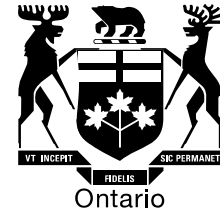


**Ontario Energy
Board**
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**Commission de l'Énergie
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BY EMAIL ONLY

September 18, 2006

Mr. Bryan Goulden
Manager, Regulatory Applications
Union Gas Limited
P.O. Box 2001
50 Keil Drive North
Chatham ON N7M 5M1

Dear Mr. Goulden:

Re: **Union Gas Limited – 2005 Deferral accounts and Earnings sharing**
Board File No. EB-2006-0057

The Board has today issued its Order in the above matter and an executed copy is enclosed herewith.

Yours truly,

Original Signed By

Peter H. O'Dell
Assistant Board Secretary

- c. All Intervenors EB-2006-0057
Michael A. Penny, Torys



EB-2006-0057

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

AND IN THE MATTER OF an application by Union Gas
Limited for an order or orders amending or varying the
rate or rates charged to customers as of October 1, 2006;

BEFORE: Cynthia Chaplin
Presiding Member

Paul Sommerville
Member

RATE ORDER

Union Gas Limited ("Union") filed an application (the "Application") dated April 7, 2006 to address the disposition of 2005 deferral account balances and the level and allocation of the 2005 earnings sharing amount. The Board assigned docket number EB-2006-0057 to the Application.

Union originally proposed that the impacts which result from the disposition of 2005 deferral account balances and 2005 earnings sharing be implemented on July 1, 2006 to align with other rate changes expected to result from the July QRAM proceeding. During the proceeding, Union revised the proposed implementation date to align with the October QRAM.

On August 2, 2006, the Board issued its Decision and Order in the matter. This Rate Order represents the implementation in rates of the amounts that were decided by the Board in its August 2, 2006 Decision and Order.

THE BOARD THEREFORE ORDERS THAT:

1. The rate changes set out in Appendix "A" and the rate schedules set out in Appendix "B" are approved effective October 1, 2006. Union shall implement these rates on the first billing cycle on or after October 1, 2006;
2. The deferral account balances as at December 31, 2005, totaling \$2.250 million (credit) as set out in Appendix "C", including interest up to September 30, 2006, are approved for disposition. Balances in Deferral Account No. 179-108 (Unabsorbed Demand Costs Account) and Deferral Account No. 179-89 (Heating Value Account) shall be disposed of in this proceeding. The balances in the other gas supply-related accounts shall be recovered through the QRAM process. The balances in Deferral Account No. 179-115 (Shared Savings Mechanism Variance Account) and Deferral Account No. 179-116 (Interest on the Gain from the 2004 Cushion Gas Disposition Account) shall be disposed of in a future proceeding. The portion of the balance of Deferral Account No. 179-75 (Lost Revenue Adjustment Mechanism Account) which pertains to the 2004 DSM true-up and the 2005 DSM volumes shall also be disposed of in a future proceeding;
3. The 2005 earnings sharing amount available for distribution to ratepayers is \$10.127 million (credit), including interest up to September 30, 2006, as set out in Appendix "C";
4. Union shall combine 2005 Deferral account balances with the 2005 Earnings Sharing balance for disposition. For General Service rate classes M2, 01 and 10, Union shall dispose of this total balance prospectively for each of these rate classes through a temporary credit in rates between October 1, 2006 and December 31, 2006 as set out in Appendix "D". For all other rate classes, Union shall apply the unit rates as a one-time adjustment as set out in Appendix "D".
5. The customer notices in Appendix "E" shall be given to all customers with the first bill or invoice reflecting the balances for disposition.
6. Union shall pay the costs of eligible intervenors upon receipt of the Board's cost order.

DATED at Toronto, September 18, 2006

Original Signed By

Peter H. O'Dell
Assistant Board Secretary

APPENDIX "A" TO
BOARD FILE No. EB-2006-0057
DATED SEPTEMBER 18, 2006

UNION GAS LIMITED
Northern & Eastern Operations Area
Summary of Changes to Sales Rates
Rate 01A - Small Volume General Firm Service

Line No.	Particulars (cents/m ³)	EB-2006-0106 Approved July 1, 2006	Rate Change (b)	EB-2006-0057 Approved October 1, 2006
		Rate (a)		Rate (c)
1	Monthly Charge - All Zones	\$14.00		\$14.00
	Monthly Delivery Charge - Western, Northern, Eastern			
2	First 100 m3	9.6853		9.6853
3	Next 200 m3	9.0482		9.0482
4	Next 200 m3	8.6141		8.6141
5	Next 500 m3	8.2407		8.2407
6	Over 1,000 m3	7.9931		7.9931
7	Delivery - Price Adjustment (All Volumes)		(0.1234)	(0.1234) (1)
	Monthly Delivery Charge - Fort Frances			
8	First 100 m3	9.6853		9.6853
9	Next 200 m3	9.0482		9.0482
10	Next 200 m3	8.6141		8.6141
11	Next 500 m3	8.2407		8.2407
12	Over 1,000 m3	5.0373		5.0373
13	Delivery - Price Adjustment (All Volumes)		(0.1234)	(0.1234) (1)
	Gas Transportation Service			
14	Fort Frances	2.7223		2.7223
15	Western Zone	2.7186		2.7186
16	Northern Zone	3.3180		3.3180
17	Eastern Zone	3.8019		3.8019
18	Transportation - Price Adjustment (All Zones)	(0.3966) (2)	(1.1731)	(1.5697) (3)
	Storage Service			
19	Fort Frances	1.9304		1.9304
20	Western Zone	2.0056		2.0056
21	Northern Zone	2.4577		2.4577
22	Eastern Zone	2.8445		2.8445
23	Storage - Price Adjustment (All Zones)	(0.1606) (4)		(0.1606) (5)
	Commodity Cost of Gas and Fuel			
24	Fort Frances	34.5825		34.5825
25	Western Zone	35.0292		35.0292
26	Northern Zone	35.6284		35.6284
27	Eastern Zone	36.1119		36.1119
28	Commodity and Fuel - Price Adjustment (All Zones)	(3.7709) (6)		(3.7709) (7)

Notes:

- (1) Includes a temporary credit of (0.1234) cents/m³ for the period October 1 to December 31, 2006.
(2) Includes Prospective Recovery of (0.1406), (0.0681), (0.0692) and (0.1187)cents/m³
(3) Includes Prospective Recovery of (0.1406), (0.0681), (0.0692), (0.1187) and a temporary credit of (1.1731) for the period Oct 1-Dec 31, 2006.
(4) Includes Prospective Recovery of (0.0674), (0.0999), 0.0039 and 0.0028cents / m³.
(5) Includes Prospective Recovery of (0.0674), (0.0999), 0.0039 and 0.0028cents / m³.
(6) Includes Prospective Recoveries of (2.6593), 2.9377, (0.9291) and (3.1202) cents / m³.
(7) Includes Prospective Recoveries of (2.6593), 2.9377, (0.9291) and (3.1202) cents / m³.

UNION GAS LIMITED
Northern & Eastern Operations Area
Summary of Changes to Sales Rates
Rate 10 - Large Volume General Firm Service

Line No.	Particulars (cents/m ³)	EB-2006-0106 Approved July 1, 2006	Rate Change (b)	EB-2006-0057 Approved October 1, 2006
		Rate (a)		Rate (c)
1	Monthly Charge - All Zones	\$70.00		\$70.00
	Monthly Delivery Charge - All Zones			
2	First 1,000 m3	6.9493		6.9493
3	Next 9,000 m3	5.5060		5.5060
4	Next 20,000 m3	4.6850		4.6850
5	Next 70,000 m3	4.1341		4.1341
6	Over 100,000 m3	2.1262		2.1262
7	Delivery - Price Adjustment (All Volumes)		(0.0872)	(0.0872) (1)
	Gas Transportation Service			
8	Fort Frances	2.5453		2.5453
9	Western Zone	2.5416		2.5416
10	Northern Zone	3.1410		3.1410
11	Eastern Zone	3.6249		3.6249
12	Transportation - Price Adjustment (All Zones)	(0.3824) (2)	(1.0838)	(1.4662) (3)
	Storage Service			
13	Fort Frances	1.1864		1.1864
14	Western Zone	1.2616		1.2616
15	Northern Zone	1.7137		1.7137
16	Eastern Zone	2.1005		2.1005
17	Storage - Price Adjustment (All Zones)	(0.1339) (4)		(0.1339) (5)
	Commodity Cost of Gas and Fuel			
18	Fort Frances	34.5825		34.5825
19	Western Zone	35.0292		35.0292
20	Northern Zone	35.6284		35.6284
21	Eastern Zone	36.1119		36.1119
22	Commodity and Fuel - Price Adjustment (All Zones)	(3.7709) (6)		(3.7709) (7)

Notes:

- (1) Includes a temporary credit of (0.0872) cents / m³ for the period October 1 to December 31, 2006.
(2) Includes Prospective Recovery of (0.1396), (0.0671), (0.0679) and (0.1078) cents / m³.
(3) Includes Prospective Recovery of (0.1396), (0.0671), (0.0679), (0.1078) and a temporary credit of (1.0838) for the period Oct 1-Dec 31, 2006.
(4) Includes Prospective Recovery of (0.0567), (0.0696), (0.0046) and (0.0030)cents / m³.
(5) Includes Prospective Recovery of (0.0567), (0.0696), (0.0046) and (0.0030)cents / m³.
(6) Includes Prospective Recoveries of (2.6593), 2.9377, (0.9291) and (3.1202) cents / m³.
(7) Includes Prospective Recoveries of (2.6593), 2.9377, (0.9291) and (3.1202) cents / m³.

UNION GAS LIMITED
Northern & Eastern Operations Area
Summary of Changes to Sales Rates
Rate 16 - Small Volume Interruptible Service

Line No.	Particulars (cents/m ³)	EB-2006-0106 Approved July 1, 2006	Rate Change (b)	EB-2006-0057 Approved October 1, 2006
		Rate (a)		Rate (c)
1	Monthly Charge	\$70.00		\$70.00
2	Monthly Delivery Charge * All Zones	5.2232		5.2232
	Gas Supply Charges - Summer (Apr. 16 - Oct. 31) *			
3	Fort Frances	37.2709		37.2709
4	Western Zone	37.7164		37.7164
5	Northern Zone	38.3139		38.3139
6	Eastern Zone	38.7925		38.7925
7	Gas Supply - Price Adjustment (All Zones)	(3.7709) (1)		(3.7709) (2)
	Gas Supply Charges - Winter (Nov. 1 - Apr. 15) *			
8	Fort Frances	39.0801		39.0801
9	Western Zone	39.5198		39.5198
10	Northern Zone	41.0681		41.0681
11	Eastern Zone	42.3127		42.3127
12	Gas Supply - Price Adjustment (All Zones)	(3.7709) (1)		(3.7709) (2)

Notes:

(1) Includes Prospective Recoveries of (2.6593), 2.9377, (0.9291) and (3.1202) cents / m³.

