



**uniongas**

A Spectra Energy Company

May 28, 2007

Ontario Energy Board  
2300 Yonge Street, Suite 2700  
Toronto, Ontario  
M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

**Re: QRAM Rate Application (EB-2007-0634) – Effective July 1, 2007**

Dear Ms. Walli:

Enclosed is an application and evidence from Union Gas Limited ("Union") seeking changes to Union's gas supply and transportation rates to reflect higher forecast costs of purchasing and transporting natural gas.

The application is made pursuant to section 36(1) of the *Ontario Energy Board Act, 1998*, and pursuant to the Quarterly Rate Adjustment Mechanism ("QRAM") established by the Board for Union to deal with changes in gas costs.

The proposed Alberta Border Reference Price (i.e., WACOG), based on the current 21-day strip price is \$8.379/GJ. This is an increase of \$0.091/GJ from the amount currently approved in rates. Union is also proposing to prospectively refund projected 12-month gas cost deferral account credits of \$24.819 million. The result is a net annual increase for sales service customers of \$42 in the Southern Operations area and \$76 in the Northern & Eastern Operations area. Bundled direct purchase customers will see a net annual decrease of \$0.03 in the Southern Operations area and a net annual increase of \$8 in the Northern & Eastern Operations area.

The rates proposed also reflect the TCPL tolls approved by the NEB on March 22, 2007 and effective April 1, 2007.

Union has enclosed an application to the Board for Orders effective July 1, 2007 to change the rates and other charges that were authorized by the Board's EB-2007-0053 Rate Order to reflect the gas supply commodity, gas supply transportation and delivery rates proposed herein and to change the reference prices for use in determining amounts to be recorded in certain gas supply related deferral accounts. This application is supported by the following evidence:

Tab 1 - Evidence of Ms. Patti Piett

Tab 2 - Evidence of Mr. Harold Pankrac

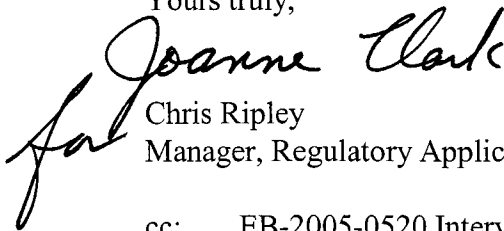
To make these rate changes effective July 1, 2007, Union requests the Board's decision on this application by Wednesday, June 13<sup>th</sup>. To assist the Board, a draft procedural order is attached for consideration in initiating the review of this application.

This application is being served on all intervenors in the EB-2005-0520 proceeding. This complete evidence package including the working papers is also available electronically in searchable PDF format through the following link on Union's website:

<http://uniongas.com/qramapplication/>. This link will be available on an ongoing basis for Union's future QRAM applications and will also be e-mailed to QRAM intervenors to facilitate electronic access to the filed information.

If you have any questions or concerns on this matter, please do not hesitate to contact me at (519) 436-5476.

Yours truly,

A handwritten signature in black ink, appearing to read "Joanne Clark". The signature is fluid and cursive, with a large initial "J" and "C".

Chris Ripley  
Manager, Regulatory Applications

cc: EB-2005-0520 Intervenors  
Michael Penny (Torys)

**ONTARIO ENERGY BOARD**

**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, pursuant to section 36(1) of the *Ontario Energy Board Act, 1998*, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of July 1, 2007;

**AND IN THE MATTER OF** the Quarterly Rate Adjustment Mechanism approved by the Ontario Energy Board in RP-2003-0063.

**APPLICATION**

1. Union Gas Limited (“Union”) was an applicant in a proceeding before the Board to fix just and reasonable rates and other charges for the sale, distribution and storage of natural gas under Board File No. EB-2005-0520. The rates under consideration in the EB-2005-0520 proceeding concerned the year 2007 and were approved and implemented through the Board’s EB-2005-0520 Rate Order dated December 19, 2006.

2. Pursuant to Section 36(1) of the *Ontario Energy Board Act, 1998* (the *Act*), and the Quarterly Rate Adjustment Mechanism approved by the Board, Union hereby applies to the Board for further orders effective July 1, 2007 as follows:

(a) an order establishing the reference prices specified in the table below:

|  | Current<br>(Approved in EB-2007-0053) | Proposed<br>(Effective July 1, 2007) |
|--|---------------------------------------|--------------------------------------|
| Alberta Border Reference Price <sup>1</sup>                | 8.288 \$/GJ                           | 8.379 \$/GJ                          |
|  | 31.0303 cents/m <sup>3</sup>          | 31.3710 cents/m <sup>3</sup>         |
| Ontario Landed Reference Price <sup>2</sup>                | 9.711 \$/GJ                           | 9.833 \$/GJ                          |
|  | 36.3580 cents/m <sup>3</sup>          | 36.8148 cents/m <sup>3</sup>         |
| South Portfolio Cost Differential<br>("SPCD") <sup>3</sup> | 0.021 \$/GJ                           | 0.073 \$/GJ                          |
|  | 0.0786 cents/m <sup>3</sup>           | 0.2733 cents/m <sup>3</sup>          |

**Notes:**

- <sup>1</sup> The Alberta Border Reference Price represents the North Purchase Gas Variance Account ("NPGVA") (Deferral Account No. 179-105) reference price and the TCPL Tolls and Fuel – Northern and Eastern Operations Area deferral account (Deferral Account No. 179-100) reference price with respect to fuel gas.
- <sup>2</sup> The Ontario Landed Reference Price represents the South Purchase Gas Variance Account ("SPGVA") (Deferral Account No. 179-106) and Spot Gas Variance Account (Deferral Account No. 179-107) reference price .
- <sup>3</sup> The SPCD is used as the benchmark to reduce the debits/credits that would otherwise accumulate in the SPGVA if there was no adjustment to the South Transportation Rate.

- (b) an order to reflect the inventory revaluation credit resulting from changes in gas costs as of July 1, 2007;
- (c) an order reflecting the prospective recovery of the projected balance for the twelve month period ending June 30, 2008 recorded in the gas-supply deferral accounts;
- (d) such further order or orders as Union may request and the Board may deem appropriate or necessary.

3. This application is supported by written evidence that has been pre-filed with the Board and provided by Union to all intervenors of record in the EB-2005-0520 proceeding.

