

Important Information About Your Rates

Fort Frances Zone - Rate 201

January 2008



uniongas

A Spectra Energy Company

The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$30.48 per year based on an annual volume of 2,600 m³. The enclosed bill uses the new rates.

Gas Commodity

The gas commodity rate decreased by 2.2559 cents/m³ based on the decrease in Union Gas’ forecast cost to purchase natural gas during the next 12 months. For most customers the decrease will amount to \$58.65 annually depending on how much gas is used. You will see the new rate in the “**Gas Used**” line on your bill.

In addition, an increase in the gas price adjustment of 3.1255 cents/m³ reflects the difference between the projected cost of gas that Union Gas expects to pay and the amount that Union Gas expects to recover through the current gas commodity rate during the next 12 months. For most customers the increase will be about \$81.26 per year depending on the amount of gas used. The new rate appears on the “**Gas Price Adjustment**” line on your bill.

The gas rate is adjusted this way so that you are billed at a rate that more closely reflects the market price of gas and avoids large out-of-period adjustments.

Union Gas does not earn income on the sale of the gas commodity. The price we pay for gas is passed directly to customers with no profit included.

Transportation

The transportation rate increased by 0.0004 cents/m³. You will see the new rate reflected on the “**Transportation to Union Gas**” line on your bill.

The change in the transportation price adjustment is 0.4793 cents/m³. For most customers the change will amount to an increase of \$3.73 per year depending on the amount of natural gas used. You will see the new rate on the “**Transportation Price Adjustment**” line in your bill.

Storage

The change in the storage price adjustment is 0.0029 cents/m³. For most customers the change will amount to an increase of \$0.08 per year depending on the amount of gas used. You will see the new rate reflected on the “**Storage Price Adjustment**” line in your bill.

Delivery

The delivery rate that varies with consumption increased. For most customers the increase will amount to about \$4.06 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Fort Frances Zone - Rate 201

Residential Sales

| Rate Description | | Per Cubic Metre | | | Annual Increase/(Decrease) in the Bill | |
|---|-------------------------------|---------------------------------------|--------------------------------|----------------------------------|--|-----|
| | | Previous Rate (cents/m ³) | Change (cents/m ³) | New Rate (cents/m ³) | | |
| Gas Commodity Rate | | 28.5823 | (2.2559) | 26.3264 | (\$58.65) | |
| Gas Price Adjustment | | (6.2521) | 3.1255 | (3.1266) | \$81.26 | |
| Transportation to Union Gas | | 2.9778 | 0.0004 | 2.9782 | - | |
| Transportation Price Adjustment | | 0.0064 | (0.4793) | (1) (0.4729) | \$3.73 | (1) |
| Storage | | 1.9099 | - | 1.9099 | - | |
| Storage Price Adjustment | | (0.0170) | 0.0029 | (0.0141) | \$0.08 | |
| Delivery | First 100 m ³ | 9.2380 | 0.1615 | 9.3995 | \$4.06 | |
| | Next 200 m ³ | 8.6369 | 0.1537 | 8.7906 | | |
| | Next 200 m ³ | 8.2100 | 0.1482 | 8.3582 | | |
| | Next 500 m ³ | 7.8180 | 0.1431 | 7.9611 | | |
| | All over 1,000 m ³ | 7.4944 | 0.1389 | 7.6333 | | |
| Delivery Price Adjustment (all volumes) | | - | (0.3277) | (2) (0.3277) | - | (2) |
| Monthly Charge | | \$16.00 | - | \$16.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$30.48 | |

(1) The Transportation Price Adjustment decrease of 0.4793 cents/m³ consists of an increase of 0.1429 cents/m³ in the new rate and a temporary credit of 0.6222 cents/m³. The annual bill increase of \$3.73, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$7.57.

(2) The Delivery Price Adjustment decrease of 0.3277 cents/m³ consists of a temporary credit of 0.3277 cents/m³. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$3.99.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Fort Frances Zone - Rate 201 Direct Purchase

January 2008



The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$7.87 per year based on an annual volume of 2,600 m³. The enclosed bill uses the new rates.

Transportation

The transportation rate increased by 0.0004 cents/m³. You will see the new rate reflected on the “**Transportation to Union Gas**” line on your bill.

The change in the transportation price adjustment is 0.4793 cents/m³. For most customers the change will amount to an increase of \$3.73 per year depending on the amount of gas used. You will see the new rate on the “**Transportation Price Adjustment**” line in your bill.

Storage

The change in the storage price adjustment is 0.0029 cents/m³. For most customers the change will amount to an increase of \$0.08 per year depending on the amount of gas used. You will see the new rate reflected on the “**Storage Price Adjustment**” line in your bill.

Delivery

The delivery rate that varies with consumption increased. For most customers the increase will amount to about \$4.06 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Fort Frances Zone - Rate 201 Residential Direct Purchase

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Transportation to Union Gas ** | 2.9778 | 0.0004 | | 2.9782 | - | |
| Transportation Price Adjustment | 0.0064 | (0.4793) | (1) | (0.4729) | \$3.73 | (1) |
| Storage | 1.9099 | - | | 1.9099 | - | |
| Storage Price Adjustment | (0.0170) | 0.0029 | | (0.0141) | \$0.08 | |
| Delivery | | | | | | |
| First 100 m ³ | 9.2380 | 0.1615 | | 9.3995 | \$4.06 | |
| Next 200 m ³ | 8.6369 | 0.1537 | | 8.7906 | | |
| Next 200 m ³ | 8.2100 | 0.1482 | | 8.3582 | | |
| Next 500 m ³ | 7.8180 | 0.1431 | | 7.9611 | | |
| All over 1,000 m ³ | 7.4944 | 0.1389 | | 7.6333 | | |
| Delivery Price Adjustment (all volumes) | - | (0.3277) | (2) | (0.3277) | - | (2) |
| Monthly Charge | \$16.00 | - | | \$16.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$7.87 | |

(1) The Transportation Price Adjustment decrease of 0.4793 cents/m³ consists of an increase of 0.1429 cents/m³ in the new rate and a temporary credit of 0.6222 cents/m³. The annual bill increase of \$3.73, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$7.57.

(2) The Delivery Price Adjustment decrease of 0.3277 cents/m³ consists of a temporary credit of 0.3277 cents/m³. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$3.99.

** Depending on the terms of your retail energy marketer contract, you may or may not be affected by Union Gas' changes to transportation rates.

Please contact your retail energy marketer directly at the phone number that appears on your bill if you have questions.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Northwestern Zone - Rate 101

January 2008



uniongas

A Spectra Energy Company

The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$29.88 per year based on an annual volume of 2,600 m³. The enclosed bill uses the new rates.

Gas Commodity

The gas commodity rate decreased by 2.2795 cents/m³ based on the decrease in Union Gas’ forecast cost to purchase natural gas during the next 12 months. For most customers the decrease will amount to \$59.27 annually depending on how much gas is used. You will see the new rate in the “**Gas Used**” line on your bill.

In addition, an increase in the gas price adjustment of 3.1255 cents/m³ reflects the difference between the projected cost of gas that Union Gas expects to pay and the amount that Union Gas expects to recover through the current gas commodity rate during the next 12 months. For most customers the increase will be about \$81.26 per year depending on the amount of gas used. The new rate appears on the “**Gas Price Adjustment**” line on your bill.

The gas rate is adjusted this way so that you are billed at a rate that more closely reflects the market price of gas and avoids large out-of-period adjustments.

Union Gas does not earn income on the sale of the gas commodity. The price we pay for gas is passed directly to customers with no profit included.

Transportation

The transportation rate increased by 0.0005 cents/m³. For most customers the increase will amount to \$0.02 per year depending on the amount of gas used. You will see the new rate reflected on the “**Transportation to Union Gas**” line on your bill.

The change in the transportation price adjustment is 0.4793 cents/m³. For most customers the change will amount to an increase of \$3.73 per year depending on the amount of gas used. You will see the new rate on the “**Transportation Price Adjustment**” line in your bill.

Storage

The change in the storage price adjustment is 0.0029 cents/m³. For most customers the change will amount to an increase of \$0.08 per year depending on the amount of gas used. You will see the new rate reflected on the “**Storage Price Adjustment**” line in your bill.

