

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

March 29, 2012

RE: EB-2010-0280 – Union Gas Limited – Revised Conditions of Service – Section 4.4 - Bill Issuance and Payment

Dear Ms. Walli:

On June 29, 2011, the Ontario Energy Board (the "Board") released a Notice of Proposal to Amend a Rule in which it proposed a number of amendments to the GDAR effective August 31, 2011.

On October 14, 2011, the Board released a Notice of Amendment to a Rule in which it revised the coming into force date to April 1, 2012.

On March 1, 2012, the Board ordered in its Partial Decision and Order for Union's 2012 rates application (EB-2011-0025) that "Union shall include the following language on its rate schedules and customer bills in regards to its late payment penalty policy as of April 1, 2012 as part of its QRAM Rate Order:

The monthly late payment charge equal to 1.5% per month or 18% per annum (for an approximate effective rate of 19.56% per annum) multiplied by the total of all unpaid charges will be added to the bill if full payment is not received by the late payment effective date, which is 20 days after the bill has been issued."

Union has updated Section 4.4 – Bill Issuance and Payment effective April 1, 2012 to include the above wording.

Please find attached Union's revised Conditions of Service in compliance with section 8.5.2 of GDAR. The revised Conditions of Service will be updated by April 1, 2012 at Union's website at http://uniongas.com/aboutus/policies/.

If you have any questions, please contact me at 519-436-4521

Sincerely,

[original signed by]

Marian Redford Manager, Regulatory Initiatives

c.c: Crawford Smith (Torys)

Union Gas
CONDITIONS OF SERVICE

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Foreword

Union Gas is a distributor of natural gas in the province of Ontario. We are committed to serving our customers in a safe, reliable and efficient manner. This document has been prepared to explain, in a summary form, the conditions which govern our operations. It is intended that this communication will help us to better serve our customers.

Except as otherwise noted, the following conditions apply to all gas rates and gas service, by or with Union Gas (referred to as "us" or "we" throughout this document).

We reserve the right to modify, alter or amend these conditions and to make further and other conditions as experience may suggest and as we may deem necessary or convenient in the conduct of our business. These conditions do not supersede any terms and conditions agreed to in our contracts for gas supply with you.

Basic Terminology

(BTU)

pound of water 1 degree Fahrenheit at 60 degrees

Fahrenheit.

Company Union Gas – also referred to as "We" and "Us" throughout

this document. Refers to Union Gas, and where appropriate, any member that provides you with Union Gas services or

products.

Cubic Metre One standard cubic metre of gas is the volume of the gas

that occupies one cubic metre at a temperature of 15 degrees Celsius and an absolute pressure of 101.325 kPa. (One standard cubic metre equals 35.494 standard cubic

feet).

Curtailment An unplanned suspension of gas delivery caused by a

physical failure or a high risk failure on our pipeline system,

or non-delivery of gas into our pipeline system.

Customer An individual, group of individuals, company or corporation

responsible for the receipt and payment of goods and/or services provided by the Company. Referred to as "you"

and "your" throughout this document.

Customer Service Work done for you by our service personnel or authorized

agents on behalf of us, including the installation and adjustment to meters and regulators and the associated

appliance inspections.

Degree Days A measure of the coldness of the weather experienced,

based on the extent to which the daily mean temperature falls below the reference temperature of 18 degrees

Celsius.

A heating degree day is the difference between 18 degrees Celsius and the average temperature of the day. For example if the average given temperature on any given day is 10 degrees Celsius, then the number of degree days would be 8 (18-10). If the average temperature for the day

would be 8 (18-10). If the average temperature for the day is 18 degrees Celsius or higher, then the number of degree days for that day would be zero. As the weather gets colder

the number of degree days increases.

Union Gas uses degree days as a measure of coldness for comparative purposes. Generally the higher the degree days recorded, the higher the gas used on an account.

Gas Natural gas or manufactured gas or liquefied petroleum gas

or any mixture of these containing not less than 36

megajoules per cubic metre.

Gas Appliance A device that consumes or is intended to consume a gas

and is certified or field approved as acceptable to the

provincial authority having jurisdiction.

A contract between the Company and a customer prescribing rates and conditions for the supply of gas, transportation and storage services to the customer.

The pipe that is used to carry natural gas to a service.

The addition of pipe to an existing main to serve new

customers.

Point of Delivery The point(s) or points at the outlet side of our meter(s) at the

location(s) where the gas is delivered to you.

Property Line The Line that separates the boundary between one property

and the next immediately adjacent property whether it is

public or private.

