

August 28, 2017

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

Dear Ms. Walli:

RE: EB-2017-0091 – Union Gas Limited – 2016 Disposition of Deferral Account Balances and 2016 Earnings Sharing Amount – UPDATED Settlement Proposal and Draft Rate Order

Pursuant to the Board's Decision and Procedural Order No. 3 dated August 24, 2017, Union has attached an updated Settlement Proposal and draft Rate Order for the above noted proceeding. All parties have signed off on the updates made to the Settlement Proposal and draft Rate Order. In its response, LPMA explicitly expressed its support of Union's approach to updating interest to September 30, 2017, as indicated in the draft Rate Order.

Union respectfully requests the Board approve the Settlement Proposal and draft Rate Order as soon as possible, but no later than **September 7, 2017** in order for Union to implement rates at October 1, 2017, the date parties agreed to in the Settlement Proposal.

If you have any questions concerning this submission please contact me at 519-436-5473.

Yours truly,

[Original Signed by]

Karen Hockin
Manager, Regulatory Initiatives

c.c.: Crawford Smith, Torys
Myriam Seers, Torys
EB-2017-0091 Intervenors

ONTARIO ENERGY BOARD

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 clearing certain non-commodity related deferral accounts.

SETTLEMENT PROPOSAL

August 1, 2017

Updated August 28, 2017

This Settlement Proposal (“Proposal”) is for the consideration of the Ontario Energy Board (“the Board”) in its determination, under Docket No. EB-2017-0091, of an Application by Union Gas Limited (“Union”) for an Order or Orders of the Board amending or varying the rate or rates charged to customers as of October 1, 2017 in connection with the final disposition of 2016 year-end deferral accounts and 2016 earnings sharing amount (the “Application”), and the interim disposal of the Parkway West Project Costs Deferral Account. This document is called a “Settlement Proposal” because it is a proposal by the parties to the Board to settle the issues in this proceeding. It is termed a proposal as between the parties and the Board. However, as between the parties, and subject only to the Board’s approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual obligations, and binding and enforceable in accordance with its terms. As set forth later in this preamble, this agreement is subject to a condition subsequent, that if it is not accepted by the Board in its entirety, then unless amended by the parties it is null and void and of no further effect. In entering into this agreement, the parties understand and agree that, pursuant to the Act, the Board has exclusive jurisdiction with respect to the interpretation and enforcement of the terms hereof.

By Procedural Order No. 1 dated June 2, 2017, the Board scheduled a Settlement Conference to be conducted on July 17, 18 and 19, 2017 at 9:30 a.m. The Settlement Conference was duly convened, in accordance with the Procedural Order No. 1, with Mr. Jim Faught as facilitator. The Settlement Conference commenced on July 17, 2017 at 9:30 a.m. and concluded on July 18, 2017.

The following parties participated in the Settlement Conference:

Association of Power Producers of Ontario (“APPrO”)

Building Owners and Managers Association Toronto (“BOMA”)

Consumers Council of Canada (“CCC”)

Federation of Rental-housing Providers of Ontario (“FRPO”)

Industrial Gas Users Association (“IGUA”)

London Property Management Association (“LPMA”)

Ontario Greenhouse Vegetable Growers (“OGVG”)

School Energy Coalition (“SEC”)

TransCanada PipeLines Limited (“TransCanada”)

TransCanada takes no position on all issues.

Except as expressly noted below, for the purposes of settlement of the issues in this proceeding, the parties agree to the relief sought by Union in the Application and accept Union’s position that the claimed relief is supported by Union's pre-filed evidence and its responses to interrogatories. References to the pre-filed evidence and the interrogatories are provided in relation to each of the agreed items contained in the Agreement.

Although parties accept the amounts as noted in the discussion, they acknowledge that the balances will be updated to reflect interest up to the effective date of October 1, 2017. These balances are shown in Appendix C of the attached draft Rate Order.

The parties acknowledge that this Settlement Conference is confidential in accordance with the

Board's Practice Direction on Settlement Conferences (the "Practice Direction"). The parties understand that confidentiality in that context does not have the same meaning as confidentiality in the Board's Practice Direction on Confidential Filings, and the rules of that latter document do not apply. Instead, in this Settlement Conference, and in this Settlement Proposal, the parties have interpreted "confidential" to mean that the documents and other information provided during the course of the Settlement Conference, the discussion of each issue, the offers and counter-offers, and the negotiations leading to the settlement of each issue during the Settlement Conference are strictly privileged and without prejudice. None of the foregoing is admissible as evidence in this proceeding, or otherwise, with one exception: the need to resolve a subsequent dispute over the interpretation of any provision of this Settlement Proposal. Further, the parties shall not disclose those documents or other information to persons who were not attendees at the Settlement Conference. However, the parties agree that "attendees" is deemed to include, in this context, persons who were not physically in attendance at the Settlement Conference but were: a) any persons or entities that the parties engage to assist them with the Settlement Conference; or b) any persons or entities from whom they seek instructions with respect to the negotiations; in each case provided that any such persons or entities have agreed to be bound by the same confidentiality provisions.

The role adopted by Board Staff in Settlement Conferences is set out on pp. 6-7 of the Board's October 28, 2016 Practice Direction on Settlement Conferences. Although Board Staff are not a party to this Agreement as noted in the Guidelines, "Board Staff who participate in the settlement conference in any way are bound by the same confidentiality standards that apply to the parties to the proceeding."

The evidence supporting the Agreement on each issue is cited in each section of the Agreement. Abbreviations will be used when identifying exhibit references. For example, Exhibit A, Tab 4, Schedule 1, Page 1 will be referred to as A/T4/S1/p.1. The structure and presentation of the settled issues is consistent with settlement proposals which have been accepted by the Board in prior cases. The parties agree that this Agreement forms part of the record in this proceeding. The identification and listing of the evidence that relates to each issue is provided to assist the Board. The identification and listing of the evidence that relates to each settled issue is not intended to limit any party who wishes to assert, either in any other proceeding, or in a hearing in this proceeding, that other evidence is relevant to a particular settled issue, or that evidence listed is not relevant to the issue, or that the concise description of the issue prepared by Union is incorrect or incomplete.

According to the Practice Direction (p. 4), the parties must consider whether a Settlement Proposal should include an appropriate adjustment mechanism for any settled issue that may be affected by external factors. The parties who participated in the settlement discussions agree that no settled issue requires an adjustment mechanism other than as may be expressly set forth herein.

All of the issues contained in this proposal have been settled by the parties as a package and none of the provisions of this settlement is severable. If the Board does not accept this package in its entirety, then there is no settlement (unless the parties agree that any portion of the package that the Board does accept may continue as part of a valid settlement agreement).

In the event the Board directs the parties to make reasonable efforts to revise the Settlement Proposal, the parties agree to use reasonable efforts to discuss any potential revisions, but no party will be obligated to accept any proposed revision. The parties agree that all of the parties

who took a position on a particular issue must agree with any revised Settlement Proposal as it relates to that issue prior to its re-submission to the Board.

None of the parties can withdraw from this Settlement Proposal except in accordance with Rule 30.05 of the Board's Rules of Practice and Procedure. Moreover, the settlement of any particular issue in this proceeding and the positions of the parties in this Settlement Proposal are without prejudice to the rights of the parties to raise the same issue and/or to take any position thereon in any other proceeding, whether or not Union is a party to such proceeding.

1. Spot Gas Variance Account (No. 179-107)

(Complete Settlement)

The parties accept Union’s evidence that there is no balance in the Spot Gas Variance Account (No. 179-107), i.e. that there was no Spot Gas purchased in excess of planned Spot Gas purchases.

Evidence References:

1. A/T1/pp.1-2

2. Unabsorbed Demand Cost Variance Account (No. 179-108)

(Complete Settlement)

The parties accept Union’s evidence that the balance to be disposed of in the Unabsorbed Demand Cost (“UDC”) Variance Account (No. 179-108) is a debit of \$3.003 million. This represents the difference between the actual net UDC costs of \$8.466 incurred by Union and the amount of UDC collected in rates of \$5.475 million, plus interest of \$0.012 million.

Evidence References:

1. A/T1/pp.2-6
2. Exhibit B.Staff.1, Exhibit B.Staff.3, Exhibit B.BOMA.1, Exhibit B.CCC.1, Exhibit B.LPMA.1, Exhibit B.VECC.1

3. Gas Supply Review Consultant Cost Deferral Account (No. 179-128)

(Complete Settlement)

The parties accept Union’s evidence that there is no balance in the Gas Supply Review Consultant Cost Deferral Account (No. 179-128). Union requested closure of this account as part of its 2017 Rates application.

Evidence References:

1. A/T1/p.6

4. Upstream Transportation Optimization Deferral Account (No. 179-131)

(Complete Settlement)

The parties accept Union's evidence that the balance to be disposed of in the Upstream Transportation Optimization Deferral Account (No. 179-131) is a debit of \$11.646 million, which is meant to capture the variance between 90% of the net revenues from optimization activities and the amount refunded to ratepayers in rates.

Union credited \$14.668 million in rates to ratepayers during 2016. The \$11.646 million debit represents the difference between the amount included in rates and 90% of 2016 net revenues (\$14.668 million less \$3.022 million).

Evidence References:

1. A/T1/pp.6-8, A/T1/App.A/S2
2. Exhibit B.Staff.4, Exhibit B.BOMA.2, Exhibit B.OGVG.1, Exhibit B.VECC.2, Exhibit B.VECC.3

5. Short-Term Storage and Other Balancing Services Deferral Account (No. 179-70)

(Complete Settlement)

The parties accept Union's evidence that the balance to be disposed of in the Short-Term Storage and Other Balancing Services Deferral Account (No. 179-70) is a credit balance of \$2.226 million. The balance has been calculated by comparing \$6.777 million (90% of the actual 2016 Short-Term Storage and Other Balancing Services net revenue of \$7.530 million) to the net revenue included in rates of \$4.551 million in the EB-2011-0210 Rate Order.

Evidence References:

1. A/T1/pp. 8-12, A/T1/App.A/S3, A/T1/App.A/S4, A/T1/App.A/S5
2. Exhibit B.BOMA.3, Exhibit B.LPMA.2, Exhibit B.VECC.3

6. Unbundled Services Unauthorized Storage Overrun Deferral Account (No. 179-103)

(Complete Settlement)

The parties accept Union's evidence that there is no balance in the Unbundled Services

Unauthorized Storage Overrun Deferral Account (No. 179-103), i.e. that there were no unauthorized storage overrun charges incurred by customers electing unbundled service in 2016.

Evidence References:

1. A/T1/p.12

7. Gas Distribution Access Rule Costs Deferral Account (No. 179-112)

(Complete Settlement)

The parties accept Union's evidence that the balance to be disposed of in the Gas Distribution Access Rule ("GDAR") Costs Deferral Account (No. 179-112) is a debit of \$0.443 million. The costs will be collected from ratepayers based on the annual revenue requirement related to the capital costs incurred in 2011, 2012 and 2013.

Evidence References:

1. A/T1/pp.13-15
2. Exhibit B.Staff.5, Exhibit B.BOMA.4

8. Carbon Dioxide Offset Credits Deferral Account (No. 179-117)

(Complete Settlement)

The parties accept Union's evidence that there is no balance in the Carbon Dioxide Offset Credits Deferral Account (No. 179-117) and that the Board previously approved the closure of this account effective January 1, 2017.

Evidence References:

1. A/T1/p.15

9. International Financial Reporting Standards Conversion Costs Deferral Account (No. 179-120)

(Complete Settlement)

The parties accept Union's evidence that there is no balance in the International Financial Reporting Standards ("IFRS") Conversion Costs Deferral Account (No. 179-120).

Evidence References:

1. A/T1/p.15
2. Exhibit B.VECC.4

10. Conservation Demand Management Deferral Account (No. 179-123)

(Complete Settlement)

The parties accept Union's evidence that there is no balance in the Conservation Demand Management ("CDM") Deferral Account (No. 179-123).

Evidence References:

1. A/T1/pp.15-16
2. Exhibit B.Staff.6, Exhibit B.CCC.4

11. Deferral Clearing Variance Account (No. 179-132)

(Complete Settlement)

The parties accept Union's evidence that the amount to be disposed of in the Deferral Clearing Variance Account (No. 179-132) is a debit of \$0.237 million (a balance of \$0.235 million plus

interest of \$0.002 million), which represents an under-recovery of \$0.235 million compared to the Board-approved deferral account balances in Union's 2014 Deferral Account Disposition (EB-2015-0010). The account was approved by the Board in its EB-2015-0010 Decision. Its purpose is to eliminate the gains or losses to ratepayers and Union as a result of volume variances associated with the disposition of deferral account balances.

