate Schedule.

The M12 transportation service is available to existing and new customers looking for firm point-to-point transportation service. Union Gas is offering 340,000 GJ/day (subject to capacity turn back and may require system expansion which is subject to internal and OEB approvals) of firm M12 Dawn to Parkway or Dawn to Kirkwall transportation service, new firm M12-X transportation service and firm M12-X transportation service converted from existing firm Dawn to Kirkwall M12 transportation service.

M12 Firm Transportation Service Parameters

- Transportation service commencement date is flexible in order to align with upstream offerings, ranging from as early as November 1, 2011, to as late as November 1, 2013, as requested by Shipper.
- Path Options are Dawn to Parkway or Dawn to Kirkwall.
- Term of the bid will be a minimum term of 10 years.
- The rate for this service will be in accordance with the M12 Rate Schedule as per the contracted path.
- The fuel rates for this service will be in accordance with the M12 Rate Schedule.

View the [M12 Firm Transportation Service Bid Form](#).

View the [Rate Schedule, General Terms and Conditions and Standard Contract](#).



uniongas

A Spectra Energy Company



4. Submitting a Non-Binding Bid for Service

If you wish to participate in the 2011-2013 Open Season, please complete, sign and return either the attached Westerly Firm Transportation Service Bid Form, the M12-X Firm Transportation Service Bid Form and/or the M12 Firm Transportation Service Bid Form via email or fax to:

ATTN: Tina Hodgson

Email: thodgson@uniongas.com

Fax: (519) 436-4643

Completed forms must be returned on or before 12:00 noon Eastern Daylight Time on August 31, 2010. Union Gas will acknowledge Shipper's bid in writing on or before 2:30 p.m. Eastern Daylight Time September 1, 2010. All complete bids will be considered valid, indicative and non-binding until a binding agreement is reached between the parties. Only those Shippers and customers who submit non-binding bids for the Westerly Firm Transportation Service, the M12-X Firm Transportation Service or the M12 Firm Transportation Service will be contacted. Union Gas will first contact all responding parties who meet the requirements of the open season. Union Gas in its sole discretion reserves the right to reject any and all proposals received. Capacity requests that meet the respective service parameters during this open season will be awarded starting with those bids with the highest economic value. If the economic values of two or more independent bids are equal, then service shall be allocated on a pro-rata basis. The economic value shall be based on the net present value which shall be calculated based on the proposed per unit rate and the proposed term of the contract and without regard to the proposed Contract Demand ("NPV"). Union Gas expects successful bidders to transition to binding agreements and will award capacity and execute contracts by no later than December 1, 2010.

If you have any questions about the 2011-2013 Open Season, please feel free to contact your [Account Manager](#).

Yours truly,

UNION GAS LIMITED

Tina Hodgson
Business Development Manager
Phone: (519) 436-4606
Email: thodgson@uniongas.com



WESTERLY FIRM TRANSPORTATION SERVICE BID FORM

If you wish to participate in the 2011-2013 Open Season, please complete, sign and return this Westerly Firm Transportation Service Bid Form on or before 12:00 noon Eastern Daylight Time on **August 31, 2010** via email or fax to:

ATTN: Tina Hodgson **Email:**thodgson@uniongas.com **Fax:** (519) 436-4643

This is a non-binding bid. The purpose of the open season is for Union Gas to address market interest in the proposed service. Based on the results of this open season, Union Gas will determine whether or not to proceed with offering this service as defined in this open season. By signing and returning this Westerly Firm Transportation Service Bid Form, Shippers submitting successful bids will be contacted to enter into discussions to transition to a binding agreement for this service. The Firm Transportation Service Agreement with Union Gas can be found at uniongas.com/opensession.

Please indicate your requirements as shown below:

Westerly Firm Transportation Service Non-Binding Bid:

Receipt Point Kirkwall

Delivery Point	Dawn (Facilities)
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
26	26
27	27
28	28
29	29
30	30
31	31
32	32
33	33
34	34
35	35
36	36
37	37
38	38
39	39
40	40
41	41
42	42
43	43
44	44
45	45
46	46
47	47
48	48
49	49
50	50
51	51
52	52
53	53
54	54
55	55
56	56
57	57
58	58
59	59
60	60
61	61
62	62
63	63
64	64
65	65
66	66
67	67
68	68
69	69
70	70
71	71
72	72
73	73
74	74
75	75
76	76
77	77
78	78
79	79
80	80
81	81
82	82
83	83
84	84
85	85
86	86
87	87
88	88
89	89
90	90
91	91
92	92
93	93
94	94
95	95
96	96
97	97
98	98
99	99
100	100

Start Date (must be no earlier than **November 1, 2011**
and no later than **November 1, 2013**)

Quantity	Maximum	(GJ/d)
----------	---------	--------

Term (years) (10 year minimum ending October 31)

Would there be Conditions Precedent to taking this service? (circle one) **Yes*** **No**

*If yes, please articulate those conditions in an attachment

Dated this day of 2010

SHIPPER LEGAL NAME

By:

Signature:

E-mail:

Name:

Phone:



uniongas
A Spectra Energy Company



Page 1 of 1

Filed: 2010-09-30
EB-2010-0296
Exhibit A
Attachment 3
Page 6 of 7

M12-X FIRM TRANSPORTATION SERVICE BID FORM

If you wish to participate in the 2011-2013 Open Season, please complete, sign and return this M12-X Firm Transportation Service Bid Form on or before 12:00 noon Eastern Daylight Time on **August 31, 2010** via email or fax to:

ATTN: Tina Hodgson **Email:** thodgson@uniongas.com **Fax:** (519) 436-4643

This is a non-binding bid. The purpose of the open season is for Union Gas to address market interest in this proposed service. Based on the results of this open season, Union Gas will determine whether or not to proceed with offering this service as defined in this open season. By signing and returning this M12-X Firm Transportation Service Bid Form, Shippers submitting successful bids will be contacted by Union Gas to enter into discussions to transition to a binding agreement for this service. The Firm Transportation Service Agreement with Union Gas can be found at uniongas.com/openseason.