4. The address of service for Union is:

Union Gas Limited

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

Attention: Chris Ripley  
Manager, Regulatory Applications  
Telephone: (519) 436-5476  
Fax: (519) 436-4641

- and -

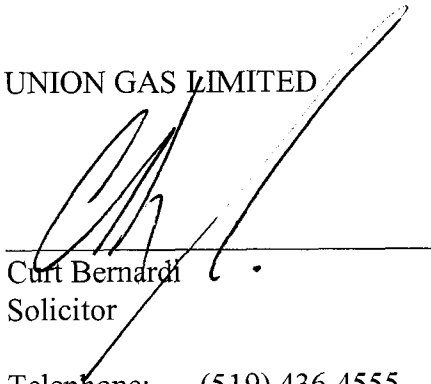
Torys

Suite 3000, Maritime Life Tower  
P.O. Box 270  
Toronto Dominion Centre  
Toronto, Ontario  
M5K 1N2

Attention: Michael A. Penny  
Telephone: (416) 865-7526  
Fax: (416) 865-7380

DATED May 28, 2007.

UNION GAS LIMITED



Curt Bernardi  
Solicitor

Telephone: (519) 436-4555  
Fax: (519) 436-5218

## ONTARIO ENERGY BOARD

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,  
pursuant to section 36(1) of the *Ontario Energy Board Act, 1998*, for  
an order or orders approving or fixing just and reasonable rates and  
other charges for the sale, distribution, transmission and storage of gas  
as of July 1, 2007;

AND IN THE MATTER OF the Quarterly Rate Adjustment  
Mechanism approved by the Ontario Energy Board in RP-2003-0063.

**DRAFT**

**NOTICE OF WRITTEN HEARING AND PROCEDURAL ORDER NO. 1**

Union Gas Limited (“Union”) filed an application (the “Application”) dated May 28, 2007, with the Ontario Energy Board (the “Board”) for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas. The Application was made pursuant to Union’s approved Quarterly Rate Adjustment Mechanism (“QRAM”). Union’s Application has been given Board File No. EB-2007-0634. Union seeks the following orders, effective July 1, 2007:

- (a) an order establishing the reference prices specified in the table below:

|  | Current<br>(Approved in EB-2007-0053) | Proposed<br>(Effective July 1, 2007) |
|--|---------------------------------------|--------------------------------------|
| Alberta Border Reference Price <sup>1</sup>                | 8.288 \$/GJ                           | 8.379 \$/GJ                          |
|  | 31.0303 cents/m <sup>3</sup>          | 31.3710 cents/m <sup>3</sup>         |
| Ontario Landed Reference Price <sup>2</sup>                | 9.711 \$/GJ                           | 9.833 \$/GJ                          |
|  | 36.3580 cents/m <sup>3</sup>          | 36.8148 cents/m <sup>3</sup>         |
| South Portfolio Cost Differential<br>(“SPCD”) <sup>3</sup> | 0.021 \$/GJ                           | 0.073 \$/GJ                          |
|  | 0.0786 cents/m <sup>3</sup>           | 0.2733 cents/m <sup>3</sup>          |

**Notes:**

- <sup>1</sup> *The Alberta Border Reference Price represents the North Purchase Gas Variance Account ("NPGVA") (Deferral Account No. 179-105) reference price and the TCPL Tolls and Fuel – Northern and Eastern Operations Area deferral account (Deferral Account No. 179-100) reference price with respect to fuel gas.*
- <sup>2</sup> *The Ontario Landed Reference Price represents the South Purchase Gas Variance Account ("SPGVA") (Deferral Account No. 179-106) and Spot Gas Variance Account (Deferral Account No. 179-107) reference price .*
- <sup>3</sup> *The SPCD is used as the benchmark to reduce the debits/credits that would otherwise accumulate in the SPGVA if there was no adjustment to the South Transportation Rate.*

- (b) an order to reflect the inventory revaluation credit resulting from changes in gas costs as of July 1, 2007;
- (c) an order reflecting the prospective recovery of the projected balance for the twelve-month period ending June 30, 2008 recorded in the gas-supply deferral accounts; and
- (d) such further orders as the Board may deem necessary.

Union has provided written evidence in support of the proposed changes contained in the Application. The Application and prefiled evidence were sent by Union to all Intervenor of record in the EB-2005-0520 proceeding.

**Written Hearing**

The Board intends to proceed in this matter by way of a written hearing. The will consider reasons provided by any party as to why it should proceed by way of an oral hearing.

**Cost Awards**

Given the mechanistic nature of this matter, the Board does not anticipate awarding costs. Parties that meet the Board's eligibility criteria contained in the Practice Direction on Cost Awards may submit costs with supporting rationale as to how their participation contributed to the Board's ability to decide on this matter.

**THE BOARD THEREFORE ORDERS THAT:**

1. Any party that objects to proceeding by way of a written hearing may make written comments to the Board for its consideration no later than 4:30 p.m., Monday, June 4, 2007. If any such objections are received by the Board, the Board may amend the deadlines below.
2. Parties to this proceeding wishing to make comments on the Application may do so by filing such submissions with the Board Secretary (6 hard copies plus an electronic copy by e-mail) and serving a copy on all parties who make submissions no later than 4:30 p.m., Wednesday, June 6, 2007.

3. Union shall reply to any comments received by filing such replies with the board Secretary (6 hard copies plus an electronic copy by e-mail) and serving a copy on all parties who make submissions no later than 4:30 p.m., Friday, June 8, 2007.
4. All parties must also provide the Case Manager, \_\_\_\_\_  
\_\_\_\_\_@oeb.gov.on.ca with an electronic copy of all comments and correspondence related to this case.

**IMPORTANT:** If you do not file any comments in response to this notice, the Board may proceed without your participation and you will not be entitled to any further notice of these proceedings.