One of a set of schedules filed with and approved by the Ontario Energy Board describing a category of customer, the rates charged for gas supplied to customers in the category and the particular terms under which gas is

supplied to such customers.

The rates determined by Union Gas and approved by the Ontario Energy Board that outlines the type of customer and the payment schedules for each of these customer types.

Piping that conveys gas from a main to your meter.

Residential: Customers supplied for residential purposes in a single family dwelling or building, or in an individual flat or apartment within a multiple family dwelling or building or a portion of a building occupied as the home, residence, or sleeping place of one or more persons.

- When service for residential purposes is supplied to two or more families served as a single customer under one rate classification contract that service is considered as commercial but is counted as only one customer.
- Residential premises also used regularly for professional or business purposes (such as doctor's office in a home or where a small store is integral with the living space), are considered as residential where the residential use of gas is half or more than half of the total service.

Commercial: Applies to customers engaged in selling. warehousing or distributing a commodity, in some business activity or in some other form of economic or social activity (also includes professions).

The size of the customer's operation or volume of use is not a criterion for determining Commercial service.

Industrial: Customers engaged in a process which creates or changes raw or unfinished materials into another form or product, or who change or complete a semi-finished

Rate Schedule

Main Extension

Gas Sales Contract

Main

Service Lateral Service

material into a finished form.

- All gas used on premises which qualify under the industrial classification is to be classified as industrial service.
- The size of the customer's operation or volume of use is not a criterion for determining Industrial Service.

1. About our Area and Gas Services

1.1 Area Served by Company

As outlined in these conditions of service, Union Gas has an adequate supply of gas to serve its customers, and has properly installed pipe and piping according to the appropriate legislative requirements. Union Gas supplies gas to over 400 communities within the 230 municipalities where Union Gas holds a franchise agreement. These are considered traditional place names and may not in all cases reflect the current names of these communities.

Communities

Aberfoyle Beachville **Burford Twp** Acton Beardmore Burgessville Adelaide Twp Belleville **Burks Falls** Ailsa Craig Bentinck Twp Burlington Alberton **Berwick** Cache Bay Aldborough Twp Bewdley Caledonia Callander Alma Blandford-Blen Twp Banshard Twp Calstock Alvinston Amabel Twp Blenheim Cambridge Camden Twp Amherstburg **Blezard Valley** Amherstview Blind River Camlachie Ancaster Bloomfield Campbellville Canboro Appin Bloomingdale

ArkonaBlue MountainsCanborough TwpArran TwpBlythCanfieldArtemesia TwpBosanquet TwpCanniftonArthurBothwellCapreol

Capreol Arthur Bothwell Caradoc Twp Arthur Twp Bracebridge Cardinal Astra **Branchton** Carlisle Atherley **Brant Twp** Atikokan **Brantford** Carrick Twp Castleton Atwood **Brantford Twp** Awrey Twp Breslau Cathcart

Cayuga Ayr Brigden Azilda **Brighton** Cayuga N Twp Baden **Brights Grove** Cayuga S Twp **Brockville** Cedar Springs **Baltimore Barwick Brooke Twp** Centralia Batawa Brookville Centreton **Bruce Mines** Bath Chaput Hughes Bayfield Brussels **Charing Cross** Bayham Twp Burford Charlotteville Twp

Forest Chatham Dryden Fort Frances Chatham Twp Duart Chatsworth **Dumfries N Twp** Foxboro **Dumfries S Twp** Frankford Chelmsford Freelton Chesterville Dundas Clifford DunnTwp **Fullarton Twp**

Clinton Dunnville Gananoque
Cobalt Dunwich Twp Garafraxa W Twp
Cobourg Durham Garden River
Cochrane Dutton Garson
Colborne Ear Falls Georgetown

Colborne Twp Earlton Geraldton Colchester N Twp East Wawanosh Twp Glanbrook Twp Colchester S Twp Easthope N Twp Glen Williams Easthope S Twp Collingwood Twp Glencoe Conestogo Echo Bay Glenelg Twp Coniston Eden Goderich Copetown Egmondville Goderich Twp Copper Cliff **Egremont Twp** Gosfield S Twp

Corbyville Ekfrid Twp Gowanstown Cornwall Elginburg Grafton Corunna Ellice Twp **Grand Bend** Courtland Elliot Lake Gravenhurst Elma Twp Courtright Greensville Crediton Elmira **Grey Twp** Crysler Elora Guelph Culross Twp Emo Guelph Twp **Cumberland Beach** Englehart Hagersville Dashwood **Enniskillen Twp** Haileybury Eramosa Twp Dawn Twp Hallebourg **Delaware Twp** Erie Beach Halton Hills Delhi Erieau Hamilton

