AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2011

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2011. Your new rates are shown on the accompanying **Rate 20** schedule. Changes in the rates are detailed in the attached appendix. The enclosed bill uses the new approved rates.

**Delivery**

Approved January 1, 2011 delivery rates reflect changes related to Incentive Regulation and Gas Cost Standardization. Individual customer impacts will vary.

Incentive Regulation

Approved 2011 delivery rates reflect a rate class average increase of 2.1% from the previously approved October 2010 QRAM delivery rates for Rate 20 customers.

Gas Cost Standardization

Approved delivery rates reflect changes in the costs for compressor fuel, unaccounted for gas, and carrying costs of gas in inventory due to changes in the cost of gas. As a result of this change, approved January 1, 2011 delivery rates include a decrease of 0.0015 cents/m3. Individual customer impacts will vary based on usage.

**Transportation**

Changes in the gas transportation rate, **if applicable to your service**, reflect the changes in the costs to provide transportation service effective January 1, 2011.

**Bundled T Storage Service**

The storage demand and commodity charges, **which apply to bundled storage service only**, have decreased to $11.125/GJ and $0.239/GJ respectively, reflecting the change in forecast costs to provide bundled storage service effective January 1, 2011.

**Gas Supply Charges**

New rates, **if applicable to your service**, reflect a decrease in Union Gas’ 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 in 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 changes, please call your account representative. Our staff will be pleased to answer your questions.

Rate 20 + Appendix A (Rate 20)

[Rate schedule attached]

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2011

The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2011. Your new rates are shown on the accompanying **Rate 25** schedule. Changes in the rate levels are detailed in the attached appendix. The enclosed bill uses the new approved rates.

**Delivery**

Approved 2011 delivery rates reflect a rate class average decrease of 0.8% from the previously approved 2010 delivery rates for Rate 25 customers. Individual customer impacts will vary.

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

Rate 25 + Appendix A (Rate 25)

[Rate schedule attached]

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2011

The Ontario Energy Board approved changes to the rates Union Gas charges customers effective January 1, 2011. Your new rates are shown on the accompanying **Rate 77** schedule. Changes in the rate levels are detailed in the attached appendix. The enclosed bill uses the new approved rates.

**Delivery**

Approved 2011 delivery rates reflect a rate class average decrease of 0.4% from the previously approved 2010 delivery rates for Rate 77 customers. Individual customer impacts will vary.

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

Rate 77 + Appendix A (Rate 77)

[Rate schedule attached]

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2011

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2011. Your new rates are shown on the accompanying **Rate 100** schedule. Changes in the rates are detailed in the attached appendix. The enclosed bill uses the new approved rates.

**Delivery**

Approved January 1, 2011 delivery rates reflect changes related to Incentive Regulation and Gas Cost Standardization. Individual customer impacts will vary.

Incentive Regulation

Approved 2011 delivery rates reflect a rate class average increase of 1.7% from the previously approved October 2010 QRAM delivery rates for Rate 100 customers.

Gas Cost Standardization

Approved delivery rates reflect changes in the costs for compressor fuel, unaccounted for gas, and carrying costs of gas in inventory due to changes in the cost of gas. As a result of this change, approved January 1, 2011 delivery rates include a decrease of 0.0034 cents/m3. Individual customer impacts will vary based on usage.

**Transportation**

Changes in the gas transportation rate, **if applicable to your service**, reflect the changes in the costs to provide transportation service effective January 1, 2011.

**Bundled T Storage Service**

The storage demand and commodity charges, **which apply to bundled storage service only**, have decreased to $11.125/GJ and $0.239/GJ respectively, reflecting the change in forecast costs to provide bundled storage service effective January 1, 2011.

**Gas Supply Charges**

New rates, **if applicable to your service**, reflect a decrease in Union Gas’ 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 in 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 changes, please call your account representative. Our staff will be pleased to answer your questions.

Rate 100 + Appendix A (Rate 100)

[Rate schedule attached]

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

January 2011

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2011. Your new rates are shown on the accompanying **Rate M4** schedule. Changes in the rates are detailed in the attached appendix. The enclosed bill uses the new approved rates.

**Delivery**

Approved January 1, 2011 delivery rates reflect changes related to Incentive Regulation and Gas Cost Standardization. Individual customer impacts will vary.