Delivery

The delivery rate that varies with consumption increased. For most customers the increase will amount to about \$4.06 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Northwestern Zone - Rate 101

Residential Sales

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Gas Commodity Rate | 28.8494 | (2.2795) | | 26.5699 | (\$59.27) | |
| Gas Price Adjustment | (6.2521) | 3.1255 | | (3.1266) | \$81.26 | |
| Transportation to Union Gas | 3.0018 | 0.0005 | | 3.0023 | \$0.02 | |
| Transportation Price Adjustment | 0.0064 | (0.4793) | (1) | (0.4729) | \$3.73 | (1) |
| Storage | 1.9075 | - | | 1.9075 | - | |
| Storage Price Adjustment | (0.0170) | 0.0029 | | (0.0141) | \$0.08 | |
| Delivery | | | | | | |
| First 100 m ³ | 9.2380 | 0.1615 | | 9.3995 | \$4.06 | |
| Next 200 m ³ | 8.6369 | 0.1537 | | 8.7906 | | |
| Next 200 m ³ | 8.2100 | 0.1482 | | 8.3582 | | |
| Next 500 m ³ | 7.8180 | 0.1431 | | 7.9611 | | |
| All over 1,000 m ³ | 7.4944 | 0.1389 | | 7.6333 | | |
| Delivery Price Adjustment (all volumes) | - | (0.3277) | (2) | (0.3277) | - | (2) |
| Monthly Charge | \$16.00 | - | | \$16.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$29.88 | |

(1) The Transportation Price Adjustment decrease of 0.4793 cents/m³ consists of an increase of 0.1429 cents/m³ in the new rate and a temporary credit of 0.6222 cents/m³. The annual bill increase of \$3.73, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$7.57.

(2) The Delivery Price Adjustment decrease of 0.3277 cents/m³ consists of a temporary credit of 0.3277 cents/m³. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$3.99.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Northwestern Zone - Rate 101 Direct Purchase

January 2008



The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$7.89 per year based on an annual volume of 2,600 m³. The enclosed bill uses the new rates.

Transportation

The transportation rate increased by 0.0005 cents/m³. For most customers the increase will amount to \$0.02 per year depending on the amount of gas used. You will see the new rate reflected on the “**Transportation to Union Gas**” line on your bill.

The change in the transportation price adjustment is 0.4793 cents/m³. For most customers the change will amount to an increase of \$3.73 per year depending on the amount of gas used. You will see the new rate on the “**Transportation Price Adjustment**” line in your bill.

Storage

The change in the storage price adjustment is 0.0029 cents/m³. For most customers the change will amount to an increase of \$0.08 per year depending on the amount of gas used. You will see the new rate reflected on the “**Storage Price Adjustment**” line in your bill.

Delivery

The delivery rate that varies with consumption increased. For most customers the increase will amount to about \$4.06 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Northwestern Zone - Rate 101 Residential Direct Purchase

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Transportation to Union Gas ** | 3.0018 | 0.0005 | | 3.0023 | \$0.02 | |
| Transportation Price Adjustment | 0.0064 | (0.4793) | (1) | (0.4729) | \$3.73 | (1) |
| Storage | 1.9075 | - | | 1.9075 | - | |
| Storage Price Adjustment | (0.0170) | 0.0029 | | (0.0141) | \$0.08 | |
| Delivery | | | | | | |
| First 100 m ³ | 9.2380 | 0.1615 | | 9.3995 | \$4.06 | |
| Next 200 m ³ | 8.6369 | 0.1537 | | 8.7906 | | |
| Next 200 m ³ | 8.2100 | 0.1482 | | 8.3582 | | |
| Next 500 m ³ | 7.8180 | 0.1431 | | 7.9611 | | |
| All over 1,000 m ³ | 7.4944 | 0.1389 | | 7.6333 | | |
| Delivery Price Adjustment (all volumes) | - | (0.3277) | (2) | (0.3277) | - | (2) |
| Monthly Charge | \$16.00 | - | | \$16.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$7.89 | |

(1) The Transportation Price Adjustment decrease of 0.4793 cents/m³ consists of an increase of 0.1429 cents/m³ in the new rate and a temporary credit of 0.6222 cents/m³. The annual bill increase of \$3.73, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$7.57.

(2) The Delivery Price Adjustment decrease of 0.3277 cents/m³ consists of a temporary credit of 0.3277 cents/m³. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$3.99.

** Depending on the terms of your retail energy marketer contract, you may or may not be affected by Union Gas' changes to transportation rates.

Please contact your retail energy marketer directly at the phone number that appears on your bill if you have questions.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Northern Zone - Rate 301

January 2008



uniongas

A Spectra Energy Company

The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$29.12 per year based on an annual volume of 2,600 m³. The enclosed bill uses the new rates.

Gas Commodity

The gas commodity rate decreased by 2.3098 cents/m³ based on the decrease in Union Gas’ forecast cost to purchase natural gas during the next 12 months. For most customers the decrease will amount to \$60.03 annually depending on how much gas is used. You will see the new rate in the “**Gas Used**” line on your bill.

In addition, an increase in the gas price adjustment of 3.1255 cents/m³ reflects the difference between the projected cost of gas that Union Gas expects to pay and the amount that Union Gas expects to recover through the current gas commodity rate during the next 12 months. For most customers the increase will be about \$81.27 per year depending on the amount of gas used. The new rate appears on the “**Gas Price Adjustment**” line on your bill.

The gas rate is adjusted this way so that you are billed at a rate that more closely reflects the market price of gas and avoids large out-of-period adjustments.

Union Gas does not earn income on the sale of the gas commodity. The price we pay for gas is passed directly to customers with no profit included.

Transportation

The transportation rate increased by 0.0005 cents/m³. For most customers the increase will amount to \$0.02 per year depending on the amount of gas used. You will see the new rate reflected on the “**Transportation to Union Gas**” line on your bill.

The change in the transportation price adjustment is 0.4793 cents/m³. For most customers the change will amount to an increase of \$3.72 per year depending on the amount of gas used. You will see the new rate on the “**Transportation Price Adjustment**” line in your bill.

Storage

The change in the storage price adjustment is 0.0029 cents/m³. For most customers the change will amount to an increase of \$0.09 per year depending on the amount of gas used. You will see the new rate reflected on the “**Storage Price Adjustment**” line in your bill.

Delivery

The delivery rate that varies with consumption increased. For most customers the increase will amount to about \$4.05 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Northern Zone - Rate 301

Residential Sales

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Gas Commodity Rate | 29.2137 | (2.3098) | | 26.9039 | (\$60.03) | |
| Gas Price Adjustment | (6.2521) | 3.1255 | | (3.1266) | \$81.27 | |
| Transportation to Union Gas | 3.6137 | 0.0005 | | 3.6142 | \$0.02 | |
| Transportation Price Adjustment | 0.0064 | (0.4793) | (1) | (0.4729) | \$3.72 | (1) |
| Storage | 2.2951 | - | | 2.2951 | - | |
| Storage Price Adjustment | (0.0170) | 0.0029 | | (0.0141) | \$0.09 | |
| Delivery | | | | | | |
| First 100 m ³ | 9.2380 | 0.1615 | | 9.3995 | | |
| Next 200 m ³ | 8.6369 | 0.1537 | | 8.7906 | | |
| Next 200 m ³ | 8.2100 | 0.1482 | | 8.3582 | \$4.05 | |
| Next 500 m ³ | 7.8180 | 0.1431 | | 7.9611 | | |
| All over 1,000 m ³ | 7.4944 | 0.1389 | | 7.6333 | | |
| Delivery Price Adjustment (all volumes) | - | (0.3277) | (2) | (0.3277) | - | (2) |
| Monthly Charge | \$16.00 | - | | \$16.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$29.12 | |

(1) The Transportation Price Adjustment decrease of 0.4793 cents/m³ consists of an increase of 0.1429 cents/m³ in the new rate and a temporary credit of 0.6222 cents/m³. The annual bill increase of \$3.72, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$7.57.