Evidence References:

1. A/T1/pp.16-17, A/T1/S6
2. Exhibit B.FRPO.1

12. Normalized Average Consumption Deferral Account (No. 179-133)

(Complete Settlement)

The parties accept Union's evidence of the amount to be disposed of in the Normalized Average Consumption ("NAC") Deferral Account (No. 179-133) is a debit from ratepayers of \$23.506 million plus interest of \$0.125 million.

The variance in the NAC deferral account is the difference between the target NAC used to set rates and the actual NAC in the year. There is a two-year lag between the target NAC used to set rates and the actual NAC for the year. The NAC target used to set rates is based on using the most recent years actual NAC available at the time rates are set. For example, the target NAC to set 2016 rates was based on 2014 actual NAC normalized for 2016 normal weather. The result was an increase in target NAC for rate setting (rates were lowered), and an increase in the 2016 NAC deferral account.

Evidence References:

1. A/T1/pp.17-24, A/T1/S7
2. Exhibit B.Staff.7, Exhibit B.Staff.8, Exhibit B.CCC.2, Exhibit B.Energy Probe.1, Exhibit

B.Energy Probe.2, Exhibit B.FRPO.2, Exhibit B.FRPO.3, Exhibit B.LPMA.3, Exhibit B.LPMA.4
Exhibit B.SEC.1, Exhibit B.VECC.5

13. Tax Variance Deferral Account (No. 179-134)

(Complete Settlement)

The parties accept Union's evidence that the amount to be disposed of in the Tax Variance Deferral Account (No. 179-134) is a credit of \$0.197 million plus interest of \$0.001 million. The establishment of this account was approved through the EB-2013-0202 Settlement Agreement. Its purpose is to record 50% of the variance in costs resulting from the difference between the actual tax rates and the approved tax rates included in rates as approved by the Board. The credit of \$0.197 million relates to ratepayers portion of Union's incremental savings from the reduction of the input tax credits on Harmonized Sales Tax.

Evidence References:

1. A/T1/pp.25-27
2. Exhibit B.BOMA.6, Exhibit B.LPMA.5

14. Unaccounted for Gas Volume Variance Account (No. 179-135)

(Complete Settlement)

The parties accept Union's evidence that the amount to be disposed of in the Unaccounted for Gas Volume ("UFG") Variance Account (No. 179-135) is a debit of \$5.189 million. The account was approved through the EB-2013-0202 Settlement Agreement to capture the difference between Union's actual UFG costs and the Board-approved UFG costs included in Union's rates, in excess of \$5.000 million. Union's actual UFG expense was \$20.969 million as a result of the actual UFG percentage of 0.427% being greater than the 2013 Board-approved UFG percentage of 0.219%. Accordingly, the difference between the UFG costs recovered in rates of \$10.784 million and Union's actual UFG expense of \$20.969 million is \$10.184 million, which results in

the \$5.000 million reduction for the symmetrical dead-band to Union's account, and the remaining \$5.184 million debit in the deferral account, plus interest of \$0.005 million.

Evidence References:

1. A/T1/pp.27-28
2. Exhibit B.Staff.9, Exhibit B.APPrO.1, Exhibit B.BOMA.7, Exhibit B.FRPO.4, Exhibit B.LPMA.6, Exhibit B.LPMA.10, Exhibit B.SEC.2

15. Parkway West Project Costs Deferral Account (No. 179-136)

(Complete Settlement)

The parties accept Union's evidence that the balance in the Parkway West Project Costs Deferral Account (No. 179-136) is a credit of \$1.415 million. This credit represents the difference between the \$16.457 million of costs included in 2016 rates (EB-2015-0116) and the calculation of the actual revenue requirement of \$15.045 million. The Board approved the establishment of this account in its EB-2012-0433 Decision.

Although the Parkway West Project is in-service there is additional spending forecast for 2017. The parties agree that the balance in this deferral account will be disposed of on an interim basis. Final disposition will occur when the prudence of this and all other spending (including prior to 2017) above the pre-approved capital level of \$219 million will be assessed.

In its evidence seeking final approval, Union will file evidence regarding the overspending/underspending on the 2015 Dawn Parkway Projects and address the Board's expectation for Union to rigorously control its expenditures as noted at page 15 of the Board's January 30, 2014 Decision in EB-2012-0433/EB-2013-0074.

Evidence References:

1. A/T1/pp.28-36

2. Exhibit B.Staff.10, Exhibit B.Staff.11, Exhibit B.APPrO.2, Exhibit B.LPMA.7, Exhibit B.LPMA.8, Exhibit B.LPMA.11, Exhibit B.SEC.3, Exhibit B.VECC.6

16. Brantford-Kirkwall/Parkway D Project Costs Deferral Account (No. 179-137)

(Complete Settlement)

The parties accept Union’s evidence that the balance in the Brantford-Kirkwall/Parkway D Project Costs Deferral Account (No. 179-137) is a credit of \$1.593 million, plus interest of \$0.005 million. This represents the difference between the \$14.720 million costs included in 2016 rates (EB-2015-0116) and the calculation of the actual revenue requirement of \$13.175 million. The remaining \$0.048 million credit represents a true-up to actuals of the revenue requirement included in the 2015 deferral disposition (EB-2016-0118) to reflect a property tax reassessment that occurred in 2016. The Board approved the establishment of this account in its EB-2013-0074 Decision.

Evidence References:

1. A/T1/pp.36-44
2. Exhibit B.Staff.12, Exhibit B.Staff.13, Exhibit B.Staff.14, Exhibit B.Staff.15, Exhibit B.Staff.16, Exhibit B.BOMA.8, Exhibit B.BOMA.9, Exhibit B.BOMA.10, Exhibit B.BOMA.11, Exhibit B.LPMA.9, Exhibit B.SEC.4

17. Parkway Obligation Rate Variance Account (No. 179-138)

(Complete Settlement)

The parties accept Union’s evidence that the balance to be disposed of in the Parkway Obligation Rate Variance Account (No. 179-138) is a debit of \$2.822 million. In the 2014 Rates (EB-2013-0365) Settlement Agreement, Union and intervenors agreed to permanently shift the Union South DP Parkway Delivery Obligation (“PDO”) to Dawn over time and agreed to the payment of a Parkway Delivery Commitment Incentive (“PDCI”) for any continuing obligated Daily Contract Quantity (“DCQ”) deliveries at Parkway beginning November 1, 2016. The purpose of the

deferral account is to record rate variances associated with the timing differences between the effective date of the PDO and PDCI changes and the inclusion of the cost impacts in approved rates (January 1 of the following year).

Evidence References:

1. A/T1/pp.44-46, A/T1/S8
2. Exhibit B.Staff.17, Exhibit B.BOMA.12, Exhibit B.FRPO.5, Exhibit B.FRPO.6, Exhibit B.FRPO.7

18. Energy East Pipeline Consultation Costs Deferral Account (No. 179-139)

(Complete Settlement)

The parties accept Union's evidence that there is no balance in the Energy East Pipeline Consultation Costs Deferral Account (No. 179-139). The account was created to record the consultation costs related to the Energy East Pipeline Project allocated by the Board in accordance with the Board's Decision in EB-2014-0271.

Evidence References:

1. A/T1/p.46
2. Exhibit B.VECC.7

19. Unaccounted for Gas Price Variance Account (No. 179-141)

(Complete Settlement)

The parties accept Union's evidence that the balance to be disposed of in the Unaccounted for Gas ("UFG") Price Variance Account (No. 179-137) is a credit of \$1.196 million plus interest of \$0.003 million. The purpose of the account is to capture the variance between the average monthly price of Union's purchases and the applicable Board-approved reference price, applied to Union's actual UFG volumes, as approved by the Board in its EB-2015-0010 Decision.

Evidence References:

1. A/T1/pp.46-47, A/T1/S9

2. Exhibit B.LPMA.10, Exhibit B.VECC.12

20. Lobo C Compressor/Hamilton-Milton Pipeline Project Costs Deferral Account (No. 179-142)

(Complete Settlement)

The parties accept Union's evidence that the balance to be disposed of in the Lobo C Compressor/Hamilton-Milton Pipeline Project Costs Deferral Account (No. 179-142) is a debit of \$1.698 million plus interest of \$0.001 million. This represents the difference between the \$0.683 million included in 2016 rates (EB-2015-0116) and the actual revenue requirement of \$2.396 million, and a \$0.015 million true-up to the revenue requirement included in the 2015 deferral disposition (EB-2016-0118). The Board approved the establishment of this account in its Dawn Parkway 2016 Expansion (EB-2014-0261) Decision.

Evidence References:

1. A/T1/pp.48-54
2. Exhibit B.BOMA.13, Exhibit B.BOMA.14, Exhibit B.LPMA.11, Exhibit B.LPMA.12, Exhibit B.SEC.5, Exhibit B.BOMA.14, Exhibit B.VECC.9

21. Unauthorized Overrun Non-Compliance Account (No. 179-143)

(Complete Settlement)

The parties accept Union's evidence that the balance to be disposed of in the Unauthorized Overrun Non-Compliance Account (No. 179-143) is a credit of \$0.106 million plus interest of \$0.001 million. The Board ordered Union to establish this account in its 2016 Rates Decision and Order (EB-2015-0116). The deferral account records any unauthorized overrun non-compliance charges incurred by interruptible distribution customers for not complying with a distribution interruption.

Evidence References:

1. A/T1/p.54
2. Exhibit B.VECC.8

22. Dawn H/Lobo D/Bright C Compressor Project Costs Deferral Account (No. 179-144)

(Complete Settlement)

The parties accept Union's evidence that the balance to be disposed of in the Dawn H/Lobo D/Bright C Compressor Project Costs Deferral Account (No. 179-144) is a debit of \$0.525 million less interest of \$0.002 million. This represents the difference between the \$1.716 million credit included in 2016 rates (EB-2015-0116) and the actual revenue requirement credit of \$1.191 million. The Board approved the establishment of this account in its 2017 Dawn Parkway Project (EB-2015-0116) Decision.

Evidence References:

1. A/T1/pp.55-60
2. Exhibit B.Staff.18, Exhibit B.LPMA.13

23. Burlington Oakville Project Costs Deferral Account (No. 179-149)

(Complete Settlement)

The parties accept Union's evidence that the balance to be disposed of in the Burlington Oakville Project Costs Deferral Account (No. 179-149) is a debit of \$0.258 million less interest of \$0.001 million. This represents the difference between the \$0.077 million included in 2016 rates (EB-2015-0116) and the actual revenue requirement of \$0.335 million. The Board approved the establishment of this account in its 2017 Dawn Parkway Project (EB-2015-0116) Decision.

Evidence References:

1. A/T1/pp.60-65
2. Exhibit B.BOMA.15, Exhibit B.BOMA.16, Exhibit B.BOMA.17, Exhibit B.BOMA.18

24. Ontario Energy Board (“OEB”) Cost Assessment Variance Account (No. 179-151)

(Complete Settlement)

The parties agree that the 2016 balance in the OEB Cost Assessment Variance Account (No. 179-151) which is a debit of \$0.832 million will be borne by Union and not disposed of through this or any future proceeding.

Evidence References:

1. A/T1/pp.65-66, A/T1/B/S1
2. Exhibit B.FRPO.8, Exhibit B.FRPO.9

25. Greenhouse Gas Emissions Impact Deferral Account (“GGEIDA”) (No. 179-152)

(Complete Settlement)

The parties agree that the 2016 balance in the Greenhouse Gas Emissions Impact Deferral Account (“GGEIDA”) (No. 179-152) which is a debit of \$2.225 million will not be disposed of on an interim basis through the 2016 Deferrals proceeding. As per the Board’s Procedural Order No. 2 issued June 23, 2017, final disposition will be deferred given other concurrent applications before the Board. The purpose of the account is to record the cost impacts of government regulations related to greenhouse gas emissions requirements. The Board approved the establishment of this account in EB-2015-0367.

Evidence References:

1. A/T1/pp.66-78

26. 2016 Earnings Sharing

(Complete Settlement)

The parties accept Union’s earnings sharing calculation. There is no balance in the customer portion of earnings sharing above the 2013 Board-approved Return on Equity (“ROE”).

Earnings subject to sharing is calculated by comparing Union's actual ROE with the benchmark ROE. If the difference between the actual ROE and the benchmark ROE is greater than 100 basis points but less than 200 basis points, the excess earnings are shared 50/50 between Union and its ratepayers. If the difference between the actual ROE and the benchmark ROE exceeds 200 basis points, the excess over 200 basis points is shared 90/10 to the benefit of the ratepayers. For 2016, the difference is 31 basis points and therefore there is no earnings sharing.