Derby Twp Espanola Hanmer Dereham Twp Essex Hanover Euphemia Twp **Desbarats** Harrisburg Exeter Deseronto Harriston Devlin Falconbridge Harrow Dorchester Fauquier Harty Fergus Dorchster N Twp Harwich Twp

Finch Dorion Hawkesville **Dover Centre** Fisherville Hay Twp Flamborough Dover Twp Hearst Dowling Flamborough W Twp Heidelberg Flesherton Downie Twp Hensall Floradale Drayton Hepworth Florence Dresden Hibbert Twp

Morris Twp Highgate Listowel Hillier Morrisburg Lively Holland Twp Lobo Twp Morriston Mosa Twp Holtyre Logan Twp Hornell Heights Londesborough Moulton Twp **Howard Twp** Mount Brydges London Mount Elgin Howick Twp London Twp **Hullett Twp** Long Sault Mount Forest Huntsville Longford Mills Mount Hope Hurkett Longlac Mount Pleasant

Huron Park Lowbanks Murillo Ignace Lowville Nairn Centre Ingersoll Lucan Nanticoke Ingleside Lynden Napanee Inkerman Lynedoch Naughton Innerkip Madoc Neebing Inwood Maitland New Dundee Iron Bridge Mannheim **New Hamburg New Liskeard** Iroquois Markdale Iroquois Falls Newburgh Markstay **Jarvis** Marmora Newbury Jerseyville Maryborough Twp Nichol Twp Joyceville Maryhill **Nipigon**

Matheson Kakabeka Falls Nissouri W Twp Kapuskasing Mattawa Norfolk Twp Keewatin Mattice Normanby Twp Kenora Maynard North Bay Kent Bridge McGillivray Twp North Buxton Keppel Twp McKillop Twp North Cobalt Meaford Kilbride Norval Kilsyth Merlin Norwich

Kilworth Metcalfe Twp Norwich N Twp
Kilworth Heights Middleport Norwich S Twp
Kingston Middleton Twp Norwich Twp
Kingsville Mildmay Novar
Kirkland Lake Milgrove Oakland
Kitchener Milton

Kitchener Milton Oakland Twp Komoka Minto Twp Oakville La Salette Mitchell Odessa Lakeport Mitchell's Bay Oil City Lakeshore Monteith Oil Springs Moonbeam Oliver Paipoonge Langton

LasalleMoore TwpOnapingLeamingtonMooretownOneida TwpLevackMorewoodOnondaga TwpLinwoodMorpethOpasatika

Orford Twp Rockwood Strathroy Stratton Orillia Rodney

Orkney Romney Twp Sturgeon Falls Sudbury Rondeau Park Orland Sullivan Twp Orrville Roseville Sundridge Otterville Rothsay Swastika Owen Sound Rutherglen

Oxford Southwest Twp Salem Sydenham Twp

Tara Paincourt Sarawak Twp Palmerston Sarnia **Tavistock** Tecumseh **Paris** Sauble Beach Parkhill Saugeen Twp Teeswater Parry Sound Sault Ste. Marie Teeterville Peacock Point Schumacher Temagami Peel Twp Scotland Thamesford Petersburg Seaforth Thamesville Petrolia Sebringville Thedford Picton Selby Thessalon Selkirk Thornbury Pilkington Twp Pinewood Seneca Twp Thorne Plainfield **Shallow Lake** Thunder Bay Plattsville Shanty Bay Tilbury

Plympton Twp Sherbrooke Twp Tilbury E Twp Point Edward Shrewsbury Tillsonburg Porcupine Shuniah Twp **Timmins** Porquis Junction South Mountain Townsend South Porcupine Port Dover Townsend Twp Trenton

Port Elgin South River Port Hope Southampton **Trout Creek** Port Lambton **Tuckersmith Twp** Southwold Twp Port Rowan Springford **Tupperville** Port Ryerse St Agatha **Turnberry Twp**

St Andrews West Tweed Port Stanley Port Sydney St Clements Usborne Twp Powassan St George Val Caron St Jacobs Prescott Val Gagne Val Rita Princeton St Marys Puslinch Twp St Thomas Val Therese St Vincent Twp Quinte West Vanastra St Williams Rainham Twp Vermilion Bay

Stanley Twp Stephen Twp Raleigh Twp Vickers Heights

Rainy River

Rama Stirling Vittoria Stockdale Ramore Wahnapitae Red Rock Stoney Creek Walkerton Stratford Wallace Twp Ridgetown

Verner

Wallaceburg Wallenstein Walpole Twp Walsingham

Walsingham N Twp Walsingham S Twp

Wardsville Warren Warwick Twp

Waterdown Waterford Waterloo Watford

Wellesley Wellesley Twp Wellington West Lorne West Montrose Westbrook Westlake

Westminster Town

Wheatley
Whitefish
Wiarton
Wilkesport
Williams F.T.