(2) Includes Prospective Recoveries of (2.6593), 2.9377, (0.9291) and (3.1202) cents / m³.

* See Appendix C

UNION GAS LIMITED
Northern & Eastern Operations Area
Summary of Changes to Sales Rates
Rate 20 - Medium Volume Firm Service

Line No.	Particulars (cents/m ³)	EB-2006-0106 Approved July 1, 2006	Rate Change (b)	EB-2006-0057 Approved October 1, 2006
		Rate (a)		Rate (c)
1	Monthly Charge	\$780.00		\$780.00
	Delivery Demand Charge			
2	First 70,000 m ³	18.9962		18.9962
3	All over 70,000 m ³	11.4267		11.4267
	Delivery Commodity Charge			
4	First 852,000 m ³	0.2647		0.2647
5	All over 852,000 m ³	0.2057		0.2057
	Monthly Gas Supply Demand Charge			
6	Fort Frances	26.6352		26.6352
7	Western Zone	26.6362		26.6362
8	Northern Zone	42.7632		42.7632
9	Eastern Zone	55.7302		55.7302
10	Gas Supply Demand - Price Adjustment (All Zones)	(0.8951) (1)		(0.8951) (2)
	Commodity Transportation 1			
11	Fort Frances	2.3916		2.3916
12	Western Zone	2.3916		2.3916
13	Northern Zone	2.7716		2.7716
14	Eastern Zone	3.0716		3.0716
15	Transportation 1 - Price Adjustment (All Zones)	(0.4745) (3)		(0.4745) (4)
	Commodity Transportation 2			
16	Fort Frances	0.1263		0.1263
17	Western Zone	0.1205		0.1205
18	Northern Zone	0.1883		0.1883
19	Eastern Zone	0.2447		0.2447
	Commodity Cost of Gas and Fuel			
20	Fort Frances	34.8011		34.8011
21	Western Zone	35.2506		35.2506
22	Northern Zone	35.8537		35.8537
23	Eastern Zone	36.3403		36.3403
24	Commodity and Fuel - Price Adjustment (All Zones)	(3.7709) (5)		(3.7709) (6)
	Bundled Storage Service (\$/GJ)			
25	Monthly Demand Charge	11.820		11.820
26	Commodity Charge	0.236		0.236
27	Storage Demand - Price Adjustment	(1.158) (7)		(1.158) (8)

Notes:

- (1) Includes Prospective Recovery of (0.9197), (0.4321), 0.2291 and 0.2276 cents / m³.
(2) Includes Prospective Recovery of (0.9197), (0.4321), 0.2291 and 0.2276 cents / m³.
(3) Includes Prospective Recovery of (0.1496), (0.0737), (0.0819) and (0.1693)cents/ m³.
(4) Includes Prospective Recovery of (0.1496), (0.0737), (0.0819) and (0.1693)cents/ m³.
(5) Includes Prospective Recoveries of (2.6593), 2.9377, (0.9291) and (3.1202) cents / m³.
(6) Includes Prospective Recoveries of (2.6593), 2.9377, (0.9291) and (3.1202) cents / m³.
(7) Includes Prospective Recoveries of (0.586), (0.450), (0.071) and (0.051) \$/GJ.
(8) Includes Prospective Recoveries of (0.586), (0.450), (0.071) and (0.051) \$/GJ.

UNION GAS LIMITED
Northern & Eastern Operations Area
Summary of Changes to Sales Rates
Rate 100 - Large Volume High Load Factor Firm Service

Line No.	Particulars (cents/m ³)	EB-2006-0106 Approved July 1, 2006 Rate (a)	Rate Change (b)	EB-2006-0057 Approved October 1, 2006 Rate (c)
1	Monthly Charge	\$780.00		\$780.00
2	Delivery Demand Charge All Zones	11.2304		11.2304
3	Delivery Commodity Charge All Zones	0.1983		0.1983
4	Monthly Gas Supply Demand Charge Fort Frances	41.1426		41.1426
5	Western Zone	41.1436		41.1436
6	Northern Zone	59.9586		59.9586
7	Eastern Zone	75.0866		75.0866
8	Commodity Transportation 1 Fort Frances	4.1400		4.1400
9	Western Zone	4.1400		4.1400
10	Northern Zone	4.4200		4.4200
11	Eastern Zone	4.6500		4.6500
12	Commodity Transportation 2 Fort Frances	0.1263		0.1263
13	Western Zone	0.1205		0.1205
14	Northern Zone	0.1883		0.1883
15	Eastern Zone	0.2447		0.2447
16	Commodity Cost of Gas and Fuel Fort Frances	34.8011		34.8011
17	Western Zone	35.2506		35.2506
18	Northern Zone	35.8537		35.8537
19	Eastern Zone	36.3403		36.3403
20	Commodity and Fuel - Price Adjustment (All Zones)	(3.7709) (1)		(3.7709) (2)
21	Bundled Storage Service (\$/GJ) Monthly Demand Charge	11.820		11.820
22	Commodity Charge	0.236		0.236
23	Storage Demand - Price Adjustment	(1.158) (3)		(1.158) (4)

Notes:

(1) Includes Prospective Recoveries of (2.6593), 2.9377, (0.9291) and (3.1202) cents / m³.

(2) Includes Prospective Recoveries of (2.6593), 2.9377, (0.9291) and (3.1202) cents / m³.

(3) Includes Prospective Recoveries of (0.586), (0.450), (0.071) and (0.051) \$/GJ.

(4) Includes Prospective Recoveries of (0.586), (0.450), (0.071) and (0.051) \$/GJ.

UNION GAS LIMITED
Northern & Eastern Operations Area
Summary of Changes to Sales Rates
Rate 25 - Large Volume Interruptible Service

Line No.	Particulars (cents/m ³)	EB-2006-0106 Approved July 1, 2006	Rate Change (b)	EB-2006-0057 Approved October 1, 2006
		Rate (a)		Rate (c)
1	Monthly Charge	\$190.00		\$190.00
2	Delivery Charge - All Zones *			
	Maximum	2.8255		2.8255
	Gas Supply Charges 25 *			
	Fort Frances			
3	Minimum	13.7545		13.7545
4	Maximum	63.6890		63.6890
	Western Zone			
5	Minimum	13.8788		13.8788
6	Maximum	64.7046		64.7046
	Northern Zone			
7	Minimum	14.1233		14.1233
8	Maximum	67.0257		67.0257
	Eastern Zone			
9	Minimum	14.3135		14.3135
10	Maximum	68.9354		68.9354

* See Appendix C

UNION GAS LIMITED
Northern & Eastern Operations Area
Summary of Changes to Sales Rates
Rate 77 - Wholesale Transportation Service

Line No.	Particulars (cents/m ³)	EB-2006-0106 Approved July 1, 2006	Rate Change (b)	EB-2006-0057 Approved October 1, 2006
		Rate (a)		Rate (c)
1	Monthly Charge	\$145.00		\$145.00
	Delivery Demand Charge			
2	Fort Frances	28.2609		28.2609
3	Western Zone	28.2609		28.2609
4	Northern Zone	28.2609		28.2609
5	Eastern Zone	28.2609		28.2609

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2006-0106 Approved July 1, 2006	Rate Change	EB-2006-0057 Approved October 1, 2006
		Rate (a)		Rate (c)
	<u>Utility Sales</u>			
1	Commodity and Fuel	36.0677		36.0677
2	Commodity and Fuel - Price Adjustment	(3.6268) (1)		(3.6268) (2)
3	Transportation	3.0007		3.0007
4	Total Gas Supply Commodity Charge (Line 1+2+3)	<u>35.4416</u>		<u>35.4416</u>
	<u>M4 Firm comm/ind</u>			
5	Minimum annual gas supply commodity charge	5.3566		5.3566
	<u>M5A Interruptible comm/ind contract</u>			
6	Annual minimum gas supply commodity charge	5.3566		5.3566
	<u>M6A Seasonal comm/ind contract/day</u>			
7	Monthly minimum gas supply commodity charge	\$88.05		\$88.05
	<u>Storage and Transportation Supplemental Services - Rate T1 & T3</u>	<u>\$/GJ</u>		<u>\$/GJ</u>
	Monthly demand charges: (\$/GJ)			
8	Firm gas supply service	26.474		26.474
9	Firm backstop gas	5.190		5.190
	Commodity charges:			
10	Gas supply	9.579		9.579
11	Backstop gas	12.162		12.162
12	Reasonable Efforts Backstop Gas	12.134		12.134
13	Supplemental Inventory	Note (3)		Note (3)
14	Supplemental Gas Sales Service (cents / m ³)	48.8149		48.8149
15	Failure to Deliver	3.131		3.131
16	Delivery Commitment Credit (DCC) for all obligated deliveries	(0.023)		(0.023)
17	Discretionary Gas Supply Service (DGSS)	Note (4)		Note (4)

Notes:

- (1) Includes Prospective Recovery unit rate of (2.0331), 1.6954, (1.2079) and (2.0812)cents/ m³.
(2) Includes Prospective Recovery unit rate of (2.0331), 1.6954, (1.2079) and (2.0812)cents/ m³.
(3) The charge for banked gas purchases shall be the higher of the daily spot gas cost at Dawn in the month of or the month following the month in which gas is sold under this rate and shall not be less than Union's approved weighted avg. cost of gas.
(4) Reflects the "back to back" price plus gas supply administration charge.