**ISSUED** at Toronto, May XX, 2007.

ONTARIO ENERGY BOARD

Peter H. O'Dell  
Assistant Board Secretary





**PREFILED EVIDENCE OF**

**PATTI PIETT, MANAGER, GAS SUPPLY**

**INTRODUCTION**

The purpose of this evidence is to set deferral account reference prices to reflect Union's gas cost forecast for the 12-month period commencing July 1, 2007 pursuant to the Quarterly Rate Adjustment Mechanism ("QRAM") as approved by the Board. Specifically, this evidence reviews the following:

1. Current Gas Market Outlook

2. Pricing

- Alberta Border Reference Price
- Ontario Landed Reference Price
- South Portfolio Cost Differential

3. Deferral Accounts

- Impact on Gas Supply Deferral Account Balances
- Prospective Recovery of Deferral Account Balances

**1. CURRENT GAS MARKET OUTLOOK**

North American gas supply storage inventories remain above the historical five-year average as the injection season is now underway. Market prices appear to reflect a built-in risk premium for

May 2007

1 a potentially hot summer and a forecasted active hurricane season. Higher than normal  
2 temperatures mean increased cooling demand, while hurricanes may cause supply disruptions in  
3 the Gulf of Mexico. The Canadian dollar is currently at a 30 year high in relation to US currency  
4 which makes buying NYMEX-based gas in Canadian dollars relatively less expensive.

## 6 **2. PRICING**

### 8 **2.1 Alberta Border Reference Price**

9 The approved method for calculating the Alberta Border Reference Price uses the 21-day average  
10 of the twelve month NYMEX strip. The NYMEX strip used in this application is for July 2007  
11 to June 2008. The one-year NYMEX strip is then converted to an Alberta Border Reference  
12 Price by taking into account the Empress-NYMEX basis, foreign exchange rate, and actual and  
13 forecast risk management activity for the July 2007 to June 2008 period. (See Tab 1, Schedule 1  
14 for the details of this calculation.)

16 Based on the approved method, the Alberta Border Reference price for the period July 1, 2007 to  
17 June 30, 2008 is \$8.379/GJ. This represents an increase of \$0.091/GJ from the Alberta Border  
18 Reference price of \$8.288/GJ last approved by the Board in EB-2007-0053. Consistent with the  
19 updated Alberta Border Reference Price, Union proposes that the reference price of \$8.379/GJ be  
20 used for amounts to be recorded in the North PGVA Account ("NPGVA") (Deferral Account No.

May 2007

179-105).

Union also proposes that the reference price of \$8.379/GJ be used in determining the amounts to be recorded in the TCPL Tolls and Fuel – Northern and Eastern Operations Area deferral account (Deferral Account No. 179-100) with respect to fuel gas.

## 2.2 Ontario Landed Reference Price

The Ontario Landed Reference Price is \$9.833/GJ and is calculated by adding the TCPL EDA toll and fuel to the Alberta Border Reference Price as shown on Schedule 1. This represents an increase of \$0.122/GJ from the Ontario Landed Reference Price of \$9.711/GJ last approved by the Board in EB-2007-0053. This change represents the increase in the Alberta Border Reference Price of \$0.091/GJ plus the associated changes in TCPL tolls and compressor fuel costs. New TCPL tolls were approved by the National Energy Board (NEB) on March 22, 2007 effective April 1, 2007. The impacts of the updated TCPL tolls are reflected in the deferral account balances. The TCPL Eastern Zone toll of \$1.03/GJ was used in calculating the proposed July 1, 2007 Ontario Landed Reference Price. TCPL's approved tolls (effective April 1, 2007) are provided in Attachment A.

As previously approved, the Ontario Landed Reference Price will be used to defer amounts to be recorded in the South PGVA Account ("SPGVA") (Deferral Account No. 179-106) and the Spot Gas Variance Account (Deferral Account No. 179-107). The Ontario Landed Reference Price  
May 2007

will also be used to revalue the inventory attributable to Union's sales service customers.

### 2.3 South Portfolio Cost Differential

The South Portfolio Cost Differential ("SPCD") is determined by comparing the projected cost of serving South sales service customers, based on Union's South Portfolio, to the cost of serving South sales service customers based on the Ontario Landed Reference Price. This difference is divided by forecast South sales service demand to derive the SPCD. For the 12-month period beginning July 1, 2007 the SPCD is projected to be \$0.073/GJ as shown on Schedule 2. The SPCD results in a South Transportation Sales Rate of \$0.957/GJ calculated by subtracting the SPCD of \$0.073/GJ from the EDA TCPL toll of \$1.03/GJ. This ensures that South sales service rates are appropriately set at a level equal to the projected average cost over the 12-month forecast period.

## 3. DEFERRAL ACCOUNTS

### 3.1 Impact on Gas Supply Deferral Account Balances

The current forecast of gas cost related deferral account balances at June 30, 2008 is shown on Schedule 3. The opening deferral account balances are the projected deferral account balances at July 1, 2007 plus the projected inventory revaluation adjustment at July 1, 2007.

The deferral account forecast is based on the actual and forecast gas costs for the period July 1,

May 2007

2007 to June 30, 2008 and on the proposed Alberta Border Reference Price and the Ontario

Landed Reference Price effective July 1, 2007.

### 3.2 Prospective Recovery of Deferral Account Balances

July 1, 2007 deferral account balances relating to the North PGVA, North Tolls and Fuel, South PGVA, Inventory Revaluation, and Spot Gas accounts are identified below.

#### 3.2.1 North PGVA

The balance in the North PGVA (Deferral Account No.179-105) as of July 1, 2007 is a credit of \$77.322 million as identified in Schedule 3, page 2.

#### 3.2.2 North Tolls and Fuel

The balance in the North Tolls and Fuel Account (Deferral Account No.179-100) as of July 1, 2007 is a credit of \$5.530 million as identified in Schedule 3, page 3. This balance is comprised of a \$10.396 million credit related to Northern tolls, offset by a \$4.866 million debit related to fuel costs.

#### 3.2.3 South PGVA

The balance in the South PGVA (Deferral Account No.179-106) as of July 1, 2007 is a credit of \$186.410 million as identified in Schedule 3, page 4.

May 2007

1    3.2.4        Inventory Revaluation

2    The balance in the Inventory Revaluation Account (Deferral Account 179-109) as of July 1, 2007  
3    is a credit of \$1.763 million. The calculation for the inventory revaluation amount is presented in  
4    Schedule 3, page 5.

