

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2008

The Ontario Energy Board has approved changes to the rates Union Gas charges its customers. New rates for **Rate 20** will be applied to bills starting January 1, 2008. Your new rates are shown on the accompanying rate schedule. Changes in the rate levels are detailed in the attached appendix.

Delivery

Approved 2008 delivery rates reflect a rate class average increase of 1.9% over the previously approved 2007 rates for Rate 20 customers. Individual customer rate impacts will vary.

Bundled T Storage Service

The storage demand charge, **which applies to bundled storage service only**, has increased by \$0.119/GJ reflecting the change in forecast costs to provide bundled storage service effective January 1, 2008. You will see the new rate opposite the “**Storage Demand – Price Adjustment**” line on your bill.

One-Time Adjustment

The Ontario Energy Board has also approved one-time adjustments to your **Rate 20** bill. These adjustments consist of:

- differences between targeted and actual earnings in 2006, and
- differences between approved forecast and actual revenues and costs in 2006

The following one-time adjustments will be applied to your January bill:

- **a charge of 0.0011** cents per cubic meter applied to volumes consumed by all sales and bundled-T customers only for the period January 1, 2006 to December 31, 2006
- **a charge of 0.1432** cents per cubic meter applied to volumes consumed by T-service customers only for the period January 1, 2006 to December 31, 2006
- **a credit of 0.7194** cents per cubic meter applied to the transportation contracted demand for sales and bundled-T customers only for the period of January 1, 2006 to December 31, 2006
- **a credit of \$1.147** per GJ applied to bundled (T-service) storage contracted demand for T-service customers having bundled storage entitlement for the period of January 1, 2006 to December 31, 2006

Individual customer impacts will vary.

Transportation

Changes in the gas transportation rate, **if applicable to your service**, reflect the changes in the forecast costs to provide transportation service effective January 1, 2008.

Gas Supply Charges

New rates, **if applicable to your service**, reflect a decrease in Union Gas's forecast cost to purchase natural gas for the next 12 months. In addition, there is an increase due to the difference between the projected costs that Union Gas expects to pay and the amounts that Union Gas expects to recover through rates over the next 12 months. The changes by zone are detailed on the attached appendix.

Adjusting your gas rate in this way ensures that you are billed at a rate that more closely reflects the market price of natural gas and avoids large out-of-period adjustments. Union Gas does not earn income on the sale of the natural gas commodity. The price we pay for the gas commodity is passed on directly to customers with no profit included.

We appreciate and thank you for your business. If you have any questions about the rate change, please call your account representative. Our staff will be pleased to answer your questions.

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2008

The Ontario Energy Board has approved changes to the rates Union Gas charges its customers. New rates for **Rate 100** will be applied to bills starting January 1, 2008. Your new rates are shown on the accompanying rate schedule. Changes in the rate levels are detailed in the attached appendix.

Delivery

Approved 2008 delivery rates reflect a rate class average increase of 1.6% over the previously approved 2007 rates for Rate 100 customers. Individual customer rate impacts will vary.

Bundled T Storage Service

The storage demand charge, **which applies to bundled storage service only**, has increased by \$0.119/GJ reflecting the change in forecast costs to provide bundled storage service effective January 1, 2008. You will see the new rate opposite the “**Storage Demand – Price Adjustment**” line on your bill.

One-Time Adjustment

The Ontario Energy Board has also approved one-time adjustments to your **Rate 100** bill. These adjustments consist of:

- differences between targeted and actual earnings in 2006, and
- differences between approved forecast and actual revenues and costs in 2006

The following one-time adjustments will be applied to your January bill:

- **a charge of 0.0824** cents per cubic meter applied to volumes consumed by T-service customers only for the period January 1, 2006 to December 31, 2006
- **a credit of \$1.147** per GJ applied to bundled (T-service) storage contracted demand for T-service customers having bundled storage entitlement for the period of January 1, 2006 to December 31, 2006

Individual customer impacts will vary.

Transportation

Changes in the gas transportation rate, **if applicable to your service**, reflect the changes in the forecast costs to provide transportation service effective January 1, 2008.

Gas Supply Charges

New rates, **if applicable to your service**, reflect a decrease in Union Gas's forecast cost to purchase natural gas for the next 12 months. In addition, there is an increase due to the difference between the projected costs that Union Gas expects to pay and the amounts that Union Gas expects to recover through rates over the next 12 months. The changes by zone are detailed on the attached appendix.

Adjusting your gas rate in this way ensures that you are billed at a rate that more closely reflects the market price of natural gas and avoids large out-of-period adjustments.

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

We appreciate and thank you for your business. If you have any questions about the rate change, please call your account representative. Our staff will be pleased to answer your questions.