Evidence Referenced:

1. A/T2
2. Exhibit B.Staff.19, Exhibit B.Staff.20, Exhibit B.Staff.21, Exhibit B.BOMA.5, Exhibit B.BOMA.21, Exhibit B.BOMA.22, Exhibit B.BOMA.23, Exhibit B.BOMA.25, Exhibit B.BOMA.26, Exhibit B.BOMA.27, Exhibit B.CCC.5, Exhibit B.Energy Probe.3, Exhibit B.Energy Probe.5, Exhibit B.Energy Probe.6, Exhibit B.LPMA.14, Exhibit B.LPMA.15, Exhibit B.LPMA.16, Exhibit B.LPMA.17, Exhibit B.LPMA.18, Exhibit B.SEC.7, Exhibit B.SEC.8 Exhibit B.VECC.11

27. Allocation of 2016 Deferral Account Balances and 2016 Earnings Sharing

(Complete Settlement)

The parties accept Union's proposal for allocation of 2016 Deferral Account Balances and 2016 Earnings Sharing.

Evidence References:

1. A/T3
2. Exhibit B.Staff.23, Exhibit B.Staff.24, Exhibit B.BOMA.28, Exhibit B.LPMA.20, Exhibit B.LPMA.21

28. Disposition of 2016 Deferral Account Balances and 2016 Earnings Sharing Amount

(Complete Settlement)

The parties accept Union's proposal to dispose of balances prospectively over six months, over the October 1, 2017 to March 31, 2018 time period, for the general service rate classes. For in-

franchise contract and ex-franchise rate classes, parties agree to dispose of the net 2016 delivery-related deferral account balances as a one-time adjustment with October 2017 bills customers receive in November 2017. Please see Attachment 1 for a draft Rate Order.

Evidence References:

1. A/T3

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

AND IN THE MATTER OF an Application by Union
Gas Limited for an Order or Orders clearing certain non-
commodity related deferral accounts.

BEFORE:

xxx
Presiding Member

xxx
Member

**DRAFT DECISION AND ORDER
(for rates effective October 1, 2017)**

Union Gas Limited (“Union”) filed an application dated April 21, 2017 to address the disposition of 2016 year-end deferral account balances and 2016 earnings sharing amount. The Board assigned docket number EB-2017-0091 to the application.

Union also proposed that the resulting impacts from the disposition be implemented on October 1, 2017 to align with other rate changes expected to result from the Quarterly Rate Adjustment Mechanism (“QRAM”).

On June 2, 2017, the Board issued Procedural Order No. 1 which directed a Settlement Conference take place on July 17, 18 and 19, 2017. The resulting Settlement Proposal is attached to Union’s letter dated August 1, 2017 with this draft Rate Order. All issues in the Proposal were settled by the parties.

This draft Rate Order represents the implementation in rates of the amounts settled in Union’s attached Settlement Proposal.

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, 2017. Union shall implement these rates on the first billing cycle on or after October 1, 2017.
2. The deferral account balances totalling \$43.056 million receivable from ratepayers as set out in Appendix “C”, are approved for disposition.
3. The disposition of the net balances of the total deferral and earnings sharing amounts will be done prospectively over six months starting October 1, 2017 for residential and general service customer rate classes. For in-franchise contract and ex-franchise rate classes, a one-time adjustment will be made on October 2017 bills as set out in Appendix “D”.

DATED at Toronto _____, 2017.

ONTARIO ENERGY BOARD

Kirsten Walli
Board Secretary

EB-2017-0091
Index of Appendices

Appendix A	Summary of Changes to Sales Rates
Appendix B	General Service Rate Schedules
Appendix C	Deferral Account Balances (Year Ended December 31, 2016 with interest accrued to September 30, 2017)
Appendix D	Unit Rates for Prospective Recovery/(Refund) & One-Time Adjustment, and Storage and Transportation Service (Ex-Franchise) Amounts for Disposition
Appendix E	Miscellaneous Non-Energy Charges

UNION GAS LIMITED
Union North
Summary of Changes to Sales Rates
Rate 01A - Small Volume General Firm Service

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
1	Monthly Charge - All Zones	\$21.00		\$21.00
	Monthly Delivery Charge - All Zones			
	Including Customer-Related GHG Obligation			
2	First 100 m ³	12.5491		12.5491
3	Next 200 m ³	12.3161		12.3161
4	Next 200 m ³	11.9484		11.9484
5	Next 500 m ³	11.6109		11.6109
6	Over 1,000 m ³	11.3321		11.3321
	Excluding Customer-Related GHG Obligation			
7	First 100 m ³	9.2310		9.2310
8	Next 200 m ³	8.9980		8.9980
9	Next 200 m ³	8.6303		8.6303
10	Next 500 m ³	8.2928		8.2928
11	Over 1,000 m ³	8.0140		8.0140
12	Delivery - Price Adjustment (All Volumes)	-	1.2219	1.2219 (1)
	Gas Transportation Service			
13	Union North West Zone	6.8792		6.8792
14	Union North East Zone	3.0133		3.0133
15	Transportation - Price Adjustment (Union North West)	0.1268 (2)	0.7678	0.8946 (3)
16	Transportation - Price Adjustment (Union North East)	0.2039 (2)	0.7678	0.9717 (3)
	Storage Service			
17	Union North West Zone	2.0660		2.0660
18	Union North East Zone	6.6756		6.6756
19	Storage - Price Adjustment (All Zones)	-		-
	Commodity Cost of Gas and Fuel			
20	Union North West Zone	11.8713		11.8713
21	Union North East Zone	16.5726		16.5726
22	Commodity and Fuel - Price Adjustment (Union North West)	0.2764 (2)		0.2764 (2)
23	Commodity and Fuel - Price Adjustment (Union North East)	1.0692 (2)		1.0692 (2)

Notes:

- (1) Includes a temporary charge of 1.2219 cents/m³ expiring March 31, 2018.
- (2) Prospective Recovery of gas supply deferral accounts.
- (3) Prospective Recovery of gas supply deferral accounts, and a temporary charge of 0.7678 cents/m³ expiring March 31, 2018.

UNION GAS LIMITED
Union North
Summary of Changes to Sales Rates
Rate 10 - Large Volume General Firm Service

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
1	Monthly Charge - All Zones	\$70.00		\$70.00
	Monthly Delivery Charge - All Zones			
	Including Customer-Related GHG Obligation			
2	First 1,000 m ³	11.0499		11.0499
3	Next 9,000 m ³	9.6174		9.6174
4	Next 20,000 m ³	8.9458		8.9458
5	Next 70,000 m ³	8.4090		8.4090
6	Over 100,000 m ³	6.3753		6.3753
	Excluding Customer-Related GHG Obligation			
7	First 1,000 m ³	7.7318		7.7318
8	Next 9,000 m ³	6.2993		6.2993
9	Next 20,000 m ³	5.6277		5.6277
10	Next 70,000 m ³	5.0909		5.0909
11	Over 100,000 m ³	3.0572		3.0572
12	Delivery - Price Adjustment (All Volumes)	-	1.0857	1.0857 (1)
	Gas Transportation Service			
13	Union North West Zone	6.0258		6.0258
14	Union North East Zone	2.7748		2.7748
15	Transportation - Price Adjustment (Union North West)	0.1276 (2)	0.8439	0.9715 (3)
16	Transportation - Price Adjustment (Union North East)	0.2047 (2)	0.8439	1.0486 (3)
	Storage Service			
17	Union North West Zone	1.5549		1.5549
18	Union North East Zone	4.7143		4.7143
19	Storage - Price Adjustment (All Zones)	-		-
	Commodity Cost of Gas and Fuel			
20	Union North West Zone	11.8713		11.8713
21	Union North East Zone	16.5726		16.5726
22	Commodity and Fuel - Price Adjustment (Union North West)	0.2764 (2)		0.2764 (2)
23	Commodity and Fuel - Price Adjustment (Union North East)	1.0692 (2)		1.0692 (2)

Notes:

- (1) Includes a temporary charge of 1.0857 cents/m³ expiring March 31, 2018.
- (2) Prospective Recovery of gas supply deferral accounts.
- (3) Prospective Recovery of gas supply deferral accounts, and a temporary charge of 0.8439 cents/m³ expiring March 31, 2018.

UNION GAS LIMITED
Union North
Summary of Changes to Sales Rates
Rate 20 - Medium Volume Firm Service

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
1	Monthly Charge	\$884.46		\$884.46
	Delivery Demand Charge			
2	First 70,000 m ³	28.6326		28.6326
3	All over 70,000 m ³	16.8374		16.8374
	Delivery Commodity Charge			
	Including Customer-Related GHG Obligation			
4	First 852,000 m ³	3.8794		3.8794
5	All over 852,000 m ³	3.7251		3.7251
	Excluding Customer-Related GHG Obligation			
6	First 852,000 m ³	0.5613		0.5613
7	All over 852,000 m ³	0.4070		0.4070
	Monthly Gas Supply Demand Charge			
8	Union North West Zone	56.7296		56.7296
9	Union North East Zone	50.4674		50.4674
10	Gas Supply Demand - Price Adjustment (All Zones)	-		-
	Commodity Transportation 1			
11	Union North West Zone	3.6368		3.6368
12	Union North East Zone	2.6620		2.6620
13	Transportation 1 - Price Adjustment (Union North West)	0.1442 (1)		0.1442 (1)
14	Transportation 1 - Price Adjustment (Union North East)	0.2213 (1)		0.2213 (1)
	Commodity Transportation 2			
15	Union North West Zone	-		-
16	Union North East Zone	-		-
	Commodity Cost of Gas and Fuel			
17	Union North West Zone	11.5534		11.5534
18	Union North East Zone	16.1267		16.1267
19	Commodity and Fuel - Price Adjustment (Union North West)	0.2764 (1)		0.2764 (1)
20	Commodity and Fuel - Price Adjustment (Union North East)	1.0692 (1)		1.0692 (1)
	Bundled Storage Service (\$/GJ)			
21	Monthly Demand Charge	20.238		20.238
22	Commodity Charge	0.208		0.208
23	Storage Demand - Price Adjustment	-		-

Notes:

(1) Prospective Recovery of gas supply deferral accounts.

UNION GAS LIMITED
Union North
Summary of Changes to Sales Rates
Rate 100 - Large Volume High Load Factor Firm Service

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
1	Monthly Charge	\$1,372.75		\$1,372.75
2	Delivery Demand Charge All Zones	15.1083		15.1083
3	Delivery Commodity Charge All Zones Including Customer-Related GHG Obligation	3.5388		3.5388
4	Excluding Customer-Related GHG Obligation	0.2207		0.2207
5	Monthly Gas Supply Demand Charge Union North West Zone	114.9955		114.9955
6	Union North East Zone	162.4086		162.4086
7	Gas Supply Demand - Price Adjustment (All Zones)	-		-
8	Commodity Transportation 1 Union North West Zone	6.4509		6.4509
9	Union North East Zone	9.2881		9.2881
10	Transportation 1 - Price Adjustment (Union North West)	-		-
11	Transportation 1 - Price Adjustment (Union North East)	-		-
12	Commodity Transportation 2 Union North West Zone	-		-
13	Union North East Zone	-		-
14	Commodity Cost of Gas and Fuel Union North West Zone	11.5534		11.5534
15	Union North East Zone	16.1267		16.1267
16	Commodity and Fuel - Price Adjustment (Union North West)	0.2764 (1)		0.2764 (1)
17	Commodity and Fuel - Price Adjustment (Union North East)	1.0692 (1)		1.0692 (1)
18	Bundled Storage Service (\$/GJ) Monthly Demand Charge	20.238		20.238
19	Commodity Charge	0.208		0.208
20	Storage Demand - Price Adjustment	-		-

Notes:

(1) Prospective Recovery of gas supply deferral accounts.

UNION GAS LIMITED
Union North
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
1	<u>Rate 25 - Large Volume Interruptible Service</u> Monthly Charge	\$306.75		\$306.75
	Delivery Charge - All Zones *			
	Maximum			
2	Including Customer-Related GHG Obligation	8.4657		8.4657
3	Excluding Customer-Related GHG Obligation	5.1476		5.1476
	Gas Supply Charges - All Zones			
4	Minimum	1.4848		1.4848
5	Maximum	675.9484		675.9484

* see EB-2017-0185, Appendix C.