Please indicate your requirements as shown below:

M12-X Firm Transportation Service Non-Binding Bid:

Receipt Points include **Dawn, Kirkwall and Parkway**

Delivery Points include **Dawn (Facilities), Kirkwall and Parkway**

Start Date (must be no earlier than **November 1, 2011**
and no later than **November 1, 2013**) _____

NEW Quantity _____ Maximum _____ (GJ/d)

CONVERSION Quantity (from existing M12 capacity) Maximum _____ (GJ/d)

Contract Reference (e.g. M12000): _____

TOTAL Quantity (sum of New + Conversion) Maximum _____ (GJ/d)

Term (years) _____ (10 year minimum ending October 31)

Would there be Conditions Precedent to taking this service?(circle one) **Yes*** **No**

*If yes, please articulate those conditions in an attachment

Dated this _____ day of _____ 2010

SHIPPER LEGAL NAME _____

By: _____

Signature: _____

E-mail: _____

Name: _____

Phone: _____



uniongas
A Spectra Energy Company



Page 1 of 1

Filed: 2010-09-30
EB-2010-0296
Exhibit A
Attachment 3
Page 7 of 7

M12 FIRM TRANSPORTATION SERVICE BID FORM

If you wish to participate in the 2011-2013 Open Season, please complete, sign and return this M12 Firm Transportation Service Bid Form on or before 12:00 noon Eastern Daylight Time on **August 31, 2010** via email or fax to:

ATTN: Tina Hodgson **Email:** thodgson@uniongas.com **Fax:** (519) 436-4643

This is a non-binding bid. The purpose of the open season is for Union Gas to address market interest in this service. Based on the results of this open season, Union Gas will determine whether or not to proceed with offering this service as defined in this open season. By signing and returning this M12 Firm Transportation Service Bid Form, Shippers submitting successful bids will be contacted directly to enter into discussions to transition to a binding agreement for this service. The Firm Transportation Service Agreement with Union Gas can be found at uniongas.com/openseason.

Please indicate your requirements as shown below:

M12 Firm Transportation Service Non-Binding Bid:

Transportation Path: Please indicate by circling either 1) or 2) below

- 1) Receipt Point: **Dawn** and Delivery Point: **Parkway**
- 2) Receipt Point: **Dawn** and Delivery Point: **Kirkwall**

Start Date (must be no earlier than **November 1, 2011**
and no later than **November 1, 2013**) _____

Quantity _____ Maximum _____ (GJ/d)

Term (years) _____ (10 year minimum ending October 31)

Would there be Conditions Precedent to taking this service? (circle one) **Yes*** **No**

*If yes, please articulate those conditions in an attachment

Dated this _____ day of _____ 2010

SHIPPER LEGAL NAME _____

By: _____

Signature: _____

E-mail: _____

Name: _____

Phone: _____



CROSS FRANCHISE TRANSPORTATION RATES

(A) Applicability

To a Shipper who enters into a Contract with Union for delivery by Shipper of gas to Union at one of Union's points listed below for redelivery by Union to Shipper at one of Union's points.

<u>Applicable Points</u>	(1)	(2)
	Ojibway	WDA
	St. Clair	NDA
	Dawn*	SSMDA
	Parkway	SWDA
	Kirkwall	CDA
	Bluewater	EDA

*includes Dawn (TCPL), Dawn Facilities, Dawn (Tecumseh), Dawn (Vector) and Dawn (TSLE)

(B) Services

Transportation Service under this rate schedule is transportation on Union's pipeline facilities between any two Points as specified in Section (A), column 1.

(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.

Transportation Service:

	Monthly Demand Charge (applied to daily contract demand) <u>Rate/GJ</u>	Commodity Charges			
		If Union supplies fuel Commodity Charge		If Shipper supplies fuel Fuel Ratio	
		Apr.1-Oct.31 <u>Rate/GJ</u>	Nov.1-Mar.31 <u>Rate/GJ</u>	Apr.1-Oct.31 <u>%</u>	Nov.1-Mar.31 <u>%</u>
a) Firm Transportation					
Between:					
St.Clair & Dawn	\$0.971	\$0.021	\$0.025	0.352%	0.431%
Ojibway & Dawn	\$0.971	\$0.027	\$0.031	0.496%	0.566%
Bluewater & Dawn	\$0.971	\$0.021	\$0.025	0.352%	0.431%
From:					
Parkway to Kirkwall	\$0.545	\$0.021	\$0.019	0.353%	0.328%
Parkway to Dawn	\$0.545	\$0.021	\$0.019	0.353%	0.328%
Kirkwall to Dawn	\$1.176	\$0.021	\$0.019	0.353%	0.328%
Dawn to Kirkwall	\$1.985	\$0.030	\$0.065	0.517%	1.136%
Dawn to Parkway	\$2.332	\$0.030	\$0.065	0.517%	1.136%
b) Interruptible and Short Term (1 year or less) Firm Transportation:					
Maximum		\$75.00	\$75.00		
c) Firm Transportation between two points within Dawn					
Dawn to Dawn-Vector	\$0.042	n/a	n/a	0.205%	n/a
Dawn to Dawn-TCPL	\$0.220	n/a	n/a	0.328%	0.638%
d) Interruptible Transportation between two points within Dawn*					

*includes Dawn (TCPL), Dawn Facilities, Dawn (Tecumseh), Dawn (Vector) and Dawn (TSLE)

0.328% 0.328%



(C) Rates (Cont'd)

Authorized Overrun:

The following Overrun rates are applied to any quantities transported in excess of the Contract parameters. Overrun will be authorized at Union's sole discretion.

	If Union supplies fuel Commodity Charge		Commodity Charges If Shipper supplies fuel Fuel Ratio		Commodity Charge Rate/GJ
	Apr.1-Oct.31 Rate/GJ	Nov.1-Mar.31 Rate/GJ	Apr.1-Oct.31 %	Nov.1-Mar.31 %	
a) Firm Transportation					
Between:					
St.Clair & Dawn	\$0.052	\$0.058	0.352%	0.431%	\$0.032
Ojibway & Dawn	\$0.060	\$0.065	0.496%	0.566%	\$0.032
Bluewater & Dawn	\$0.052	\$0.058	0.352%	0.431%	\$0.032
From:					
Parkway to Kirkwall	\$0.017	\$0.015	0.947%	0.923%	\$0.018
Parkway to Dawn	\$0.017	\$0.015	0.947%	0.923%	\$0.018
Kirkwall to Dawn	\$0.017	\$0.015	0.947%	0.923%	\$0.039
Dawn to Kirkwall	\$0.073	\$0.108	1.112%	1.731%	\$0.065
Dawn to Parkway	\$0.084	\$0.118	1.112%	1.731%	\$0.077
b) Firm Transportation within Dawn					
Dawn to Dawn-Vector	n/a	n/a	0.438%	n/a	\$0.001
Dawn to Dawn-TCPL	n/a	n/a	0.328%	0.638%	\$0.007

Authorized overrun for short-term firm transportation is available at negotiated rates.