6    3.2.5        North Heat Value and UDC Accounts

7    The balance in the North Heat Value Account as of July 1, 2007 is a credit of \$1.188 million as  
8    identified in Schedule 3, page 1. The North Heat Value Account (Account No. 179-89) and the  
9    Joint Unabsorbed Demand Costs Account (Account No. 179-108) balances are not prospectively  
10   recovered in accordance with the current Board-approved QRAM process. Union has incurred  
11   Unabsorbed Demand Charges as a result of the need to balance the supply portfolio after the past  
12   warmer-than-normal winter. Union will propose to dispose of these deferral account balances  
13   after the end of the year.

16   3.2.6        Spot Gas Account/Load Balancing

17   Spot Gas and Load Balancing costs are tracked separately. There is a debit balance of \$0.308  
18   million for Spot Gas purchases and a credit balance of \$11.586 million for Load Balancing. Both  
19   balances are recorded in the Spot Gas Variance Account (Deferral No.179-107) as identified in  
20   Schedule 3, page 6.

**Schedules**



UNION GAS LIMITED  
Calculation of Alberta Border and Ontario Landed Reference Prices  
For the 12 month period ending Jun 30, 2008

[illegible]

Notes;

(1) 21 Day Strip Dates used - Apr 18, 2007 to May 16, 2007

(2) Alberta Border Price = ((NYMEX 21-day Average + Empress Basis) \* (Foreign Exchange Rate))/MMBtu to GJ Conversion Rate  
MMBtu to GJ Conversion Rate: 1.055056 GJ/MMBtu



UNION GAS LIMITED  
 Calculation of South Portfolio Cost Differential & South Transportation Rate  
 For the 12 month period ending Jun 30, 2008

| Line<br>No. | Particulars  |    |                         |     |
|-------------|--|----|-------------------------|-----|
| 1           | South Purchased Gas Variance Account (SPGVA) (\$000's) | \$ | 6,174                   | (1) |
| 2           | South Consumption Volumes (PJ's)                       |    | <u>85.0</u>             | (2) |
| 3           | South Price Cost Differential (Line 1/Line 2)          | \$ | 0.073 /GJ               |     |
| 4           | TCPL Transportation EDA Toll                           | \$ | 1.030 /GJ               |     |
| 5           | South Price Cost Differential (Line 3)                 | \$ | 0.073 /GJ               |     |
| 6           | South Transportation Rate (Line 4 - Line 5)            | \$ | <u><u>0.957</u></u> /GJ |     |

Notes:

- (1) Tab 1, Schedule 3, page 4, Column (g), Line 27  
 (2) Demand forecast for South sales service customers for the period July 2007 to June 2008