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2006-0106 Approved July 1, 2006 Rate (a)	Rate Change (b)	EB-2006-0057 Approved October 1, 2006 Rate (c)
	<u>M2 General Service Rate</u>			
1	Monthly Charge	\$14.00		\$14.00
	Monthly delivery commodity charge:			
2	First 1 400 m ³	5.6614		5.6614
3	Next 4 600 m ³	4.0465		4.0465
4	Next 124 000 m ³	2.8544		2.8544
5	Next 270 000 m ³	2.1188		2.1188
6	All over 400 000 m ³	1.9749		1.9749
7	Delivery - Price Adjustment (All Volumes)	(0.0914) (1)	(0.1515)	(0.2429) (2)
8	Storage Service	0.9544		0.9544
	<u>M4 Firm comm/ind contract rate</u>			
	Monthly demand charge:			
9	First 8 450 m ³	46.9922		46.9922
10	Next 19 700 m ³	17.5809		17.5809
11	All over 28 150 m ³	13.8932		13.8932
	Monthly delivery commodity charge:			
12	First block	0.7963		0.7963
13	All remaining use	0.3930		0.3930
14	Delivery - Price Adjustment (All Volumes)	(0.1328) (3)		(0.1328) (4)
15	Minimum annual delivery commodity charge	1.0444		1.0444
	<u>M5A interruptible comm/ind contract</u>			
	<u>Firm contracts</u>			
16	Monthly demand charge	25.5770		25.5770
17	Monthly delivery commodity charge	1.5756		1.5756
18	Delivery - Price Adjustment (All Volumes)	(0.0725) (5)		(0.0725) (6)
	<u>Interruptible contracts</u>			
19	Monthly Charge	\$500.00		\$500.00
	Daily delivery commodity charge:			
20	4 800 m ³ to 17 000 m ³	1.8642		1.8642
21	17 000 m ³ to 30 000 m ³	1.7343		1.7343
22	30 000 m ³ to 50 000 m ³	1.6660		1.6660
23	50 000 m ³ to 70 000 m ³	1.6181		1.6181
24	70 000 m ³ to 100 000 m ³	1.5838		1.5838
25	100 000 m ³ to 140 870 m ³	1.5501		1.5501
26	Delivery - Price Adjustment (All Volumes)	(0.0725) (5)		(0.0725) (6)
27	Annual minimum delivery commodity charge	2.1123		2.1123
	<u>M6A Seasonal comm/ind contract</u>			
28	Monthly delivery commodity charge	1.3569		1.3569
29	Monthly min. delivery commodity charge	\$26.38		\$26.38

Notes:

- (1) Includes Prospective Recovery of (0.0024), (0.0015), (0.0020) and (0.0855)cents/ m³.
- (2) Includes Prospective Recovery of (0.0024), (0.0015), (0.0020), (0.0855) and a temporary credit of (0.1515) for the period Oct 1-Dec 31, 2006.
- (3) Includes Prospective Recovery of (0.0010), (0.0008), (0.0010) and (0.1300) cents/ m³.
- (4) Includes Prospective Recovery of (0.0010), (0.0008), (0.0010) and (0.1300) cents/ m³.
- (5) Includes Prospective Recovery of (0.0001), (0.0024) and (0.0700) cents/ m³ associated with load balancing costs.
- (6) Includes Prospective Recovery of (0.0151), (0.0001) and (0.0024) cents/ m³ associated with load balancing costs.

* Price changes to individual M5A firm and interruptible contract rates are provided in Appendix C.

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2006-0106 Approved July 1, 2006 Rate (a)	Rate Change (b)	EB-2006-0057 Approved October 1, 2006 Rate (c)
	<u>M7 Special large volume contract</u>			
	<u>Firm</u>			
1	Monthly demand charge	24.8644		24.8644
2	Monthly delivery commodity charge	0.2739		0.2739
3	Delivery - Price Adjustment	(0.1016) (1)		(0.1016) (2)
	<u>Interruptible *</u>			
4	Monthly delivery commodity charge: Maximum	2.6095		2.6095
5	Delivery - Price Adjustment	(0.1016) (1)		(0.1016) (2)
	<u>Seasonal *</u>			
6	Monthly delivery commodity charge: Maximum	2.3654		2.3654
7	Delivery - Price Adjustment	(0.1016) (1)		(0.1016) (2)
	<u>M9 Large wholesale service</u>			
8	Monthly demand charge	17.2858		17.2858
9	Monthly delivery commodity charge	0.5233		0.5233
10	Delivery - Price Adjustment	(0.1219) (3)		(0.1219) (4)
	<u>M10 Small wholesale service</u>			
11	Monthly delivery commodity charge	2.7318		2.7318

Notes:

- (1) Includes Prospective Recoveries of 0.0136, (0.0002), (0.0043) and (0.1107) cents/ m³.
(2) Includes Prospective Recoveries of 0.0136, (0.0002), (0.0043) and (0.1107) cents/ m³.
(3) Includes Prospective Recovery of (0.0019), (0.0032), (0.0045) and (0.1123) cents/ m³.
(4) Includes Prospective Recovery of (0.0019), (0.0032), (0.0045) and (0.1123) cents/ m³.

- * Price changes to individual interruptible and seasonal contract rates are provided in Appendix C.

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Contract Carriage Rates

Line No.	Particulars	EB-2006-0106 Approved July 1, 2006 Rate (a)	Rate Change (b)	EB-2006-0057 Approved October 1, 2006 Rate (c)
	<u>Contract Carriage Service</u>			
	<u>T1 Storage and Transportation</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.010		0.010
	Firm withdrawal			
2	Union provides deliverability inventory	1.966		1.966
3	Customer provides deliverability inventory	1.023		1.023
4	Firm incremental injection	1.023		1.023
5	Interruptible withdrawal	1.023		1.023
	Commodity charges:			
6	Withdrawal	0.056		0.056
7	Customer provides compressor fuel	0.004		0.004
8	Injection	0.056		0.056
9	Customer provides compressor fuel	0.004		0.004
10	Storage fuel ratio- Cust. provides fuel	0.631%		0.631%
	<u>Transportation (cents / m³)</u>			
11	Monthly demand charge first 140,870 m ³	16.9379		16.9379
12	Monthly demand charge all over 140,870 m ³	12.2359		12.2359
	Commodity charges:			
13	Firm- Union supplies compressor fuel first 2,360,653 m ³	0.3151		0.3151
14	Union supplies compressor fuel all over 2,360,653 m ³	0.2598		0.2598
15	Customer provides compressor fuel first 2,360,653 m ³	0.1336		0.1336
16	Customer provides compressor fuel all over 2,360,653 m ³	0.0783		0.0783
	Interruptible: *			
17	Maximum	2.6095		2.6095
18	Maximum customer provides comp. fuel	2.5542		2.5542
19	Transportation fuel ratio- Cust. provides fuel	0.584%		0.584%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges			
20	Injection May 1 to Oct 31	0.155		0.155
21	Customer provides compressor fuel	0.069		0.069
22	Withdrawals Nov 1 to Apr 30	0.155		0.155
23	Customer provides compressor fuel	0.069		0.069
24	Transportation commodity charge (cents / m ³)	0.8719		0.8719
25	Customer provides compressor fuel	0.6905		0.6905
26	<u>Monthly Charge</u>	\$1,800		\$1,800

- * Price changes to individual interruptible and seasonal contract rates are provided in Appendix C.

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Contract Carriage Rates

Line No.	Particulars	EB-2006-0106 Approved July 1, 2006 Rate (a)	Rate Change (b)	EB-2006-0057 Approved October 1, 2006 Rate (c)
	<u>T3 Storage and Transportation</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.010		0.010
	Firm withdrawal			
2	Union provides deliverability inventory	1.966		1.966
3	Customer provides deliverability inventory	1.023		1.023
4	Firm incremental injection	1.023		1.023
5	Interruptible withdrawal	1.023		1.023
	Commodity charges :			
6	Withdrawal	0.056		0.056
7	Customer provides compressor fuel	0.004		0.004
8	Injection	0.056		0.056
9	Customer provides compressor fuel	0.004		0.004
10	Storage fuel ratio- Cust. provides fuel	0.631%		0.631%
	<u>Transportation (cents / m³)</u>			
11	Monthly demand charge	13.0145		13.0145
	Commodity charges			
12	Firm- Union supplies compressor fuel	0.2547		0.2547
13	Customer provides compressor fuel	0.0733		0.0733
14	Transportation fuel ratio- Cust. provides fuel	0.584%		0.584%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
15	Injection	0.155		0.155
16	Customer provides compressor fuel	0.069		0.069
17	Withdrawals	0.155		0.155
18	Customer provides compressor fuel	0.069		0.069
19	Transportation commodity charge (cents / m ³)	0.6826		0.6826
20	Customer provides compressor fuel (cents / m ³)	0.5012		0.5012
	<u>Monthly Charge</u>			
21	City of Kitchener	\$15,083		\$15,083
22	Natural Resource Gas	\$1,417		\$1,417
23	Six Nations	\$250		\$250

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Unbundled Rates

Line No.	Particulars	EB-2006-0106	Rate Change (b)	EB-2006-0057
		Approved July 1, 2006 Rate (a)		Approved October 1, 2006 Rate (c)
	<u>U2 Unbundled Customers</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.022		0.022
2	Incremental firm injection right	0.929		0.929
3	Incremental firm withdrawal right	0.929		0.929
	Commodity charges:			
4	Injection customer provides compressor fuel	0.013		0.013
5	Withdrawal customer provides compressor fuel	0.013		0.013
6	Storage fuel ratio- Cust. provides fuel	0.631%		0.631%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
7	Injection customer provides compressor fuel	0.044		0.044
8	Withdrawal customer provides compressor fuel	0.044		0.044

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Unbundled Rates

Line No.	Particulars	EB-2006-0106 Approved July 1, 2006 Rate (a)	Rate Change (b)	EB-2006-0057 Approved October 1, 2006 Rate (c)
	<u>U5 Unbundled Customers</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.022		0.022
2	Incremental firm injection right	0.929		0.929
3	Incremental firm withdrawal right	0.929		0.929
	Commodity charges:			
4	Injection customer provides compressor fuel	0.013		0.013
5	Withdrawal customer provides compressor fuel	0.013		0.013
6	Storage fuel ratio- Cust. provides fuel	0.631%		0.631%
	<u>Delivery (cents / m³)</u>			
	<u>Firm contracts</u>			
7	Monthly demand charge	21.4790		21.4790
8	Monthly delivery commodity charge	1.5777		1.5777
9	Transportation fuel ratio- Cust. provides fuel	0.584%		0.584%
	<u>Interruptible contracts</u>			
10	Monthly Charge	\$500.00		\$500.00
	Monthly delivery commodity charge:			
11	4 800 m ³ to 17 000 m ³	1.4724		1.4724
12	17 000 m ³ to 30 000 m ³	1.3425		1.3425
13	30 000 m ³ to 50 000 m ³	1.2742		1.2742
14	50 000 m ³ to 70 000 m ³	1.2263		1.2263
15	70 000 m ³ to 100 000 m ³	1.1920		1.1920
16	100 000 m ³ to 140 870 m ³	1.1583		1.1583
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
17	Injection customer provides compressor fuel	0.044		0.044
18	Withdrawal customer provides compressor fuel	0.044		0.044