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2008

The Ontario Energy Board (OEB) has approved changes to the rates Union Gas charges its customers. New rates for **Rate M4** will be applied to bills starting January 1, 2008. Your new rates are shown on the accompanying rate schedule. Changes in the rate levels are detailed in the attached appendix.

Delivery

Approved 2008 delivery rates reflect a rate class average increase of 1.7% over the previously approved 2007 rates for M4 customers. Individual customer rate impacts will vary.

A review of the gas costs to ensure reliable natural gas service to your business during the year results in a decrease in the delivery commodity rate by $0.0034\text{¢}/\text{m}^3$. You will see this change on the “**Delivery-Price Adjustment**” line on your bill.

One-Time Adjustment

The Ontario Energy Board has also approved a one-time charge to your Rate M4 bill. This charge consists of two adjustments:

- differences between targeted and actual earnings in 2006, and
- differences between approved forecast and actual revenues and costs in 2006

These adjustments result in a combined one-time charge of 0.1076 cents per cubic meter applied to volumes consumed in the period of January 1, 2006 to December 31, 2006. Individual customer impacts will vary based on volumes consumed.

Transportation

The cost to transport natural gas to Ontario, **if applicable to your service**, has changed, resulting in a decrease in the transportation rate by $0.3494\text{¢}/\text{m}^3$ to $2.9793\text{¢}/\text{m}^3$.

Gas Supply

The gas commodity charge, **if applicable to your service**, has decreased by $2.3315\text{¢}/\text{m}^3$ to $27.1908\text{¢}/\text{m}^3$. This change reflects the decrease in Union Gas's forecast cost to purchase natural gas for the next 12 months.

In addition, there is an increase of $0.1718\text{¢}/\text{m}^3$ related to the difference between the projected cost of natural gas that Union Gas expects to pay and the amounts that Union Gas expects to recover through its current gas commodity rate over the next 12 months. You will see the new rate on the “**Gas Price Adjustment**” line on your bill.

Adjusting your gas rate in this way ensures that you are billed at a rate that more closely reflects the market price of natural gas and avoids large out-of-period adjustments.

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

We appreciate and thank you for your business. If you have any questions about the rate change, please call your account representative. Our staff will be pleased to answer your questions.

Rate M4 + Appendix A (Rate M4)
[Rate schedule attached]

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2008

The Ontario Energy Board (OEB) has approved changes to the rates Union Gas charges its customers. New rates for **Rate M5A** will be applied to bills starting January 1, 2008. Your new rates are shown on the accompanying rate schedule. Changes in the rate levels are detailed in the attached appendix.

Delivery

Approved 2008 delivery rates reflect a rate class average increase of 0.5% over the previously approved 2007 rates for M5A customers. Individual customer rate impacts will vary.

A review of the gas costs to ensure reliable natural gas service to your business during the year results in a decrease in the delivery commodity rate by $0.0057\text{¢}/\text{m}^3$. You will see this change on the “**Delivery-Price Adjustment**” line on your bill.

One-Time Adjustment

The Ontario Energy Board has also approved a one-time charge to your Rate M5A bill. This charge consists of two adjustments:

- differences between targeted and actual earnings in 2006, and
- differences between approved forecast and actual revenues and costs in 2006

These adjustments result in a combined one-time charge of 0.4189 cents per cubic meter applied to volumes consumed in the period of January 1, 2006 to December 31, 2006. Individual customer impacts will vary based on volumes consumed.

Transportation

The cost to transport natural gas to Ontario, **if applicable to your service**, has changed, resulting in a decrease in the transportation rate by $0.3494\text{¢}/\text{m}^3$ to $2.9793\text{¢}/\text{m}^3$.

Gas Supply

The gas commodity charge, **if applicable to your service**, has decreased by $2.3315\text{¢}/\text{m}^3$ to $27.1908\text{¢}/\text{m}^3$. This change reflects the decrease in Union Gas's forecast cost to purchase natural gas for the next 12 months.

In addition, there is an increase of $0.1718\text{¢}/\text{m}^3$ related to the difference between the projected cost of natural gas that Union Gas expects to pay and the amounts that Union Gas expects to recover through its current gas commodity rate over the next 12 months. You will see the new rate on the “**Gas Price Adjustment**” line on your bill.

Adjusting your gas rate in this way ensures that you are billed at a rate that more closely reflects the market price of natural gas and avoids large out-of-period adjustments.

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

We appreciate and thank you for your business. If you have any questions about the rate change, please call your account representative. Our staff will be pleased to answer your questions.