(2) The Delivery Price Adjustment decrease of 0.3277 cents/m³ consists of a temporary credit of 0.3277 cents/m³. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$3.99.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Northern Zone - Rate 301 Direct Purchase

January 2008



The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$7.88 per year based on an annual volume of 2,600 m³. The enclosed bill uses the new rates.

Transportation

The transportation rate increased by 0.0005 cents/m³. For most customers the increase will amount to \$0.02 per year depending on the amount of gas used. You will see the new rate reflected on the “**Transportation to Union Gas**” line on your bill.

The change in the transportation price adjustment is 0.4793 cents/m³. For most customers the change will amount to an increase of \$3.72 per year depending on the amount of gas used. You will see the new rate on the “**Transportation Price Adjustment**” line in your bill.

Storage

The change in the storage price adjustment is 0.0029 cents/m³. For most customers, the change in the storage price adjustment will amount to an increase of \$0.09 per year depending on the amount of natural gas used. You will see the new rate reflected on the “**Storage Price Adjustment**” line in your bill.

Delivery

The delivery rate that varies with consumption increased. For most customers the increase will amount to about \$4.05 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Northern Zone - Rate 301 Residential Direct Purchase

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Transportation to Union Gas ** | 3.6137 | 0.0005 | | 3.6142 | \$0.02 | |
| Transportation Price Adjustment | 0.0064 | (0.4793) | (1) | (0.4729) | \$3.72 | (1) |
| Storage | 2.2951 | - | | 2.2951 | - | |
| Storage Price Adjustment | (0.0170) | 0.0029 | | (0.0141) | \$0.09 | |
| Delivery | | | | | | |
| First 100 m ³ | 9.2380 | 0.1615 | | 9.3995 | \$4.05 | |
| Next 200 m ³ | 8.6369 | 0.1537 | | 8.7906 | | |
| Next 200 m ³ | 8.2100 | 0.1482 | | 8.3582 | | |
| Next 500 m ³ | 7.8180 | 0.1431 | | 7.9611 | | |
| All over 1,000 m ³ | 7.4944 | 0.1389 | | 7.6333 | | |
| Delivery Price Adjustment (all volumes) | - | (0.3277) | (2) | (0.3277) | - | (2) |
| Monthly Charge | \$16.00 | - | | \$16.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$7.88 | |

(1) The Transportation Price Adjustment decrease of 0.4793 cents/m³ consists of an increase of 0.1429 cents/m³ in the new rate and a temporary credit of 0.6222 cents/m³. The annual bill increase of \$3.72, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$7.57.

(2) The Delivery Price Adjustment decrease of 0.3277 cents/m³ consists of a temporary credit of 0.3277 cents/m³. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$3.99.

** Depending on the terms of your retail energy marketer contract, you may or may not be affected by Union Gas' changes to transportation rates.

Please contact your retail energy marketer directly at the phone number that appears on your bill if you have questions.

Please visit uniongas.com or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Eastern Zone - Rate 601

January 2008



uniongas

A Spectra Energy Company

The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$28.51 per year based on an annual volume of 2,600 m³. The enclosed bill uses the new rates.

Gas Commodity

The gas commodity rate decreased by 2.3315 cents/m³ based on the decrease in Union Gas’ forecast cost to purchase natural gas during the next 12 months. For most customers the decrease will amount to \$60.61 annually depending on how much gas is used. You will see the new rate in the “**Gas Used**” line on your bill.

In addition, an increase in the gas price adjustment of 3.1255 cents/m³ reflects the difference between the projected cost of gas that Union Gas expects to pay and the amount that Union Gas expects to recover through the current gas commodity rate during the next 12 months. For most customers the increase will be about \$81.29 per year depending on the amount of gas used. The new rate appears on the “**Gas Price Adjustment**” line on your bill.

The gas rate is adjusted this way so that you are billed at a rate that more closely reflects the market price of gas and avoids large out-of-period adjustments.

Union Gas does not earn income on the sale of the gas commodity. The price we pay for gas is passed directly to customers with no profit included.

Transportation

The transportation rate increased by 0.0007 cents/m³. For most customers the increase will amount to \$0.02 per year depending on the amount of gas used. You will see the new rate reflected on the “**Transportation to Union Gas**” line on your bill.

The change in the transportation price adjustment is 0.4793 cents/m³. For most customers the change will amount to an increase of \$3.71 per year depending on the amount of gas used. You will see the new rate on the “**Transportation Price Adjustment**” line in your bill.

Storage

The change in the storage price adjustment is 0.0029 cents/m³. For most customers the change will amount to an increase of \$0.05 per year depending on the amount of gas used. You will see the new rate reflected on the “**Storage Price Adjustment**” line in your bill.

Delivery

The delivery rate that varies with consumption increased. For most customers the increase will amount to about \$4.05 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Eastern Zone - Rate 601
Residential Sales

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Gas Commodity Rate | 29.5223 | (2.3315) | | 27.1908 | (\$60.61) | |
| Gas Price Adjustment | (6.2521) | 3.1255 | | (3.1266) | \$81.29 | |
| Transportation to Union Gas | 4.1393 | 0.0007 | | 4.1400 | \$0.02 | |
| Transportation Price Adjustment | 0.0064 | (0.4793) | (1) | (0.4729) | \$3.71 | (1) |
| Storage | 2.6079 | - | | 2.6079 | - | |
| Storage Price Adjustment | (0.0170) | 0.0029 | | (0.0141) | \$0.05 | |
| Delivery | | | | | | |
| First 100 m ³ | 9.2380 | 0.1615 | | 9.3995 | \$4.05 | |
| Next 200 m ³ | 8.6369 | 0.1537 | | 8.7906 | | |
| Next 200 m ³ | 8.2100 | 0.1482 | | 8.3582 | | |
| Next 500 m ³ | 7.8180 | 0.1431 | | 7.9611 | | |
| All over 1,000 m ³ | 7.4944 | 0.1389 | | 7.6333 | | |
| Delivery Price Adjustment (all volumes) | - | (0.3277) | (2) | (0.3277) | - | (2) |
| Monthly Charge | \$16.00 | - | | \$16.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$28.51 | |

(1) The Transportation Price Adjustment decrease of 0.4793 cents/m³ consists of an increase of 0.1429 cents/m³ in the new rate and a temporary credit of 0.6222 cents/m³. The annual bill increase of \$3.71, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$7.57.

(2) The Delivery Price Adjustment decrease of 0.3277 cents/m³ consists of a temporary credit of 0.3277 cents/m³. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$3.99.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Eastern Zone - Rate 601 Direct Purchase

January 2008



The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$7.83 per year based on an annual volume of 2,600 m³. The enclosed bill uses the new rates.

Transportation

The transportation rate increased by 0.0007 cents/m³. For most customers the increase will amount to \$0.02 per year depending on the amount of gas used. You will see the new rate reflected on the “**Transportation to Union Gas**” line on your bill.

The change in the transportation price adjustment is 0.4793 cents/m³. For most customers the change will amount to an increase of \$3.71 per year depending on the amount of gas used. You will see the new rate on the “**Transportation Price Adjustment**” line in your bill.

Storage

The change in the storage price adjustment is 0.0029 cents/m³. For most customers the change will amount to an increase of \$0.05 per year depending on the amount of gas used. You will see the new rate reflected on the “**Storage Price Adjustment**” line in your bill.

Delivery

The delivery rate that varies with consumption increased. For most customers the increase will amount to about \$4.05 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Eastern Zone - Rate 601
Residential Direct Purchase

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Transportation to Union Gas ** | 4.1393 | 0.0007 | | 4.1400 | \$0.02 | |
| Transportation Price Adjustment | 0.0064 | (0.4793) | (1) | (0.4729) | \$3.71 | (1) |
| Storage | 2.6079 | - | | 2.6079 | - | |
| Storage Price Adjustment | (0.0170) | 0.0029 | | (0.0141) | \$0.05 | |
| Delivery | | | | | | |
| First 100 m ³ | 9.2380 | 0.1615 | | 9.3995 | \$4.05 | |
| Next 200 m ³ | 8.6369 | 0.1537 | | 8.7906 | | |
| Next 200 m ³ | 8.2100 | 0.1482 | | 8.3582 | | |
| Next 500 m ³ | 7.8180 | 0.1431 | | 7.9611 | | |
| All over 1,000 m ³ | 7.4944 | 0.1389 | | 7.6333 | | |
| Delivery Price Adjustment (all volumes) | - | (0.3277) | (2) | (0.3277) | - | (2) |
| Monthly Charge | \$16.00 | - | | \$16.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$7.83 | |

(1) The Transportation Price Adjustment decrease of 0.4793 cents/m³ consists of an increase of 0.1429 cents/m³ in the new rate and a temporary credit of 0.6222 cents/m³. The annual bill increase of \$3.71, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$7.57.