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Unbundled Rates

Line No.	Particulars	EB-2006-0106 Approved July 1, 2006 Rate (a)	Rate Change (b)	EB-2006-0057 Approved October 1, 2006 Rate (c)
	<u>U7 Unbundled Customers</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.022		0.022
2	Incremental firm injection right	0.929		0.929
3	Incremental firm withdrawal right	0.929		0.929
	Commodity charges:			
4	Injection customer provides compressor fuel	0.013		0.013
5	Withdrawal customer provides compressor fuel	0.013		0.013
6	Storage fuel ratio- Cust. provides fuel	0.631%		0.631%
	<u>Delivery (cents / m³)</u>			
7	Monthly demand charge first 140,870 m ³	16.9379		16.9379
8	Monthly demand charge all over 140,870 m ³	12.2359		12.2359
	Commodity charges			
9	Firm Customer provides compressor fuel first 2,360,653 m ³	0.1336		0.1336
10	Firm Customer provides compressor fuel all over 2,360,653 m ³	0.0783		0.0783
	Interruptible:			
11	Maximum customer provides comp. fuel	2.5542		2.5542
12	Transportation fuel ratio- Cust. provides fuel	0.584%		0.584%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
13	Injection customer provides compressor fuel	0.044		0.044
14	Withdrawal customer provides compressor fuel	0.044		0.044
15	Transportation commodity charge(cents / m ³)	0.6905		0.6905
	<u>Other Services & Charges</u>			
16	Monthly Charge	\$1,800		\$1,800

UNION GAS LIMITED
Southern Operations Area
Summary of Changes to Unbundled Rates

Line No.	Particulars	EB-2006-0106 Approved July 1, 2006 Rate (a)	Rate Change (b)	EB-2006-0057 Approved October 1, 2006 Rate (c)
	<u>U9 Unbundled Customers</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.022		0.022
2	Incremental firm injection right	0.929		0.929
3	Incremental firm withdrawal right	0.929		0.929
	Commodity charges:			
4	Injection customer provides compressor fuel	0.013		0.013
5	Withdrawal customer provides compressor fuel	0.013		0.013
6	Storage fuel ratio- Cust. provides fuel	0.631%		0.631%
	<u>Delivery (cents / m³)</u>			
7	Monthly demand charge	13.0145		13.0145
	Commodity charges			
8	Firm customer provides compressor fuel	0.0733		0.0733
9	Transportation fuel ratio- Cust. provides fuel	0.584%		0.584%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
10	Injection customer provides compressor fuel	0.044		0.044
11	Withdrawal customer provides compressor fuel	0.044		0.044
12	Transportation commodity charge (cents / m ³)	0.5012		0.5012
	<u>Other Services & Charges</u>			
	Monthly Charge			
13	City of Kitchener	\$15,083		\$15,083
14	NRG	\$1,417		\$1,417
15	Six Nations	\$250		\$250

UNION GAS LIMITED
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2006-0106 Approved July 1, 2006 Rate (a)	Rate Change (b)	EB-2006-0057 Approved October 1, 2006 Rate (c)
	<u>Storage & Transportation Service</u>			
	<u>M12 Service</u>			
	<u>Storage service</u>			
	Monthly demand charges:			
1	Space- Union providing deliverability inventory	0.026		0.026
2	Space- Shipper providing deliverability inventory	0.010		0.010
3	Firm deliverability	1.024		1.024
	Interruptible deliverability			
4	Minimum	n/a		n/a
5	Maximum	3.575		3.575
	Commodity charges:			
6	Injection - Union supplied fuel (includes UFG)	0.056		0.056
7	Injection - Shipper supplied fuel (includes UFG)	0.004 (2)		0.004 (2)
8	Withdrawal - Union supplied fuel (includes UFG)	0.056		0.056
9	Withdrawal - Shipper supplied fuel (includes UFG)	0.004 (2)		0.004 (2)
10	Dehydration commodity	0.001		0.001
	<u>Firm transportation</u>			
	Monthly demand charges:			
11	Without compression - Kirkwall	1.713		1.713
12	Without compression - Oakville/Parkway	2.079		2.079
13	With compression - Kirkwall	1.968		1.968
14	With compression - Oakville/Parkway	2.334		2.334
15	Dawn Compression	0.255		0.255
16	Dehydration	0.045		0.045
	Commodity charges:			
17	Easterly without compression	Note (1)		Note (1)
18	Easterly with compression	Note (1)		Note (1)
19	Westerly with compression	Note (1)		Note (1)
	<u>Limited Firm/Interruptible</u>			
	Monthly demand charges:			
20	Minimum	n/a		n/a
21	Maximum	5.602		5.602
	Commodity charges :			
22	Others with compression	Note (1)		Note (1)
	<u>Firm Transportation from Dawn to Kirkwall and Dawn to Parkway without LCU Protection</u>			
	Monthly demand charges:			
	Dawn to Kirkwall Without LCU Protection			
23	Minimum	n/a		n/a
24	Maximum	5.602		5.602
	Dawn To Parkway Without LCU Protection			
25	Minimum	n/a		n/a
26	Maximum	5.602		5.602
	Commodity charges :			
27	Others with compression	Note (1)		Note (1)

Note: (1) Monthly fuel rates and ratios per Schedule "C".

Note: (2) Plus customer supplied fuel per rate schedule.

UNION GAS LIMITED
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2006-0106 Approved July 1, 2006	Rate Change	EB-2006-0057 Approved October 1, 2006
		Rate (a)		Rate (c)
	<u>M12 Service (cont'd)</u>			
	<u>Authorized Overrun</u>			
	Storage commodity charges:			
1	Injection - Union supplied fuel (includes UFG)	0.124		0.124
2	Injection - Customer supplied fuel (includes UFG)	0.038 (2)		0.038 (2)
3	Withdrawal - Union supplied fuel (includes UFG)	0.124		0.124
4	Withdrawal - Customer supplied fuel (includes UFG)	0.038 (2)		0.038 (2)
5	Dehydration - Tecumseh	0.003		0.003
6	Dehydration - Others	0.001		0.001
7	Dawn Compression commodity charge	0.008		0.008
	Transportation commodity charges:			
	Easterly without compression			
8	Dawn to Kirkwall - Union supplied fuel	Note (1)		Note (1)
9	Dawn to Oakville - Union supplied fuel	Note (1)		Note (1)
10	Dawn to Kirkwall - Customer supplied fuel	0.056 (1)		0.056 (1)
11	Dawn to Oakville - Customer supplied fuel	0.068 (1)		0.068 (1)
	Easterly with compression			
12	Dawn to Kirkwall - Union supplied fuel	Note (1)		Note (1)
13	Dawn to Oakville - Union supplied fuel	Note (1)		Note (1)
14	Dawn to Kirkwall - Customer supplied fuel	0.065 (1)		0.065 (1)
15	Dawn to Oakville - Customer supplied fuel	0.077 (1)		0.077 (1)
16	Westerly - Union supplied fuel	Note (1)		Note (1)
17	Westerly - Customer supplied fuel	0.077 (1)		0.077 (1)
	<u>Unauthorized Overrun</u>			
	Overrun of Maximum Storage Balance			
18	August 1 to December 15	0.937		0.937
19	December 16 to July 31	0.094		0.094
	Drafted Storage Balance			
20	February 1 to April 30	0.937		0.937
21	May 1 to January 31	0.094		0.094
	<u>M13 Transportation of Locally Produced Gas</u>			
22	Monthly fixed charge per customer station	\$347		\$347
23	Commodity charge - Union supplies fuel	0.068		0.068
24	Commodity charge - Customer supplies fuel	0.027 (2)		0.027 (2)
25	Authorized Overrun - Union supplies fuel	0.103		0.103
26	Authorized Overrun - Customer supplies fuel	0.061 (2)		0.061 (2)
	<u>M16 Storage Transportation Services</u>			
27	Monthly fixed charge per customer station	\$525		\$525
	Monthly demand charges:			
28	East of Dawn	0.726		0.726
29	West of Dawn	1.049		1.049
30	Transmission commodity charge to Dawn	0.025		0.025
	Transportation Fuel Charges to Dawn:			
31	East of Dawn - Union supplied fuel	0.029		0.029
32	West of Dawn - Union supplied fuel	0.029		0.029
33	East of Dawn - Customer supplied fuel	Note (2)		Note (2)
34	West of Dawn - Customer supplied fuel	Note (2)		Note (2)
	Transportation Fuel Charges to Pools:			
35	East of Dawn - Union supplied fuel	0.037		0.037
36	West of Dawn - Union supplied fuel	0.044		0.044
37	East of Dawn - Customer supplied fuel	Note (2)		Note (2)
38	West of Dawn - Customer supplied fuel	Note (2)		Note (2)

Note: (1) Monthly fuel rates and ratios per Schedule "C".

Note: (2) Plus customer supplied fuel per rate schedule.

UNION GAS LIMITED
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2006-0106 Approved July 1, 2006 Rate (a)	Rate Change (b)	EB-2006-0057 Approved October 1, 2006 Rate (c)
	<u>M16 Storage Transportation Services (cont'd)</u>			
	<u>Authorized Overrun</u>			
	Commodity charges to Dawn:			
1	East of Dawn - Union supplied fuel	0.078		0.078
2	West of Dawn - Union supplied fuel	0.088		0.088
3	East of Dawn - Customer supplied fuel	0.049 (2)		0.049 (2)
4	West of Dawn - Customer supplied fuel	0.059 (2)		0.059 (2)
	Commodity charges to Pool:			
5	East of Dawn - Union supplied fuel	0.061		0.061
6	West of Dawn - Union supplied fuel	0.078		0.078
7	East of Dawn - Customer supplied fuel	0.024 (2)		0.024 (2)
8	West of Dawn - Customer supplied fuel	0.034 (2)		0.034 (2)
	<u>C1 Cross Franchise Service</u>			
	<u>Storage service</u>			
	Commodity charges :			
	Short-Term (less than 2 years)			
	Combined Storage Space and Interruptible Deliverability			
9	Minimum	n/a		n/a
10	Maximum	3.000		3.000
	Firm Deliverability			
11	Minimum	n/a		n/a
12	Maximum	3.000		3.000
	Long-Term (2 years or more)			
	Combined Storage Space and Interruptible Deliverability			
13	Minimum	n/a		n/a
14	Maximum	3.000		3.000
	Firm Deliverability			
15	Minimum	n/a		n/a
16	Maximum	3.000		3.000
	<u>Transportation service</u>			
	Monthly demand charges:			
17	St. Clair & Dawn	1.049		1.049
18	Bluewater & Dawn	1.049		1.049
19	Ojibway & Dawn	1.049		1.049
20	Parkway to Dawn	0.569		0.569
21	Parkway to Kirkwall	0.569		0.569
22	Dawn to Kirkwall with Dawn compression	1.968		1.968
23	Dawn to Parkway with Dawn compression	2.334		2.334
	Short-term:			
24	Minimum	n/a		n/a
25	Maximum	5.602		5.602
	Dawn to Parkway Without LCU Protection			
26	Minimum	n/a		n/a
27	Maximum	5.602		5.602
	Dawn to Kirkwall Without LCU Protection			
28	Minimum	n/a		n/a
29	Maximum	5.602		5.602

Note: (1) Monthly fuel rates and ratios per Schedule "C".
Note: (2) Plus customer supplied fuel per rate schedule.