Unauthorized Overrun:

The Unauthorized Overrun rate shall be the higher of the reported daily spot price of gas at either, Dawn, Parkway, Niagara, Iroquois or Chicago in the month of or the month following the month in which the overrun occurred plus 25% for all usage on any day in excess of 102% of Union's contractual obligation.

(D) Terms of Service

The General Terms & Conditions applicable to this rate schedule shall be in accordance with the attached Schedule "A" for contracts in effect before October 1, 2010. The General Terms & Conditions applicable to this rate schedule shall be in accordance with the attached Schedule "A 2010" for contracts in effect on or after October 1, 2010.

(E) Nominations

Nominations under this rate schedule shall be in accordance with the attached Schedule "B" for contracts in effect before October 1, 2010. Nominations under this rate schedule shall be in accordance with the attached Schedule "B 2010" for contracts in effect on or after October 1, 2010.

(F) Receipt and Delivery Points and Pressures

Receipt and Delivery Points and Pressures under this rate schedule shall be in accordance with Schedule "C 2010" for contracts in effect on or after October 1, 2010.

Effective September 1, 2011
O.E.B. ORDER # EB-2010-xxxx

Chatham, Ontario

Supersedes EB-2010-0148 Rate Schedule effective January 1, 2011.

RATE C1
RECEIPT AND DELIVERY POINTS AND PRESSURES

SCHEDULE "C 2010"

1. Receipt and Delivery Points:

The following defines each Receipt Point and/or Delivery Point, as indicated (R= Receipt Point; D= Delivery Point)

R, D	<u>DAWN (FACILITIES):</u>	Union's Compressor Station site situated in the northwest corner of Lot Twenty-Five (25), Concession II, in the Township of Dawn-Euphemia, in the County of Lambton. This point is applicable for quantities of gas that have been previously transported or stored under other contracts that Shipper may have in place with Union.
R, D	<u>DAWN (TCPL):</u>	At the junction of Union's and TCPL's facilities, at or adjacent to Dawn (Facilities).
R, D	<u>DAWN (TECUMSEH):</u>	At the junction of Union's and Enbridge Gas Distribution Inc.'s (Enbridge) Tecumseh Gas Storage's facilities, at or adjacent to Dawn (Facilities).
R, D	<u>DAWN (TSLE):</u>	At the junction of Union's and Enbridge Gas Distribution Inc.'s (" Enbridge ") NPS 16 Tecumseh Sombra Line Extension facilities; at or adjacent to Dawn (Facilities)
R, D	<u>DAWN (VECTOR):</u>	At the junction of Union's and Vector Pipeline Limited Partnership (" Vector ") facilities, at or adjacent to Dawn (Facilities).
R, D	<u>PARKWAY (TCPL):</u>	At the junction of Union's and TCPL's facilities, at or adjacent to Union's facilities situated in the Part Lot 9 and Part Lot 10, Concession IX, New Survey, Town of Milton, Regional Municipality of Halton (now part of City of Mississauga)
R, D	<u>KIRKWALL:</u>	At the junction of Union's and TCPL's facilities at or adjacent to Union's facilities situated in Part Lot Twenty-Five (25), Concession 7, Town of Flamborough.
D	<u>PARKWAY (CONSUMERS):</u>	At the junction of Union's and Enbridge's facilities, at or adjacent to Union's facilities situated in Part Lot 9 and Part Lot 10, Concession IX, New Survey, Town of Milton, Regional Municipality of Halton (now part of City of Mississauga)
D	<u>LISGAR:</u>	At the junction of the facilities of Union and Enbridge situated at 6620 Winston Churchill Boulevard, City of Mississauga.
R, D	<u>OJIBWAY:</u>	At the junction of Union's and Panhandle Eastern Pipe Line Company, LP's (" Panhandle ") facilities, located at the International Border between Canada and the United States in the St. Clair River.
R, D	<u>ST.CLAIR (MICHCON):</u>	At the junction of Michigan Consolidated Gas Company's (" MichCon ") and St. Clair Pipelines L.P.'s facilities, located at the International Border between Canada and the United States in the St. Clair River.

R, D BLUEWATER:

At the junction of Bluewater Gas Storage, LLC ("**Bluewater**") and St. Clair Pipelines L.P.'s facilities, located at the International Border between Canada and the United States in the St. Clair River.

2. Receipt and Delivery Pressures:

(a) All Gas tendered by or on behalf of Shipper to Union shall be tendered at the Receipt Point(s) at Union's prevailing pressure at that Receipt Point, or at such pressure as per operating agreements between Union and the applicable Interconnecting Pipeline as amended or restated from time to time.

(b) All Gas tendered by or on behalf of Union to Shipper shall be tendered at the Delivery Point(s) at Union's prevailing pressure at that Delivery Point or at such pressure as per agreements between Union and the applicable Interconnecting Pipeline as amended or restated from time to time.

(c) Under no circumstances shall Union be obligated to receive or deliver gas hereunder at pressures exceeding the maximum allowable operating pressures prescribed under any applicable governmental regulations; nor shall Union be required to make any physical deliveries or to accept any physical receipts which its existing facilities cannot accommodate.

UNION GAS LIMITED
 Derivation of C1 - Kirkwall to Dawn Transportation Rate
Effective September 1, 2011

Line No.	Particulars	
	<u>Kirkwall to Dawn - Monthly Firm Demand Rate (\$/GJ)</u>	
	Kirkwall to Dawn (no additional capital and no compression)	
1	Dawn to Kirkwall with Compression - 2011 Proposed	1.985
2	Deduct: Dawn Compression Charge	<u>0.358</u>
3	Dawn to Kirkwall without Compression (line 1 - line 2)	1.627
4	Kirkwall to Dawn (line 3 * 214/365)	0.954
	Capital: Measuring and Regulating - Kirkwall to Dawn	
5	Incremental Capital Costs - Measurement (\$000's)	4,702
6	Annual Revenue Requirement (\$000's)	266
7	Maximum Day Demand (GJs)	100,000
8	Monthly Demand per Unit (\$/GJ) (line 6 *1000 / line 7 / 12)	0.222
9	Kirkwall to Dawn Demand Rate - 214 Day Service (\$/GJ) (line 4 + line 8)	<u>1.176</u>
10	Kirkwall to Dawn Demand Rate Commoditized (\$/GJ) (line 9 *12 / 365)	0.039

UNION GAS LIMITED
Derivation of M12-X Transportation Rate
Effective September 1, 2011

Line No.	Particulars	
	<u>M12-X - Monthly Firm Demand Rate (\$/GJ)</u>	
1	M12 Dawn to Parkway Firm Demand Rate - 2011 Proposed	2.332
2	C1 Parkway to Dawn Firm Demand Rate - 2011 Proposed	<u>0.545</u>
3	M12-X Demand Rate (line 1 + 2)	2.877
4	M12-X Demand Rate Commoditized (line 3 * 12 / 365)	0.095



TRANSPORTATION RATES

(A) Applicability

The charges under this schedule shall be applicable to a Shipper who enters into a Transportation Service Contract with Union.