**UNION GAS LIMITED**  
**Summary of Gas Supply Deferral Accounts**

| Line No. | Particulars                                  | Joint Accounts                           |   |  |   |  |   |  |  |   | Total (\$000's)<br>(j)=sum of (a) to (i) |
|----------|--|--|---|--|---|--|---|--|--|---|--|
|          |  | North PGVA<br>(179-105)<br>(\$000's) (1) | North Tolls and LBA<br>(179-100)<br>(\$000's) (2) | North Fuel<br>(179-100)<br>(\$000's) (2) | North Heat Value<br>(179-89)<br>(\$000's) (6) | South PGVA<br>(179-106)<br>(\$000's) (3) | Inventory Revaluation<br>(179-109)<br>(\$000's) (4) | Load Balancing<br>(179-107)<br>(\$000's) (5) | Spot Gas Purchases<br>(179-107)<br>(\$000's) (5) | Unabsorbed Demand Costs<br>(179-108)<br>(\$000's) (6) |  |
|          |  | (a)                                      | (b)   | (c)                                      | (d)   | (e)                                      | (f)   | (g)  | (h)  | (i)   |  |
| 1        | Cumulative to end of June, 2006              | \$ (20,965)                              | \$ (8,243)  | \$ 7,550                                 | \$ -  | \$ (48,289)                              | \$ (115,349)  | \$ (8,268)                                   | \$ 310   | \$ -  | \$ (193,254)                             |
| 2        | July, 2006 *                                 | \$ (6,092)                               | \$ (276)  | \$ (179)                                 | \$ -  | \$ (18,411)                              | \$ 4,330  | \$ (22)                                      | \$ (0)   | \$ -  | \$ (20,650)                              |
| 3        | August *                                     | \$ (8,850)                               | \$ (534)  | \$ (298)                                 | \$ -  | \$ (13,181)                              | \$ (8)  | \$ (23)                                      | \$ (0)   | \$ -  | \$ (22,893)                              |
| 4        | September *                                  | \$ (5,530)                               | \$ (417)  | \$ (492)                                 | \$ -  | \$ (12,224)                              | \$ 2  | \$ (21)                                      | \$ (0)   | \$ -  | \$ (18,683)                              |
| 5        | October, 2006 *                              | \$ (14,058)                              | \$ (1,252)  | \$ (571)                                 | \$ -  | \$ (26,371)                              | \$ 3,406  | \$ (22)                                      | \$ (0)   | \$ -  | \$ (38,869)                              |
| 6        | November *                                   | \$ (7,534)                               | \$ (178)  | \$ (647)                                 | \$ -  | \$ (17,906)                              | \$ 26   | \$ (21)                                      | \$ (0)   | \$ -  | \$ (26,260)                              |
| 7        | December *                                   | \$ (535)                                 | \$ (814)  | \$ (33)                                  | \$ -  | \$ (6,862)                               | \$ 37   | \$ (21)                                      | \$ (0)   | \$ -  | \$ (8,229)                               |
| 8        | January, 2007 *                              | \$ (3,781)                               | \$ 223  | \$ 14                                    | \$ (544)                                      | \$ (11,105)                              | \$ 28,161   | \$ (23)                                      | \$ (0)   | \$ -  | \$ 12,944                                |
| 9        | February *                                   | \$ (1,367)                               | \$ 120  | \$ (209)                                 | \$ (122)                                      | \$ (1,916)                               | \$ 123  | \$ (18)                                      | \$ (0)   | \$ -  | \$ (3,389)                               |
| 10       | March *                                      | \$ (985)                                 | \$ 542  | \$ (99)                                  | \$ (287)                                      | \$ (5,361)                               | \$ 102  | \$ (29)                                      | \$ (0)   | \$ 267  | \$ (5,851)                               |
| 11       | April, 2007 *                                | \$ (2,539)                               | \$ 204  | \$ 3                                     | \$ (234)                                      | \$ (9,992)                               | \$ (729)  | \$ (3,097)                                   | \$ (0)   | \$ -  | \$ (16,385)                              |
| 12       | May  | \$ (3,036)                               | \$ 114  | \$ (99)                                  | \$ -  | \$ (8,780)                               | \$ 53   | \$ (10)                                      | \$ (0)   | \$ -  | \$ (11,758)                              |
| 13       | June   | \$ (2,050)                               | \$ 115  | \$ (74)                                  | \$ -  | \$ (6,011)                               | \$ 48   | \$ (9)                                       | \$ (0)   | \$ -  | \$ (7,981)                               |
| 14       | Total (Lines 1 to 13)<br>Current QRAM Period | \$ (77,322)                              | \$ (10,396)                                       | \$ 4,866                                 | \$ (1,188)                                    | \$ (186,410)                             | \$ (79,798)   | \$ (11,586)                                  | \$ 308   | \$ 267  | \$ (361,258)                             |
| 15       | July, 2007                                   | \$ (2,451)                               | \$ (58)   | \$ (124)                                 | \$ -  | \$ (7,624)                               | \$ (1,763)  | \$ -   | \$ -   | \$ -  | \$ (12,020)                              |
| 16       | August                                       | \$ (2,196)                               | \$ (58)   | \$ (58)                                  | \$ -  | \$ (7,053)                               | \$ -  | \$ -   | \$ -   | \$ -  | \$ (9,365)                               |
| 17       | September                                    | \$ (2,016)                               | \$ (58)   | \$ (84)                                  | \$ -  | \$ (6,371)                               | \$ -  | \$ -   | \$ -   | \$ -  | \$ (8,529)                               |
| 18       | October, 2007                                | \$ (1,831)                               | \$ (60)   | \$ (37)                                  | \$ -  | \$ (5,951)                               | \$ -  | \$ -   | \$ -   | \$ -  | \$ (7,880)                               |
| 19       | November                                     | \$ 318                                   | \$ (64)   | \$ (16)                                  | \$ -  | \$ 1,375                                 | \$ -  | \$ -   | \$ -   | \$ -  | \$ 1,613                                 |
| 20       | December                                     | \$ 2,178                                 | \$ (63)   | \$ 69                                    | \$ -  | \$ 7,478                                 | \$ -  | \$ -   | \$ -   | \$ -  | \$ 9,662                                 |
| 21       | January, 2008                                | \$ 3,140                                 | \$ (60)   | \$ 111                                   | \$ -  | \$ 10,665                                | \$ -  | \$ -   | \$ -   | \$ -  | \$ 13,857                                |
| 22       | February                                     | \$ 2,901                                 | \$ (61)   | \$ 126                                   | \$ -  | \$ 10,164                                | \$ -  | \$ -   | \$ -   | \$ -  | \$ 13,131                                |
| 23       | March  | \$ 2,485                                 | \$ (63)   | \$ 68                                    | \$ -  | \$ 8,163                                 | \$ -  | \$ -   | \$ -   | \$ -  | \$ 10,652                                |
| 24       | April, 2008                                  | \$ (632)                                 | \$ (63)   | \$ (53)                                  | \$ -  | \$ (2,690)                               | \$ -  | \$ -   | \$ -   | \$ -  | \$ (3,438)                               |
| 25       | May  | \$ (1,043)                               | \$ (60)   | \$ (73)                                  | \$ -  | \$ (4,426)                               | \$ -  | \$ -   | \$ -   | \$ -  | \$ (5,602)                               |
| 26       | June   | \$ (854)                                 | \$ (59)   | \$ (59)                                  | \$ -  | \$ (3,731)                               | \$ -  | \$ -   | \$ -   | \$ -  | \$ (4,703)                               |
| 27       | Total (Lines 15 to 26)                       | \$ 0                                     | \$ (727)  | \$ (132)                                 | \$ -  | \$ -                                     | \$ (1,763)  | \$ -   | \$ -   | \$ -  | \$ (2,622)                               |

\* reflects actual information

**Notes:**

- (1) See page 2
- (2) See page 3
- (3) See page 4
- (4) See page 5
- (5) See page 6
- (6) Union is not proposing to recover the deferral balances for the North Heat Value (Account No. 179-89) and the Unabsorbed Demand Charge (Account No. 179-108) deferral accounts in the current QRAM.

**UNION GAS LIMITED**  
**Deferral Account for**  
**North Purchased Gas Variance Account**  
**(Deferral Account 179-105)**