UNION GAS LIMITED
Union South
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
	<u>Utility Sales</u>			
1	Commodity and Fuel	16.2902		16.2902
2	Commodity and Fuel - Price Adjustment	2.9432 (1)	0.2371	3.1803 (2)
3	Transportation	-		-
4	Total Gas Supply Commodity Charge	<u>19.2334</u>	<u>0.2371</u>	<u>19.4705</u>
	<u>M4 Firm Commercial/Industrial</u>			
5	Minimum annual gas supply commodity charge	0.1902		0.1902
	<u>M4 / M5A Interruptible Commercial/Industrial</u>			
6	Minimum annual gas supply commodity charge	0.1902		0.1902
	<u>Storage and Transportation Supplemental Services - Rate T1, Rate T2 & Rate T3</u>	<u>\$/GJ</u>		<u>\$/GJ</u>
	Monthly demand charges: (\$/GJ)			
7	Firm gas supply service	60.300		60.300
8	Firm backstop gas	1.725		1.725
	Commodity charges:			
9	Gas supply	4.206		4.206
10	Backstop gas	4.628		4.628
11	Reasonable Efforts Backstop Gas	5.583		5.583
12	Supplemental Inventory	Note (3)		Note (3)
13	Supplemental Gas Sales Service (cents/m ³)	19.4039		19.4039
14	Failure to Deliver	2.728		2.728
15	Discretionary Gas Supply Service (DGSS)	Note (4)		Note (4)

Notes:

- (1) Prospective Recovery of gas supply deferral accounts.
- (2) Prospective Recovery of gas supply deferral accounts, and a temporary charge of 0.2371 cents/m³ expiring March 31, 2018.
- (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 average cost of gas.
- (4) Reflects the "back to back" price plus gas supply administration charge.

UNION GAS LIMITED
Union South
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
	<u>Rate M1 - Small Volume General Service Rate</u>			
1	Monthly Charge	\$21.00		\$21.00
	Including Customer-Related GHG Obligation			
2	First 100 m ³	8.0575		8.0575
3	Next 150 m ³	7.8164		7.8164
4	All over 250 m ³	7.1934		7.1934
	Excluding Customer-Related GHG Obligation			
5	First 100 m ³	4.7394		4.7394
6	Next 150 m ³	4.4983		4.4983
7	All over 250 m ³	3.8753		3.8753
8	Delivery - Price Adjustment (All Volumes)	-	0.5143	0.5143 (1)
9	Storage Service	0.7153		0.7153
10	Storage - Price Adjustment	-		-
	<u>Rate M2 - Large Volume General Service Rate</u>			
11	Monthly Charge	\$70.00		\$70.00
	Including Customer-Related GHG Obligation			
12	First 1,000 m ³	8.0260		8.0260
13	Next 6,000 m ³	7.9383		7.9383
14	Next 13,000 m ³	7.7514		7.7514
15	All over 20,000 m ³	7.4320		7.4320
	Excluding Customer-Related GHG Obligation			
16	First 1,000 m ³	4.7079		4.7079
17	Next 6,000 m ³	4.6202		4.6202
18	Next 13,000 m ³	4.4333		4.4333
19	All over 20,000 m ³	4.1139		4.1139
20	Delivery - Price Adjustment (All Volumes)	-	0.3363	0.3363 (2)
21	Storage Service	0.6252		0.6252
22	Storage - Price Adjustment	-		-

Notes:

- (1) Includes a temporary charge of 0.5143 cents/m³ expiring March 31, 2018.
(2) Includes a temporary charge of 0.3363 cents/m³ expiring March 31, 2018.

UNION GAS LIMITED
Union South
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
	<u>Rate M4 - Firm comm/ind contract rate</u>			
	Monthly demand charge:			
1	First 8,450 m ³	56.9923		56.9923
2	Next 19,700 m ³	25.5539		25.5539
3	All over 28,150 m ³	21.4688		21.4688
	Monthly delivery commodity charge:			
	Including Customer-Related GHG Obligation			
4	First block	4.7375		4.7375
5	All remaining use	3.9158		3.9158
	Excluding Customer-Related GHG Obligation			
6	First block	1.4194		1.4194
7	All remaining use	0.5977		0.5977
8	Delivery - Price Adjustment (All Volumes)	-		-
9	Minimum annual firm delivery commodity charge	1.6096		1.6096
	<u>Interruptible contracts *</u>			
10	Monthly Charge	\$654.15		\$654.15
	Daily delivery commodity charge:			
	Including Customer-Related GHG Obligation			
11	2,400 m ³ to 17,000 m ³	6.3457		6.3457
12	17,000 m ³ to 30,000 m ³	6.2158		6.2158
13	30,000 m ³ to 50,000 m ³	6.1475		6.1475
14	50,000 m ³ to 60,000 m ³	6.0996		6.0996
	Excluding Customer-Related GHG Obligation			
15	2,400 m ³ to 17,000 m ³	3.0276		3.0276
16	17,000 m ³ to 30,000 m ³	2.8977		2.8977
17	30,000 m ³ to 50,000 m ³	2.8294		2.8294
18	50,000 m ³ to 60,000 m ³	2.7815		2.7815
19	Delivery - Price Adjustment (All Volumes)	-		-
20	Minimum annual interruptible delivery commodity charge	3.2178		3.2178
	<u>Rate M5A - interruptible comm/ind contract</u>			
	<u>Firm contracts *</u>			
21	Monthly demand charge	31.7959		31.7959
	Monthly delivery commodity charge			
22	Including Customer-Related GHG Obligation	5.6870		5.6870
23	Excluding Customer-Related GHG Obligation	2.3689		2.3689
24	Delivery - Price Adjustment (All Volumes)	-		-
	<u>Interruptible contracts *</u>			
25	Monthly Charge	\$654.15		\$654.15
	Daily delivery commodity charge:			
	Including Customer-Related GHG Obligation			
26	2,400 m ³ to 17,000 m ³	6.3457		6.3457
27	17,000 m ³ to 30,000 m ³	6.2158		6.2158
28	30,000 m ³ to 50,000 m ³	6.1475		6.1475
29	50,000 m ³ to 60,000 m ³	6.0996		6.0996
	Excluding Customer-Related GHG Obligation			
29	2,400 m ³ to 17,000 m ³	3.0276		3.0276
30	17,000 m ³ to 30,000 m ³	2.8977		2.8977
31	30,000 m ³ to 50,000 m ³	2.8294		2.8294
32	50,000 m ³ to 60,000 m ³	2.7815		2.7815
33	Delivery - Price Adjustment (All Volumes)	-		-
34	Minimum annual interruptible delivery commodity charge	3.2178		3.2178

Notes:

* Price changes to individual interruptible and seasonal contract rates are provided in EB-2017-0185, Appendix C.

UNION GAS LIMITED
Union South
Summary of Changes to Sales Rates

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
	<u>Rate M7 - Special large volume contract</u>			
	<u>Firm</u>			
1	Monthly demand charge	30.8246		30.8246
	Monthly delivery commodity charge			
2	Including Customer-Related GHG Obligation	3.7748		3.7748
3	Excluding Customer-Related GHG Obligation	0.4567		0.4567
4	Delivery - Price Adjustment	-		-
	<u>Interruptible *</u>			
	Monthly delivery commodity charge:			
	Maximum			
5	Including Customer-Related GHG Obligation	8.9550		8.9550
6	Excluding Customer-Related GHG Obligation	5.6369		5.6369
7	Delivery - Price Adjustment	-		-
	<u>Seasonal *</u>			
	Monthly delivery commodity charge:			
	Maximum			
8	Including Customer-Related GHG Obligation	8.7109		8.7109
9	Excluding Customer-Related GHG Obligation	5.3928		5.3928
10	Delivery - Price Adjustment	-		-
	<u>Rate M9 - Large wholesale service</u>			
11	Monthly demand charge	22.3154		22.3154
	Monthly delivery commodity charge			
12	Including Customer-Related GHG Obligation	3.5966		3.5966
13	Excluding Customer-Related GHG Obligation	0.2785		0.2785
14	Delivery - Price Adjustment	-		-
	<u>Rate M10 - Small wholesale service</u>			
	Monthly delivery commodity charge			
15	Including Customer-Related GHG Obligation	10.1241		10.1241
16	Excluding Customer-Related GHG Obligation	6.8060		6.8060

Notes:

* Price changes to individual interruptible and seasonal contract rates are provided in EB-2017-0185, Appendix C.

UNION GAS LIMITED
Union South
Summary of Changes to Contract Carriage Rates

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
	<u>Contract Carriage Service</u>			
	<u>Rate T1 - Storage and Transportation</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.011		0.011
	Firm Injection/Withdrawal Right			
2	Union provides deliverability inventory	1.509		1.509
3	Customer provides deliverability inventory	1.186		1.186
4	Firm incremental injection	1.186		1.186
5	Interruptible withdrawal	1.186		1.186
	Commodity charges:			
6	Withdrawal	0.025		0.025
7	Customer provides compressor fuel	0.008		0.008
8	Injection	0.025		0.025
9	Customer provides compressor fuel	0.008		0.008
10	Storage fuel ratio - customer provides fuel	0.406%		0.406%
	<u>Transportation (cents / m³)</u>			
11	Monthly demand charge first 28,150 m ³	35.4376		35.4376
12	Monthly demand charge next 112,720 m ³	24.4833		24.4833
	Firm commodity charges:			
	Union provides compressor fuel - All volumes			
13	Including Customer-Related GHG Obligation	3.5208		3.5208
14	Excluding Customer-Related GHG Obligation	0.2027		0.2027
	Customer provides compressor fuel - All volumes			
15	Including Customer-Related GHG Obligation	3.4708		3.4708
16	Excluding Customer-Related GHG Obligation	0.1527		0.1527
	Interruptible commodity charges: *			
	Maximum - Union provides compressor fuel			
17	Including Customer-Related GHG Obligation	8.9550		8.9550
18	Excluding Customer-Related GHG Obligation	5.6369		5.6369
	Maximum - customer provides compressor fuel			
19	Including Customer-Related GHG Obligation	8.9050		8.9050
20	Excluding Customer-Related GHG Obligation	5.5869		5.5869
21	Transportation fuel ratio - customer provides fuel	0.305%		0.305%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges			
22	Injection / Withdrawals	0.094		0.094
23	Customer provides compressor fuel	0.058		0.058
	Transportation commodity charge (cents/m ³)			
24	Including Customer-Related GHG Obligation	4.6859		4.6859
25	Excluding Customer-Related GHG Obligation	1.3678		1.3678
	Customer provides compressor fuel			
26	Including Customer-Related GHG Obligation	4.6359		4.6359
27	Excluding Customer-Related GHG Obligation	1.3178		1.3178
28	<u>Monthly Charge</u>	\$1,905.94		\$1,905.94

* Price changes to individual interruptible contract rates are provided in EB-2017-0185, Appendix C.

UNION GAS LIMITED
Union South
Summary of Changes to Contract Carriage Rates

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
	<u>Contract Carriage Service</u>			
	<u>Rate T2 - Storage and Transportation</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.011		0.011
	Firm Injection/Withdrawal Right			
2	Union provides deliverability inventory	1.509		1.509
3	Customer provides deliverability inventory	1.186		1.186
4	Firm incremental injection	1.186		1.186
5	Interruptible withdrawal	1.186		1.186
	Commodity charges:			
6	Withdrawal	0.025		0.025
7	Customer provides compressor fuel	0.008		0.008
8	Injection	0.025		0.025
9	Customer provides compressor fuel	0.008		0.008
10	Storage fuel ratio - customer provides fuel	0.406%		0.406%
	<u>Transportation (cents / m³)</u>			
11	Monthly demand charge first 140,870 m ³	26.4455		26.4455
12	Monthly demand charge all over 140,870 m ³	13.9884		13.9884
	Firm commodity charges:			
	Union provides compressor fuel - All volumes			
13	Including Customer-Related GHG Obligation	3.4166		3.4166
14	Excluding Customer-Related GHG Obligation	0.0985		0.0985
	Customer provides compressor fuel - All volumes			
15	Including Customer-Related GHG Obligation	3.3702		3.3702
16	Excluding Customer-Related GHG Obligation	0.0521		0.0521
	Interruptible commodity charges: *			
	Maximum - Union provides compressor fuel			
17	Including Customer-Related GHG Obligation	8.9550		8.9550
18	Excluding Customer-Related GHG Obligation	5.6369		5.6369
	Maximum - customer provides compressor fuel			
19	Including Customer-Related GHG Obligation	8.9086		8.9086
20	Excluding Customer-Related GHG Obligation	5.5905		5.5905
21	Transportation fuel ratio - customer provides fuel	0.283%		0.283%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges			
22	Injection / Withdrawals	0.094		0.094
23	Customer provides compressor fuel	0.058		0.058
	Transportation commodity charge (cents/m ³)			
24	Including Customer-Related GHG Obligation	4.2860		4.2860
25	Excluding Customer-Related GHG Obligation	0.9679		0.9679
	Customer provides compressor fuel			
26	Including Customer-Related GHG Obligation	4.2396		4.2396
27	Excluding Customer-Related GHG Obligation	0.9215		0.9215
28	<u>Monthly Charge</u>	\$5,513.81		\$5,513.81

* Price changes to individual interruptible contract rates are provided in EB-2017-0185, Appendix C.