Incentive Regulation

Approved 2011 delivery rates reflect a rate class average increase of 2.0% from the previously approved October 2010 QRAM delivery rates for Rate M4 customers.

Gas Cost Standardization

Approved delivery rates reflect changes in the costs for compressor fuel, unaccounted for gas, and carrying costs of gas in inventory due to changes in the cost of gas. As a result of this change, approved January 1, 2011 delivery rates include a decrease of 0.0167 cents/m3. Individual customer impacts will vary based on usage.

### 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 0.6527 ¢/m3 to 4.3503 ¢/m3.

### Gas Supply Charges

The gas commodity charge, **if applicable to your service**, has decreased by 1.1349 ¢/m3 to 14.3931 ¢/m3. This change reflects the decrease in Union Gas’ forecast cost to purchase natural gas for the next 12 months.

In addition, there is an increase of 1.4367 ¢/m3 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 changes, 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 2011

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2011. Your new rates are shown on the accompanying **Rate M5A** schedule. Changes in the rates are detailed in the attached appendix. The enclosed bill uses the new approved rates.

**Delivery**

Approved January 1, 2011 delivery rates reflect changes related to Incentive Regulation and Gas Cost Standardization. Individual customer impacts will vary.

Incentive Regulation

Approved 2011 delivery rates reflect a rate class average increase of 1.0% from the previously approved October 2010 QRAM delivery rates for Rate M5A customers.

Gas Cost Standardization

Approved delivery rates reflect changes in the costs for compressor fuel, unaccounted for gas, and carrying costs of gas in inventory due to changes in the cost of gas. As a result of this change, approved January 1, 2011 delivery rates include a decrease of 0.0173 cents/m3. Individual customer impacts will vary based on usage.

### 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 0.6527 ¢/m3 to 4.3503 ¢/m3.

### Gas Supply Charges

The gas commodity charge, **if applicable to your service**, has decreased by 1.1349 ¢/m3 to 14.3931 ¢/m3. This change reflects the decrease in Union Gas’ forecast cost to purchase natural gas for the next 12 months.

In addition, there is an increase of 1.4367 ¢/m3 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 changes, 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 2011

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2011. Your new rates are shown on the accompanying **Rate M7** schedule. Changes in the rates are detailed in the attached appendix. The enclosed bill uses the new approved rates.

**Delivery**

Approved January 1, 2011 delivery rates reflect changes related to Incentive Regulation and Gas Cost Standardization. Individual customer impacts will vary.

Incentive Regulation

Approved 2011 delivery rates reflect a rate class average increase of 1.2% from the previously approved October 2010 QRAM delivery rates for Rate M7 customers.

Gas Cost Standardization

Approved delivery rates reflect changes in the costs for compressor fuel, unaccounted for gas, and carrying costs of gas in inventory due to changes in the cost of gas. As a result of this change, approved January 1, 2011 delivery rates include a decrease of 0.0167 cents/m3. Individual customer impacts will vary based on usage.

### 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 0.6527 ¢/m3 to 4.3503 ¢/m3.

### Gas Supply Charges

The gas commodity charge, **if applicable to your service**, has decreased by 1.1349 ¢/m3 to 14.3931 ¢/m3. This change reflects the decrease in Union Gas’ forecast cost to purchase natural gas for the next 12 months.

In addition, there is an increase of 1.4367 ¢/m3 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 changes, 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 2011

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2011. Your new rates are shown on the accompanying **Rate M9** schedule. Changes in the rates are detailed in the attached appendix. The enclosed bill uses the new approved rates.

**Delivery**

Approved January 1, 2011 delivery rates reflect changes related to Incentive Regulation and Gas Cost Standardization. Individual customer impacts will vary.

Incentive Regulation

Approved 2011 delivery rates reflect a rate class average decrease of 0.9% from the previously approved October 2010 QRAM delivery rates for Rate M9 customers.

Gas Cost Standardization

Approved delivery rates reflect changes in the costs for compressor fuel, unaccounted for gas, and carrying costs of gas in inventory due to changes in the cost of gas. As a result of this change, approved January 1, 2011 delivery rates include a decrease of 0.0218 cents/m3. Individual customer impacts will vary based on usage.