| Line No. | Particulars                                  | Purchase Cost (\$000's)<br>(a) | Volume (GJ)<br>(b) | Weighted Avg. Price (\$/GJ)<br>(c) = (a)/(b) | Reference Price (\$/GJ) (1)<br>(d) | Unit Rate Difference (\$/GJ)<br>(e) = (c) - (d) | Deferral Amount Before Interest (\$000's)<br>(f) = (b) x (e) | Interest (\$000's) (2)<br>(g) | Total Deferral Amount (\$000's)<br>(h) = (f) + (g) |
|----------|--|--------------------------------|--------------------|--|------------------------------------|---|--|-------------------------------|--|
| 1        | Cumulative to end of June, 2006              |                                |                    |  |                                    |   | \$ (20,859)  | \$ (106)                      | \$ (20,965)  |
| 2        | July, 2006 *                                 | \$ 11,768                      | 1,986,674          | \$ 5.924                                     | \$ 8.954                           | \$ (3.030)                                      | \$ (6,020)   | \$ (71)                       | \$ (6,092)   |
| 3        | August *                                     | \$ 14,742                      | 2,624,555          | \$ 5.617                                     | \$ 8.954                           | \$ (3.337)                                      | \$ (8,758)   | \$ (92)                       | \$ (8,850)   |
| 4        | September *                                  | \$ 16,588                      | 2,457,000          | \$ 6.751                                     | \$ 8.954                           | \$ (2.203)                                      | \$ (5,412)   | \$ (117)                      | \$ (5,530)   |
| 5        | October, 2006 *                              | \$ 10,924                      | 2,811,201          | \$ 3.886                                     | \$ 8.837                           | \$ (4.951)                                      | \$ (13,919)  | \$ (139)                      | \$ (14,058)  |
| 6        | November *                                   | \$ 17,863                      | 2,853,900          | \$ 6.259                                     | \$ 8.837                           | \$ (2.578)                                      | \$ (7,357)   | \$ (176)                      | \$ (7,534)   |
| 7        | December *                                   | \$ 18,802                      | 2,165,599          | \$ 8.682                                     | \$ 8.837                           | \$ (0.155)                                      | \$ (335)   | \$ (200)                      | \$ (535)   |
| 8        | January, 2007 *                              | \$ 13,660                      | 2,178,234          | \$ 6.271                                     | \$ 7.926                           | \$ (1.655)                                      | \$ (3,604)   | \$ (177)                      | \$ (3,781)   |
| 9        | February *                                   | \$ 15,156                      | 2,068,366          | \$ 7.328                                     | \$ 7.926                           | \$ (0.598)                                      | \$ (1,237)   | \$ (130)                      | \$ (1,367)   |
| 10       | March *                                      | \$ 10,150                      | 1,392,074          | \$ 7.291                                     | \$ 7.926                           | \$ (0.634)                                      | \$ (883)   | \$ (102)                      | \$ (985)   |
| 11       | April, 2007 *                                | \$ 18,056                      | 2,477,070          | \$ 7.289                                     | \$ 8.288                           | \$ (0.999)                                      | \$ (2,474)   | \$ (66)                       | \$ (2,539)   |
| 12       | May  | \$ 19,994                      | 2,770,315          | \$ 7.217                                     | \$ 8.288                           | \$ (1.071)                                      | \$ (2,967)   | \$ (69)                       | \$ (3,036)   |
| 13       | June   | \$ 20,312                      | 2,689,923          | \$ 7.551                                     | \$ 8.288                           | \$ (0.737)                                      | \$ (1,982)   | \$ (68)                       | \$ (2,050)   |
| 14       | Total (Lines 1 to 13)<br>Current QRAM Period | \$ 188,015                     | 28,474,911         |  |                                    |   | \$ (75,807)  | \$ (1,515)                    | \$ (77,322)  |
| 15       | July, 2007                                   | \$ 20,658                      | 2,757,920          | \$ 7.490                                     | \$ 8.379                           | \$ (0.889)                                      | \$ (2,451)   | \$ -                          | \$ (2,451)   |
| 16       | August                                       | \$ 20,727                      | 2,735,692          | \$ 7.577                                     | \$ 8.379                           | \$ (0.803)                                      | \$ (2,196)   | \$ -                          | \$ (2,196)   |
| 17       | September                                    | \$ 19,975                      | 2,624,459          | \$ 7.611                                     | \$ 8.379                           | \$ (0.768)                                      | \$ (2,016)   | \$ -                          | \$ (2,016)   |
| 18       | October, 2007                                | \$ 20,806                      | 2,701,626          | \$ 7.701                                     | \$ 8.379                           | \$ (0.678)                                      | \$ (1,831)   | \$ -                          | \$ (1,831)   |
| 19       | November                                     | \$ 21,430                      | 2,519,593          | \$ 8.505                                     | \$ 8.379                           | \$ 0.126  | \$ 318   | \$ -                          | \$ 318   |
| 20       | December                                     | \$ 23,993                      | 2,603,468          | \$ 9.216                                     | \$ 8.379                           | \$ 0.837  | \$ 2,178   | \$ -                          | \$ 2,178   |
| 21       | January, 2008                                | \$ 25,094                      | 2,619,982          | \$ 9.578                                     | \$ 8.379                           | \$ 1.199  | \$ 3,140   | \$ -                          | \$ 3,140   |
| 22       | February                                     | \$ 23,403                      | 2,446,666          | \$ 9.565                                     | \$ 8.379                           | \$ 1.186  | \$ 2,901   | \$ -                          | \$ 2,901   |
| 23       | March  | \$ 24,902                      | 2,675,319          | \$ 9.308                                     | \$ 8.379                           | \$ 0.929  | \$ 2,485   | \$ -                          | \$ 2,485   |
| 24       | April, 2008                                  | \$ 21,092                      | 2,592,665          | \$ 8.135                                     | \$ 8.379                           | \$ (0.244)                                      | \$ (632)   | \$ -                          | \$ (632)   |
| 25       | May  | \$ 21,357                      | 2,673,297          | \$ 7.989                                     | \$ 8.379                           | \$ (0.390)                                      | \$ (1,043)   | \$ -                          | \$ (1,043)   |
| 26       | June   | \$ 20,969                      | 2,604,385          | \$ 8.051                                     | \$ 8.379                           | \$ (0.328)                                      | \$ (854)   | \$ -                          | \$ (854)   |
| 27       | Total (Lines 15 to 26)                       | \$ 264,406                     | 31,555,072         |  |                                    |   | \$ 0   | \$ -                          | \$ 0   |

\* reflects actual information

(1) The reference price from July 2006 to September 2006 is as approved in EB-2006-0106.

The reference price from October 2006 to December 2006 is as approved in EB-2006-0500.

The reference price from January 2007 to March 2007 is as approved in EB-2006-0502.

The reference price from April 2007 to March 2008 is as approved in EB-2007-0053.

The reference price from July 2007 to June 2008 is as proposed in EB-2007-0634

(2) Interest is computed on the deferral amount balance net of the actual prospective recovery amount for the quarter prior to the current QRAM period.