(B) Services

Transportation Service under this rate schedule shall be for transportation on Union's Dawn – Oakville facilities.

(C) Rates

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.

	Monthly Demand Charge (applied to daily contract demand) <u>Rate/GJ</u>	Commodity and Fuel Changes	
		Fuel Ratio <u>%</u>	<u>AND</u> Commodity Charge <u>Rate/GJ</u>
<u>Firm Transportation (1)</u>			
Dawn to Oakville/Parkway	\$2.332	Monthly fuel rates and ratios shall be in accordance with schedule "C".	
Dawn to Kirkwall	\$1.985		
Parkway to Dawn	n/a		
<u>M12-X Firm Transportation</u>			
Between Dawn, Kirkwall and Parkway	\$2.877	Monthly fuel rates and ratios shall be in accordance with schedule "C".	
<u>Limited Firm/Interruptible Transportation (1)</u>			
Dawn to Parkway – Maximum	\$5.597	Monthly fuel rates and ratios shall be in accordance with schedule "C".	
Dawn to Kirkwall - Maximum	\$5.597		
Parkway (TCPL) to Parkway (Cons) (2)		0.328%	

Authorized Overrun (3)

Authorized overrun rates will be payable on all quantities in excess of Union's obligation on any day. The overrun charges payable will be calculated at the following rates. Overrun will be authorized at Union's sole discretion.

	If Union supplies fuel Commodity Charge <u>Rate/GJ</u>	Commodity and Fuel Changes		Commodity Charge <u>Rate/GJ</u>
		Fuel Ratio <u>%</u>	<u>AND</u>	
Transportation Overrun				
Dawn to Parkway		Monthly fuel rates and ratios shall		\$0.077
Dawn to Kirkwall		be in accordance with schedule "C".		\$0.065
Parkway to Dawn				\$0.077
Parkway (TCPL) Overrun (4)	n/a	0.54%		n/a
M12-X Firm Transportation				
Between Dawn, Kirkwall and Parkway		Monthly fuel rates and ratios shall be in accordance with schedule "C".		\$0.095



(C) Rates (Cont'd)

Unauthorized Overrun

Authorized Overrun rates will be payable on all quantities up to 2% in excess of Union's contractual obligation.

The Unauthorized Overrun shall be the higher of the reported daily spot price of gas at either Dawn, Parkway, Niagara or Iroquois in the month of or the month following the month in which the overrun occurred plus 25% for all usage on any day in excess of 102% of Union's contractual obligation.

Nomination Variances

Where Union and the shipper have entered into a Limited Balancing Agreement ("LBA"), the rate for unauthorized parking or drafting which results from nomination variances shall equal the "Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff.

Notes for Section (C) Rates:

- (1) The annual transportation commodity charge is calculated by application of the YCRR Formula, as per Section (D). The annual transportation fuel required is calculated by application of the YCR Formula, as per Section (D).
- (2) This rate is for westerly transportation within the Parkway yard, from Parkway (TCPL) to Parkway (Cons) or Lisgar.
- (3) For purposes of applying the YCRR Formula or YCR Formula (Section (D)) to transportation overrun quantities, the transportation commodity revenue will be deemed to be equal to the commodity charge of the applicable service as detailed in Section (B).
- (4) This ratio will be applied to all gas quantities for which Union is obligated to deliver to Parkway (Cons) or Lisgar and has agreed to deliver to Parkway (TCPL) on an interruptible basis. This will be in addition to any rate or ratio paid for transportation easterly to Parkway (Cons) or Lisgar.
- (5) A demand charge of \$0.690/GJ/day/month will be applicable for customers contracting for firm all day transportation service in addition to the demand charges appearing on this schedule for firm transportation service to either Kirkwall or Parkway

(D) Transportation Commodity

The annual fuel charge in kind or in dollars for transportation service in any contract year shall be equal to the sum of the application of the following equation applied monthly for the 12 months April through March (The "YCRR" or "YCR" Formula). An appropriate adjustment in the fuel charges will be made in May for the previous 12 months ending March 31st to obtain the annual fuel charges as calculated using the applicable "YCRR" or "YCR" Formula. At Union's sole discretion Union may make more frequent adjustments than once per year. The YCRR and YCR adjustments must be paid/remitted to/from Shippers at Dawn within one billing cycle after invoicing.



(D) Transportation Commodity (Cont'd)

$$YCR = \sum_{1}^{4} [(0.003280 \times (QT1 + QT3)) + (DSFx(QT1 + QT3)) + F_{ST}] \text{ For June 1 to Sept. 30}$$

plus

$$\sum_{5}^{12} [(0.003280 \times (QT1 + Q3)) + (DWFxQT1) + F_{WT}] \text{ For Oct. 1 to May 31}$$

$$YCRR = \sum_{1}^{4} [(0.003280 \times (QT1 + QT3)) + (DSFx(QT1 + QT3)) + F_{ST}] \times R \text{ For June 1 to Sept. 30}$$

plus

$$\sum_{5}^{12} [(0.003280 \times (QT1 + Q3)) + (DWFxQT1) + F_{WT}] \times R \text{ For Oct. 1 to May 31}$$

where: DSF = 0.00000 for Dawn summer fuel requirements
DWF = 0.0020 for Dawn winter fuel requirements

in which:

YCR Yearly Commodity Required

The sum of 12 separate monthly calculations of Commodity Quantities required for the period from April through March.

YCRR Yearly Commodity Revenue Required

The sum of 12 separate monthly calculations of Commodity Revenue required for the period April through March.

QT1 Monthly quantities in GJ transported easterly hereunder received at Dawn at not less than 4 850 kPa but less than 5 860 kPa (compression required at Dawn).

QT3 Monthly quantities in GJ transported westerly hereunder received at the Parkway (Oakville) Delivery Point.

F_{WT} The individual Shipper's monthly share of compressor fuel used in GJ which was required at Union's Lobo, Bright, Trafalgar and Parkway Compressor Stations ("Lobo", "Bright", "Trafalgar" and "Parkway") to transport the same Shipper's QT1 monthly quantities easterly.