UNION GAS LIMITED
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2006-0106 Approved July 1, 2006 Rate (a)	Rate Change (b)	EB-2006-0057 Approved October 1, 2006 Rate (c)
	<u>C1 Cross Franchise Service</u>			
	<u>Transportation service cont'd</u>			
	Commodity charges:			
1	St. Clair & Dawn - Union supplied fuel	0.036		0.036
2	Bluewater & Dawn - Union supplied fuel	0.036		0.036
3	Ojibway & Dawn - Union supplied fuel	0.095		0.095
4	Parkway to Dawn - Union supplied fuel	0.033		0.033
5	Parkway to Kirkwall - Union supplied fuel	0.033		0.033
6	Dawn to Kirkwall - Union supplied fuel	0.081		0.081
7	Dawn to Parkway - Union supplied fuel	0.081		0.081
8	St. Clair & Dawn - Customer supplied fuel	Note (2)		Note (2)
9	Bluewater & Dawn - Customer supplied fuel	Note (2)		Note (2)
10	Ojibway & Dawn - Customer supplied fuel	Note (2)		Note (2)
11	Parkway to Dawn - Customer supplied fuel	Note (2)		Note (2)
12	Parkway to Kirkwall - Customer supplied fuel	Note (2)		Note (2)
13	Dawn to Kirkwall - Customer supplied fuel	Note (2)		Note (2)
14	Dawn to Parkway - Customer supplied fuel	Note (2)		Note (2)
	Interruptible commodity charges:			
15	Minimum	n/a		n/a
16	Maximum	9.373		9.373
17	Dawn(Tecumseh), Dawn(Facilities or TCPL) and Dawn (Vector)	0.007		0.007
	<u>Authorized Overrun</u>			
	Storage commodity charges:			
	Injection:			
18	Minimum	n/a		n/a
19	Maximum	3.000		3.000
	Withdrawal:			
20	Minimum	n/a		n/a
21	Maximum	3.000		3.000
	Overrun of Maximum Storage Balance			
22	August 1 to December 15	0.937		0.937
23	December 16 to July 31	0.094		0.094
	Drafted Storage Balance			
24	February 1 to April 30	0.937		0.937
25	May 1 to January 31	0.094		0.094
	Firm transportation commodity charges:			
26	St. Clair & Dawn - Union supplied fuel	0.070		0.070
27	Bluewater & Dawn - Union supplied fuel	0.070		0.070
28	Ojibway & Dawn - Union supplied fuel	0.129		0.129
29	Parkway to Dawn - Union supplied fuel	0.051		0.051
30	Parkway to Kirkwall - Union supplied fuel	0.051		0.051
31	Dawn to Kirkwall - Union supplied fuel	0.146		0.146
32	Dawn to Parkway - Union supplied fuel	0.158		0.158
33	St. Clair & Dawn - Customer supplied fuel	0.034 (2)		0.034 (2)
34	Bluewater & Dawn - Customer supplied fuel	0.034 (2)		0.034 (2)
35	Ojibway & Dawn - Customer supplied fuel	0.034 (2)		0.034 (2)
36	Parkway to Dawn - Customer supplied fuel	0.018 (2)		0.018 (2)
37	Parkway to Kirkwall - Customer supplied fuel	0.018 (2)		0.018 (2)
38	Dawn to Kirkwall - Customer supplied fuel	0.065 (2)		0.065 (2)
39	Dawn to Parkway - Customer supplied fuel	0.077 (2)		0.077 (2)
	Interruptible transportation commodity charges:			
40	Minimum	n/a		n/a
41	Maximum	9.373		9.373
42	Dawn(Tecumseh), Dawn(Facilities or TCPL) and Dawn (Vector)	0.007		0.007

Note: (1) Monthly fuel rates and ratios per Schedule "C".
Note: (2) Plus customer supplied fuel per rate schedule.

APPENDIX "B" TO
BOARD FILE No. EB-2006-0057
DATED SEPTEMBER 18, 2006



RATE 01A – SMALL VOLUME GENERAL FIRM SERVICE

ELIGIBILITY

Any Customer in Union's Fort Frances, Western, Northern or Eastern Zones who is an end user whose total gas requirements at that location are equal to or less than 50,000 m³ per year.

SERVICES AVAILABLE

The following services are available under this rate schedule:

(a) **Sales Service**

For continuous supply of natural gas by Union and associated transportation and storage services necessary to ensure deliverability in accordance with the Customer's needs. For this service, the Monthly, Delivery and Gas Supply Charges shall apply.

(b) **Transportation Service**

For continuous delivery on Union's distribution system from the Point of Receipt on TCPL's system to the Point of Consumption on the Customer's premises of natural gas owned by the Customer and transported by TCPL under a firm transportation service tariff or equivalent National Energy Board Order. For this service, the Monthly, and Delivery Charges shall apply. Unless otherwise authorized by Union, customers who initiate a movement to Transportation Service from a Sales Service or Bundled Transportation Service must accept an assignment from Union of transportation capacity on upstream pipeline systems.

(c) **Bundled Transportation Service**

For continuous delivery by Union of gas owned by the Customer and for the associated transportation and storage services necessary to ensure deliverability in accordance with the Customer's needs. For this service the Monthly, and Delivery Charges, as well as the Storage and Transportation Charges of the Gas Supply Charge shall apply.

MONTHLY RATES AND CHARGES

Zone Rate Schedule No.	<u>Fort Frances</u> 201	<u>Western</u> 101	<u>Northern</u> 301	<u>Eastern</u> 601
<u>APPLICABLE TO ALL SERVICES</u>				
<u>MONTHLY CHARGE</u>	\$14.00	\$14.00	\$14.00	\$14.00
<u>DELIVERY CHARGE</u>	<u>¢ per m³</u>	<u>¢ per m³</u>	<u>¢ per m³</u>	<u>¢ per m³</u>
First 100 m ³ per month @	9.6853	9.6853	9.6853	9.6853
Next 200 m ³ per month @	9.0482	9.0482	9.0482	9.0482
Next 200 m ³ per month @	8.6141	8.6141	8.6141	8.6141
Next 500 m ³ per month @	8.2407	8.2407	8.2407	8.2407
Over 1,000 m ³ per month @	5.0373	7.9931	7.9931	7.9931
Delivery- Price Adjustment (All Volumes) (1)	(0.1234)	(0.1234)	(0.1234)	(0.1234)

Note (1): The Delivery – Price Adjustment is a temporary credit of (0.1234) cents/m³ in effect during the period October 1, 2006 to December 31, 2006.

ADDITIONAL CHARGES FOR SALES SERVICEGAS SUPPLY CHARGES PER
CUBIC METRE DELIVERED:

Gas Supply Charge (if applicable)

The gas supply charge is comprised of charges for transportation and for commodity and fuel.
The applicable rates are provided in Schedule "A".

MONTHLY BILL

The monthly bill will equal the sum of the monthly charges plus the rates multiplied by the applicable gas quantities delivered plus all applicable taxes. If the Customer transports its own gas, the Gas Supply Charge under Sales Service will not apply.

MINIMUM MONTHLY BILL

The Minimum Monthly Bill shall be the Monthly Charge.

LATE PAYMENT CHARGE

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

SERVICE AGREEMENT

Customers providing their own gas supply in whole or in part, for transportation by Union must enter into a Service Agreement with Union.

TERMS AND CONDITIONS OF SERVICE

1. If multiple end-users are receiving service from a Customer under this rate, for billing purposes, the Monthly Charge, the Delivery Charge and any other charge that is specific to the location of each end-user shall be used to develop a monthly bill for each end-user at each location. Upon request, possibly for a fee, Union will combine the individual bills on a single invoice or statement for administrative convenience. However, Union will not combine the quantities or demands of several end-use locations so that eligibility to a different rate class will result. Further, Union will not combine the monthly billing data of individual end-users to generate a single bill which is less than the sum of the monthly bills of the individual end-users involved at each location.
2. Customers must enter into a Service Agreement with Union prior to the commencement of service.
3. The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher or lower than the identified rates.

Effective October 1, 2006
O.E.B. ORDER # EB-2006-0057

Chatham, Ontario

Supersedes EB-2006-0106 Rate Schedule effective July 1, 2006.



RATE 10 – LARGE VOLUME GENERAL FIRM SERVICE

ELIGIBILITY

Any Customer in Union's Fort Frances, Western, Northern or Eastern Zones who is an end-user whose total firm gas requirements at one or more Company-owned meters at one location exceed 50,000 m³ per year.

SERVICES AVAILABLE

The following services are available under this rate schedule:

(a) **Sales Service**

For continuous supply of natural gas by Union and associated transportation and storage services necessary to ensure deliverability in accordance with the Customer's needs. For this service, the Monthly, Delivery and Gas Supply Charges shall apply.

(b) **Transportation Service**

For continuous delivery on Union's distribution system from the Point of Receipt on TCPL's system to the Point of Consumption on the Customer's premises of natural gas owned by the Customer and transported by TCPL under a firm transportation service tariff or equivalent National Energy Board Order. For this service, the Monthly, and Delivery Charges shall apply. Unless otherwise authorized by Union, customers who initiate a movement to Transportation Service from a Sales Service or Bundled Transportation Service must accept an assignment from Union of transportation capacity on upstream pipeline systems. Customers may reduce their assignment of transportation capacity in compliance with Union's Turnback Policy.

(c) **Bundled Transportation Service**

For continuous delivery by Union of gas owned by the Customer and for the associated transportation and storage services necessary to ensure deliverability in accordance with the Customer's needs. For this service the Monthly, and Delivery Charges, as well as the Storage and Transportation Charges of the Gas Supply Charge shall apply.