Rate M5A + Appendix A (Rate M5A)
[Rate schedule attached]

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2008

The Ontario Energy Board (OEB) has approved changes to the rates Union Gas charges its customers. New rates for **Rate M7** will be applied to bills starting January 1, 2008. Your new rates are shown on the accompanying rate schedule. Changes in the rate levels are detailed in the attached appendix.

Delivery

Approved 2008 delivery rates reflect a rate class average increase of 1.4% over the previously approved 2007 rates for M7 customers. Individual customer rate impacts will vary.

A review of the gas costs to ensure reliable natural gas service to your business during the year results in a decrease in the delivery commodity rate by $0.0445\text{¢}/\text{m}^3$. You will see this change on the “**Delivery-Price Adjustment**” line on your bill.

One-Time Adjustment

The Ontario Energy Board has also approved a one-time charge to your Rate M7 bill. This charge consists of two adjustments:

- differences between targeted and actual earnings in 2006, and
- differences between approved forecast and actual revenues and costs in 2006

These adjustments result in a combined one-time charge of 0.0093 cents per cubic meter applied to volumes consumed in the period of January 1, 2006 to December 31, 2006. Individual customer impacts will vary based on volumes consumed.

Transportation

The cost to transport natural gas to Ontario, **if applicable to your service**, has changed, resulting in a decrease in the transportation rate by $0.3494\text{¢}/\text{m}^3$ to $2.9793\text{¢}/\text{m}^3$.

Gas Supply

The gas commodity charge, **if applicable to your service**, has decreased by $2.3315\text{¢}/\text{m}^3$ to $27.1908\text{¢}/\text{m}^3$. This change reflects the decrease in Union Gas's forecast cost to purchase natural gas for the next 12 months.

In addition, there is an increase of $0.1718\text{¢}/\text{m}^3$ related to the difference between the projected cost of natural gas that Union Gas expects to pay and the amounts that Union Gas expects to recover through its current gas commodity rate over the next 12 months. You will see the new rate on the “**Gas Price Adjustment**” line on your bill.

Adjusting your gas rate in this way ensures that you are billed at a rate that more closely reflects the market price of natural gas and avoids large out-of-period adjustments.

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

We appreciate and thank you for your business. If you have any questions about the rate change, please call your account representative. Our staff will be pleased to answer your questions.

Rate M7 + Appendix A (Rate M7)
[Rate schedule attached]

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2008

The Ontario Energy Board (OEB) has approved changes to the rates Union Gas charges its customers. New rates for **Rate M9** will be applied to bills starting January 1, 2008. Your new rates are shown on the accompanying rate schedule. Changes in the rate levels are detailed in the attached appendix.

Delivery

Approved 2008 delivery rates reflect a rate class average increase of 0.3% over the previously approved 2007 rates for M9 customers. Individual customer rate impacts will vary.

A review of the gas costs to ensure reliable natural gas service to your business during the year results in an increase in the delivery commodity rate by $0.0052\text{¢}/\text{m}^3$. You will see this change on the “**Delivery-Price Adjustment**” line on your bill.

One-Time Adjustment

The Ontario Energy Board has also approved a one-time credit to your **Rate M9** bill. This credit consists of two adjustments:

- differences between targeted and actual earnings in 2006, and
- differences between approved forecast and actual revenues and costs in 2006

These adjustments result in a combined one-time credit of 0.2055 cents per cubic meter applied to volumes consumed in the period of January 1, 2006 to December 31, 2006. Individual customer impacts will vary based on volumes consumed.

Transportation

The cost to transport natural gas to Ontario, **if applicable to your service**, has changed, resulting in a decrease in the transportation rate by $0.3494\text{¢}/\text{m}^3$ to $2.9793\text{¢}/\text{m}^3$.

Gas Supply

The gas commodity charge, **if applicable to your service**, has decreased by $2.3315\text{¢}/\text{m}^3$ to $27.1908\text{¢}/\text{m}^3$. This change reflects the decrease in Union Gas's forecast cost to purchase natural gas for the next 12 months.

In addition, there is an increase of $0.1718\text{¢}/\text{m}^3$ related to the difference between the projected cost of natural gas that Union Gas expects to pay and the amounts that Union Gas expects to recover through its current gas commodity rate over the next 12 months. You will see the new rate on the “**Gas Price Adjustment**” line on your bill.

Adjusting your gas rate in this way ensures that you are billed at a rate that more closely reflects the market price of natural gas and avoids large out-of-period adjustments.

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

We appreciate and thank you for your business. If you have any questions about the rate change, please call your account representative. Our staff will be pleased to answer your questions.