Lobo, Bright, Trafalgar and Parkway compressor fuel required by each Shipper will be calculated each month.

The monthly Lobo and Bright compressor fuel will be allocated to each Shipper in the same proportion as the Shipper's monthly quantities transported is to the monthly transported quantity for all users including Union.

The monthly Parkway and Trafalgar compressor fuel used will be allocated to each Shipper in the same proportion as the



(D) Transportation Commodity (Cont'd)

monthly quantity transported to Parkway (TCPL) for each user is to the total monthly quantity transported for all users including Union.

F_{ST} The individual Shipper's monthly share of compressor fuel used in GJ which was required at Union's Lobo, Bright, Trafalgar and Parkway compressor stations to transport the same Shipper's quantity on the Trafalgar system.

Lobo, Bright, Trafalgar and Parkway compressor fuel required by each Shipper will be calculated each month.

R Union's weighted average cost of gas in \$/GJ.

Notes

- (i) In the case of Easterly flow, direct deliveries by TCPL at Parkway to Union or on behalf of Union to Union's Transportation Shippers will be allocated to supply Union's markets on the Dawn-Oakville/Parkway facilities starting at Parkway and proceeding westerly to successive laterals until exhausted.

(E) Provision for Compressor Fuel

For a Shipper that has elected to provide its own compressor fuel.

Transportation Fuel

On a daily basis, the Shipper will provide Union at the delivery point and delivery pressure as specified in the contract, a quantity (the "Transportation Fuel Quantity") representing the Shipper's share of compressor fuel and unaccounted for gas for transportation service on Union's system.

The Transportation Fuel Quantity will be determined on a daily basis, as follows:

Transportation Fuel Quantity = Transportation Quantity x Transportation Fuel Ratio.

In the event that the actual quantity of fuel supplied by the Shipper was different from the actual fuel quantity as calculated using the YCR formula, an adjustment will be made in May for the previous 12 months ending March 31st.

Nominations

The Shipper will be required to nominate its Transportation Fuel Quantity in addition to its normal nominations for transportation services.

(F) Terms of Service

The General Terms & Conditions applicable to this rate schedule shall be in accordance with the attached Schedule "A" for contracts in effect before October 1, 2010. The General Terms & Conditions applicable to this rate schedule shall be in accordance with the attached Schedule "A 2010" for contracts in effect on or after October 1, 2010.



uniongas

Effective 2011-01-01
Rate M12
Page 5 of 5

Filed: 2010-09-30
EB-2010-0296
Exhibit A
Attachment 6
Page 5 of 7

(G) Nominations

Nominations under this rate schedule shall be in accordance with the attached Schedule "B" for contracts in effect before October 1, 2010. Nominations under this rate schedule shall be in accordance with the attached Schedule "B 2010" for contracts in effect on or after October 1, 2010.

(H) Monthly Fuel Rates and Ratios

Monthly fuel rates and ratios under this rate schedule shall be in accordance with Schedule "C".

(I) Receipt and Delivery Points and Pressures

Receipt and Delivery Points and Pressures under this rate schedule shall be in accordance with Schedule "D 2010" for contracts in effect on or after October 1, 2010.

Effective September 1, 2011
O.E.B. ORDER # EB-2010-XXXX

Chatham, Ontario

Supersedes EB-2010-0148 Rate Schedule effective January 1, 2011

RATE M12
RECEIPT AND DELIVERY POINTS AND PRESSURES

SCHEDULE "D 2010"

1. Receipt and Delivery Points:

The following defines each Receipt Point and/or Delivery Point, as indicated (R= Receipt Point; D= Delivery Point)

R, D	<u>DAWN (FACILITIES):</u>	Union's Compressor Station site situated in the northwest corner of Lot Twenty-Five (25), Concession II, in the Township of Dawn-Euphemia, in the County of Lambton. This point is applicable for quantities of gas that have been previously transported or stored under other contracts that Shipper may have in place with Union.
R	<u>DAWN (TCPL):</u>	At the junction of Union's and TCPL's facilities, at or adjacent to Dawn (Facilities).
R	<u>DAWN (TECUMSEH):</u>	At the junction of Union's and Enbridge Gas Distribution Inc.'s (Enbridge) Tecumseh Gas Storage's facilities, at or adjacent to Dawn (Facilities).
R	<u>DAWN (TSLE):</u>	At the junction of Union's and Enbridge Gas Distribution Inc.'s ("Enbridge") NPS 16 Tecumseh Sombra Line Extension facilities; at or adjacent to Dawn (Facilities)
R	<u>DAWN (VECTOR):</u>	At the junction of Union's and Vector Pipeline Limited Partnership ("Vector") facilities, at or adjacent to Dawn (Facilities).
R, D	<u>PARKWAY (TCPL):</u>	At the junction of Union's and TCPL's facilities, at or adjacent to Union's facilities situated in the Part Lot 9 and Part Lot 10, Concession IX, New Survey, Town of Milton, Regional Municipality of Halton (now part of City of Mississauga)
R, D	<u>KIRKWALL:</u>	At the junction of Union's and TCPL's facilities at or adjacent to Union's facilities situated in Part Lot Twenty-Five (25), Concession 7, Town of Flamorough.
D	<u>PARKWAY (CONSUMERS):</u>	At the junction of Union's and Enbridge's facilities, at or adjacent to Union's facilities situated in Part Lot 9 and Part Lot 10, Concession IX, New Survey, Town of Milton, Regional Municipality of Halton (now part of City of Mississauga)
D	<u>LISGAR:</u>	At the junction of the facilities of Union and Enbridge situated at 6620 Winston Churchill Boulevard, City of Mississauga.

2. Receipt and Delivery Pressures:

(a) All Gas tendered by or on behalf of Shipper to Union shall be tendered at the Receipt Point(s) at Union's prevailing pressure at that Receipt Point, or at such pressure as per operating agreements between Union and the applicable Interconnecting Pipeline as amended or restated from time to time.

(b) All Gas tendered by or on behalf of Union to Shipper shall be tendered at the Delivery Point(s) at Union's prevailing pressure at that Delivery Point or at such pressure as per agreements between Union and the applicable Interconnecting Pipeline as amended or restated from time to time.

(c) Under no circumstances shall Union be obligated to receive or deliver gas hereunder at pressures exceeding the maximum allowable operating pressures prescribed under any applicable governmental regulations; nor shall Union be required to make any physical deliveries or to accept any physical receipts which its existing facilities cannot accommodate.