MONTHLY RATES AND CHARGES

Zone Rate Schedule No.	Fort Frances 210	Western 110	Northern 310	Eastern 610
<u>APPLICABLE TO ALL SERVICES</u>				
<u>MONTHLY CHARGE</u>	\$70.00	\$70.00	\$70.00	\$70.00
<u>DELIVERY CHARGE</u> (1)	<u>¢ per m³</u>	<u>¢ per m³</u>	<u>¢ per m³</u>	<u>¢ per m³</u>
First 1,000 m ³ per month @	6.9493	6.9493	6.9493	6.9493
Next 9,000 m ³ per month @	5.5060	5.5060	5.5060	5.5060
Next 20,000 m ³ per month @	4.6850	4.6850	4.6850	4.6850
Next 70,000 m ³ per month @	4.1341	4.1341	4.1341	4.1341
Over 100,000 m ³ per month @	2.1262	2.1262	2.1262	2.1262
Delivery-Price Adjustment (All Volumes) (1)	(0.0872)	(0.0872)	(0.0872)	(0.0872)

Note (1): The Delivery – Price Adjustment is a temporary credit of (0.0872) cents/m³ in effect during the period October 1, 2006 to December 31, 2006.

ADDITIONAL CHARGES FOR SALES SERVICE**GAS SUPPLY CHARGES:****Gas Supply Charge (if applicable)**

The gas supply charge is comprised of charges for transportation and for commodity and fuel.
The applicable rates are provided in Schedule "A".

MONTHLY BILL

The monthly bill will equal the sum of the monthly charges plus the rates multiplied by the applicable gas quantities delivered plus all applicable taxes. If the Customer transports its own gas, the Gas Supply Charge under Sales Service will not apply.

MINIMUM MONTHLY BILL

The minimum monthly bill shall be the Monthly Charge.

LATE PAYMENT CHARGE

When payment of the monthly bill has not been made in full 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.

SERVICE AGREEMENT

Customers providing their own gas supply in whole or in part, for transportation by Union and customers purchasing gas from Union with maximum daily requirements in excess of 3,000 m³ per day must enter into a Service Agreement with Union.

TERMS AND CONDITIONS OF SERVICE

1. Service shall be for a minimum term of one year.
2. If multiple end-users are receiving service from a Customer under this rate, for billing purposes, the Monthly Charge, the Delivery Charge and any other charge that is specific to the location of each end-user shall be used to develop a monthly bill for each end-user at each location. Upon request, possibly for a fee, Union will combine the individual bills on a single invoice or statement for administrative convenience. However, Union will not combine the quantities or demands of several end-use locations so that eligibility to a different rate class will result. Further, Union will not combine the monthly billing data of individual end-users to generate a single bill which is less than the sum of the monthly bills of the individual end-users involved at each location.
3. Customers must enter into a Service Agreement with Union prior to the commencement of service.
4. For the purposes of qualifying for a rate class, the total quantities of gas consumed or expected to be consumed on the customer's contiguous property will be used, irrespective of the number of meters installed.
5. The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated, which may be higher or lower than the identified rates.



uniongas

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Page 1 of 2

Union Gas Limited
Northern and Eastern Operations Area
Gas Supply Charges

(A) Availability

Available to customers in Union's Fort Frances, Western, Northern and Eastern Delivery Zones.

(B) Applicability:

To all sales customers served under Rate 01A, Rate 10, Rate 16, Rate 20 and Rate 100.

(C) Rates

Utility Sales

	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
<u>Rate 01A (cents / m³)</u>				
Effective October 1, 2006 (EB-2006-0057)				
Storage	1.9304	2.0056	2.4577	2.8445
Storage - Price Adjustment (1)	(0.1606)	(0.1606)	(0.1606)	(0.1606)
Commodity and Fuel	34.5825	35.0292	35.6284	36.1119
Commodity and Fuel - Price Adjustment (1)	(3.7709)	(3.7709)	(3.7709)	(3.7709)
Transportation	2.7223	2.7186	3.3180	3.8019
Transportation - Price Adjustment (1)	(1.5697)	(1.5697)	(1.5697)	(1.5697)
Total Gas Supply Charge	<u>33.7340</u>	<u>34.2522</u>	<u>35.9029</u>	<u>37.2571</u>

Rate 10 (cents / m³)

Effective October 1, 2006 (EB-2006-0057)				
Storage	1.1864	1.2616	1.7137	2.1005
Storage - Price Adjustment (1)	(0.1339)	(0.1339)	(0.1339)	(0.1339)
Commodity and Fuel	34.5825	35.0292	35.6284	36.1119
Commodity and Fuel - Price Adjustment (1)	(3.7709)	(3.7709)	(3.7709)	(3.7709)
Transportation	2.5453	2.5416	3.1410	3.6249
Transportation - Price Adjustment (1)	(1.4662)	(1.4662)	(1.4662)	(1.4662)
Total Gas Supply Charge	<u>32.9432</u>	<u>33.4614</u>	<u>35.1121</u>	<u>36.4663</u>

Rate 16 (cents / m³)

Effective October 1, 2006 (EB-2006-0057)				
Gas Supply Charges - Winter ~	39.0801	39.5198	41.0681	42.3127
Gas Supply - Price Adjustment	(3.7709)	(3.7709)	(3.7709)	(3.7709)
Total Gas Supply Charges - Winter	<u>35.3092</u>	<u>35.7489</u>	<u>37.2972</u>	<u>38.5418</u>
Gas Supply Charges - Summer	37.2709	37.7164	38.3139	38.7925
Gas Supply - Price Adjustment	(3.7709)	(3.7709)	(3.7709)	(3.7709)
Total Gas Supply Charges - Summer	<u>33.5000</u>	<u>33.9455</u>	<u>34.5430</u>	<u>35.0216</u>

~ Winter - November 1 to April 15

Notes:

(1) As laid out in Appendix A. The Commodity and Fuel line includes gas supply administration charge of 0.2923 cents/m³.



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Schedule "A"
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Union Gas Limited
Northern and Eastern Operations Area
Gas Supply Charges

Utility Sales

	<u>Fort Frances</u>	<u>Western</u>	<u>Northern</u>	<u>Eastern</u>
<u>Rate 20 (cents / m³)</u>				
Effective October 1, 2006 (EB-2006-0057)				
Commodity and Fuel	34.8011	35.2506	35.8537	36.3403
Commodity and Fuel - Price Adjustment (1)	(3.7709)	(3.7709)	(3.7709)	(3.7709)
Commodity Transportation - Charge 1	2.3916	2.3916	2.7716	3.0716
Transportation 1 - Price Adjustment (1)	(0.4745)	(0.4745)	(0.4745)	(0.4745)
Commodity Transportation - Charge 2	0.1263	0.1205	0.1883	0.2447
Monthly Gas Supply Demand	26.6352	26.6362	42.7632	55.7302
Gas Supply Demand - Price Adjustment (1)	(0.8951)	(0.8951)	(0.8951)	(0.8951)

Rate 100 (cents / m³)

Effective October 1, 2006 (EB-2006-0057)				
Commodity and Fuel	34.8011	35.2506	35.8537	36.3403
Commodity and Fuel - Price Adjustment (1)	(3.7709)	(3.7709)	(3.7709)	(3.7709)
Commodity Transportation - Charge 1	4.1400	4.1400	4.4200	4.6500
Commodity Transportation - Charge 2	0.1263	0.1205	0.1883	0.2447
Monthly Gas Supply Demand	41.1426	41.1436	59.9586	75.0866

Rate 25 (cents/ m³)

Effective October 1, 2006 (EB-2006-0057)				
Gas Supply Charge:	Interruptible Service			
	Minimum	13.7545	13.8788	14.1233
	Maximum	63.6890	64.7046	67.0257
				68.9354

Notes:

(1) As laid out in Appendix A. The Commodity and Fuel line includes gas supply administration charge of 0.2923 cents/m³.

Effective: October 1, 2006
O.E.B. Order # EB-2006-0057

Chatham, Ontario

Supersedes EB-2006-0106 Rate Schedule effective July 1, 2006.

GENERAL SERVICE RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To residential and non-contract commercial and industrial customers.

(C) Rates

The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated which may be higher or lower than the identified rates.

a) Monthly Charge \$ 14.00

b) Delivery Charge

First	1 400 m ³	5.6614¢ per m ³
Next	4 600 m ³	4.0465¢ per m ³
Next	124 000 m ³	2.8544¢ per m ³
Next	270 000 m ³	2.1188¢ per m ³
All Over	400 000 m ³	1.9749¢ per m ³

Delivery – Price Adjustment (All Volumes) (0.2429)¢ per m³ (1)

c) Storage Charge (if applicable) 0.9544¢ per m³

Applicable to all bundled customers (sales and bundled transportation service).

d) Gas Supply Charge (if applicable)

The gas supply charge is comprised of charges for transportation and for commodity and fuel.
The applicable rates are provided in Schedule "A".

During any month in which a customer terminates service or begins service, the fixed charge for the month will be prorated to such customer.

Note (1): The Delivery – Price Adjustment includes a temporary credit of (0.1515) cents/m³ in effect for the period October 1, 2006 to December 31, 2006.

(D) Supplemental Service to Commercial and Industrial Customers Under Group Meters

Combination of readings from several meters may be authorized by the Company and the Company will not reasonably withhold authorization in cases where meters are located on contiguous pieces of property of the same owner not divided by a public right-of-way. In such cases, an additional service charge shall be rendered each month in the amount of \$15.00 per month for each additional meter so combined.

(E) Delayed Payment

When payment of the monthly bill has not been made in full, 16 days after the bill has been issued, the unpaid balance including previous arrears shall be increased by 1.5%.



(F) Direct Purchase

Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must obligate to deliver at a point(s) specified by Union, and must acquire and maintain firm transportation on all upstream pipeline systems. Customers initiating direct purchase arrangements, who previously received Gas Supply service, must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

(G) Overrun Charge

In the event that a direct purchase customer fails to deliver its contracted volumes to Union, and Union has the capability to continue to supply the customer, Union will do so. The customer may pay 6.5831¢ per m³ for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m³, plus 7¢ per m³.

(H) Bundled Direct Purchase Delivery

Where a customer elects transportation service under this rate schedule, the customer must enter into a Bundled T Gas Contract with Union for delivery of gas to Union. Bundled T Gas Contract Rates and Gas Purchase Contract Rates are described in rate schedule R1.

(I) Company Policy Relating to Terms of Service

- a. Customers who temporarily discontinue service during any twelve consecutive months without payment of the monthly fixed charge for the months in which the gas is temporarily disconnected shall pay for disconnection and reconnection.
- b. When gas is delivered at an absolute pressure in excess of 101.325 kilopascals, then for purposes of measurement, hereunder, such volume of gas shall be corrected to an absolute pressure of 101.325 kilopascals. Atmospheric pressure is assumed to be the levels shown below in kilopascals (absolute) regardless of the actual atmospheric pressure at which the gas is measured and delivered.