UNION GAS LIMITED
Union South
Summary of Changes to Contract Carriage Rates

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
	<u>Rate T3 - Storage and Transportation</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
1	Firm space	0.011		0.011
	Firm Injection/Withdrawal Right			
2	Union provides deliverability inventory	1.509		1.509
3	Customer provides deliverability inventory	1.186		1.186
4	Firm incremental injection	1.186		1.186
5	Interruptible withdrawal	1.186		1.186
	Commodity charges:			
6	Withdrawal	0.025		0.025
7	Customer provides compressor fuel	0.008		0.008
8	Injection	0.025		0.025
9	Customer provides compressor fuel	0.008		0.008
10	Storage fuel ratio - Customer provides fuel	0.406%		0.406%
	<u>Transportation (cents / m³)</u>			
11	Monthly demand charge	16.7213		16.7213
	Union provides compressor fuel - All volumes			
12	Including Customer-Related GHG Obligation	3.5143		3.5143
13	Excluding Customer-Related GHG Obligation	0.1962		0.1962
	Customer provides compressor fuel - All volumes			
14	Including Customer-Related GHG Obligation	3.4520		3.4520
15	Excluding Customer-Related GHG Obligation	0.1339		0.1339
16	Transportation fuel ratio- Customer provides fuel	0.380%		0.380%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges			
17	Injection / Withdrawals	0.094		0.094
18	Customer provides compressor fuel	0.058		0.058
	Transportation commodity charge (cents/m ³)			
19	Including Customer-Related GHG Obligation	4.0640		4.0640
20	Excluding Customer-Related GHG Obligation	0.7459		0.7459
	Customer provides compressor fuel			
21	Including Customer-Related GHG Obligation	4.0017		4.0017
22	Excluding Customer-Related GHG Obligation	0.6836		0.6836
	<u>Monthly Charge</u>			
23	City of Kitchener	\$19,968.19		\$19,968.19
24	Natural Resource Gas	\$3,065.32		\$3,065.32
25	Six Nations	\$1,021.77		\$1,021.77

UNION GAS LIMITED
Union South
Summary of Changes to Unbundled Rates

Line No.	Particulars (cents/m ³)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
	<u>U2 Unbundled Service</u>			
	<u>Storage (\$ / GJ)</u>			
	Monthly demand charges:			
	Standard Storage Service (SSS)			
1	Combined Firm Space & Deliverability	0.023		0.023
	Standard Peaking Service (SPS)			
2	Combined Firm Space & Deliverability	0.114		0.114
3	Incremental firm injection right	1.030		1.030
4	Incremental firm withdrawal right	1.030		1.030
	Commodity charges:			
5	Injection customer provides compressor fuel	0.026		0.026
6	Withdrawal customer provides compressor fuel	0.026		0.026
7	Storage fuel ratio - Customer provides fuel	0.406%		0.406%
	<u>Authorized overrun services</u>			
	<u>Storage (\$ / GJ)</u>			
	Commodity charges:			
8	Injection customer provides compressor fuel	0.060		0.060
9	Withdrawal customer provides compressor fuel	0.060		0.060

UNION GAS LIMITED
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
	<u>M12 Transportation Service</u>			
	<u>Firm transportation</u>			
	Monthly demand charges:			
1	Dawn to Kirkwall	2.865		2.865
2	Dawn to Parkway	3.402		3.402
3	Kirkwall to Parkway	0.537		0.537
4	F24-T	0.070		0.070
	<u>M12-X Firm Transportation</u>			
5	Between Dawn, Kirkwall and Parkway	4.239		4.239
	Commodity charges:			
6	Dawn to Kirkwall / Parkway (Cons) / Lisgar	0.006 (1)		0.006 (1)
7	Dawn to Parkway (TCPL / EGT)	0.009 (1)		0.009 (1)
8	Kirkwall to Parkway (Cons) / Lisgar	0.002 (1)		0.002 (1)
9	Kirkwall to Parkway (TCPL / EGT)	0.005 (1)		0.005 (1)
10	Parkway to Dawn / Kirkwall	0.003 (1)		0.003 (1)
11	Kirkwall to Dawn	0.002 (1)		0.002 (1)
12	Parkway (TCPL) to Parkway (Cons)	0.002 (1)		0.002 (1)
	<u>Limited Firm/Interruptible</u>			
	Monthly demand charges:			
13	Maximum	8.165		8.165
	Commodity charges :			
14	Others	Note (1)		Note (1)
	<u>Authorized Overrun</u>			
	Transportation commodity charges:			
	Easterly:			
15	Dawn to Kirkwall - Union supplied fuel	Note (1)		Note (1)
16	Dawn to Parkway (Cons) / Lisgar - Union supplied fuel	Note (1)		Note (1)
17	Dawn to Parkway (TCPL / EGT) - Union supplied fuel	Note (1)		Note (1)
18	Kirkwall to Parkway (Cons) / Lisgar - Union supplied fuel	Note (1)		Note (1)
19	Kirkwall to Parkway (TCPL) - Union supplied fuel	Note (1)		Note (1)
20	Dawn to Kirkwall - Shipper supplied fuel	0.100 (1)		0.100 (1)
21	Dawn to Parkway (Cons) / Lisgar - Shipper supplied fuel	0.118 (1)		0.118 (1)
22	Dawn to Parkway (TCPL / EGT) - Shipper supplied fuel	0.121 (1)		0.121 (1)
23	Kirkwall to Parkway (Cons) / Lisgar - Shipper supplied fuel	0.020 (1)		0.020 (1)
24	Kirkwall to Parkway (TCPL / EGT) - Shipper supplied fuel	0.023 (1)		0.023 (1)
	<u>M12-X Firm Transportation</u>			
25	Between Dawn, Kirkwall and Parkway - Union supplied fuel	Note (1)		Note (1)
	Between Dawn, Kirkwall and Parkway - Shipper supplied fuel:			
26	Dawn to Kirkwall / Parkway (Cons) / Lisgar	0.145 (1)		0.145 (1)
27	Dawn to Parkway (TCPL / EGT)	0.148 (1)		0.148 (1)
28	Kirkwall to Parkway (Cons) / Lisgar	0.141 (1)		0.141 (1)
29	Kirkwall to Parkway (TCPL / EGT)	0.144 (1)		0.144 (1)
30	Parkway to Dawn / Kirkwall	0.142 (1)		0.142 (1)
31	Kirkwall to Dawn	0.141 (1)		0.141 (1)
	<u>M13 Transportation of Locally Produced Gas</u>			
32	Monthly fixed charge per customer station	\$952.72		\$952.72
33	Transmission commodity charge to Dawn	0.035		0.035
34	Commodity charge - Union supplies fuel	0.009		0.009
35	Commodity charge - Shipper supplies fuel	0.002 (2)		0.002 (2)
36	Authorized Overrun - Union supplies fuel	0.077		0.077
37	Authorized Overrun - Shipper supplies fuel	0.071 (2)		0.071 (2)

Notes:

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

UNION GAS LIMITED
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
	<u>M16 Storage Transportation Service</u>			
1	Monthly fixed charge per customer station	\$1,515.67		\$1,515.67
	Monthly demand charges:			
2	East of Dawn	0.770		0.770
3	West of Dawn	1.045		1.045
4	Transmission commodity charge to Dawn	0.035		0.035
	Transportation Fuel Charges to Dawn:			
5	East of Dawn - Union supplied fuel	0.009		0.009
6	West of Dawn - Union supplied fuel	0.009		0.009
7	East of Dawn - Shipper supplied fuel	0.002 (1)		0.002 (1)
8	West of Dawn - Shipper supplied fuel	0.002 (1)		0.002 (1)
	Transportation Fuel Charges to Pools:			
9	East of Dawn - Union supplied fuel	0.010		0.010
10	West of Dawn - Union supplied fuel	0.024		0.024
11	East of Dawn - Shipper supplied fuel	0.002 (1)		0.002 (1)
12	West of Dawn - Shipper supplied fuel	0.005 (1)		0.005 (1)
	<u>Authorized Overrun</u>			
	Transportation Fuel Charges to Dawn:			
13	East of Dawn - Union supplied fuel	0.068		0.068
14	West of Dawn - Union supplied fuel	0.077		0.077
15	East of Dawn - Shipper supplied fuel	0.062 (1)		0.062 (1)
16	West of Dawn - Shipper supplied fuel	0.071 (1)		0.071 (1)
	Transportation Fuel Charges to Pools:			
17	East of Dawn - Union supplied fuel	0.035		0.035
18	West of Dawn - Union supplied fuel	0.058		0.058
19	East of Dawn - Shipper supplied fuel	0.027 (1)		0.027 (1)
20	West of Dawn - Shipper supplied fuel	0.039 (1)		0.039 (1)
	<u>C1 - Cross Franchise Transportation Service</u>			
	<u>Transportation service</u>			
	Monthly demand charges:			
21	St. Clair / Bluewater & Dawn	1.045		1.045
22	Ojibway & Dawn	1.045		1.045
23	Parkway to Dawn	0.837		0.837
24	Parkway to Kirkwall	0.837		0.837
25	Kirkwall to Dawn	1.475		1.475
26	Dawn to Kirkwall	2.865		2.865
27	Dawn to Parkway	3.402		3.402
28	Kirkwall to Parkway	0.537		0.537
29	Dawn to Dawn-Vector	0.029		0.029
30	Dawn to Dawn-TCPL	0.138		0.138
	Commodity charges:			
31	St. Clair / Bluewater & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.015		0.015
32	St. Clair / Bluewater & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.013		0.013
33	Ojibway & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.017		0.017
34	Ojibway & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.023		0.023
35	Parkway to Kirkwall / Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.010		0.010
36	Parkway to Kirkwall / Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.015		0.015
37	Kirkwall to Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.009		0.009
38	Kirkwall to Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.009		0.009
39	Dawn to Kirkwall - Union supplied fuel (Nov. 1 - Mar. 31)	0.038		0.038
40	Dawn to Kirkwall - Union supplied fuel (Apr. 1 - Oct. 31)	0.019		0.019
41	Dawn to Parkway (Cons) / Lisgar - Union supplied fuel (Nov. 1 - Mar. 31)	0.049		0.049
42	Dawn to Parkway (Cons) / Lisgar - Union supplied fuel (Apr. 1 - Oct.31)	0.030		0.030
43	Dawn to Parkway (TCPL) - Union supplied fuel (Nov. 1 - Mar. 31)	0.052		0.052
44	Dawn to Parkway (TCPL) - Union supplied fuel (Apr. 1 - Oct.31)	0.033		0.033
45	Kirkwall to Parkway (Cons) / Lisgar - Union supplied fuel (Nov. 1 - Mar. 31)	0.020		0.020
46	Kirkwall to Parkway (Cons) / Lisgar - Union supplied fuel (Apr. 1 - Oct.31)	0.019		0.019
47	Kirkwall to Parkway (TCPL) - Union supplied fuel (Nov. 1 - Mar. 31)	0.023		0.023
48	Kirkwall to Parkway (TCPL) - Union supplied fuel (Apr. 1 - Oct.31)	0.022		0.022

Notes:

(1) Plus customer supplied fuel per rate schedule.