UNION GAS LIMITED
M12 Monthly Transportation Fuel Ratios and Rates
Firm or Interruptible Transportation Commodity
Effective September 1, 2011

Month	VT1 Easterly to Parkway (TCPL) With Dawn Compression		VT1 Easterly to Kirkwall, Lisgar, Parkway (Consumers) With Dawn Compression		VT3 Westerly to Kirkwall, Dawn	
	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate
	(%)	(\$/GJ)	(%)	(\$/GJ)	(%)	(\$/GJ)
April	0.763	0.043	0.763	0.043	0.328	0.019
May	0.624	0.036	0.624	0.036	0.328	0.019
June	0.416	0.024	0.328	0.019	0.416	0.024
July	0.357	0.019	0.328	0.019	0.357	0.019
August	0.350	0.020	0.328	0.019	0.350	0.020
September	0.368	0.020	0.348	0.020	0.368	0.020
October	0.745	0.042	0.697	0.040	0.328	0.019
November	0.948	0.054	0.765	0.044	0.328	0.019
December	1.174	0.066	0.950	0.055	0.328	0.019
January	1.306	0.075	1.076	0.061	0.328	0.019
February	1.207	0.068	0.991	0.056	0.328	0.019
March	1.046	0.060	0.854	0.049	0.328	0.019

Month	M12-X Easterly Kirkwall to Parkway (TCPL)		M12-X Easterly Kirkwall to Lisgar, Parkway (Consumers)		M12-X Westerly to Kirkwall, Dawn	
	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate
	(%)	(\$/GJ)	(%)	(\$/GJ)	(%)	(\$/GJ)
April	0.328	0.019	0.328	0.019	0.353	0.021
May	0.328	0.019	0.328	0.019	0.353	0.021
June	0.416	0.024	0.328	0.019	0.353	0.021
July	0.357	0.020	0.328	0.019	0.353	0.021
August	0.350	0.020	0.328	0.019	0.353	0.021
September	0.348	0.020	0.328	0.019	0.353	0.021
October	0.376	0.021	0.328	0.019	0.353	0.021
November	0.511	0.029	0.328	0.019	0.328	0.019
December	0.551	0.031	0.328	0.019	0.328	0.019
January	0.558	0.032	0.328	0.019	0.328	0.019
February	0.544	0.031	0.328	0.019	0.328	0.019
March	0.520	0.030	0.328	0.019	0.328	0.019

UNION GAS LIMITED
M12 Monthly Transportation Authorized Overrun Fuel Ratios and Rates
Firm or Interruptible Transportation Commodity
Effective September 1, 2011

Month	VT1 Easterly to Parkway (TCPL) With Dawn Compression		VT1 Easterly to Kirkwall, Lisgar, Parkway (Consumers) With Dawn Compression		VT3 Westerly to Kirkwall, Dawn	
	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate
	(%)	(\$/GJ)	(%)	(\$/GJ)	(%)	(\$/GJ)
April	1.368	0.155	1.368	0.144	0.933	0.130
May	1.228	0.147	1.228	0.135	0.933	0.130
June	1.021	0.134	0.933	0.119	1.021	0.134
July	0.962	0.134	0.933	0.119	0.962	0.134
August	0.955	0.132	0.933	0.119	0.955	0.132
September	0.972	0.132	0.952	0.121	0.972	0.132
October	1.350	0.154	1.302	0.140	0.933	0.130
November	1.553	0.166	1.370	0.145	0.933	0.130
December	1.779	0.178	1.555	0.155	0.933	0.130
January	1.911	0.186	1.681	0.161	0.933	0.130
February	1.812	0.180	1.596	0.156	0.933	0.130
March	1.651	0.171	1.458	0.149	0.933	0.130

Month	M12-X Easterly Kirkwall to Parkway (TCPL)		M12-X Easterly Kirkwall to Lisgar, Parkway (Consumers)		M12-X Westerly to Kirkwall, Dawn	
	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate	Fuel Ratio	Fuel Rate
	(%)	(\$/GJ)	(%)	(\$/GJ)	(%)	(\$/GJ)
April	0.933	0.130	0.933	0.130	0.958	0.131
May	0.933	0.130	0.933	0.130	0.958	0.131
June	1.021	0.135	0.933	0.130	0.958	0.131
July	0.962	0.131	0.933	0.130	0.958	0.131
August	0.955	0.131	0.933	0.130	0.958	0.131
September	0.953	0.131	0.933	0.130	0.958	0.131
October	0.981	0.132	0.933	0.130	0.958	0.131
November	1.115	0.140	0.933	0.130	0.933	0.130
December	1.156	0.142	0.933	0.130	0.933	0.130
January	1.163	0.143	0.933	0.130	0.933	0.130
February	1.149	0.142	0.933	0.130	0.933	0.130
March	1.125	0.140	0.933	0.130	0.933	0.130



EB-2010-0296

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

AND IN THE MATTER OF an Application by Union Gas
Limited for an order or orders amending or varying its
approved C1 and M12 rate schedules to accommodate
new firm transportation services.

**NOTICE OF APPLICATION, WRITTEN HEARING
AND PROCEDURAL ORDER NO. 1**

Union Gas Limited (“Union” or the “Applicant”) filed an application (the “Application”) on September 30, 2010 with the Ontario Energy Board (the “Board”) seeking approval to modify its current approved C1 rate schedule to accommodate firm transportation service from Union’s interconnect at Kirkwall to Dawn, effective September 1, 2011. The Applicant is also seeking approval to modify its current approved M12 rate schedule to accommodate a firm, bi-directional, M12-X transportation service, effective September 1, 2011.

Union recently held two non-binding open seasons specific to the proposed transportation services. As a result of the first open season (held in February and March, 2010), Union received over 800,000 GJ/day of non-binding interest from producers, marketers and LDCs for service starting September 2011. Following the first open season, Union executed 10-year firm M12-X transportation service contracts with TransCanada Pipelines (“TransCanada”) and Enbridge Gas Distribution Inc. (“Enbridge”) to convert a total of approximately 328,000 GJ/day of existing M12 service to the new, flexible M12-X service beginning September 2011.

After the close of the first open season, Union received additional inquiries regarding the proposed services and capacity on the path. Consequently, Union re-opened the

non-binding open season in July 2010. Union received over 1,200,000 GJ/day of non-binding interest for transportation service commencing as early as July 2012.