<u>Zone</u>	<u>Assumed Atmospheric Pressure kPa</u>
1	100.148
2	99.494
3	98.874
4	98.564
5	98.185
6	97.754
7	97.582
8	97.065
9	96.721
10	100.561
11	99.321
12	98.883

**uniongas**Effective
01-Oct-06
Schedule "A"**Gas Supply Charges****(A) Availability:**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability:

To all sales customers served under rates M2, M4, M5A, M6A, M7, M9, M10 and storage and transportation customers taking supplemental services under rates T1 and T3.

(C) Rates:cents / m³Utility Sales

Commodity and Fuel	36.0677 (1)
Commodity and Fuel - Price Adjustment	(3.6268)
Transportation	3.0007
Total Gas Supply Commodity Charge	<u>35.4416</u>

Minimum Annual Gas Supply Commodity Charge

Rate M4 Firm and Rate M5A Interruptible Contract	5.3566
--	--------

Monthly Minimum Gas Supply Commodity Charge/day

M6A Seasonal Contract	\$88.05
-----------------------	---------

Storage and Transportation Supplemental Services - Rate T1 & T3

\$/GJ

Monthly demand charges:

Firm gas supply service	26.474
Firm backstop gas	5.190

Commodity charges:

Gas supply	9.579
Backstop gas	12.162

Reasonable Efforts Backstop Gas

12.134

Supplemental Inventory

Note (2)

Supplemental Gas Sales Service (cents / m³)

48.8149

Failure to Deliver: Applied to quantities not delivered to Union in the event the customer's supply fails

3.131

Delivery Commitment Credit (DCC) for all obligated deliveries

(0.023)

Discretionary Gas Supply Service (DGSS)

Note (3)

Notes:

- (1) The Commodity and Fuel line includes gas supply administration charge of 0.2481 cents/ m³.
- (2) The charge for banked gas purchases shall be the higher of the daily spot gas cost at Dawn in the month of or the month following the month in which gas is sold under this rate and shall not be less than Union's approved weighted average cost of gas.
- (3) Reflects the "back to back" price plus gas supply administration charge.

Effective: October 1, 2006
O.E.B. Order # EB-2006-0057

Chatham, Ontario

Supersedes EB-2006-0106 Rate Schedule effective July 1, 2006.

APPENDIX "C" TO
BOARD FILE No. EB-2006-0057
DATED SEPTEMBER 18, 2006

UNION GAS LIMITED

Deferral Account and Earnings Sharing Balances for Disposition
For the 12 months ended December 31, 2005
(\$000's)

Line No.	Account Number	Account Name	Balance ¹
		<u>Gas Supply Accounts:</u>	
		<u>Joint Accounts:</u>	
1	179-108	Unabsorbed Demand Costs	(1,946)
		<u>Northern Operations Area:</u>	
2	179-89	Heating Value	(2,791)
3		Total Gas Supply Accounts (Lines 1 + 2)	(4,737)
		<u>Storage and Transportation Accounts:</u>	
4	179-69	Transportation and Exchange Services	(3,510)
5	179-70	Balancing & Short Term Storage Services	(6,916)
6	179-72	Long-term Peak Storage	1,171
7	179-73	Other S&T Services	(440)
8	179-74	Other Direct Purchase Services	(772)
		<u>Other:</u>	
9	179-26	Deferred Customer Rebates/Charges	-
10	179-56	Comprehensive Customer Information Program	-
11	179-60	Direct Purchase Revenue and Payments	(1,573)
12	179-75	Lost Revenue Adjustment Mechanism ²	816
13	179-102	Intra-period WACOG	6,948
14	179-103	Unbundled Services Unauthorized Storage Overrun	-
15	179-110	Storage Rights Compensation Costs	517
16	179-111	Demand Side Management Variance Account ²	3,129
17	179-112	Gas Distribution Access Rule Costs	-
18	179-113	Late Payment Penalty Litigation	807
19	179-114	OEB Cost Assessment	2,309
20	179-115	Shared Savings Mechanism Variance Account ²	-
21	179-116	Interest on the Gain on the 2004 Cushion Gas Disposition ³	-
22		Total Non-Gas Accounts (Lines 4 through 19)	2,487
23		Total Deferral Accounts (Line 3 + 22)	(2,250)
		<u>Earnings Sharing:</u>	
24		2005 Earnings Sharing ⁴	(10,127)
25		Total Deferral Account and Earnings Sharing Balances for Disposition	(12,377)

Notes:

¹ Includes interest to September 30, 2006 at the current Board approved short-term interest rate of 4.15%.

² The amount in Account 179-75 that pertains to 2004 DSM activities is subject to future true-up. Amounts in Accounts 179-75 and 179-115 that pertain to 2005 DSM activities will be disposed of in a future proceeding, pending the completion of the audit of 2005 DSM volume savings.

³ The establishment of Account 179-116 was directed by the Board in its EB-2005-0211 Interim Decision and Order dated June 10, 2005 to record interest on the gain on the 2004 cushion gas disposition starting April 26, 2005. Union will dispose of the amount in accordance with the Board's decision in the hearing that it reconvened following the Supreme Court of Canada ruling on the ATCO case.

⁴ Total earnings sharing amount of \$9,822,300 per the EB-2006-0057 Decision and Order dated August 2, 2006, plus interest from January 1, 2006 to September 30, 2006.

APPENDIX "D" TO
BOARD FILE No. EB-2006-0057
DATED SEPTEMBER 18, 2006

UNION GAS LIMITED
General Service Rates
Unit Rates for Prospective Refund: Delivery

Line No.	Particulars	Rate Class	2005 Deferral Balances (\$000's) (a)	2005 Earnings Sharing (\$000's) (b)	Balance for Disposition (\$000's) (c)= (a) + (b)	2006 Forecast Volume (10*3m*3) (1) (d)	Unit Rate for Prospective Recovery (cents/m*3) (e) = (c) / (d) * 100
1	Small Volume General Service	01	1,578	(1,933)	(355)	287,204	(0.1234)
2	Large Volume General Service	10	213	(316)	(103)	117,947	(0.0872)
3	General Service	M2	2,875	(4,740)	(1,865)	1,231,085	(0.1515)

Notes:

(1) Forecast volume for the period October 1, 2006 to December 31, 2006

UNION GAS LIMITED
General Service Rates
Unit Rates for Prospective Refund: Gas Supply Transportation

Line No.	Particulars	Rate Class	2005	2005	Balance	2006	Unit Rate for Prospective Recovery $\frac{(e) = (c) / (d) * 100}{(cents/m^3)}$
			Deferral Balances (\$000's)	Earnings Sharing (\$000's)	for Disposition (\$000's)	Forecast Volume (10*3m*3) (1)	
			(a)	(b)	(c) = (a) + (b)	(d)	
1	Small Volume General Service	01	(3,369)	-	(3,369)	287,204	(1.1731)
2	Large Volume General Service	10	(1,271)	-	(1,271)	117,306	(1.0838)

Notes:

(1) Forecast volume for the period October 1, 2006 to December 31, 2006

UNION GAS LIMITED
Unit Rates for One-Time Adjustments

Line No.	Particulars	Rate Class	2005 Deferral Balances (\$000's) (a)	2005 Earnings Sharing (\$000's) (b)	Total Balance (\$000's) (c)= (a) + (b)	2005 Actual Volume (10*3m*3) (d)	Unit Rate (cents/m*3) (e) = (d)/ (c) * 100
<u>Northern and Eastern Operations Area:</u>							
1	Medium Volume Firm Service (1)	20	3	(37)	(34)	189,079	(0.0181)
2	Medium Volume Firm Service (2)	20T	133	(66)	67	340,455	0.0196
3	Large Volume High Load Factor (2)	100T	507	(261)	246	2,206,940	0.0112
4	Wholesale Service	77	0.05	(0)	(0)	92	(0.3603)
5	Large Volume Interruptible	25	11	(98)	(87)	483,986	(0.0180)
<u>Southern Operations Area:</u>							
6	Firm Com/Ind Contract	M4	212	(190)	21	589,868	0.0036
7	Interruptible Com/Ind Contract	M5	567	(118)	450	508,992	0.0884
8	Special Large Volume Contract	M7	212	(167)	45	866,448	0.0052
9	Large Wholesale	M9	(6)	(7)	(13)	24,214	(0.0552)
10	Small Wholesale	M10	(1)	(0)	(1)	192	(0.6962)
11	Contract Carriage Service	T1	(1,176)	(348)	(1,524)	3,401,575	(0.0448)
12	Contract Carriage- Wholesale	T3	(315)	(55)	(370)	295,733	(0.1251)

Notes:

(1) Sales and Bundled-T customers only

(2) T-service customers only

UNION GAS LIMITED
Unit Rates for One-Time Adjustments: Gas Supply Transportation and Bundled Storage

Line No.	Particulars	Rate Class	Billing Units	2005 Deferral Balances (\$000's) (a)	2005 Earnings Sharing (\$000's) (b)	Total Balance (\$000's) (c) = (a) + (b)	2005 Actual Demand (d)	Unit Demand Rate (e) = (d) / (c) * 100
	<u>Gas Supply Transportation (cents/m*3)</u>							
1	Medium Volume Firm Service	20	10*3m*3	(97)	-	(97)	9,643	(1.0015)
	<u>Bundled (T- Service) Storage (\$/GJ)</u>							
2	Medium Volume Firm Service	20T	GJ	(2)	-	(2)	4,632	(0.351)
3	Large Volume High Load Factor	100T	GJ	(48)	-	(48)	138,036	(0.351)

UNION GAS LIMITED
Summary of 2005 Earnings Sharing and 2005 Deferral Account Disposition
Storage and Transportation Services

Line No.	Particulars (\$000's) (1)	Rate Class	2005 Deferral Balances (\$000's) (a)	2005 Earnings Sharing (\$000's) (b)	Total Balance (\$000's) (c) = (a + b)
1	Storage and Transportation	M12	(2,399)	(1,762)	(4,160)
2	Local Production	M13	71	(2)	70
3	Short-Term Cross Franchise	C1	30	(25)	5
4	Storage Transportation Service	M16	22	(2)	19

Note: (1) Exfranchise M12, M13, M16 and C1 customers based on specific amounts determined using approved deferral account allocation methodologies.

APPENDIX "E" TO
BOARD FILE No. EB-2006-0057
DATED SEPTEMBER 18, 2006

Important Information About Your Rates
October 2006
Rate 01

The Ontario Energy Board has approved changes to the rates Union Gas charges its customers effective October 1, 2006. For most residential customers, the total decrease will amount to about \$11 in 2006 depending on the amount of gas used. The enclosed bill uses the new approved rates.