Williams E Twp Williams W Twp Williamsburg Wilmot Twp Winchester

Windham Twp Windsor Wingham Winterborne Woodhouse Twp

Woodlawn Woodslee Woodstock Wooler

Woolwich Twp Wyoming Yarmouth Twp

York Zone Twp Zorra Twp

Zorra-Tavistock East

Zurich

1.2 Quality of Gas

The gas to be delivered shall be natural gas or its equivalent from our present or future sources of supply, and shall:

- Have a heating value of a minimum 36 megajoules per cubic metre
- Be commercially free from objectionable matter

NOTE: The gas delivered to customers attached to field gathering lines may vary from pipeline quality gas due to local well conditions.

1.3 Gas Distribution Services

Gas distribution services will be made available to all residential, commercial and industrial customers in all communities served by us:

- when we have determined transportation, distribution and/or storage capacity is available, and
- when we determine that the installation of gas piping (and related gas equipment) to serve you is economically feasible

Applying for more than one type of rate schedule

Customers may have gas distribution services under more than one rate schedule, as follows:

- Provided the customer meets all of the requirements for applicability, which are found in each rate schedule.
- This service may be taken through one meter, provided:
 - there is agreement upon a definite volume of gas that you will purchase under each rate
 - the volume of gas that falls under distribution charges, and
 - the delivery sequence

Gas Distribution Interruptions

Curtailment, or requests to stop gas use, may be required if the supply of gas is jeopardized, in the following situations:

- If there is an actual or threatened shortage of natural gas beyond our control
- When required because of curtailment or restrictions ordered by an authorized government authority

We assume no liability for any loss of production or for any damage whatsoever due to curtailment or discontinuance or because of the length of advance notice given that directs that curtailment or discontinuance.

1.4 Limitations of Liability

We shall use care and diligence to furnish sufficient gas distribution capacity but we assume no liability for damages or loss resulting from any failure of supply.

It is the customer's responsibility to provide and maintain:

- All pipes and valves to take the gas from the meter
- All equipment used in the burning of gas
- All vents necessary to efficiently take all products of combustion (including unburned gas
 if any) to the outside air

2. Initiation of Service

2.1 Main Extensions

We will extend our gas main within our franchise area to serve new customers (or potential customers) when:

- those requirements will not disturb or impair the service to prior users
- we determine the extension of the gas main is economically feasible

When we determine the extension of our facilities is not economically feasible, the applicant will be required to pay a contribution in aid of construction. We will determine the contribution amount before the extension of such facilities.

2.2 Service Lateral Installations

Service laterals will be installed provided that:

- There is an application for gas.
- The site of the service lateral installation is within our franchise area.
- Adequate distribution facilities are available.
- Any necessary main extension can be justified in accordance with our line extension practice.
- The requested hourly volume is available in accordance with the required supply pressure.
- In our sole discretion, we have an adequate gas supply to provide gas service.

We will designate the location of the service lines, meters and regulators, and will determine the amount of space that must be left unobstructed for the installation.

We do not assume ownership, responsibility or maintenance of piping beyond the outlet side of the meter or regulator set up.

If a customer wants us to install main on property that is not owned by the customer, such as road allowance, municipal or neighbouring property, land rights (in the form of easement) will be required for the installation / maintenance of gas lines (and equipment) from that property owner.

We shall try to restore property to the approximate condition in which it was found before starting our operations. This includes property that is excavated or may be disrupted during laying, constructing, repairing or removing our facilities.

2.3 Customer Costs

Gas service laterals extending from the property line to the meter location will be installed according to our policies and procedures. Customers are charged for these services as follows:

Residential Customers

Billed for any excess charges beyond 30 metres

- Billed for aid as calculated using the Company's test of economic feasibility for service lateral extensions
- Billed for charges related to the installation of the meter set beyond our approved location.

Commercial and Industrial Customers

- Union Gas uses a Distribution Related Economic Analysis Model to cost Commercial
 and Industrial services. If the service does not meet an economic feasibility benchmark,
 a customer will be expected to pay aid to construction costs in order to meet our internal
 economic feasibility benchmark.
- If aid to construction is required, Union Gas will provide the costs to the customer, for approval prior to initiating the installation of the service

When the installation is effected by us, our cost is:

- Material used at inventory value (including appropriate stores expense).
- Cost of direct labour on installation (including appropriate payroll burden).
- Cost of transportation and mobile work equipment.
- Cost of contract work.