(2) The Delivery Price Adjustment decrease of 0.3277 cents/m³ consists of a temporary credit of 0.3277 cents/m³. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$3.99.

** Depending on the terms of your retail energy marketer contract, you may or may not be affected by Union Gas' changes to transportation rates.

Please contact your retail energy marketer directly at the phone number that appears on your bill if you have questions.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Fort Frances Zone - Rate 210

January 2008



uniongas

A Spectra Energy Company

The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$1,021.07 per year based on an annual volume of 93,000 m³. The enclosed bill uses the new rates.

Gas Commodity

The gas commodity rate decreased by 2.2559 cents/m³ based on the decrease in Union Gas’ forecast cost to purchase natural gas during the next 12 months. For most customers the decrease will amount to \$2,097.99 per year depending on how much gas is used. You will see the new rate in the “**Gas Used**” line on your bill.

In addition, the increase in the gas price adjustment is 3.1255 cents/m³. This change reflects the difference between the projected cost of gas that Union Gas expects to pay and the amount that Union Gas expects to recover through the current gas commodity rate during the next 12 months. For most customers the increase will be about \$2,906.73 per year depending on the amount of gas used. The new rate appears on the “**Gas Price Adjustment**” line on your bill.

The gas rate is adjusted this way so that you are billed at a rate that more closely reflects the market price of gas and avoids large out-of-period adjustments.

Union Gas does not earn income on the sale of the gas commodity. The price we pay for gas is passed directly to customers with no profit included.

Transportation

There is a decrease in the transportation price adjustment of 0.5168 cents/m³. For most customers the annual increase in the new rate, excluding the temporary credit, will be approximately \$131.31 depending on your gas use. Look for the new rate in the “**Transportation Price Adjustment**” line on your bill.

Storage

The increase in the storage price adjustment is 0.0043 cents/m³. For most customers the increase is about \$3.97 per year depending on the amount of gas used. Your bill shows the new rate on the “**Storage Price Adjustment**” line on your bill.

Delivery

The delivery charge that varies with consumption changed. For most customers the increase will amount to about \$77.05 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Fort Frances Zone - Rate 210

Sales

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Gas Commodity Rate | 28.5823 | (2.2559) | | 26.3264 | (\$2,097.99) | |
| Gas Price Adjustment | (6.2521) | 3.1255 | | (3.1266) | \$2,906.73 | |
| Transportation to Union Gas | 2.7311 | - | | 2.7311 | - | |
| Transportation Price Adjustment | 0.0143 | (0.5168) | (1) | (0.5025) | \$131.31 | (1) |
| Storage | 1.2255 | - | | 1.2255 | - | |
| Storage Price Adjustment | (0.0193) | 0.0043 | | (0.0150) | \$3.97 | |
| Delivery to You | | | | | | |
| First 1,000 m ³ | 7.3562 | 0.1024 | | 7.4586 | \$77.05 | |
| Next 9,000 m ³ | 5.8543 | 0.0817 | | 5.9360 | | |
| Next 20,000 m ³ | 4.9979 | 0.0699 | | 5.0678 | | |
| Next 70,000 m ³ | 4.4495 | 0.0623 | | 4.5118 | | |
| All over 100,000 m ³ | 2.3725 | 0.0337 | | 2.4062 | | |
| Delivery Price Adjustment (all volumes) | - | 0.0563 | (2) | 0.0563 | - | (2) |
| Monthly Charge | \$70.00 | - | | \$70.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$1,021.07 | |

(1) The Transportation Price Adjustment decrease of 0.5168 cents/m³ consists of an increase of 0.1412 cents/m³ in the new rate and a temporary credit of 0.6580 cents/m³. The annual bill increase of \$131.31, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$247.53.

(2) The Delivery Price Adjustment increase of 0.0563 cents/m³ consists of a temporary charge of 0.0563 cents/m³. The temporary charge, for the period January 1 to March 31, 2008, will amount to an increase of \$21.18.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Fort Frances Zone - Rate 210 Direct Purchase

January 2008



The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$212.33 per year based on an annual volume of 93,000 m³. The enclosed bill uses the new rates.

Transportation

There is a decrease in the transportation price adjustment of 0.5168 cents/m³. For most customers the annual increase in the new rate, excluding the temporary credit, will be approximately \$131.31 depending on your gas use. Look for the new rate in the “**Transportation Price Adjustment**” line on your bill.

Storage

The increase in the storage price adjustment is 0.0043 cents/m³. For most customers the increase is about \$3.97 per year depending on the amount of gas used. Your bill shows the new rate on the “**Storage Price Adjustment**” line on your bill.

Delivery

The delivery charge that varies with consumption changed. For most customers the increase will amount to about \$77.05 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Fort Frances Zone - Rate 210
Direct Purchase

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|--------------------------|-------------------|-----|---------------------|--|-----|
| | Previous Rate (cents/m³) | Change (cents/m³) | | New Rate (cents/m³) | | |
| Transportation to Union Gas ** | 2.7311 | - | | 2.7311 | - | |
| Transportation Price Adjustment | 0.0143 | (0.5168) | (1) | (0.5025) | \$131.31 | (1) |
| Storage | 1.2255 | - | | 1.2255 | - | |
| Storage Price Adjustment | (0.0193) | 0.0043 | | (0.0150) | \$3.97 | |
| Delivery to You | | | | | | |
| First 1,000 m³ | 7.3562 | 0.1024 | | 7.4586 | | |
| Next 9,000 m³ | 5.8543 | 0.0817 | | 5.9360 | | |
| Next 20,000 m³ | 4.9979 | 0.0699 | | 5.0678 | \$77.05 | |
| Next 70,000 m³ | 4.4495 | 0.0623 | | 4.5118 | | |
| All over 100,000 m³ | 2.3725 | 0.0337 | | 2.4062 | | |
| Delivery Price Adjustment (all volumes) | - | 0.0563 | (2) | 0.0563 | - | (2) |
| Monthly Charge | \$70.00 | - | | \$70.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$212.33 | |

(1) The Transportation Price Adjustment decrease of 0.5168 cents/m³ consists of an increase of 0.1412 cents/m³ in the new rate and a temporary credit of 0.6580 cents/m³. The annual bill increase of \$131.31, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$247.53.

(2) The Delivery Price Adjustment increase of 0.0563 cents/m³ consists of a temporary charge of 0.0563 cents/m³. The temporary charge, for the period January 1 to March 31, 2008, will amount to an increase of \$21.18.

** Depending on the terms of your retail energy marketer contract, you may or may not be affected by Union Gas' changes to transportation rates.

Please contact your retail energy marketer directly at the phone number that appears on your bill if you have questions.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Northwestern Zone - Rate 110

January 2008



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A Spectra Energy Company

The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$999.12 per year based on an annual volume of 93,000 m³. The enclosed bill uses the new rates.

Gas Commodity

The gas commodity rate decreased by 2.2795 cents/m³ based on the decrease in Union Gas’ forecast cost to purchase natural gas during the next 12 months. For most customers the decrease will amount to \$2,119.94 per year depending on how much gas is used. You will see the new rate in the “**Gas Used**” line on your bill.

In addition, the increase in the gas price adjustment is 3.1255 cents/m³. This change reflects the difference between the projected cost of gas that Union Gas expects to pay and the amount that Union Gas expects to recover through the current gas commodity rate during the next 12 months. For most customers the increase will be about \$2,906.73 per year depending on the amount of gas used. The new rate appears on the “**Gas Price Adjustment**” line on your bill.

The gas rate is adjusted this way so that you are billed at a rate that more closely reflects the market price of gas and avoids large out-of-period adjustments.

Union Gas does not earn income on the sale of the gas commodity. The price we pay for gas is passed directly to customers with no profit included.