UNION GAS LIMITED
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars (\$/GJ)	EB-2017-0185 Approved July 1, 2017 Rate (a)	Rate Change (b)	EB-2017-0091 Approved October 1, 2017 Rate (c)
	<u>C1 - Cross Franchise Transportation Service</u>			
	<u>Transportation service cont'd</u>			
1	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.004	(1)	0.004 (1)
2	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.004	(1)	0.004 (1)
3	Ojibway & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.004	(1)	0.004 (1)
4	Ojibway & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.004	(1)	0.004 (1)
5	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.003	(1)	0.003 (1)
6	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.003	(1)	0.003 (1)
7	Kirkwall to Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.002	(1)	0.002 (1)
8	Kirkwall to Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.002	(1)	0.002 (1)
9	Dawn to Kirkwall - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.006	(1)	0.006 (1)
10	Dawn to Kirkwall - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.006	(1)	0.006 (1)
11	Dawn to Parkway (Cons) / Lisgar - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.006	(1)	0.006 (1)
12	Dawn to Parkway (Cons) / Lisgar - Shipper supplied fuel (Apr. 1 - Oct.31)	0.006	(1)	0.006 (1)
13	Dawn to Parkway (TCPL) - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.009	(1)	0.009 (1)
14	Dawn to Parkway (TCPL) - Shipper supplied fuel (Apr. 1 - Oct.31)	0.009	(1)	0.009 (1)
15	Kirkwall to Parkway (Cons) / Lisgar - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.002	(1)	0.002 (1)
16	Kirkwall to Parkway (Cons) / Lisgar - Shipper supplied fuel (Apr. 1 - Oct.31)	0.002	(1)	0.002 (1)
17	Kirkwall to Parkway (TCPL) - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.005	(1)	0.005 (1)
18	Kirkwall to Parkway (TCPL) - Shipper supplied fuel (Apr. 1 - Oct.31)	0.005	(1)	0.005 (1)
19	Dawn to Dawn-Vector - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.003	(1)	0.003 (1)
20	Dawn to Dawn-Vector - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.003	(1)	0.003 (1)
21	Dawn to Dawn-TCPL - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.004	(1)	0.004 (1)
22	Dawn to Dawn-TCPL - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.004	(1)	0.004 (1)
23	Dawn(Tecumseh), Dawn(Facilities or TCPL), Dawn (Vector) and Dawn (TSLE)	Note (1)		Note (1)
24	Interruptible commodity charges: Maximum	75.00		75.00
	<u>Authorized Overrun</u>			
	Firm transportation commodity charges:			
25	St. Clair / Bluewater & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.050		0.050
26	St. Clair / Bluewater & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.047		0.047
27	Ojibway & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.051		0.051
28	Ojibway & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.057		0.057
29	Parkway to Kirkwall / Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.147		0.147
30	Parkway to Kirkwall / Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.153		0.153
31	Kirkwall to Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.057		0.057
32	Kirkwall to Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.057		0.057
33	Dawn to Kirkwall - Union supplied fuel (Nov. 1 - Mar. 31)	0.158		0.158
34	Dawn to Kirkwall - Union supplied fuel (Apr. 1 - Oct. 31)	0.140		0.140
35	Dawn to Parkway (Cons) / Lisgar - Union supplied fuel (Nov. 1 - Mar. 31)	0.187		0.187
36	Dawn to Parkway (Cons) / Lisgar - Union supplied fuel (Apr. 1 - Oct.31)	0.168		0.168
37	Dawn to Parkway (TCPL) - Union supplied fuel (Nov. 1 - Mar. 31)	0.190		0.190
38	Dawn to Parkway (TCPL) - Union supplied fuel (Apr. 1 - Oct.31)	0.171		0.171
39	Kirkwall to Parkway (Cons) / Lisgar - Union supplied fuel (Nov. 1 - Mar. 31)	0.064		0.064
40	Kirkwall to Parkway (Cons) / Lisgar - Union supplied fuel (Apr. 1 - Oct.31)	0.063		0.063
41	Kirkwall to Parkway (TCPL) - Union supplied fuel (Nov. 1 - Mar. 31)	0.067		0.067
42	Kirkwall to Parkway (TCPL) - Union supplied fuel (Apr. 1 - Oct.31)	0.066		0.066
43	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.038	(1)	0.038 (1)
44	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.038	(1)	0.038 (1)
45	Ojibway & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.038	(1)	0.038 (1)
46	Ojibway & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.038	(1)	0.038 (1)
47	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.115	(1)	0.115 (1)
48	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.115	(1)	0.115 (1)
49	Kirkwall to Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.051	(1)	0.051 (1)
50	Kirkwall to Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.051	(1)	0.051 (1)
51	Dawn to Kirkwall - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.100	(1)	0.100 (1)
52	Dawn to Kirkwall - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.100	(1)	0.100 (1)
53	Dawn to Parkway (Cons) / Lisgar - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.118	(1)	0.118 (1)
54	Dawn to Parkway (Cons) / Lisgar - Shipper supplied fuel (Apr. 1 - Oct.31)	0.118	(1)	0.118 (1)
55	Dawn to Parkway (TCPL) - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.121	(1)	0.121 (1)
56	Dawn to Parkway (TCPL) - Shipper supplied fuel (Apr. 1 - Oct.31)	0.121	(1)	0.121 (1)
57	Kirkwall to Parkway (Cons) / Lisgar - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.020	(1)	0.020 (1)
58	Kirkwall to Parkway (Cons) / Lisgar - Shipper supplied fuel (Apr. 1 - Oct.31)	0.020	(1)	0.020 (1)
59	Kirkwall to Parkway (TCPL) - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.023	(1)	0.023 (1)
60	Kirkwall to Parkway (TCPL) - Shipper supplied fuel (Apr. 1 - Oct.31)	0.023	(1)	0.023 (1)
61	Dawn to Dawn-Vector - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.004	(1)	0.004 (1)
62	Dawn to Dawn-Vector - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.004	(1)	0.004 (1)
63	Dawn to Dawn-TCPL - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.009	(1)	0.009 (1)
64	Dawn to Dawn-TCPL - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.009	(1)	0.009 (1)

Notes:

(1) Plus customer supplied fuel per rate schedule.



RATE 01A - SMALL VOLUME GENERAL FIRM SERVICE

ELIGIBILITY

Any customer in Union's North West and North East 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 TransCanada's system to the Point of Consumption on the customer's premises of natural gas owned by the customer and transported by TransCanada 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.

Transportation Service customers in the Union North East Zone may contract with Union for transportation service from Dawn to the customer's delivery area. The charges for the transportation service will consist of the Rate C1 Dawn-Parkway firm transportation rate and applicable fuel charges, in accordance with Union's Rate C1 rate schedule, and all applicable third party (i.e. TransCanada) transportation charges on upstream pipelines from Parkway to the customer's delivery area.

(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

	Including Customer-Related GHG Obligation		Excluding Customer-Related GHG Obligation	
	Union North West	Union North East	Union North West	Union North East
<u>APPLICABLE TO ALL SERVICES</u>				
<u>MONTHLY CHARGE</u>	\$21.00	\$21.00	\$21.00	\$21.00
<u>DELIVERY CHARGE (1)</u>	<u>¢ per m³</u>	<u>¢ per m³</u>	<u>¢ per m³</u>	<u>¢ per m³</u>
First 100 m ³ per month @	12.5491	12.5491	9.2310	9.2310
Next 200 m ³ per month @	12.3161	12.3161	8.9980	8.9980
Next 200 m ³ per month @	11.9484	11.9484	8.6303	8.6303
Next 500 m ³ per month @	11.6109	11.6109	8.2928	8.2928
Over 1,000 m ³ per month @	11.3321	11.3321	8.0140	8.0140
Delivery-Price Adjustment (All Volumes)	1.2219 (2)	1.2219 (2)	1.2219 (2)	1.2219 (2)

Notes:

- (1) Includes cap-and-trade rates of 0.0509 cents/m³ for facility-related greenhouse gas obligation costs and 3.3181 cents/m³ for customer-related greenhouse gas obligation costs, as applicable.
- (2) Includes a temporary charge of 1.2219 cents/m³ expiring March 31, 2018.



uniongas

Effective
2017-10-01
Rate 01A
Page 2 of 2

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.

DELAYED PAYMENT

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.

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 than the identified rates.

Effective October 1, 2017
O.E.B. Order # EB-2017-0091

Chatham, Ontario

Supersedes EB-2017-0185 Rate Schedule effective July 1, 2017.



RATE 10 - LARGE VOLUME GENERAL FIRM SERVICE

ELIGIBILITY

Any customer in Union's North West and North East 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 TransCanada's system to the Point of Consumption on the customer's premises of natural gas owned by the customer and transported by TransCanada 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.

Transportation Service customers in the Union North East Zone may contract with Union for transportation service from Dawn to the customer's delivery area. The charges for the transportation service will consist of the Rate C1 Dawn-Parkway firm transportation rate and applicable fuel charges, in accordance with Union's Rate C1 rate schedule, and all applicable third party (i.e. TransCanada) transportation charges on upstream pipelines from Parkway to the customer's delivery area.

(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

	Including Customer-Related GHG Obligation		Excluding Customer-Related GHG Obligation	
	Union North West	Union North East	Union North West	Union North East
<u>APPLICABLE TO ALL SERVICES</u>				
<u>MONTHLY CHARGE</u>	\$70.00	\$70.00	\$70.00	\$70.00
<u>DELIVERY CHARGE (1)</u>	<u>¢ per m³</u>	<u>¢ per m³</u>	<u>¢ per m³</u>	<u>¢ per m³</u>
First 1,000 m ³ per month @	11.0499	11.0499	7.7318	7.7318
Next 9,000 m ³ per month @	9.6174	9.6174	6.2993	6.2993
Next 20,000 m ³ per month @	8.9458	8.9458	5.6277	5.6277
Next 70,000 m ³ per month @	8.4090	8.4090	5.0909	5.0909
Over 100,000 m ³ per month @	6.3753	6.3753	3.0572	3.0572
Delivery-Price Adjustment (All Volumes)	1.0857 (2)	1.0857 (2)	1.0857 (2)	1.0857 (2)

Notes:

- (1) Includes cap-and-trade rates of 0.0378 cents/m³ for facility-related greenhouse gas obligation costs and 3.3181 cents/m³ for customer-related greenhouse gas obligation costs, as applicable.
- (2) Includes a temporary charge of 1.0857 cents/m³ expiring March 31, 2018.



uniongas

Effective
2017-10-01
Rate 10
Page 2 of 2

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.

DELAYED PAYMENT

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.

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 than the identified rates.

Effective

October 1, 2017
O.E.B. Order # EB-2017-0091

Chatham, Ontario

Supersedes EB-2017-0185 Rate Schedule effective July 1, 2017.



Union Gas Limited
Union North
Gas Supply Charges

(A) Availability

Available to customers in Union's North West and North East Delivery Zones.

(B) Applicability:

To all sales customers served under Rate 01A, Rate 10, Rate 20, Rate 100 and Rate 25.

(C) Rates

<u>Utility Sales</u>	<u>Union North West</u>	<u>Union North East</u>
<u>Rate 01A (cents / m³)</u>		
Storage	2.0660	6.6756
Storage - Price Adjustment	-	-
Commodity and Fuel (1)	11.8713	16.5726
Commodity and Fuel - Price Adjustment	0.2764	1.0692
Transportation	6.8792	3.0133
Transportation - Price Adjustment	0.8946	0.9717
Total Gas Supply Charge	<u>21.9875</u>	<u>28.3024</u>

Rate 10 (cents / m³)

Storage	1.5549	4.7143
Storage - Price Adjustment	-	-
Commodity and Fuel (1)	11.8713	16.5726
Commodity and Fuel - Price Adjustment	0.2764	1.0692
Transportation	6.0258	2.7748
Transportation - Price Adjustment	0.9715	1.0486
Total Gas Supply Charge	<u>20.6999</u>	<u>26.1795</u>

Notes:

- (1) The Commodity and Fuel rate includes a gas supply administration charge of 0.1902 cents/m³.



uniongas

Effective
2017-10-01
Schedule "A"
Page 2 of 2

Union Gas Limited
Union North
Gas Supply Charges

<u>Utility Sales</u>	<u>Union North West</u>	<u>Union North East</u>
<u>Rate 20 (cents / m³)</u>		
Commodity and Fuel (1)	11.5534	16.1267
Commodity and Fuel - Price Adjustment	0.2764	1.0692
Commodity Transportation - Charge 1	3.6368	2.6620
Transportation 1 - Price Adjustment	0.1442	0.2213
Commodity Transportation - Charge 2	-	-
Monthly Gas Supply Demand	56.7296	50.4674
Gas Supply Demand - Price Adjustment	-	-
Commissioning and Decommissioning Rate	6.6396	5.4480
<u>Rate 100 (cents / m³)</u>		
Commodity and Fuel (1)	11.5534	16.1267
Commodity and Fuel - Price Adjustment	0.2764	1.0692
Commodity Transportation - Charge 1	6.4509	9.2881
Commodity Transportation - Charge 2	-	-
Monthly Gas Supply Demand	114.9955	162.4086
Commissioning and Decommissioning Rate	8.1656	11.6084
<u>Rate 25 (cents / m³)</u>		
Gas Supply Charge:		
Interruptible Service		
Minimum	1.4848	1.4848
Maximum	675.9484	675.9484
<u>Natural Gas Liquefaction Service (\$ / GJ) (2)</u>		
Gas Supply Charge:		
Interruptible Service		
Minimum		0.3919
Maximum		178.3976
<u>Notes:</u>		
(1)	The Commodity and Fuel rate includes a gas supply administration charge of 0.1902 cents/m ³ .	
(2)	Billing in energy (\$/GJ) will only apply to the Natural Gas Liquefaction Service.	