2.4 Relocation of Service Laterals

For service lateral relocations requests, the cost will be based on size and nature of any added gas that is required. Requested relocations for convenience or aesthetics will normally be on a charge basis.

We reserve the right to make changes, extensions, or replacements of service lines.

2.5 Customer Piping

As an applicant for service, a customer shall at their expense, equip premises with all piping and attachments from the meter to the appliances or equipment served. It is the customer's responsibility to maintain the piping and equipment beyond the outlet side of the meter. Such piping and attachments shall be installed and maintained in accordance with the Ontario Regulation 212/01 – Gaseous Fuels, as amended.

If we know that the piping and/or appliances or heating equipment are defective, or not in accordance with applicable rules and regulations, ordinances or codes, we will not connect a meter.

We may discontinue gas service at any time that we find defective or unsafe conditions on:

- the piping
- the venting
- · the appliances or other gas-fired equipment

Notification and Maintenance

If there is leakage or escape of gas on a customer's premises, the customer is required to immediately notify Union Gas. The emergency number for Union Gas Limited is 1-877-969-0999.

Customers should ensure that their chimney or gas equipment venting system is clean and clear of obstructions.

If injury or damage occurs because of the escape of gas or products of combustion of gas from building piping, venting systems, or appliances on the customer's side of the Point of Delivery, we are not liable, unless the injury or damage can be traced to our negligence.

2.6 Meters and Meter Location

A meter or meters of standard manufacture, that we install (unless otherwise specified) shall measure the gas supplied. We will furnish each customer with a meter of a size and type that will adequately serve the customer's requirements. These meters are our property. We can inspect, remove or replace these as we deem necessary or in accordance with applicable rules, regulations, ordinances or codes.

Non-contiguous customer premises shall be metered and billed separately. Premises are considered non-contiguous when they:

- · are not on the same tract of land
- are complete and not integrated with or part of other premises
- are integrated with or part of other premises

Tracts of land separated by public streets, roads, lanes or alleys shall be considered non-contiguous lands.

Residential, Commercial, Industrial meters will be located near a building, taking into consideration the following:

- safety
- distribution facilities
- customer equipment
- noise
- structural design
- landscaping
- accessibility for meter reading and servicing

Inside locations require the approval of the District Manager or designate.

Anyone who is not an authorized agent of the Company shall not be permitted to connect or disconnect our meters, regulators or gauges, or in any way alter or interfere with our meters, regulators or gauges.

Customers are responsible for protecting all metering and regulating equipment necessary for the supply of gas and for keeping it accessible at all times. Customers will be held liable for any such loss or damage beyond ordinary wear and tear, and if required, shall pay us the cost of necessary repairs or replacements.

We are not responsible for damages caused by the freezing of water pipes, water heaters and hot water systems in your premises unless the damage can be traced to our negligence.

2.7 Delivery and Use of Gas

Our gas delivery and the customer's use of gas constitute a contract subject to these provisions, even if a contract has not been signed.

The place of delivery of all gas purchased under sales service, or redelivery in the case of direct purchase, shall be at the outlet of our meter located at or near the point or points of connection with the customer's facilities. At that point all gas delivered shall become the customer's property.

All gas passing through the meter, whether it is used or lost through leaks in pipes, apparatus, or otherwise is the customer's responsibility and the customer shall pay for that gas.

Gas sold to non-contract customers at excess pressure shall be sold by the cubic metre corrected to a base temperature and pressure.

2.8 Inspection of New Installations

All inspections shall conform to the Technical Standards and Safety Act and regulations made under the Act.

An inspection will be made of new installations of supply piping and gas appliances and installations in accordance with Company practice as follows:

- where premises are connected to a supply of gas for the first time.
- in accordance with the requirements of the Technical Standards and Safety Act and the regulations made under the Act.

If the inspection reveals that repairs or major adjustments are required, the customer will be advised.

3. Maintenance of Service

3.1 Customer Service Policy Statement

Union Gas provides customers with specific and specialized service. The following services are provided free of charge:

- Emergency response
- Inspections mandated by applicable legislation
- Minor adjustment service to natural gas equipment (i.e. work that can be completed within 30 minutes and does not require any appliance parts, special tools or special equipment). Customers requiring additional appliance service will be advised to contact a third party service provider.