In order to allow Union to receive volumes at Kirkwall, and accommodate the proposed transportation services, Union must make modifications to its existing facilities at Kirkwall to allow for the reversal (and bi-direction flow) of the station. The estimated capital cost of the facility modifications is \$4.7 million and construction is expected to occur in the summer of 2011 in order to meet contracted requirements.

Union has filed written evidence in support of the Application and the Application has been assigned Board File No. EB-2010-0296.

WRITTEN HEARING

The Board intends to proceed in this matter by way of a written hearing unless any party provides a good reason why it should proceed by way of an oral hearing. A list of pre-approved Intervenor is attached as Appendix "A" to this Order and consists of an updated list of all participants in the Union rate hearing EB-2009-0275. Listed parties who do not wish to participate in the current proceeding may so advise the Board.

THE BOARD THEREFORE ORDERS THAT:

1. Union shall immediately serve a copy this Notice of Application, Written Hearing and Procedural Order No. 1, along with a copy of the Application and pre-filed evidence to all intervenors listed in Appendix "A". Union shall provide affidavit evidence of all deliveries to the Board.
2. Intervenor and Board staff who wish information and material from Union in addition to evidence already filed with the Board, and that is relevant to the hearing, shall request it by written interrogatories filed with the Board and delivered to the Company on or before **October 20, 2010**.
3. Union shall file with the Board complete responses to the interrogatories and deliver them to the Intervenor no later than **October 29, 2010**.
4. Union may, if it wishes, file with the Board its argument-in-chief and deliver it to the Intervenor no later than **November 5, 2010**.

5. Argument with respect to all issues shall be filed with the Board by Intervenor and Board Staff on or before **November 12, 2010**, and shall be served simultaneously on Union and other Intervenor.
6. Reply argument of the applicant shall be filed with the Board on or before **November 19, 2010**, and shall be simultaneously served on Intervenor.

All filings to the Board must quote file number **EB-2010-0296**, be made through the Board's web portal at www.errr.oeb.gov.on.ca, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.oeb.gov.on.ca. If the web portal is not available you may email your document to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All parties must also provide the Case Manager, Lawrie Gluck, lawrie.gluck@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, October 05, 2010

ONTARIO ENERGY BOARD

Original Signed By

John Pickernell
Assistant Board Secretary

APPENDIX A

NOTICE OF WRITTEN HEARING AND PROCEDURAL ORDER NO. 1

APPLICANT AND LIST OF INTERVENORS

BOARD FILE No: EB-2010-0296

DATED OCTOBER 05, 2010

UNION GAS LIMITED

EB-2010-0296

APPLICANT & LIST OF INTERVENTIONS

Applicant	Rep. And Address for Service
Union Gas Limited	Karen Hockin Manager, Regulatory Initiatives Union Gas Limited P.O. Box 2001 50 Keil Drive North Chatham ON N7M 5M1 Tel: 519-436-5473 Fax: 519-436-4641 Email: khockin@uniongas.com
Applicant Counsel	Emily A. Kirkpatrick Torys LLP Suite 3000, Maritime Life Tower P.O. Box 270 Toronto Dominion Centre Toronto ON M5K 1N2 Tel: 416-865-7337 Fax: 416-865-7380 Email: ekirkpatrick@torys.com
Intervenors	Rep. And Address for Service
Association of Power Producers of Ontario	David Butters President Association of Power Producers of Ontario 25 Adelaide St. E. Suite 1602 Toronto ON M5C 3A1 Tel: 416-322-6549 ext.231 Fax: 416-481-5785 Email: david.butters@appro.org

**Association of Power
Producers of Ontario**

Richard King
Ogilvy Renault LLP
Suite 3800, P.O. Box 84
Royal Bank Plaza, South Tower
200 Bay Street
Toronto ON M5J 2Z4

Tel: 416-216-2311
Fax: 416-216-3930
Email: rking@ogilvyrenault.com

John Wolnik
Elenchus Research Associates
34 King St. East
Toronto ON M5C 2X8

Tel: 519-474-0844
Fax: 519-474-0844
Email: jwolnik@era-inc.ca

**Canadian Manufacturers &
Exporters**

Paul Clipsham
Director of Policy
Canadian Manufacturers & Exporters
6725 Airport Road, Suite 200
Mississauga ON L4V 1V2

Tel: 905-672-3466 ext. 3236
Fax: 905-672-1764
Email: paul.clipsham@cme-mec.ca

Peter C.P. Thompson, Q.C.
Borden Ladner Gervais LLP
Barristers & Solicitors
100 Queen Street, Suite 1100
Ottawa ON K1P 1J9

Tel: 613-787-3528
Fax: 613-230-8842
Email: pthompson@blgcanada.com

**Canadian Manufacturers &
Exporters**

Vincent J. DeRose.
Borden Ladner Gervais LLP
Barristers & Solicitors
100 Queen Street, Suite 1100
Ottawa ON K1P 1J9

Tel: 613-787-3589
Fax: 613-230-8842
Email: vderose@blgcanada.com

City of Kitchener

James Gruenbauer
Manager, Regulatory Affairs & Supply
The Corporation of the City of Kitchener
City Hall, P.O. Box 1118
200 King St. W., 5th Floor
Kitchener ON N2G 4G7

Tel: 519-741-2616
Fax: 519-741-2633
jim.gruenbauer@kitchener.ca

Alick Ryder
Ryder Wright Blair & Holmes LLP
333 Adelaide St. W., 3rd Floor
Toronto ON M5V 1R5

Tel: 416-340-9070 ext. 227
Fax: 416-340-9250
jaryder@rwbh.ca

Consumers Council of Canada

Julie Girvan
Consultant
Consumers Council of Canada
2 Penrose Road
Toronto ON M4S 1P1

Tel: 416-322-7936
Fax: 416-322-9703
Email: jgirvan@ca.inter.net

Consumers Council of Canada

Robert B. Warren

WeirFoulds LLP
The Exchange Tower
Suite 1600, P.O. Box 480
130 King St. W.
Toronto ON M5X 1J5

Tel: 416-947-5075
Fax: 416-365-1876
Email: rwarren@weirfoulds.com

**Direct Energy Marketing
Limited**

Ric Forster

Director
Government & Regulatory Affairs
Direct Energy Marketing Inc.
2225 Sheppard Ave. E.
Toronto ON M2J 5C2

Tel: 416-718-5942
Fax: 416-758-4272
Email: ric.forster@directenergy.com

ECNG Energy L.P.