Rate M9 + Appendix A (Rate M9)
[Rate schedule attached]

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2008

The Ontario Energy Board (OEB) has approved changes to the rates Union Gas charges its customers. New rates for **Rate M10** will be applied to bills starting January 1, 2008. Your new rates are shown on the accompanying rate schedule. Changes in the rate levels are detailed in the attached appendix.

Delivery

Approved 2008 delivery rates reflect a rate class average increase of 0.3% over the previously approved 2007 rates for M10 customers. Individual customer rate impacts will vary.

One-Time Adjustment

The Ontario Energy Board has also approved a one-time credit to your **Rate M10** bill. This credit consists of two adjustments:

- differences between targeted and actual earnings in 2006, and
- differences between approved forecast and actual revenues and costs in 2006

These adjustments result in a combined one-time credit of 3.2865 cents per cubic meter applied to volumes consumed in the period of January 1, 2006 to December 31, 2006. Individual customer impacts will vary based on volumes consumed.

Transportation

The cost to transport natural gas to Ontario, **if applicable to your service**, has changed, resulting in a decrease in the transportation rate by 0.3494¢/m^3 to 2.9793¢/m^3 .

Gas Supply

The gas commodity charge, **if applicable to your service**, has decreased by 2.3315¢/m^3 to 27.1908¢/m^3 . This change reflects the decrease in Union Gas's forecast cost to purchase natural gas for the next 12 months.

In addition, there is an increase of 0.1718¢/m^3 related to the difference between the projected cost of natural gas that Union Gas expects to pay and the amounts that Union Gas expects to recover through its current gas commodity rate over the next 12 months. You will see the new rate on the "**Gas Price Adjustment**" line on your bill.

Adjusting your gas rate in this way ensures that you are billed at a rate that more closely reflects the market price of natural gas and avoids large out-of-period adjustments.

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

We appreciate and thank you for your business. If you have any questions about the rate change, please call your account representative. Our staff will be pleased to answer your questions.

Rate M10 + Appendix A (Rate M10)
[Rate schedule attached]

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2008

The Ontario Energy Board (OEB) has approved changes to the rates Union Gas charges its customers. New rates for **Rate R1** will be applied to bills starting January 1, 2008. Your new rates are shown on the accompanying rate schedule. Changes to supplemental service rates reflect changes in gas supply costs effective January 1, 2008.

We appreciate and thank you for your business. If you have any questions about the rate change, please call your account representative. Our staff will be pleased to answer your questions.

Rate R1

[Rate schedule attached]

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2008

The Ontario Energy Board (OEB) has approved changes to the rates Union Gas charges its customers. New rates for **Rate T1** will be applied to bills starting January 1, 2008. Your new rates are shown on the accompanying rate schedule. Changes in the rate levels are detailed in the attached appendix. Changes to supplemental service rates reflect changes in gas supply costs effective January 1, 2008.

Delivery

Approved 2008 rates reflect a rate class average increase of 0.6% over the previously approved 2007 rates for T1 customers. Individual customer rate impacts will vary.

One-Time Adjustment

The Ontario Energy Board has also approved a one-time credit to your **Rate T1** bill. This credit consists of two adjustments:

- differences between targeted and actual earnings in 2006, and
- differences between approved forecast and actual revenues and costs in 2006

These adjustments result in a combined one-time credit of 0.0835 cents per cubic meter applied to volumes consumed in the period of January 1, 2006 to December 31, 2006. Individual customer impacts will vary based on volumes consumed.

We appreciate and thank you for your business. If you have any questions about the rate change, please call your account representative. Our staff will be pleased to answer your questions.

Rate T1 + Appendix A (Rate T1)
[Rate schedule attached]

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2008

The Ontario Energy Board (OEB) has approved changes to the rates Union Gas charges its customers. New rates for **Rate T3** will be applied to bills starting January 1, 2008. Your new rates are shown on the accompanying rate schedule. Changes in the rate levels are detailed in the attached appendix. Changes to supplemental service rates reflect changes in gas supply costs effective January 1, 2008.

Delivery

Approved 2008 rates reflect a rate class average increase of 0.4% over the previously approved 2007 rates for T3 customers.

One-Time Adjustment

The Ontario Energy Board has also approved a one-time credit to your **Rate T3** bill. This credit consists of two adjustments:

- differences between targeted and actual earnings in 2006, and
- differences between approved forecast and actual revenues and costs in 2006

These adjustments result in a combined one-time credit of 0.3664 cents per cubic meter applied to volumes consumed in the period of January 1, 2006 to December 31, 2006. Individual customer impacts will vary based on volumes consumed.

We appreciate and thank you for your business. If you have any questions about the rate change, please call your account representative. Our staff will be pleased to answer your questions.

Rate T3 + Appendix A (Rate T3)
[Rate schedule attached]