3.2 Access to Premises

Our authorized representatives shall have access to a customer's premises at all reasonable times and upon reasonable notice to inspect, read, test, repair, or replace the meter or meters, appliances and equipment used in connection with gas service.

3.3 Testing Meters

We will test meters when necessary, or:

- upon a customer's request
- when required to ensure accordance with legislative requirements.

If there is an unresolved dispute between two parties over meter accuracy, the test process must be initiated through Measurement Canada. This maintains the independence of the dispute process and requires the disputing party, normally the customer, to contact Measurement Canada directly.

Measurement Canada sets out Federal Regulations Union Gas must follow with regard to Gas Measurement. Union Gas is a fully accredited Gas Utility with authorization from the Federal Government to test and seal meters.

If a customer requests a meter accuracy check, and it meets the regulated accuracy requirements during the inspection, we may charge any additional cost for the meter removal and test. This is in addition to the Government inspection fee.

3.4 Resale Prohibited

Gas shall not be resold or redistributed (pursuant to the definitions of those terms in the OEB Act) directly or indirectly by the customer, except:

- gas purchased under the Company's Rate Schedule M1, M2, Rate 01 and Rate 10 for resale as motor vehicle fuel gas (as that term is defined in Ontario Regulation 805/82), or
- gas purchased under the Company's Rate Schedules M9 and M10 and Rate 77 by a customer, that is itself a distributor of natural gas.

4. Customer Care

Section 4 applies to any customer that has not entered into a Gas Sales Contract with Union Gas. For customers that have entered into a Gas Sales Contract with Union Gas, the terms and conditions set out in that contract will supersede the information contained within this section.

4.1 Establishing an Account

Whether a new customer or moving from an existing Union Gas account, customers should notify Union Gas before taking possession of a new home. Account requests can be submitted <u>online</u> or by phone at 1-888-774-3111. Accounts are subject to a one-time activation fee. Customers with Union Gas may be required to provide a security deposit. See section 4.11 for details.

Once delivery of gas to a premise has been established, a contract between the customer and Union Gas is in effect until delivery of gas is discontinued. The customer agrees to pay for services provided, and is liable for all gas supplied to the premises and for the safe custody of Union Gas property.

4.2 Meter Reading

Union Gas makes every effort to read all meters on a monthly schedule. Sometimes we estimate bills if inaccessibility or weather prevents us from reading the meter within a few days of the normal date.

Customers may elect to supply their own meter reading either <u>online</u> or by telephone at 1-888-774-3111. When submitted on a timely basis, these readings will be used in the monthly bill calculation.

If usage is estimated, any necessary adjustments will be included in the next actual meter reading.

On rare occasions, we may have to estimate a bill if the metering equipment malfunctions or has been damaged.

Commercial / industrial non-contract excess pressure customers' meters may be read daily or weekly.

4.3 Billings for Accounts

Consolidated Billing

Customers may combine several meters on to one gas bill if the meters are located on contiguous tracts of land not divided by a public right-of-way. In such cases, an additional service charge as specified in the current rate order shall be rendered each month for each of these meters.

Master Summary Billing

Master Summary Billing summarizes the invoices associated with multiple accounts on one Master Account. Customers choosing this option receive no more than four Master bills per month, depending on the number and location of meters included in their various individual accounts.

4.4 Bill issuance and Payment

Bills are issued on a monthly basis. Invoices are due when rendered and customers are provided a period of 20 days for payment before a Late Payment Charge is applied to their account. Both the invoice issue date and the Late Payment applicable date are printed on all invoices. Whether the customer is issued a paper or electronic invoice, the dates and timelines are the same.

Gas Charges are calculated using rates approved by the Ontario Energy Board.

Each monthly gas invoice will include a set 'monthly charge' that is a set amount charged to every customer regardless of the amount of gas used. It partially covers the cost of maintaining a safe gas distribution system 24 hours a day, every day. The monthly charge will be prorated on initial, final and seasonal invoices when the period covered by the bill is less than 25 days. The amount of the monthly charge is part of the approved Ontario Energy Board rate structure.

Invoices are due when rendered. Union Gas' billing and payment options include:

Automatic payment plan:

Automatically withdraw payment from your bank account.

Paperless billing:

Use Union Gas' free paperless billing option to receive your bill online.

Equal Billing Plan:

Enjoy the benefits of predictable monthly billings all year.

• Combine Billing and Payment Options:

Bundle Paperless Billing, Equal Billing Plan and the Automatic Payment Plan to make monthly payments even more convenient.

Join our billing and payment options online or by telephoning 1-888-774-3111.