Delivery Costs

The actual costs associated with the delivery of natural gas in 2005 were lower than forecast, resulting in a delivery rate credit of 0.1234 cents per cubic meter. This temporary credit of 0.1234 cents per cubic metre will be applied to your bill for the period October 1, 2006 to December 31, 2006. For most residential customers, the credit will amount to about \$1 depending on the amount of natural gas used. You will see this delivery rate reduction reflected on the **"Delivery Price Adjustment"** line in your bill.

Transportation Costs

The actual costs associated with the transportation of natural gas in 2005 were lower than forecast, resulting in a transportation rate credit of 1.1731 cents per cubic meter. This temporary credit of 1.1731 cents per cubic metre will be applied to your bill for the period October 1, 2006 to December 31, 2006. For most residential customers, the credit will amount to about \$10 depending on the amount of natural gas used. You will see this transportation rate reduction reflected on the **"Transportation Price Adjustment"** line in your bill.

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

Questions?

If you have any questions about these rate changes, please call the Union Gas Customer Care phone number listed on your bill, or visit our Web site at www.uniongas.com.

Important Information About Your Rates
October 2006
Rate 10

The Ontario Energy Board has approved changes to the rates Union Gas charges its customers effective October 1, 2006. For most commercial/industrial customers, the total decrease will amount to about \$344 in 2006 depending on the amount of gas used. The enclosed bill uses the new approved rates.

Delivery Costs

The actual costs associated with the delivery of natural gas in 2005 were lower than forecast, resulting in a delivery rate credit of 0.0872 cents per cubic meter. This temporary credit of 0.0872 cents per cubic metre will be applied to your bill for the period October 1, 2006 to December 31, 2006. For most commercial/industrial customers, the credit will amount to about \$26 depending on the amount of natural gas used. You will see this delivery rate reduction reflected on the **"Delivery Price Adjustment"** line in your bill.

Transportation Costs

The actual costs associated with the transportation of natural gas in 2005 were lower than forecast, resulting in a transportation rate credit of 1.0838 cents per cubic meter. This temporary credit of 1.0838 cents per cubic metre will be applied to your bill for the period October 1, 2006 to December 31, 2006. For most commercial/industrial customers, the credit will amount to about \$318 depending on the amount of natural gas used. You will see this transportation rate reduction reflected on the **"Transportation Price Adjustment"** line in your bill.

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

Questions?

If you have any questions about these rate changes, please call the Union Gas Customer Care phone number listed on your bill, or visit our Web site at www.uniongas.com.

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved one-time adjustments to your **Rate 20** bill.

These adjustments consist of:

- differences between targeted and actual earnings in 2005, and
- differences between approved forecast and actual revenues and costs in 2005

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

- **a credit of 0.0181** cents per cubic meter applied to volumes consumed by all sales and bundled-T customers only for the period January 1, 2005 to December 31, 2005
- **a charge of 0.0196** cents per cubic meter applied to volumes consumed by T-service customers only for the period January 1, 2005 to December 31, 2005
- **a credit of 1.0015** cents per cubic meter applied to the transportation contracted demand for sales and bundled-T customers only for the period of January 1, 2005 to December 31, 2005
- **a credit of \$0.351** per GJ applied to bundled (T-service) storage contracted demand for T-service customers having bundled storage entitlement for the period of January 1, 2005 to December 31, 2005

Individual customer impacts will vary.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time credit to your **Rate 25** bill.

This net credit consists of two adjustments:

- differences between targeted and actual earnings in 2005, and
- differences between approved forecast and actual revenues and costs in 2005

These adjustments result in a combined one-time credit of 0.0180 cents per cubic meter applied to volumes consumed in the period of January 1, 2005 to December 31, 2005. Individual customer impacts will vary based on volumes consumed.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time credit to your **Rate 77** bill.

This credit consists of two adjustments:

- differences between targeted and actual earnings in 2005, and
- differences between approved forecast and actual revenues and costs in 2005

These adjustments result in a combined one-time credit of 0.3603 cents per cubic meter applied to delivery demand in the period January 1, 2005 to December 31, 2005.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved one-time adjustments to your **Rate 100** bill.

These adjustments consist of:

- differences between targeted and actual earnings in 2005, and
- differences between approved forecast and actual revenues and costs in 2005

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

- **a charge of 0.0112** cents per cubic meter applied to volumes consumed by T-service customers only for the period January 1, 2005 to December 31, 2005
- **a credit of \$0.351** per GJ applied to bundled (T-service) storage contracted demand for T-service customers having bundled storage entitlement for the period of January 1, 2005 to December 31, 2005

Individual customer impacts will vary.

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

Important Information About Your Rates
October 2006
M2 Residential

The Ontario Energy Board has approved changes to the rates Union Gas charges its customers effective October 1, 2006. For most residential customers, the total decrease will amount to about \$1 in 2006 depending on the amount of gas used. The enclosed bill uses the new approved rates.

Delivery Costs

The actual costs associated with the delivery of natural gas in 2005 were lower than forecast, resulting in a delivery rate credit of 0.1515 cents per cubic meter. The temporary credit of 0.1515 cents per cubic metre will be applied to your bill for the period October 1, 2006 to December 31, 2006. For most residential customers, the credit will amount to about \$1 depending on the amount of natural gas used. You will see this delivery rate credit reflected on the “**Delivery Price Adjustment**” line in your bill.

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

Questions?

If you have any questions about these rate changes, please call the Union Gas Customer Care phone number listed on your bill, or visit our Web site at www.uniongas.com.

Important Information About Your Rates
October 2006
M2 Commercial/Industrial

The Ontario Energy Board has approved changes to the rates Union Gas charges its customers effective October 1, 2006. For most commercial/industrial customers, the total decrease will amount to about \$7 in 2006 depending on the amount of gas used. The enclosed bill uses the new approved rates.

Delivery Costs

The actual costs associated with the delivery of natural gas in 2005 were lower than forecast, resulting in a delivery rate credit by 0.1515 cents per cubic meter. The temporary credit of 0.1515 cents per cubic metre will be applied to your bill for the period October 1, 2006 to December 31, 2006. For most commercial/industrial customers, the credit will amount to about \$7 depending on the amount of natural gas used. You will see this delivery rate credit reflected on the “**Delivery Price Adjustment**” line in your bill.

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

Questions?

If you have any questions about these rate changes, please call the Union Gas Customer Care phone number listed on your bill, or visit our Web site at www.uniongas.com.

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time charge to your **Rate M4** bill.

This charge consists of two adjustments:

- differences between targeted and actual earnings in 2005, and
- differences between approved forecast and actual revenues and costs in 2005

These adjustments result in a combined one-time charge of 0.0036 cents per cubic meter applied to volumes consumed in the period of January 1, 2005 to December 31, 2005. Individual customer impacts will vary based on volumes consumed.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time charge to your **Rate M5A** bill.

This charge consists of two adjustments:

- differences between targeted and actual earnings in 2005, and
- differences between approved forecast and actual revenues and costs in 2005

These adjustments result in a combined one-time charge of 0.0884 cents per cubic meter applied to volumes consumed in the period of January 1, 2005 to December 31, 2005. Individual customer impacts will vary based on volumes consumed.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time charge to your **Rate M7** bill.

This charge consists of two adjustments:

- differences between targeted and actual earnings in 2005, and
- differences between approved forecast and actual revenues and costs in 2005

These adjustments result in a combined one-time charge of 0.0052 cents per cubic meter applied to volumes consumed in the period of January 1, 2005 to December 31, 2005. Individual customer impacts will vary based on volumes consumed.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time credit to your **Rate M9** bill.

This credit consists of two adjustments:

- differences between targeted and actual earnings in 2005, and
- differences between approved forecast and actual revenues and costs in 2005

These adjustments result in a combined one-time credit of 0.0552 cents per cubic meter applied to volumes consumed in the period of January 1, 2005 to December 31, 2005. Individual customer impacts will vary based on volumes consumed.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time credit to your **Rate M10** bill.

This credit consists of two adjustments:

- differences between targeted and actual earnings in 2005, and
- differences between approved forecast and actual revenues and costs in 2005

These adjustments result in a combined one-time credit of 0.6962 cents per cubic meter applied to volumes consumed in the period of January 1, 2005 to December 31, 2005. Individual customer impacts will vary based on volumes consumed.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time credit to your **Rate T1** bill.

This credit consists of two adjustments:

- differences between targeted and actual earnings in 2005, and
- differences between approved forecast and actual revenues and costs in 2005

These adjustments result in a combined one-time credit of 0.0448 cents per cubic meter applied to volumes consumed in the period of January 1, 2005 to December 31, 2005. Individual customer impacts will vary based on volumes consumed.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time credit to your **Rate T3** bill.

This credit consists of two adjustments:

- differences between targeted and actual earnings in 2005, and
- differences between approved forecast and actual revenues and costs in 2005

These adjustments result in a combined one-time credit of 0.1251 cents per cubic meter applied to volumes consumed in the period of January 1, 2005 to December 31, 2005. Individual customer impacts will vary based on volumes consumed.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time credit to **M12 storage and transportation** customers. This credit consists of two amounts:

- deferral account credits for 2005 largely related to short term storage and transportation activity, and
- differences between targeted and actual earnings in 2005

These amounts will be applied as a one-time credit on your bill. Individual customer rate impacts will vary based on demands and volumes consumed.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time adjustment to **M13 transportation of locally produced gas** customers. This adjustment consists of two amounts:

- 2005 deferral account charge related to compressor fuel costs that were higher than forecast costs. This charge only applies to customers who do not supply their own fuel, and
- differences between targeted and actual earnings in 2005

These amounts will be applied as a one-time adjustment on your bill. Individual customer rate impacts will vary based on usage.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time charge for **M16 storage transportation service** customers. This charge consists of two amounts:

- 2005 deferral account charge related to compressor fuel costs that were higher than forecast costs. This charge only applies to customers who do not supply their own fuel, and
- differences between targeted and actual earnings in 2005

These amounts will be applied as a one-time charge on your bill. Individual customer rate impacts will vary based on usage.

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

AN IMPORTANT NOTICE ABOUT YOUR GAS RATES

October 2006

The Ontario Energy Board has approved a one-time adjustment to **C1 long term firm transportation** customers. This adjustment consists of two amounts:

- 2005 deferral account credits largely related to short term transportation and a 2005 deferral account charge related to compressor fuel costs that were higher than forecast costs. This charge only applies to customers who do not supply their own fuel, and
- differences between targeted and actual earnings in 2005

These amounts will be applied as a one-time adjustment on your bill. Individual customer rate impacts will vary based on usage.

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