Transportation

There is a decrease in the transportation price adjustment of 0.5168 cents/m³. For most customers the annual increase in the new rate, excluding the temporary credit, will be approximately \$131.31 depending on your gas use. Look for the new rate in the “**Transportation Price Adjustment**” line on your bill.

Storage

The increase in the storage price adjustment is 0.0043 cents/m³. For most customers the increase is about \$3.97 per year depending on the amount of gas used. Your bill shows the new rate on the “**Storage Price Adjustment**” line on your bill.

Delivery

The delivery charge that varies with consumption changed. For most customers the increase will amount to about \$77.05 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Northwestern Zone - Rate 110

Sales

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Gas Commodity Rate | 28.8494 | (2.2795) | | 26.5699 | (\$2,119.94) | |
| Gas Price Adjustment | (6.2521) | 3.1255 | | (3.1266) | \$2,906.73 | |
| Transportation to Union Gas | 2.7552 | - | | 2.7552 | - | |
| Transportation Price Adjustment | 0.0143 | (0.5168) | (1) | (0.5025) | \$131.31 | (1) |
| Storage | 1.2231 | - | | 1.2231 | - | |
| Storage Price Adjustment | (0.0193) | 0.0043 | | (0.0150) | \$3.97 | |
| Delivery to You | | | | | | |
| First 1,000 m ³ | 7.3562 | 0.1024 | | 7.4586 | \$77.05 | |
| Next 9,000 m ³ | 5.8543 | 0.0817 | | 5.9360 | | |
| Next 20,000 m ³ | 4.9979 | 0.0699 | | 5.0678 | | |
| Next 70,000 m ³ | 4.4495 | 0.0623 | | 4.5118 | | |
| All over 100,000 m ³ | 2.3725 | 0.0337 | | 2.4062 | | |
| Delivery Price Adjustment (all volumes) | - | 0.0563 | (2) | 0.0563 | - | (2) |
| Monthly Charge | \$70.00 | - | | \$70.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$999.12 | |

(1) The Transportation Price Adjustment decrease of 0.5168 cents/m³ consists of an increase of 0.1412 cents/m³ in the new rate and a temporary credit of 0.6580 cents/m³. The annual bill increase of \$131.31, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$247.53.

(2) The Delivery Price Adjustment increase of 0.0563 cents/m³ consists of a temporary charge of 0.0563 cents/m³. The temporary charge, for the period January 1 to March 31, 2008, will amount to an increase of \$21.18.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Northwestern Zone - Rate 110 Direct Purchase

January 2008



The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$212.33 per year based on an annual volume of 93,000 m³. The enclosed bill uses the new rates.

Transportation

There is a decrease in the transportation price adjustment of 0.5168 cents/m³. For most customers the annual increase in the new rate, excluding the temporary credit, will be approximately \$131.31 depending on your gas use. Look for the new rate in the “**Transportation Price Adjustment**” line on your bill.

Storage

The increase in the storage price adjustment is 0.0043 cents/m³. For most customers the increase is about \$3.97 per year depending on the amount of gas used. Your bill shows the new rate on the “**Storage Price Adjustment**” line on your bill.

Delivery

The delivery charge that varies with consumption changed. For most customers the increase will amount to about \$77.05 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Northwestern Zone - Rate 110
Direct Purchase

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Transportation to Union Gas ** | 2.7552 | - | | 2.7552 | - | |
| Transportation Price Adjustment | 0.0143 | (0.5168) | (1) | (0.5025) | \$131.31 | (1) |
| Storage | 1.2231 | - | | 1.2231 | - | |
| Storage Price Adjustment | (0.0193) | 0.0043 | | (0.0150) | \$3.97 | |
| Delivery to You | | | | | | |
| First 1,000 m ³ | 7.3562 | 0.1024 | | 7.4586 | \$77.05 | |
| Next 9,000 m ³ | 5.8543 | 0.0817 | | 5.9360 | | |
| Next 20,000 m ³ | 4.9979 | 0.0699 | | 5.0678 | | |
| Next 70,000 m ³ | 4.4495 | 0.0623 | | 4.5118 | | |
| All over 100,000 m ³ | 2.3725 | 0.0337 | | 2.4062 | | |
| Delivery Price Adjustment (all volumes) | - | 0.0563 | (2) | 0.0563 | - | (2) |
| Monthly Charge | \$70.00 | - | | \$70.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$212.33 | |

(1) The Transportation Price Adjustment decrease of 0.5168 cents/m³ consists of an increase of 0.1412 cents/m³ in the new rate and a temporary credit of 0.6580 cents/m³. The annual bill increase of \$131.31, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$247.53.

(2) The Delivery Price Adjustment increase of 0.0563 cents/m³ consists of a temporary charge of 0.0563 cents/m³. The temporary charge, for the period January 1 to March 31, 2008, will amount to an increase of \$21.18.

** Depending on the terms of your retail energy marketer contract, you may or may not be affected by Union Gas' changes to transportation rates.

Please contact your retail energy marketer directly at the phone number that appears on your bill if you have questions.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Northern Zone - Rate 310

January 2008



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A Spectra Energy Company

The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$970.94 per year based on an annual volume of 93,000 m³. The enclosed bill uses the new rates.

Gas Commodity

The gas commodity rate decreased by 2.3098 cents/m³ based on the decrease in Union Gas’ forecast cost to purchase natural gas during the next 12 months. For most customers the decrease will amount to \$2,148.09 per year depending on how much gas is used. You will see the new rate in the “**Gas Used**” line on your bill.

In addition, the increase in the gas price adjustment is 3.1255 cents/m³. This change reflects the difference between the projected cost of gas that Union Gas expects to pay and the amount that Union Gas expects to recover through the current gas commodity rate during the next 12 months. For most customers the increase will be about \$2,906.71 per year depending on the amount of gas used. The new rate appears on the “**Gas Price Adjustment**” line on your bill.

The gas rate is adjusted this way so that you are billed at a rate that more closely reflects the market price of gas and avoids large out-of-period adjustments.

Union Gas does not earn income on the sale of the gas commodity. The price we pay for gas is passed directly to customers with no profit included.

Transportation

There is a decrease in the transportation price adjustment of 0.5168 cents/m³. For most customers the annual increase in the new rate, excluding the temporary credit, will be approximately \$131.32 depending on your gas use. Look for the new rate in the “**Transportation Price Adjustment**” line on your bill.

Storage

The increase in the storage price adjustment is 0.0043 cents/m³. For most customers the increase is about \$4.01 per year depending on the amount of gas used. Your bill shows the new rate on the “**Storage Price Adjustment**” line on your bill.

Delivery

The delivery charge that varies with consumption changed. For most customers the increase will amount to about \$76.99 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Northern Zone - Rate 310

Sales

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Gas Commodity Rate | 29.2137 | (2.3098) | | 26.9039 | (\$2,148.09) | |
| Gas Price Adjustment | (6.2521) | 3.1255 | | (3.1266) | \$2,906.71 | |
| Transportation to Union Gas | 3.3670 | - | | 3.3670 | - | |
| Transportation Price Adjustment | 0.0143 | (0.5168) | (1) | (0.5025) | \$131.32 | (1) |
| Storage | 1.6107 | - | | 1.6107 | - | |
| Storage Price Adjustment | (0.0193) | 0.0043 | | (0.0150) | \$4.01 | |
| Delivery to You | | | | | | |
| First 1,000 m ³ | 7.3562 | 0.1024 | | 7.4586 | \$76.99 | |
| Next 9,000 m ³ | 5.8543 | 0.0817 | | 5.9360 | | |
| Next 20,000 m ³ | 4.9979 | 0.0699 | | 5.0678 | | |
| Next 70,000 m ³ | 4.4495 | 0.0623 | | 4.5118 | | |
| All over 100,000 m ³ | 2.3725 | 0.0337 | | 2.4062 | | |
| Delivery Price Adjustment (all volumes) | - | 0.0563 | (2) | 0.0563 | - | (2) |
| Monthly Charge | \$70.00 | - | | \$70.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$970.94 | |

(1) The Transportation Price Adjustment decrease of 0.5168 cents/m³ consists of an increase of 0.1412 cents/m³ in the new rate and a temporary credit of 0.6580 cents/m³. The annual bill increase of \$131.32, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$247.53.