### 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 0.6527 ¢/m3 to 4.3503 ¢/m3.

### Gas Supply Charges

The gas commodity charge, **if applicable to your service**, has decreased by 1.1349 ¢/m3 to 14.3931 ¢/m3. This change reflects the decrease in Union Gas’ forecast cost to purchase natural gas for the next 12 months.

In addition, there is an increase of 1.4367 ¢/m3 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 changes, 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 2011

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2011. Your new rates are shown on the accompanying **Rate M10** schedule. Changes in the rates are detailed in the attached appendix. The enclosed bill uses the new approved rates.

**Delivery**

Approved January 1, 2011 delivery rates reflect changes related to Incentive Regulation and Gas Cost Standardization. Individual customer impacts will vary.

Incentive Regulation

Approved 2011 delivery rates reflect a rate class average decrease of 0.9% from the previously approved October 2010 QRAM delivery rates for Rate M10 customers.

Gas Cost Standardization

Approved delivery rates reflect changes in the costs for compressor fuel, unaccounted for gas, and carrying costs of gas in inventory due to changes in the cost of gas. As a result of this change, approved January 1, 2011 delivery rates include a decrease of 0.0094 cents/m3. Individual customer impacts will vary based on usage.

### 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 0.6527 ¢/m3 to 4.3503 ¢/m3.

### Gas Supply Charges

The gas commodity charge, **if applicable to your service**, has decreased by 1.1349 ¢/m3 to 14.3931 ¢/m3. This change reflects the decrease in Union Gas’ forecast cost to purchase natural gas for the next 12 months.

In addition, there is an increase of 1.4367 ¢/m3 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 2011

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 effective January 1, 2011. Your new rates are shown on the accompanying rate schedule. Changes to supplemental service rates reflect changes in gas supply costs effective January 1, 2011.

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 2011

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2011. Your new rates are shown on the accompanying **Rate T1** schedule. Changes in the rates are detailed in the attached appendix. Changes to supplemental service rates reflect changes in gas supply costs effective January 1, 2011. The enclosed bill uses the new approved rates.

**Storage and Transportation**

Approved January 1, 2011 storage and transportation rates reflect changes related to Incentive Regulation and Gas Cost Standardization. Individual customer impacts will vary.

Incentive Regulation

Approved 2011 storage and transportation rates reflect a rate class average increase of 0.2% from the previously approved October 2010 QRAM storage and transportation rates for Rate T1 customers.

Gas Cost Standardization

Union’s storage and transportation rates reflect changes in costs for compressor fuel and unaccounted for gas due to changes in the cost of gas. In addition, where Union provides storage deliverability inventory, there is a change to the carrying cost of gas in inventory due to the changes in the cost of gas. The cost of gas used to set storage and transportation rates is now adjusted quarterly and approved by the OEB as part of the Quarterly Rate Adjustment Mechanism. These changes will only impact customers who elect the Union supplied fuel option. Individual customer impacts will vary based on usage.

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 2011

The Ontario Energy Board (OEB) approved changes to the rates Union Gas charges customers effective January 1, 2011. Your new rates are shown on the accompanying **Rate T3** schedule. Changes in the rates are detailed in the attached appendix. Changes to supplemental service rates reflect changes in gas supply costs effective January 1, 2011. The enclosed bill uses the new approved rates.

**Storage and Transportation**

Approved January 1, 2011 storage and transportation rates reflect changes related to Incentive Regulation and Gas Cost Standardization. Individual customer impacts will vary.

Incentive Regulation

Approved 2011 storage and transportation rates reflect a rate class average decrease of 0.8% from the previously approved October 2010 QRAM storage and transportation rates for Rate T3 customers.

Gas Cost Standardization

Union’s storage and transportation rates reflect changes in costs for compressor fuel and unaccounted for gas due to changes in the cost of gas. In addition, where Union provides storage deliverability inventory, there is a change to the carrying cost of gas in inventory due to the changes in the cost of gas. The cost of gas used to set storage and transportation rates is now adjusted quarterly and approved by the OEB as part of the Quarterly Rate Adjustment Mechanism. These changes will only impact customers who elect the Union supplied fuel option. Individual customer impacts will vary based on usage.

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]