Effective: October 1, 2017
O.E.B. Order # EB-2017-0091

Chatham, Ontario

Supersedes EB-2017-0185 Rate Schedule effective July 1, 2017.

SMALL VOLUME GENERAL SERVICE RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To general service customers whose total consumption is equal to or less than 50,000 m³ per year.

(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 than the identified rates.

		Including Customer-Related GHG Obligation	Excluding Customer-Related GHG Obligation
a)	Monthly Charge	\$21.00	\$21.00
b)	Delivery Charge (1)		
	First 100 m ³	8.0575 ¢ per m ³	4.7394 ¢ per m ³
	Next 150 m ³	7.8164 ¢ per m ³	4.4983 ¢ per m ³
	All Over 250 m ³	7.1934 ¢ per m ³	3.8753 ¢ per m ³
	Delivery - Price Adjustment (All Volumes) (2)	0.5143 ¢ per m ³	0.5143 ¢ per m ³
c)	Storage Charge (if applicable)	0.7153 ¢ per m ³	0.7153 ¢ per m ³
	Storage - Price Adjustment (All Volumes)	- ¢ per m ³	- ¢ per m ³
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.

Notes:

- (1) Includes cap-and-trade rates of 0.0297 cents/m³ for facility-related greenhouse gas obligation costs and 3.3181 cents/m³ for customer-related greenhouse gas obligation costs, as applicable.
- (2) Includes a temporary charge of 0.5143 cents/m³ expiring March 31, 2018.

(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

(E) Delayed Payment

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.



(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 for the identified delivery charge and the total gas supply charge for utility sales provided in Schedule "A" per m³, plus 7¢ per m³.

	Including Customer-Related GHG Obligation	Excluding Customer-Related GHG Obligation
Overrun Delivery Charge (1)	8.7728 ¢ per m ³	5.4547 ¢ per m ³

Notes:

- (1) Includes cap-and-trade rates of 0.0297 cents/m³ for facility-related greenhouse gas obligation costs and 3.3181 cents/m³ for customer-related greenhouse gas obligation costs, as applicable.

(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>	Assumed Atmospheric Pressure <u>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

Effective

October 1, 2017
O.E.B. Order # EB-2017-0091

Chatham, Ontario

Supersedes EB-2017-0185 Rate Schedule effective July 1, 2017.

LARGE VOLUME GENERAL SERVICE RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To general service customers whose total consumption is greater than 50,000 m³ per year.

(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 than the identified rates.

		Including Customer-Related GHG Obligation	Excluding Customer-Related GHG Obligation
a)	Monthly Charge	\$70.00	\$70.00
b)	Delivery Charge (1)		
	First 1 000 m ³	8.0260 ¢ per m ³	4.7079 ¢ per m ³
	Next 6 000 m ³	7.9383 ¢ per m ³	4.6202 ¢ per m ³
	Next 13 000 m ³	7.7514 ¢ per m ³	4.4333 ¢ per m ³
	All Over 20 000 m ³	7.4320 ¢ per m ³	4.1139 ¢ per m ³
	Delivery – Price Adjustment (All Volumes) (2)	0.3363 ¢ per m ³	0.3363 ¢ per m ³
c)	Storage Charge (if applicable)	0.6252 ¢ per m ³	0.6252 ¢ per m ³
	Storage - Price Adjustment (All Volumes)	- ¢ per m ³	- ¢ per m ³
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.

Notes:

- (1) Includes cap-and-trade rates of 0.0209 cents/m³ for facility-related greenhouse gas obligation costs and 3.3181 cents/m³ for customer-related greenhouse gas obligation costs, as applicable.
- (2) Includes a temporary charge of 0.3363 cents/m³ expiring March 31, 2018.

(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.

(E) Delayed Payment

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.



(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 for the identified delivery charge and the total gas supply charge for utility sales provided in Schedule "A" per m³, plus 7¢ per m³.

	Including Customer-Related <u>GHG Obligation</u>	Excluding Customer-Related <u>GHG Obligation</u>
Overrun Delivery Charge (1)	8.6512 ¢ per m ³	5.3331 ¢ per m ³

Notes:

- (1) Includes cap-and-trade rates of 0.0209 cents/m³ for facility-related greenhouse gas obligation costs and 3.3181 cents/m³ for customer-related greenhouse gas obligation costs, as applicable.

(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>	Assumed Atmospheric Pressure <u>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

Effective

October 1, 2017
O.E.B. Order # EB-2017-0091

Chatham, Ontario

Supersedes EB-2017-0185 Rate Schedule effective July 1, 2017.

**uniongas**Effective
2017-10-01
Schedule "A"**Gas Supply Charges****(A) Availability:**

Available to customers in Union's Southern Delivery Zone.

(B) Applicability:

To all sales customers served under Rate M1, Rate M2, Rate M4, Rate M5A, Rate M7, Rate M9, Rate M10 and storage and transportation customers taking supplemental services under Rate T1, Rate T2 and Rate T3.

(C) Rates:cents / m³Utility Sales

Commodity and Fuel	16.2902 (1)
Commodity and Fuel - Price Adjustment	3.1803
Transportation	-
Total Gas Supply Commodity Charge	<u>19.4705</u>

Minimum Annual Gas Supply Commodity Charge

Rate M4 Firm and Rate M5A Interruptible Contract	0.1902
--	--------

Storage and Transportation Supplemental Services - Rate T1, Rate T2 & Rate T3\$/GJ

Monthly demand charges:	
Firm gas supply service	60.300
Firm backstop gas	1.725
Commodity charges:	
Gas supply	4.206
Backstop gas	4.628
Reasonable Efforts Backstop Gas	5.583
Supplemental Inventory	Note (2)
Supplemental Gas Sales Service (cents / m ³)	19.4039
Failure to Deliver: Applied to quantities not delivered to Union in the event the customer's supply fails	2.728
Discretionary Gas Supply Service (DGSS)	Note (3)

Notes:

- (1) The Commodity and Fuel rate includes a gas supply administration charge of 0.1902 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 a gas supply administration charge.

Effective: October 1, 2017
O.E.B. Order # EB-2017-0091

Chatham, Ontario

Supersedes EB-2017-0185 Rate Schedule effective July 1, 2017.

UNION GAS LIMITED
Deferral Account Balances
Year Ending December 31, 2016

Line No.	Account Number	Account Name	Balance (\$000's) (a)	Interest ¹ (\$000's) (b)	Total (\$000's) (c)
<u>Gas Supply Accounts:</u>					
1	179-107	Spot Gas Variance Account - Direct Purchase	-	-	-
2	179-108	Unabsorbed Demand Costs (UDC) Variance Account	2,991	36	3,027
3	179-128	Gas Supply Review Consultant Costs	-	-	-
4	179-131	Transportation Optimization	11,646	96	11,742
5	179-132	Deferral Clearing Variance Account - Supply	291	5	296 ³
6	179-132	Deferral Clearing Variance Account - Transport	23	-	23 ³
7	Total Gas Supply Accounts (Lines 1 through 6)		14,951	137	15,088 ²
<u>Storage Accounts:</u>					
8	179-70	Short-Term Storage and Other Balancing Services	(2,226)	(18)	(2,244)
<u>Other:</u>					
9	179-103	Unbundled Services Unauthorized Storage Overrun	-	-	-
10	179-112	Gas Distribution Access Rule (GDAR) Costs	443	-	443
11	179-117	Carbon Dioxide Offset Credits	-	-	-
12	179-120	IFRS Conversion Cost	-	-	-
13	179-123	Conservation Demand Management	-	-	-
14	179-132	Deferral Clearing Variance Account - Delivery	(79)	(1)	(80)
15	179-133	Normalized Average Consumption	23,506	318	23,824
16	179-134	Tax Variance	(197)	(2)	(199)
17	179-135	Unaccounted for Gas (UFG) Volume Variance Account	5,184	48	5,232
18	179-136	Parkway West Project Costs	(1,412)	(14)	(1,426)
19	179-137	Brantford-Kirkwall/Parkway D Project Costs	(1,593)	(19)	(1,612)
20	179-138	Parkway Obligation Rate Variance	2,821	25	2,846
21	179-139	Energy East Pipeline Consultation Costs	-	-	-
22	179-141	Unaccounted for Gas (UFG) Price Variance Account	(1,196)	(13)	(1,209)
23	179-142	Lobo C Compressor/Hamilton-Milton Pipeline Project Costs	1,698	16	1,714
24	179-143	Unauthorized Overrun Non-Compliance Account	(106)	(1)	(107)
25	179-144	Lobo D/Bright C/Dawn H Compressor Project Costs	525	2	527
26	179-149	Burlington-Oakville Project Costs	258	1	259
27	179-151	OEB Cost Assessment Variance Account	-	-	-
28	179-152	Greenhouse Gas Emission Impact Deferral Account	-	-	- ⁴
29	179-153	Base Service North T-Service TransCanada Capacity	-	-	-
30	Total Other Accounts (Lines 9 through 29)		29,852	360	30,212
31	Total Deferral Account Balances (Lines 7 + 8 + 30)		42,577	479	43,056

Notes:

¹ Account balances include interest to September 30, 2017.

² With the exception of UDC (No. 179-108), Gas Supply Review Consultant Costs (No. 179-128), Upstream Transportation Optimization (No. 179-131), Deferral Clearing Variance Account (No. 179-132) related to Supply and Transport, and a portion of the Spot Gas Variance Account (No. 179-107), all gas supply-related deferral account balances are disposed of through the QRAM process.

³ Deferral Clearing Variance Account (No. 179-132) total balance of \$239 (\$296 + \$23 - \$80).

⁴ Disposition for this account moved to EB-2017-0255.

UNION GAS LIMITED
General Service Unit Rates for Prospective Recovery/(Refund) - Delivery
2016 Deferral Account Disposition

Line No.	Particulars	Rate Class	2016 Deferral Balances (\$000's) (a)	2016 Earnings Sharing Mechanism (\$000's) (b)	Deferral Balance for Disposition (\$000's) (c) = (a+b)	Forecast Volume (10 ³ m ³) (1) (d)	Unit Rate for Prospective Recovery/(Refund) (cents/m ³) (e) = (c/d)*100
1	Small Volume General Service	01	9,509	-	9,509	778,223	1.2219
2	Large Volume General Service	10	2,697	-	2,697	248,400	1.0857
3	Small Volume General Service	M1	12,154	-	12,154	2,363,019	0.5143
4	Large Volume General Service	M2	2,866	-	2,866	852,358	0.3363

Notes:

(1) Forecast volume for the period October 1, 2017 to March 31, 2018.

UNION GAS LIMITED
General Service Unit Rates for Prospective Recovery/(Refund) - Gas Supply Transportation
2016 Deferral Account Disposition

Line No.	Particulars	Rate Class	2016 Deferral Balances (\$000's) (a)	2016 Earnings Sharing Mechanism (\$000's) (b)	Deferral Balance for Disposition (\$000's) (c) = (a+b)	Forecast Volume (10 ³ m ³) (1) (d)	Unit Rate for Prospective Recovery/(Refund) (cents/m ³) (e) = (c/d)*100
1	Small Volume General Service	01	5,975	-	5,975	778,223	0.7678
2	Large Volume General Service	10	2,079	-	2,079	246,354	0.8439

Notes:

(1) Forecast volume for the period October 1, 2017 to March 31, 2018.

UNION GAS LIMITED
Unit Rates for Prospective Recovery/(Refund) - Gas Supply Commodity
2016 Deferral Account Disposition

Line No.	Particulars	Rate Class	2016 Deferral Balances (\$000's) (a)	2016 Earnings Sharing Mechanism (\$000's) (b)	Deferral Balance for Disposition (\$000's) (c) = (a+b)	Forecast Volume (10 ³ m ³) (1) (d)	Unit Rate for Prospective Recovery/(Refund) (cents/m ³) (2) (e) = (c/d)*100
1	Small Volume General Service	M1	5,328	-	5,328	2,152,071	0.2371
2	Large Volume General Service	M2	778	-	778	416,626	0.2371
3	Firm Com/Ind Contract	M4	36	-	36	20,331	0.2371
4	Interruptible Com/Ind Contract	M5	40	-	40	3,023	0.2371
5	Special Large Volume Contract	M7	(12)	-	(12)	9,670	0.2371
6	Small Wholesale	M10	(0)	-	(0)	272	0.2371
7	Total				6,169	2,601,993	0.2371

Notes:

- (1) Forecast sales service volumes for the period October 1, 2017 to March 31, 2018.
(2) Unit rate for prospective recovery/refund for each rate class is equal to the gas supply commodity weighted-average unit rate.