(2) The Delivery Price Adjustment increase of 0.0563 cents/m³ consists of a temporary charge of 0.0563 cents/m³. The temporary charge, for the period January 1 to March 31, 2008, will amount to an increase of \$21.18.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Northern Zone - Rate 310 Direct Purchase

January 2008



The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$212.32 per year based on an annual volume of 93,000 m³. The enclosed bill uses the new rates.

Transportation

There is a decrease in the transportation price adjustment of 0.5168 cents/m³. For most customers the annual increase in the new rate, excluding the temporary credit, will be approximately \$131.32 depending on your gas use. Look for the new rate in the “**Transportation Price Adjustment**” line on your bill.

Storage

The increase in the storage price adjustment is 0.0043 cents/m³. For most customers the increase is about \$4.01 per year depending on the amount of gas used. Your bill shows the new rate on the “**Storage Price Adjustment**” line on your bill.

Delivery

The delivery charge that varies with consumption changed. For most customers the increase will amount to about \$76.99 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Northern Zone - Rate 310
Direct Purchase

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Transportation to Union Gas ** | 3.3670 | - | | 3.3670 | - | |
| Transportation Price Adjustment | 0.0143 | (0.5168) | (1) | (0.5025) | \$131.32 | (1) |
| Storage | 1.6107 | - | | 1.6107 | - | |
| Storage Price Adjustment | (0.0193) | 0.0043 | | (0.0150) | \$4.01 | |
| Delivery to You | | | | | | |
| First 1,000 m ³ | 7.3562 | 0.1024 | | 7.4586 | | |
| Next 9,000 m ³ | 5.8543 | 0.0817 | | 5.9360 | | |
| Next 20,000 m ³ | 4.9979 | 0.0699 | | 5.0678 | \$76.99 | |
| Next 70,000 m ³ | 4.4495 | 0.0623 | | 4.5118 | | |
| All over 100,000 m ³ | 2.3725 | 0.0337 | | 2.4062 | | |
| Delivery Price Adjustment (all volumes) | - | 0.0563 | (2) | 0.0563 | - | (2) |
| Monthly Charge | \$70.00 | - | | \$70.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$212.32 | |

(1) The Transportation Price Adjustment decrease of 0.5168 cents/m³ consists of an increase of 0.1412 cents/m³ in the new rate and a temporary credit of 0.6580 cents/m³. The annual bill increase of \$131.32, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$247.53.

(2) The Delivery Price Adjustment increase of 0.0563 cents/m³ consists of a temporary charge of 0.0563 cents/m³. The temporary charge, for the period January 1 to March 31, 2008, will amount to an increase of \$21.18.

** Depending on the terms of your retail energy marketer contract, you may or may not be affected by Union Gas' changes to transportation rates.

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Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Eastern Zone - Rate 610

January 2008



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A Spectra Energy Company

The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$950.96 per year based on an annual volume of 93,000 m³. The enclosed bill uses the new rates.

Gas Commodity

The gas commodity rate decreased by 2.3315 cents/m³ based on the decrease in Union Gas’ forecast cost to purchase natural gas during the next 12 months. For most customers the decrease will amount to \$2,168.28 per year depending on how much gas is used. You will see the new rate in the “**Gas Used**” line on your bill.

In addition, the increase in the gas price adjustment is 3.1255 cents/m³. This change reflects the difference between the projected cost of gas that Union Gas expects to pay and the amount that Union Gas expects to recover through the current gas commodity rate during the next 12 months. For most customers the increase will be about \$2,906.73 per year depending on the amount of gas used. The new rate appears on the “**Gas Price Adjustment**” line on your bill.

The gas rate is adjusted this way so that you are billed at a rate that more closely reflects the market price of gas and avoids large out-of-period adjustments.

Union Gas does not earn income on the sale of the gas commodity. The price we pay for gas is passed directly to customers with no profit included.

Transportation

There is a decrease in the transportation price adjustment of 0.5168 cents/m³. For most customers the annual increase in the new rate, excluding the temporary credit, will be approximately \$131.31 depending on your gas use. Look for the new rate in the “**Transportation Price Adjustment**” line on your bill.

Storage

The increase in the storage price adjustment is 0.0043 cents/m³. For most customers the increase is about \$3.99 per year depending on the amount of gas used. Your bill shows the new rate on the “**Storage Price Adjustment**” line on your bill.

Delivery

The delivery charge that varies with consumption changed. For most customers the increase will amount to about \$77.21 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Eastern Zone - Rate 610

Sales

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Gas Commodity Rate | 29.5223 | (2.3315) | | 27.1908 | (\$2,168.28) | |
| Gas Price Adjustment | (6.2521) | 3.1255 | | (3.1266) | \$2,906.73 | |
| Transportation to Union Gas | 3.8927 | - | | 3.8927 | - | |
| Transportation Price Adjustment | 0.0143 | (0.5168) | (1) | (0.5025) | \$131.31 | (1) |
| Storage | 1.9235 | - | | 1.9235 | - | |
| Storage Price Adjustment | (0.0193) | 0.0043 | | (0.0150) | \$3.99 | |
| Delivery to You | | | | | | |
| First 1,000 m ³ | 7.3562 | 0.1024 | | 7.4586 | \$77.21 | |
| Next 9,000 m ³ | 5.8543 | 0.0817 | | 5.9360 | | |
| Next 20,000 m ³ | 4.9979 | 0.0699 | | 5.0678 | | |
| Next 70,000 m ³ | 4.4495 | 0.0623 | | 4.5118 | | |
| All over 100,000 m ³ | 2.3725 | 0.0337 | | 2.4062 | | |
| Delivery Price Adjustment (all volumes) | - | 0.0563 | (2) | 0.0563 | - | (2) |
| Monthly Charge | \$70.00 | - | | \$70.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$950.96 | |

(1) The Transportation Price Adjustment decrease of 0.5168 cents/m³ consists of an increase of 0.1412 cents/m³ in the new rate and a temporary credit of 0.6580 cents/m³. The annual bill increase of \$131.31, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$247.53.

(2) The Delivery Price Adjustment increase of 0.0563 cents/m³ consists of a temporary charge of 0.0563 cents/m³. The temporary charge, for the period January 1 to March 31, 2008, will amount to an increase of \$21.18.

Please visit **uniongas.com** or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

Eastern Zone - Rate 610 Direct Purchase

January 2008



The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$212.51 per year based on an annual volume of 93,000 m³. The enclosed bill uses the new rates.

Transportation

There is a decrease in the transportation price adjustment of 0.5168 cents/m³. For most customers the annual increase in the new rate, excluding the temporary credit, will be approximately \$131.31 depending on your gas use. Look for the new rate in the “**Transportation Price Adjustment**” line on your bill.

Storage

The increase in the storage price adjustment is 0.0043 cents/m³. For most customers the increase is about \$3.99 per year depending on the amount of gas used. Your bill shows the new rate on the “**Storage Price Adjustment**” line on your bill.

Delivery

The delivery charge that varies with consumption changed. For most customers the increase will amount to about \$77.21 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

The table below shows the approved rates and estimated effects on your bill.

Eastern Zone - Rate 610
Direct Purchase

| Rate Description | Per Cubic Metre | | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|-----|----------------------------------|--|-----|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | | New Rate (cents/m ³) | | |
| Transportation to Union Gas ** | 3.8927 | - | | 3.8927 | - | |
| Transportation Price Adjustment | 0.0143 | (0.5168) | (1) | (0.5025) | \$131.31 | (1) |
| Storage | 1.9235 | - | | 1.9235 | - | |
| Storage Price Adjustment | (0.0193) | 0.0043 | | (0.0150) | \$3.99 | |
| Delivery to You | | | | | | |
| First 1,000 m ³ | 7.3562 | 0.1024 | | 7.4586 | \$77.21 | |
| Next 9,000 m ³ | 5.8543 | 0.0817 | | 5.9360 | | |
| Next 20,000 m ³ | 4.9979 | 0.0699 | | 5.0678 | | |
| Next 70,000 m ³ | 4.4495 | 0.0623 | | 4.5118 | | |
| All over 100,000 m ³ | 2.3725 | 0.0337 | | 2.4062 | | |
| Delivery Price Adjustment (all volumes) | - | 0.0563 | (2) | 0.0563 | - | (2) |
| Monthly Charge | \$70.00 | - | | \$70.00 | - | |
| Total Annualized Increase or (Decrease) | | | | | \$212.51 | |

(1) The Transportation Price Adjustment decrease of 0.5168 cents/m³ consists of an increase of 0.1412 cents/m³ in the new rate and a temporary credit of 0.6580 cents/m³. The annual bill increase of \$131.31, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$247.53.