**UNION GAS LIMITED**  
**Deferral Account for**  
**TCPL Tolls and Fuel - Northern and Eastern Operations Area**  
**(Deferral Account 179-100)**

| Line No. | Particulars                                  | TCPL Tolls                                       |                               |  | TCPL Fuel  |                               |  | Total Deferral Amount With Interest (\$000's)<br>(g) = (c) + (f) |
|----------|--|--|-------------------------------|--|--|-------------------------------|--|--|
|          |  | Deferral Amount Before Interest (\$000's)<br>(a) | Interest (\$000's) (1)<br>(b) | Deferral Amount With Interest (\$000's) (2)<br>(c) = (a) + (b) | Deferral Amount Before Interest (\$000's)<br>(d) | Interest (\$000's) (1)<br>(e) | Deferral Amount With Interest (\$000's)<br>(f) = (d) + (e) |  |
| 1        | Cumulative to end of June, 2006              | \$ (8,113)                                       | \$ (130)                      | \$ (8,243)   | \$ 7,337   | \$ 213                        | \$ 7,550   | \$ (693)   |
| 2        | July, 2006 *                                 | \$ (279)   | \$ 4                          | \$ (276)   | \$ (192)   | \$ 14                         | \$ (179)   | \$ (454)   |
| 3        | August *                                     | \$ (536)   | \$ 3                          | \$ (534)   | \$ (311)   | \$ 13                         | \$ (298)   | \$ (832)   |
| 4        | September *                                  | \$ (419)   | \$ 3                          | \$ (417)   | \$ (503)   | \$ 11                         | \$ (492)   | \$ (909)   |
| 5        | October, 2006 *                              | \$ (1,255)                                       | \$ 2                          | \$ (1,252)   | \$ (580)   | \$ 9                          | \$ (571)   | \$ (1,824)   |
| 6        | November *                                   | \$ (177)   | \$ (1)                        | \$ (178)   | \$ (653)   | \$ 6                          | \$ (647)   | \$ (825)   |
| 7        | December *                                   | \$ (812)   | \$ (3)                        | \$ (814)   | \$ (37)  | \$ 4                          | \$ (33)  | \$ (848)   |
| 8        | January, 2007 *                              | \$ 227   | \$ (5)                        | \$ 223   | \$ 10  | \$ 4                          | \$ 14  | \$ 237   |
| 9        | February *                                   | \$ 123   | \$ (2)                        | \$ 120   | \$ (213)   | \$ 4                          | \$ (209)   | \$ (89)  |
| 10       | March *                                      | \$ 522   | \$ 20                         | \$ 542   | \$ (95)  | \$ (5)                        | \$ (99)  | \$ 442   |
| 11       | April, 2007 *                                | \$ 202   | \$ 2                          | \$ 204   | \$ 0   | \$ 3                          | \$ 3   | \$ 207   |
| 12       | May  | \$ 108   | \$ 6                          | \$ 114   | \$ (97)  | \$ (2)                        | \$ (99)  | \$ 15  |
| 13       | June   | \$ 108   | \$ 7                          | \$ 115   | \$ (72)  | \$ (2)                        | \$ (74)  | \$ 41  |
| 14       | Total (Lines 1 to 13)<br>Current QRAM Period | \$ (10,302)                                      | \$ (94)                       | \$ (10,396)  | \$ 4,594   | \$ 271                        | \$ 4,866   | \$ (5,530)   |
| 15       | July, 2007                                   | \$ (58)  | \$ -                          | \$ (58)  | \$ (124)   | \$ -                          | \$ (124)   | \$ (182)   |
| 16       | August                                       | \$ (58)  | \$ -                          | \$ (58)  | \$ (58)  | \$ -                          | \$ (58)  | \$ (116)   |
| 17       | September                                    | \$ (58)  | \$ -                          | \$ (58)  | \$ (84)  | \$ -                          | \$ (84)  | \$ (143)   |
| 18       | October, 2007                                | \$ (60)  | \$ -                          | \$ (60)  | \$ (37)  | \$ -                          | \$ (37)  | \$ (98)  |
| 19       | November                                     | \$ (64)  | \$ -                          | \$ (64)  | \$ (16)  | \$ -                          | \$ (16)  | \$ (80)  |
| 20       | December                                     | \$ (63)  | \$ -                          | \$ (63)  | \$ 69  | \$ -                          | \$ 69  | \$ 6   |
| 21       | January, 2008                                | \$ (60)  | \$ -                          | \$ (60)  | \$ 111   | \$ -                          | \$ 111   | \$ 52  |
| 22       | February                                     | \$ (61)  | \$ -                          | \$ (61)  | \$ 126   | \$ -                          | \$ 126   | \$ 66  |
| 23       | March  | \$ (63)  | \$ -                          | \$ (63)  | \$ 68  | \$ -                          | \$ 68  | \$ 4   |
| 24       | April, 2008                                  | \$ (63)  | \$ -                          | \$ (63)  | \$ (53)  | \$ -                          | \$ (53)  | \$ (116)   |
| 25       | May  | \$ (60)  | \$ -                          | \$ (60)  | \$ (73)  | \$ -                          | \$ (73)  | \$ (133)   |
| 26       | June   | \$ (59)  | \$ -                          | \$ (59)  | \$ (59)  | \$ -                          | \$ (59)  | \$ (119)   |
| 27       | Total (Lines 15 to 26)                       | \$ (727)   | \$ -                          | \$ (727)   | \$ (132)   | \$ -                          | \$ (132)   | \$ (859)   |

\* reflects actual information

(1) Interest is computed on the deferral amount balance net of the actual prospective recovery amount for the quarter prior to the current QRAM period.

**UNION GAS LIMITED**  
**Deferral Account for**  
**South Purchased Gas Variance Account**  
**(Deferral Account 179-106)**