UNION GAS LIMITED
Contract Unit Rates for One-Time Adjustment - Delivery
2016 Deferral Account Disposition

Line No.	Particulars	Rate Class	2016 Deferral Balances (\$000's) (a)	2016 Earnings Sharing Mechanism (\$000's) (b)	Deferral Balance for Disposition (\$000's) (c) = (a+b)	2016 Actual Volume (10 ³ m ³) (d)	Unit Rate (cents/m ³) (e) = (c/d)*100
	<u>Union North</u>						
1	Medium Volume Firm Service (1)	20	13	-	13	107,771	0.0122
2	Medium Volume Firm Service (2)	20T	56	-	56	457,698	0.0122
3	Large Volume High Load Factor (2)	100T	67	-	67	1,365,541	0.0049
4	Large Volume Interruptible	25	26	-	26	116,389	0.0223
	<u>Union South</u>						
5	Firm Com/Ind Contract	M4	118	-	118	472,042	0.0249
6	Interruptible Com/Ind Contract	M5	113	-	113	194,586	0.0578
7	Special Large Volume Contract	M7	49	-	49	475,225	0.0102
8	Large Wholesale	M9	17	-	17	72,275	0.0230
9	Small Wholesale	M10	1	-	1	247	0.4022
10	Contract Carriage Service	T1	156	-	156	447,213	0.0349
11	Contract Carriage Service	T2	816	-	816	4,213,980	0.0194
12	Contract Carriage- Wholesale	T3	139	-	139	250,167	0.0557

Notes:

- (1) Sales and Bundled-T customers only.
(2) T-Service customers only.

UNION GAS LIMITED
Contract Unit Rates for One-Time Adjustment - Gas Supply Transportation and Bundled Storage
2016 Deferral Account Disposition

Line No.	Particulars	Rate Class	2016 Deferral Balances (\$000's) (a)	2016 Earnings Sharing Mechanism (\$000's) (b)	Deferral Balance for Disposition (\$000's) (c) = (a+b)	2016 Actual Volume/ Demand (d)	Billing Units	Unit Volumetric/ Demand Rate (e) = (c/d)*100
	<u>Gas Supply Transportation (cents/m³)</u>							
1	Medium Volume Firm Service	20	724	-	724	5,945	10 ³ m ³ /d	12.1857
2	Large Volume Interruptible	25	140	-	140	44,633	10 ³ m ³	0.3140
	<u>Storage (\$/GJ)</u>							
3	Bundled-T Storage Service	20T/100T	(25)	-	(25)	155,904	GJ/d	(0.161)

UNION GAS LIMITED
Storage and Transportation Service Amounts for Disposition
2016 Deferral Account Disposition

Line No.	Particulars (\$000's) (1)	Rate Class	2016 Deferral Balances (a)	2016 Earnings Sharing Mechanism (b)	Deferral Balance for Disposition (c)
1	Storage and Transportation	M12	(1,609)	-	(1,609)
2	Local Production	M13	2	-	2
3	Short-Term Cross Franchise	C1	747	-	747
4	Storage Transportation Service	M16	32	-	32

Notes:

- (1) Exfranchise Rate M12, Rate M13, Rate M16 and Rate C1 customer specific amounts determined using approved deferral account allocation methodologies.

UNION GAS LIMITED
Miscellaneous Non-Energy Charges

Line No.	Service	Fee
	Residential Customer Class Service	
1	Connection Charge	\$35
2	Temporary Seal - Turn-off (Seasonal)	\$22
3	Temporary Seal - Turn-on (Seasonal)	\$35
4	Landlord Turn-on	\$35
5	Disconnect/Reconnect for Non-Payment	\$65
	Commercial/Industrial Customer Class Service	
6	Connection Charge	\$38
7	Temporary Seal - Turn-off (Seasonal)	\$22
8	Temporary Seal - Turn-on (Seasonal)	\$38
9	Landlord Turn-on	\$38
10	Disconnect/Reconnect for Non-Payment	\$65
	Statement of Account/History Statements	
11	History Statement (previous year)	\$15/statement
12	History Statement (beyond previous year)	\$40/hour
13	Duplicate Bills * (if processed by system)	No charge
14	Duplicate Bills * (if manually processed)	\$15/statement
	Dispute Meter Test Charges	
15	Meter Test - Residential Meter	\$50 flat fee for removal and test
16	Meter Test - Commercial/Industrial Meter	Hourly charge based on actual costs
	Direct Purchase Administration Charges	
17	Monthly fee per bundled t-service contract or unbundled U2 contract	\$75.00
18	Monthly per customer fee	\$0.19
19	Invoice Vendor Adjustment (IVA) fee (for each successfully submitted IVA transaction)	\$1.09

Notes:

- * Duplicate bill charges only apply when customer wants two copies of a bill. Lost bills from the last billing period will be replaced free of charge.

Filed: 2017-08-01
EB-2017-0091
Working Papers

EB-2017-0091
Working Paper Index

Schedule 1	Allocation of 2016 Deferral Account Balances and Earnings Sharing Amounts to Rate Classes
Schedule 2	General Service Bill Impacts

UNION GAS LIMITED
Allocation of 2016 Deferral Account Balances

Line No.	Particulars (\$000's)	Acct No.	Union North					Union South														Total (1)	
			Rate 01	Rate 10	Rate 20	Rate 100	Rate 25	M1	M2	M4	M5A	M7	M9	M10	T1	T2	T3	M12	M13	Excess Utility	C1		M16
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)		(t)
<u>Gas Supply Related Deferrals:</u>																							
1	Spot Gas Variance Account	179-107	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Unabsorbed Demand Cost (UDC) Variance Account	179-108	1,232	457	162	-	-	973	188	9	1	4	-	0	-	-	-	-	-	-	-	-	
3	Gas Supply Review Consultant Costs	179-128	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
4	Upstream Transportation Optimization	179-131	4,720	1,623	562	-	140	3,980	663	30	25	-	-	0	-	-	-	-	-	-	-		
5	Deferral Clearing Variance Account - Supply (2)	179-132	-	-	-	-	-	375	(73)	(2)	13	(16)	-	(0)	-	-	-	-	-	-	-		
6	Deferral Clearing Variance Account - Transport (2)	179-132	23	(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
7	Total Gas Supply Related Deferrals		5,975	2,079	724	-	140	5,328	778	36	40	(12)	-	(0)	-	-	-	-	-	-	-		
<u>Storage Related Deferrals:</u>																							
8	Short-Term Storage and Other Balancing Services	179-70	(336)	(88)	(24)	(2)	-	(761)	(256)	(82)	(1)	(30)	(10)	(0)	(70)	(518)	(67)	-	-	-	-		
<u>Delivery Related Deferrals:</u>																							
9	Unbundled Services Unauthorized Storage Overrun	179-103	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
10	Gas Distribution Access Rule (GDAR) Costs	179-112	103	-	-	-	-	340	-	-	-	-	-	-	-	-	-	-	-	-	-		
11	Carbon Dioxide Offset Credits	179-117	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
12	IFRS Conversion Costs	179-120	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
13	Conservation Demand Management	179-123	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
14	Deferral Clearing Variance Account - Delivery (2)	179-132	(180)	(21)	-	-	-	192	(70)	-	-	-	-	-	-	-	-	-	-	-	-		
15	Normalized Average Consumption (NAC)	179-133	9,271	2,751	-	-	-	9,238	2,564	-	-	-	-	-	-	-	-	-	-	-	-		
16	Tax Variance	179-134	(35)	(5)	(4)	(3)	(1)	(77)	(12)	(3)	(2)	(1)	(0)	(0)	(2)	(9)	(1)	(41)	(0)	(1)	(0)		
17	Unaccounted for Gas (UFG) Volume Variance Account	179-135	144	49	18	0	-	617	205	84	112	31	13	0	87	661	54	2,372	20	-	724		
18	Parkway West Project Costs	179-136	76	(17)	4	12	5	534	52	21	19	5	0	0	22	108	1	(2,282)	0	3	10		
19	Brantford-Kirkwall/Parkway D Project Costs	179-137	73	(10)	8	13	6	364	17	7	17	0	(1)	0	9	23	(8)	(2,138)	0	4	4		
20	Parkway Obligation Rate Variance	179-138	-	-	-	-	-	1,318	448	147	35	65	26	1	98	548	160	-	-	-	-		
21	Energy East Pipeline Consultation Costs	179-139	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
22	Unaccounted for Gas (UFG) Price Variance Account	179-141	(137)	(43)	(15)	(0)	-	(572)	(190)	(78)	(104)	(29)	(12)	-	-	-	-	(17)	-	-	(11)		
23	Lobo C Compressor/Hamilton-Milton Pipeline Project Costs	179-142	324	49	35	28	10	738	114	29	23	10	2	0	21	102	12	198	0	11	7		
24	Unauthorized Overrun Non-Compliance Account	179-143	-	-	-	-	-	(45)	(15)	(5)	(0)	(2)	(1)	(0)	(4)	(31)	(4)	-	-	-	-		
25	Lobo D/Bright C/ Dawn H Compressor Project Costs	179-144	87	14	10	7	3	191	31	8	6	3	1	0	6	26	4	125	0	4	1		
26	Burlington-Oakville Project Costs	179-149	120	19	13	10	4	77	(22)	(10)	8	(4)	(2)	(0)	(10)	(95)	(12)	158	(1)	4	1		
27	OEB Cost Assessment Variance Account	179-151	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
28	Greenhouse Gas Emission Impact Deferral Account	179-152	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
29	Base Service North T-Service TransCanada Capacity Account	179-153	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
30	Total Delivery-Related Deferrals		9,846	2,785	69	67	26	12,915	3,122	200	114	78	26	1	226	1,334	206	(1,609)	2	25	747		
31	Total 2016 Storage and Delivery Disposition (Line 8 + Line 30)		9,509	2,697	46	65	26	12,154	2,866	118	113	49	17	1	156	816	139	(1,609)	2	25	747		
32	Total 2016 Deferral Account Disposition (Line 7 + Line 31)		15,484	4,776	770	65	166	17,481	3,644	154	152	36	17	1	156	816	139	(1,609)	2	25	747		
33	2016 Earnings Sharing (3)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
34	Grand Total (Line 32 + Line 33)		15,484	4,776	770	65	166	17,481	3,644	154	152	36	17	1	156	816	139	(1,609)	2	25	747		

Notes:
(1) Rate Order, Appendix C.
(2) Exhibit A, Tab 1, Appendix A, Schedule 6, p. 2.
(3) Exhibit A, Tab 2, Appendix B, Schedule 1.

UNION GAS LIMITED
General Service Customer Bill Impacts

Line No.	Particulars	Rate Component	Unit Rate for Prospective Recovery/(Refund) (cents/m ³) (1) (a)	Volume (m ³) (2) (b)	Bill Impact (\$) (c) = (a x b) / 100
1	<u>Rate 01</u>	Delivery	1.2219	1,733	21.17
2		Commodity	-	1,733	-
3		Transportation	0.7678	1,733	13.30
4			<u>1.9897</u>		<u>34.47</u>
5	Sales Service				34.47
6	Direct Purchase Bundled T				34.47
7	<u>Rate 10</u>	Delivery	1.0857	66,961	726.99
8		Commodity	-	66,961	-
9		Transportation	0.8439	66,961	565.08
10			<u>1.9296</u>		<u>1,292.07</u>
11	Sales Service				1,292.07
12	Direct Purchase Bundled T				1,292.07
13	<u>Rate M1</u>	Delivery	0.5143	1,679	8.63
14		Commodity	0.2371	1,679	3.98
15			<u>0.7514</u>		<u>12.61</u>
16	Sales Service				12.61
17	Direct Purchase				8.63
18	<u>Rate M2</u>	Delivery	0.3363	55,772	187.56
19		Commodity	0.2371	55,772	132.24
20			<u>0.5734</u>		<u>319.80</u>
21	Sales Service				319.80
22	Direct Purchase				187.56

Notes:

- (1) Rate Order, Appendix D, pages 1-3, column (e).
(2) Average consumption, per customer, for the period October 1, 2017 to March 31, 2018.
Rate 01 volume based on annual consumption of 2,200 m³.
Rate 10 volume based on annual consumption of 93,000 m³.
Rate M1 volume based on annual consumption of 2,200 m³.
Rate M2 volume based on annual consumption of 73,000 m³.