(2) The Delivery Price Adjustment increase of 0.0563 cents/m³ consists of a temporary charge of 0.0563 cents/m³. The temporary charge, for the period January 1 to March 31, 2008, will amount to an increase of \$21.18.

** Depending on the terms of your retail energy marketer contract, you may or may not be affected by Union Gas' changes to transportation rates.

Please contact your retail energy marketer directly at the phone number that appears on your bill if you have questions.

Please visit uniongas.com or call the Union Gas Customer Contact Centre with questions.

Important Information About Your Rates

January 2008



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A Spectra Energy Company

Residential Sales – Rate M1
(Southwestern Ontario)

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Rate M1 - Residential Sales

| Rate Description | Per Cubic Metre | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|----------------------------------|--|--------|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | New Rate (cents/m ³) | | |
| Gas Commodity Rate | 29.5223 | (2.3315) | 27.1908 | (\$60.65) | |
| Gas Price Adjustment | (4.5888) | 0.1718 | (4.4170) | \$3.20 | (1) |
| Transportation to Union Gas | 3.3287 | (0.3494) | 2.9793 | (\$9.07) | |
| Storage | 0.9309 | 0.0738 | 1.0047 | | \$1.92 |
| Delivery | | | | | |
| First | 1,400 m ³ | 5.1701 | n/a | | |
| Next | 4,600 m ³ | 4.1427 | n/a | | |
| Next | 124,000 m ³ | 3.0859 | n/a | | |
| Next | 270,000 m ³ | 2.4743 | n/a | | |
| All over | 400,000 m ³ | 2.2978 | n/a | | \$1.48 |
| First | 100 m ³ | n/a | 5.5704 | | |
| Next | 150 m ³ | n/a | 5.2852 | | |
| All over | 250 m ³ | n/a | 4.6134 | | |
| Delivery Price Adjustment (all volumes) | | - | | | \$0.05 |
| Monthly Charge | \$16.00 | - | (2) | \$16.00 | (2) |
| Total Annualized Increase or (Decrease) | | | | (\$63.07) | |

Please visit uniongas.com or call the Union Gas Customer Contact Centre telephone number with questions.

(1) The Commodity and Fuel Price Adjustment increase of 0.1718 cents/m³ consists of an increase of 0.1234 cents/m³ in the new rate and a temporary charge of 0.0484 cents/m³. The annual bill increase of \$3.20, which appears in the table above, excludes the impact of the temporary charge. The temporary charge, for the period January 1 to March 31, 2008, will amount to an increase of \$0.64.

(2) The Delivery Price Adjustment decrease of 0.1258 cents/m³ consists of an increase of 0.0017 cents/m³ in the new rate and a temporary credit of 0.1275 cents/m³. The annual bill increase of \$0.05, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$1.69.

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total decrease will amount to \$63.07 per year based on an annual volume of 2,600 m³. The enclosed bill uses the new rates.

The OEB also approved Union Gas' proposal to split the former M2 rate class into two new classes, M1 and M2, effective January 1, 2008. This change recognizes that there are two distinct groups of customers within the former M2 rate class that vary in the amount of natural gas they use and the cost of serving them. Your new rate class is now M1 Residential Sales. Union Gas will not earn additional revenue as a result of the rate class split.

Gas Commodity

The gas commodity rate decreased by 2.3315 cents/m³ based on the decrease in Union Gas' forecast cost to purchase natural gas during the next 12 months. For most customers the decrease will amount to \$60.65 annually depending on how much gas is used. You will see the new rate in the **"Gas Used"** line on your bill.

In addition, an increase in the gas price adjustment of 0.1718 cents/m³ reflects the difference between the projected cost of gas that Union Gas expects to pay and the amount that Union Gas expects to recover through the current gas commodity rate during the next 12 months. For most customers the increase will be about \$3.20 per year depending on the amount of gas used. The new rate appears in the **"Gas Price Adjustment"** line on your bill.

The gas rate is adjusted this way so that you are billed at a rate that more closely reflects the

market price of gas and avoids large out-of-period adjustments.

Union Gas does not earn income on the sale of the gas commodity. The price we pay for gas is passed directly to customers with no profit included.

Transportation

The transportation rate decreased by 0.3494 cents/m³. For most customers the annual decrease will be approximately \$9.07 depending on your gas use. Look for the new rate on the **"Transportation to Union Gas"** line on your bill.

Storage

The storage rate increased by 0.0738 cents/m³. For most customers the change will amount to an increase of \$1.92 per year depending on the amount of gas used. You will see the new rate reflected on the **"Storage"** line in your bill.

Delivery

The delivery rate that varies with consumption increased. For most customers the increase will amount to about \$1.48 in 2008 depending on the amount of gas used. You will see the new rate on the **"Delivery to You"** line on your bill.

There is a minor change in the delivery price adjustment rate. For most customers the annual increase will be \$0.05. The new rate appears in the **"Delivery Price Adjustment"** line on your bill.

The table on the back shows the approved rates and estimated effects on your bill.

Important Information About Your Rates

January 2008



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A Spectra Energy Company

Residential Direct Purchase – Rate M1
(Southwestern Ontario)



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Rate M1 - Residential Direct Purchase

| Rate Description | Per Cubic Metre | | | Annual Increase/(Decrease) in the Bill | |
|---|---------------------------------------|--------------------------------|----------------------------------|--|--------|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | New Rate (cents/m ³) | | |
| Storage | 0.9309 | 0.0738 | 1.0047 | \$1.92 | |
| Delivery | | | | | |
| First | 1,400 m ³ | 5.1701 | n/a | | |
| Next | 4,600 m ³ | 4.1427 | n/a | | |
| Next | 124,000 m ³ | 3.0859 | n/a | | |
| Next | 270,000 m ³ | 2.4743 | n/a | | |
| All over | 400,000 m ³ | 2.2978 | n/a | | \$1.48 |
| First | 100 m ³ | n/a | 5.5704 | | |
| Next | 150 m ³ | n/a | 5.2862 | | |
| All over | 250 m ³ | n/a | 4.6134 | | |
| Delivery Price Adjustment (all volumes) | | | | \$0.05 | (1) |
| Monthly Charge | (0.0478) | (0.1258) | (0.1736) | | |
| Total Annualized Increase or (Decrease) | \$16.00 | - | \$16.00 | - | |
| | | | | \$3.45 | |

(1) The Delivery Price Adjustment decrease of 0.1258 cents/m³ consists of an increase of 0.0017 cents/m³ in the new rate and a temporary credit of 0.1275 cents/m³. The annual bill increase of \$0.05, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$1.69.

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$3.45 per year based on an annual volume of 2,600 m³. The enclosed bill uses the new rates.

The OEB also approved Union Gas' proposal to split the former M2 rate class into two new classes, M1 and M2, effective January 1, 2008. This change recognizes that there are two distinct groups of customers within the former M2 rate class that vary in the amount of natural gas they use and the cost of serving them. Your new rate class is now M1 Residential Direct Purchase. Union Gas will not earn additional revenue as a result of the rate class split.

Storage

The storage rate increased by 0.0738 cents/m³. For most customers

the change will amount to an increase of \$1.92 per year depending on the amount of gas used. You will see the new rate reflected on the “**Storage**” line in your bill.

Delivery

The delivery rate that varies with consumption increased. For most customers the increase will amount to about \$1.48 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

There is a minor change in the delivery price adjustment rate. For most customers the annual increase will be \$0.05. The new rate appears in the “**Delivery Price Adjustment**” line on your bill.

The table on the back shows the approved rates and estimated effects on your bill.