More payment options:

- Online banking through your financial institution
- Telephone banking
- Automatic Teller machine
- In person at most banks and financial institutions
- Pay your bill using your credit card <u>online</u> or through our automated telephone service at 1-888-774-3111. Please note that this credit card service is powered by Paymentus Corporation and is subject to a service fee of \$3.25 for each payment up to \$150.
- Mail your payment directly to Union Gas.

The monthly late payment charge equal to 1.5% per month or 18% per annum (for an approximate effective rate of 19.56% per annum) multiplied by the total of all unpaid charges will be added to the bill if full payment is not received by the late payment effective date, which is 20 days after the bill has been issued.

The Late Payment fee is not applied to unpaid security deposit amounts.

Payments are posted to customer accounts based on the day the payment is received. The date of receipt of mailed payment will be the postmark date on the envelope.

4.5 Allocation of Payments between gas and non-gas charges

Payments are applied to charges based on date (oldest paid first), then based on the priority for additional charges incurred at the same time.

For any charges in arrears, payment will be applied to the oldest charge first and Late Payment fees will be applied to the outstanding balance.

Union Gas does not provide joint billing services for rentals or third party services.

4.6 Correction of Billing Errors

If a billing error occurs, customers should contact our Customer Contact Centre at 1-888-774-3111 to request a billing investigation.

With the exception of tampering or theft of gas:

- If the error resulted in over-billing, it will be corrected for a period of up to two years. The customer may request a refund or opt to leave the credit amount on their account to cover future bills.
- If the error resulted in under-billing, it will be corrected for a period of up to one year. If required, Union Gas will work with the customer to determine a mutually agreeable repayment schedule.
- If the time period cannot be reasonably determined, the error will be corrected for a period of up to three months.

4.7 Equal Billing Plan

The Equal Billing Plan offers residential customers the convenience of equal payments throughout the year. Using your total natural gas usage for the previous year and current gas rates, we calculate your total expected gas bills and divide it into equal monthly instalments. In August of each year your EBP is "trued up" and your account is credited or billed for any difference between the EBP instalments that you have paid and the gas you've used.

Your account is reviewed periodically and your monthly EBP instalment may be adjusted up or down. Factors that can impact your EBP instalment include significant changes in the weather, gas rates or the amount of gas used.

If you cancel the Equal Billing Plan before the August true up, or if you move from your residence, the plan will be automatically trued up at that point and your account will be billed or credited for the difference between the EBP instalments paid and the cost of the gas you have used.

Each August, your gas usage for the previous year is reviewed to determine your new instalment amount for the coming plan year. You will be automatically re-enrolled in the plan in September for the next 12 months at your new monthly instalment amount.

4.8 Discontinuance of Gas Delivery – Customer Initiated

Customers who require a temporary disconnection of their gas service should contact Union Gas at 1-888-774-3111. During the temporary disconnection, customers must either continue to pay the monthly fixed charge or pay a disconnection and reconnection fee.

4.9 Disconnection for Non-payment

If any charges remain unpaid after the date shown on the invoice, Union Gas has the right to discontinue delivery of gas service.

Residential Accounts - If the customer does not initiate action to manage their arrears, delivery may be discontinued after giving 10 days written notification through a Disconnection Notice to the customer. The Disconnection Notice will indicate the earliest and latest date on which the disconnection will occur, provides payment options to avoid the disconnection of service and indicates that the disconnection can take place without further notification to the customer. In determining whether to issue a disconnection notice or to pursue additional payment arrangements with the customer, Union Gas will take into account any paid security deposit that is being held on the customer's account.

Non Residential Accounts - If the customer does not initiate action to manage their arrears, delivery may be discontinued after giving prior notification through a message on the bill or through other written notification to the customer. In addition to a bill message or written notification, Union Gas attempts to reach the customer by telephone prior to issuing a disconnect order.

At any time prior to service disconnection, a customer can make a payment at a financial institution, through Internet or telephone banking or by credit card, to cancel the disconnection order.

If during the disconnection notice period, a third party, who has been designated by the customer, or a registered charity, government agency or social service agency, advises Union Gas that they are attempting to arrange assistance to help the customer pay their outstanding arrears, Union Gas will cancel the disconnection order and will delay further action for 21 days. If mutually agreeable payment arrangements are created during this process, but are subsequently missed, the account may be disconnected without further notice.

Once the account is paid in full, including any reconnection charges or security deposit required, Union Gas reconnects gas service for the account within two business days.