Bill Killeen

Director, Energy Supply and Regulatory
ECNG Energy L.P.
5575 North Service Road, Suite 400
Burlington ON L7L 6M1

Tel: 905-635-3288
Fax: 905-635-3298
Email: bkilleen@ecng.com

Enbridge Gas Distribution Inc.

Bonnie Adams

Regulatory Coordinator
Enbridge Gas Distribution Inc.
500 Consumers Road
Willowdale ON M2J 1P8

Tel: 416-495-5499
Fax: 416-753-7336
Email:
EGDRegulatoryProceedings@enbridge.com

Enbridge Gas Distribution Inc.

Norm Ryckman

Director, Regulatory Affairs
Enbridge Gas Distribution Inc.
500 Consumers Road
Willowdale ON M2J 1P8

Tel: 416-495-5499

Fax: 416-495-6072

Email:

EGDRegulatoryProceedings@enbridge.com

Fred D. Cass

Aird & Berlis LLP
Brookfield Place, P.O. Box 754
Suite 1800, 181 Bay Street
Toronto ON M5J 2T9

Tel: 416-865-7742

Fax: 416-863-1515

Email: fcass@airdberlis.com

Energy Probe

David S. MacIntosh

Consultant
Energy Probe
225 Brunswick Ave.
Toronto ON M5S 2M6

Tel: 416-964-9223 ext. 235

Fax: 416-964-8239

Email: DavidMacIntosh@nextcity.com

**Federation of Rental-housing
Providers of Ontario**

Dwayne Quinn

Principal
Dr. Quinn & Associates
160 White Pine Cres.
Waterloo ON N2V 1C1

Tel: 519-500-1022

Email: drquinn@rogers.com

**Industrial Gas Users
Association**

Murray Newton

President
Industrial Gas Users Association
99 Metcalfe Street, Suite 1201
Ottawa ON K1P 1J9

Tel: 613-236-8021
Fax: 613-230-9531
Email: mnewton@igua.ca

Ian Mondrow

Counsel
Macleod Dixon, LLP
Toronto Dominion Centre
500-100 Wellington St. W.
Toronto ON M5K 1H1

Tel: 416-203-4435
Fax: 416-360-8277
Email: ian.mondrow@macleoddixon.com

Just Energy Savings L.P.

Nola Ruzycki

Director, Regulatory Affairs
Just Energy Savings L.P.
6345 Dixie Rd., Suite 200
Mississauga ON L5T 2E6
Tel: 905-795-4204
Fax: 905-564-6069
Email: nruzycki@justenergy.com

**London Property Management
Association**

Randy Aiken

Aiken & Associates
578 McNaughton Ave. West
Chatham ON N7L 4J6

Tel: 519-351-8624
Fax: 519-351-4331
Email: raiken@xcelco.on.ca

Natural Gas Specialist

Jason Stacey

Natural Gas Specialist
471 Lincoln Gate
Oakville ON L6H 3J8

Tel: 905-338-8786
Fax: 905-338-5348
Email: jfstacey@interlog.com

**Ontario Association of
Physical Plant Administrators**

Valerie Young

Director, Research and Analysis
Aegent Energy Advisors Inc.
1 Eva Road, Suite 317
Toronto ON M9C 4Z5

Tel: 416-622-9449 ext. 104
Fax: 416-622-9797
Email: vyoung@aegent.ca

Ontario Power Generation Inc.

Barbara Reuber

Director, Ontario Regulatory Affairs
Ontario Power Generation Inc.
700 University Avenue, H18-G2
Toronto ON M5G 1X6

Tel: 416-592-5419
Fax: 416-592-8519
Email: Barbara.reuber@opg.com

**Portland Energy Centre Inc.
on behalf of Portlands Energy
Centre L.P.**

Jason Rioux

Commercial Manager
Portlands Energy Centre Inc. on behalf of
Portlands Energy Centre L.P.
470 Unwin Ave.
Toronto ON M4M 3B9

Tel: 416-462-8673
Fax: 416-462-1863
Email: Jason@portlandsenergycentre.com

School Energy Coalition

Bob Williams

Coordinator
School Energy Coalition
439 University Avenue, 18th Floor
Toronto ON M5G 1Y8

Tel: 416-340-2540
Fax: 416-340-7571
Email: bwilliams@opsba.org

John De Vellis

Shibley Righton LLP
Barristers and Solicitors
250 University Avenue, Suite 700
Toronto ON M5H 3E5

Tel: 416-214-5232
Fax: 416-214-5432
Email: john.devellis@shibleyrighton.com

**Shell Energy North America
(Canada) Inc. (Shell Energy)**

Paul Kerr

Manager, Market Affairs
Shell Energy North America (Canada) Inc.
60 Struck Court, Suite 100
Cambridge ON N1R 8L2

Tel: 519-620-7712
Fax: 519-624-7712
Email: paul.kerr@shell.com

TransCanada Energy Ltd.

Brian Kelly

Manager
TransCanada Energy Ltd.
55 Yonge St., 8th Floor
Toronto ON M5E 1J4

Tel: 416-869-2183
Fax: 416-869-2114
Email: brian_kelly@transcanada.com

Joel Forrest

Senior Legal Counsel
TransCanada Energy Ltd.
450 – 1st Street S.W.
Calgary AB T2P 5H1

Tel: 403-920-6156

Fax: 403-920-2354

Email: joel_forrest@transcanada.com

**TransCanada Pipelines
Limited**

James Bartlett

Manager, Regulatory Research & Analysis
TransCanada PipeLines Ltd.
450-1st Street S.W.
Calgary AB T2P 5H1

Tel: 403-920-7165

Fax: 403-920-2347

Email: jim_bartlett@transcanada.com

Murray Ross

TransCanada PipeLines Ltd.
55 Yonge Street, 8th Floor
Toronto ON M5E 1J4

Tel: 416-869-2110

Fax: 416-869-2119

Email: murray_ross@transcanada.com

Kevin Thrasher

TransCanada PipeLines Ltd.
450-1st Street S.W.
Calgary AB T2P 5H1

Tel: 403-920-7838

Fax: 403-920-2354

Email: kevin_thrasher@transcanada.com

**Vulnerable Energy Consumers
Coalition**

Michael Buonaguro

Counsel

Public Interest Advocacy Centre

34 King St. E., Suite 1102

Toronto ON M5C 2X8

Tel: 416-767-1666

Fax: 416-348-0641

Email: mbuonaguro@piac.ca

James Wightman

Econalysis Consulting Services Inc.

34 King St. E., Suite 1120

Toronto ON M5C 2X8

Tel : 416-348-0640

Fax : 416-348-0641

jwightman@econalysis.ca