Important Information About Your Rates

January 2008



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A Spectra Energy Company

Commercial/Industrial Sales – Rate M2
(Southwestern Ontario)

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Rate M2 - Commercial/Industrial Sales

| Rate Description | Previous Rate (cents/m ³) | Per Cubic Metre Change (cents/m ³) | New Rate (cents/m ³) | Annual Increase/(Decrease) in the Bill |
|---|--|--|-------------------------------------|--|
| Gas Commodity Rate | 29.5223 | (2.3315) | 27.1908 | (\$1,701.99) |
| Gas Price Adjustment | (4.5888) | 0.1718 | (4.4170) | \$90.08 |
| Transportation to Union Gas | 3.3257 | (0.3494) | 2.9793 | (\$255.06) |
| Storage | 0.9309 | (0.1919) | 0.7390 | (\$140.09) |
| Delivery | 1,400 m ³ | 5.1701 | n/a | (\$331.67) |
| Next | 4,600 m ³ | 4.1427 | n/a | |
| Next | 124,000 m ³ | 3.0859 | n/a | |
| Next | 270,000 m ³ | 2.4743 | n/a | |
| All over | 400,000 m ³ | 2.2978 | n/a | |
| First | 1,000 m ³ | n/a | 3.7061 | \$1.26 |
| Next | 6,000 m ³ | n/a | 3.6352 | |
| Next | 13,000 m ³ | n/a | 3.4235 | |
| All over | 20,000 m ³ | n/a | 3.1697 | |
| Delivery Price Adjustment (all volumes) | (0.0478) | (0.1258) | (0.1736) | |
| Monthly Price Change | \$16.00 | \$4.00 | \$70.00 | \$648.00 |
| Total Annualized Increase or (Decrease) | | | | (\$1,689.47) |

Please visit uniongas.com or call the Union Gas Customer Contact Centre telephone number with questions.

(1) The Commodity and Fuel Price Adjustment increase of 0.1258 cents/m³ consists of an increase of 0.1234 cents/m³ in the new rate and a temporary charge of 0.0044 cents/m³. The annual bill increase of \$90.08, which appears in the table above, excludes the impact of the temporary charge. The temporary charge for the period January 1 to March 31, 2008, will amount to an increase of \$17.56.

(2) The Delivery Price Adjustment decrease of 0.1258 cents/m³ consists of an increase of 0.0017 cents/m³ in the new rate and a temporary credit of 0.1275 cents/m³. The annual bill increase of \$1.26, which appears in the table above, excludes the impact of the temporary credit. The temporary credit for the period January 1 to March 31, 2008, will amount to a decrease of \$46.26.

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total decrease will amount to \$1,689.47 per year based on an annual volume of 73,000 m³. The enclosed bill uses the new rates.

Gas Commodity

The gas commodity rate has decreased by 2.3315 cents/m³ based on the decrease in Union Gas' forecast cost to purchase gas during the next 12 months. For most customers the decrease will amount to \$1,701.99 annually depending on how much gas is used. You will see the new rate in the **"Gas Used"** line on your bill.

In addition, an increase in the gas price adjustment of 0.1718 cents/m³ reflects the difference between the projected cost of gas that Union Gas expects to pay and the amount that Union Gas expects to recover through the current gas commodity rate during the next 12 months. For most customers the increase will be about \$90.08 per year depending on the amount of gas used. The new rate appears in the **"Gas Price Adjustment"** line on your bill.

The gas rate is adjusted this way so that you are billed at a rate that more closely reflects the market price of gas and avoids large out-of-period adjustments.

Union Gas does not earn income on the sale of the gas commodity. The price we pay for gas is passed directly to customers with no profit included.

Transportation

The transportation rate decreased by 0.3494 cents/m³. For most customers the annual decrease will be approximately \$255.06 depending on your gas use.

Look for the new rate on the **"Transportation to Union Gas"** line on your bill.

Storage

The storage rate decreased by 0.1919 cents/m³. For most customers the change will amount to a decrease of \$140.09 per year depending on the amount of gas used. You will see the new rate reflected on the **"Storage"** line in your bill.

Delivery

The delivery rate that varies with consumption decreased. For most customers the decrease will amount to about \$331.67 in 2008 depending on the amount of gas used. You will see the new rate on the **"Delivery to You"** line on your bill.

There is a minor change in the delivery price adjustment rate. For most customers the annual increase will be \$1.26. The new rate appears in the **"Delivery Price Adjustment"** line on your bill.

In addition, there is a \$54.00 change in the monthly charge to \$70.00 for commercial/industrial customers. For all customers the annual increase will be \$648.00. The monthly charge is a set charge which partially recovers some of the fixed costs (e.g. meter reading, billing, emergency response etc.) associated with maintaining a safe and reliable natural gas distribution system 24 hours a day; 365 days a year. The OEB approved Union Gas' proposal to increase the monthly charge to better match the fixed costs associated with serving large volume customers. Union Gas will not earn additional revenue as a result of the delivery rate changes.

The table on the back shows the approved rates and estimated effects on your bill.

Important Information About Your Rates

January 2008



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A Spectra Energy Company

**Commercial/Industrial Direct Purchase
– Rate M2
(Southwestern Ontario)**



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Union Gas Limited 2008

Rate M2 - Commercial/Industrial Direct Purchase

| Rate Description | Per Cubic Metre | | | Annual Increase/(Decrease) in the Bill |
|---|---------------------------------------|--------------------------------|----------------------------------|--|
| | Previous Rate (cents/m ³) | Change (cents/m ³) | New Rate (cents/m ³) | |
| Storage | 0.9309 | (0.1919) | 0.7390 | (\$140.09) |
| Delivery | | | | |
| First | 1,400 m ³ | 5.1701 | n/a | |
| Next | 4,600 m ³ | 4.1427 | n/a | |
| Next | 124,000 m ³ | 3.0859 | n/a | |
| Next | 270,000 m ³ | 2.4743 | n/a | |
| All over | 400,000 m ³ | 2.2978 | n/a | (\$331.67) |
| First | 1,000 m ³ | n/a | 3.7061 | |
| Next | 6,000 m ³ | - | 3.6352 | |
| Next | 13,000 m ³ | - | 3.4235 | |
| All over | 20,000 m ³ | - | 3.1697 | |
| Delivery Price Adjustment (all volumes) | (0.0478) | (0.1256) | (0.1736) | \$1.26 |
| Monthly Change | \$16.00 | 54.00 | \$70.00 | \$648.00 |
| Total Annualized Increase or (Decrease) | | | | \$177.50 |

(1) The Delivery Price Adjustment decrease of 0.1258 cents/m³ consists of an increase of 0.0017 cents/m³ in the new rate and a temporary credit of 0.1275 cents/m³. The annual bill increase of \$1.26, which appears in the table above, excludes the impact of the temporary credit. The temporary credit, for the period January 1 to March 31, 2008, will amount to a decrease of \$46.26.

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2008. For most customers the total increase will amount to \$177.50 per year based on an annual volume of 73,000 m³. The enclosed bill uses the new rates.

Storage

The change in the storage rate is 0.1919 cents/m³. For most customers the change will amount to a decrease of \$140.09 per year depending on the amount of natural gas used. You will see the new rate reflected on the “**Storage**” line in your bill.

Delivery

The delivery rate that varies with consumption decreased. For most customers the decrease will amount to about \$331.67 in 2008 depending on the amount of gas used. You will see the new rate on the “**Delivery to You**” line on your bill.

There is a minor change in the delivery price adjustment rate.

For most customers, the annual increase will be \$1.26. The new rate appears in the “**Delivery Price Adjustment**” line on your bill.

In addition, there is a \$54.00 change in the monthly charge to \$70.00 for commercial/industrial customers. For all customers the annual increase will be \$648.00. The monthly charge is a set charge which partially recovers some of the fixed costs (e.g. meter reading, billing, emergency response etc.) associated with maintaining a safe and reliable natural gas distribution system 24 hours a day; 365 days a year. The OEB approved Union Gas’ proposal to increase the monthly charge to better match the fixed costs associated with serving large volume customers. Union Gas will not earn additional revenue as a result of the delivery rate changes.

The table on the back shows the approved rates and estimated effects on your bill.