4.10 Discontinuance of Gas Delivery for other than Non-payment

If we need to temporarily discontinue delivery of gas for meter maintenance, a meter change or line maintenance, Union Gas will make arrangements with the customer in advance as we will need access to the premises to relight and inspect the gas appliances. For safety reasons, gas service cannot be reinstated until this inspection is completed by one of our qualified technicians.

Note: The above inspections are free, however, if the inspection is carried out at the request of a third party (i.e., lawyer, real estate broker, etc.) then the customer will be charged for the inspection.

We may discontinue service at any time for emergency or safety reasons including:

- a gas leak or potential safety issue in your neighbourhood
- fraudulent use of gas
- any condition affecting appliances or piping which we believe is dangerous to life or property
- the use of gas for any purpose other than that described in the service application, gas sales contact, rate schedule or these rules and regulations
- if we are refused access for any lawful purpose to the premises to which gas is supplied
- when a customer tampers with, damages or destroys our property on their premises

4.11 Security deposits

If you are a new customer to Union Gas or if future payment cannot be assured, you are required to provide a security deposit.

Residential Customers - The deposit will be equal to two of the average month's gas usage based on the last 12 months usage history. Customers are provided the option to pay the security deposit over a maximum of six monthly instalments without interest.

In the majority of cases, Union Gas will waive the security deposit if the customer enters into both the <u>Equal Billing Plan</u> and the <u>Automatic Payment Plan</u> or provides a letter of reference with a good rating from a Canadian natural gas or hydro utility dated within the past 60 days.

Deposits are automatically refunded with interest to the customers' account once the deposit has been paid in full and the customer has exhibited twelve months of good payment history. When the deposit is applied, the customer has the option of leaving the credit amount on their account for future bills or requesting a refund.

Non-Residential Customers - The deposit amount will be a maximum of the three highest consecutive months' usage history or \$500.00 if there is insufficient historical usage information for the premises. The deposit is refunded with interest after five years of exhibiting financial stability through a good payment history.

The security deposit may be waived if the customer meets certain criteria.

Acceptable types of security deposits are as follows:

- Money orders or certified cheques
- Letter of Guarantee such as a guarantee of customer payment by a financial institution.

If you do not provide the requested security deposit, delivery of gas will be discontinued. Once the account is paid in full, including the outstanding security deposit, the reconnection charge and any arrears, Union Gas will reconnect the gas service within two business days.

All monetary deposits earn simple interest based on the current bank savings rate. The interest is calculated monthly.

When the customer moves or discontinues gas service, the security deposit is applied to the customer's account.

4.12 Arrears Management Programs

Union Gas has arrears management programs available to customers who are unable to pay their gas charges. Union Gas works with customers to find mutually agreeable payment plans that could extend up to several months depending on the individual circumstances. Customers requiring payment assistance can contact a Union Gas representative at our contact centre by telephoning 1-888-774-3111.

Union Gas will contact the customer, to remind them of required payments under an agreed upon payment arrangement 10 days prior to cancellation of the arrangement and further collection action.

Customers are advised at the time of the arrangement the importance of keeping the payments up to date to avoid further collection action.

4.13 Management of Customer Accounts

Union Gas will verify the identity of a customer prior to discussing account specific information. In accordance with applicable privacy laws, any personal information related to the account will only be shared with the party named as the customer on the account, unless written or verbal consent is provided by the party named as the primary customer on the account.

Union Gas will accept notification to transfer service to a third party name from vendors, purchasers, builders, vendor or purchaser solicitors, power of attorney or property owner/manager or housing administrator. Landlord instructions are maintained with direction from the owner on the management of gas service during a property vacancy and this direction is followed in the absence of a tenant contract. We do not accept new tenant information from vacating tenants.

4.14 Customer Complaint Policy

Step 1: Call Union Gas

Call the Union Gas Customer Contact Centre at 1-888-774-3111, Monday through Friday between 8:00 a.m. and 6:00 p.m. All Union Gas representatives are trained to help answer your questions.

You may also send us an email at uniongas.com/residential/contactus

Step 2: Escalating your Concern

If you have a problem or concern that has not been satisfactorily resolved by our representatives, you may ask to further escalate your concern. Please be advised that you will be required to leave your name and a phone number where you can be contacted. A Union Gas representative will return your call within 2 business days.

Step 3: Submit your Complaint in Writing

Union Gas will respond to all written customer complaints by e-mail or in writing (unless otherwise agreed to by the customer) within 10 calendar days.

Written complaints can be mailed to:

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

For further information on our written complaints policy, please visit Customer Complaint Policy.

If your problem has not been resolved to your satisfaction, you can contact the OEB.