| Line No. | Particulars                     | Purchase Cost (\$000's)<br>(a) | Volume (GJ)<br>(b) | Weighted Avg. Price (\$/GJ)<br>(c) = (a)/(b) | Reference Price (\$/GJ) (1)<br>(d) | Unit Rate Difference (\$/GJ)<br>(e) = (c) - (d) | Monthly Deferral Amount (\$000's)<br>(f) = (b) x (e) | Southern Portfolio Cost Differential Impact Adjustment (\$000's)<br>(g) | Deferral Amount Before Interest (\$000's)<br>(h) | Interest (\$000's) (2)<br>(i) | Total Deferral Amount (\$000's)<br>(j) = (h) + (i) |
|----------|---------------------------------|--------------------------------|--------------------|--|------------------------------------|---|--|---|--|-------------------------------|--|
| 1        | Cumulative to end of June, 2006 |                                |                    |  |                                    |   | \$ (66,536)  | \$ 18,421   | \$ (48,115)                                      | \$ (174)                      | \$ (48,289)  |
| 2        | July, 2006 *                    | \$ 38,458                      | 5,445,799          | \$ 7.062                                     | \$ 10.449                          | \$ (3.387)                                      | \$ (18,446)  | \$ 276  | \$ (18,170)                                      | \$ (242)                      | \$ (18,411)  |
| 3        | August *                        | \$ 32,995                      | 4,413,844          | \$ 7.475                                     | \$ 10.449                          | \$ (2.974)                                      | \$ (13,126)  | \$ 250  | \$ (12,876)                                      | \$ (305)                      | \$ (13,181)  |
| 4        | September *                     | \$ 30,826                      | 4,118,250          | \$ 7.485                                     | \$ 10.449                          | \$ (2.964)                                      | \$ (12,206)  | \$ 317  | \$ (11,888)                                      | \$ (336)                      | \$ (12,224)  |
| 5        | October, 2006 *                 | \$ 39,888                      | 6,405,168          | \$ 6.227                                     | \$ 10.343                          | \$ (4.116)                                      | \$ (26,361)  | \$ 376  | \$ (25,985)                                      | \$ (386)                      | \$ (26,371)  |
| 6        | November *                      | \$ 57,726                      | 7,324,839          | \$ 7.881                                     | \$ 10.343                          | \$ (2.462)                                      | \$ (18,035)  | \$ 577  | \$ (17,458)                                      | \$ (448)                      | \$ (17,906)  |
| 7        | December *                      | \$ 70,736                      | 7,529,880          | \$ 9.394                                     | \$ 10.343                          | \$ (0.949)                                      | \$ (7,146)   | \$ 788  | \$ (6,359)                                       | \$ (503)                      | \$ (6,862)   |
| 8        | January, 2007 *                 | \$ 61,069                      | 7,732,881          | \$ 7.897                                     | \$ 9.329                           | \$ (1.432)                                      | \$ (11,070)  | \$ 559  | \$ (10,511)                                      | \$ (594)                      | \$ (11,105)  |
| 9        | February *                      | \$ 48,131                      | 5,384,612          | \$ 8.939                                     | \$ 9.329                           | \$ (0.390)                                      | \$ (2,102)   | \$ 640  | \$ (1,462)                                       | \$ (454)                      | \$ (1,916)   |
| 10       | March *                         | \$ 75,542                      | 8,684,617          | \$ 8.698                                     | \$ 9.329                           | \$ (0.631)                                      | \$ (5,476)   | \$ 487  | \$ (4,989)                                       | \$ (372)                      | \$ (5,361)   |
| 11       | April, 2007 *                   | \$ 58,744                      | 7,066,456          | \$ 8.313                                     | \$ 9.711                           | \$ (1.398)                                      | \$ (9,879)   | \$ 163  | \$ (9,716)                                       | \$ (276)                      | \$ (9,992)   |
| 12       | May                             | \$ 64,000                      | 7,482,160          | \$ 8.554                                     | \$ 9.711                           | \$ (1.157)                                      | \$ (8,659)   | \$ 82   | \$ (8,576)                                       | \$ (204)                      | \$ (8,780)   |
| 13       | June                            | \$ 64,293                      | 7,222,819          | \$ 8.901                                     | \$ 9.711                           | \$ (0.810)                                      | \$ (5,848)   | \$ 40   | \$ (5,807)                                       | \$ (203)                      | \$ (6,011)   |
| 14       | Total (Lines 1 to 13)           | \$ 642,406                     | 78,811,325         |  |                                    |   | \$ (204,889)   | \$ 22,976   | \$ (181,913)                                     | \$ (4,497)                    | \$ (186,410)                                       |
|          | <u>Current QRAM Period</u>      |                                |                    |  |                                    |   |  |   |  |                               |  |
| 15       | July, 2007                      | \$ 65,628                      | 7,463,580          | \$ 8.793                                     | \$ 9.833                           | \$ (1.040)                                      | \$ (7,761)   | \$ 138  | \$ (7,624)                                       | \$ -                          | \$ (7,624)   |
| 16       | August                          | \$ 66,173                      | 7,463,580          | \$ 8.866                                     | \$ 9.833                           | \$ (0.967)                                      | \$ (7,216)   | \$ 163  | \$ (7,053)                                       | \$ -                          | \$ (7,053)   |
| 17       | September                       | \$ 64,455                      | 7,222,819          | \$ 8.924                                     | \$ 9.833                           | \$ (0.909)                                      | \$ (6,567)   | \$ 196  | \$ (6,371)                                       | \$ -                          | \$ (6,371)   |
| 18       | October, 2007                   | \$ 67,068                      | 7,463,580          | \$ 8.986                                     | \$ 9.833                           | \$ (0.847)                                      | \$ (6,321)   | \$ 370  | \$ (5,951)                                       | \$ -                          | \$ (5,951)   |
| 19       | November                        | \$ 77,243                      | 7,776,312          | \$ 9.933                                     | \$ 9.833                           | \$ 0.100  | \$ 778   | \$ 597  | \$ 1,375   | \$ -                          | \$ 1,375   |
| 20       | December                        | \$ 85,547                      | 8,035,522          | \$ 10.646                                    | \$ 9.833                           | \$ 0.813  | \$ 6,534   | \$ 944  | \$ 7,478   | \$ -                          | \$ 7,478   |
| 21       | January, 2008                   | \$ 88,791                      | 8,055,207          | \$ 11.023                                    | \$ 9.833                           | \$ 1.190  | \$ 9,585   | \$ 1,080  | \$ 10,665  | \$ -                          | \$ 10,665  |
| 22       | February                        | \$ 83,346                      | 7,535,517          | \$ 11.060                                    | \$ 9.833                           | \$ 1.227  | \$ 9,249   | \$ 914  | \$ 10,164  | \$ -                          | \$ 10,164  |
| 23       | March                           | \$ 86,535                      | 8,055,207          | \$ 10.743                                    | \$ 9.833                           | \$ 0.910  | \$ 7,329   | \$ 834  | \$ 8,163   | \$ -                          | \$ 8,163   |
| 24       | April, 2008                     | \$ 73,464                      | 7,795,362          | \$ 9.424                                     | \$ 9.833                           | \$ (0.409)                                      | \$ (3,188)   | \$ 498  | \$ (2,690)                                       | \$ -                          | \$ (2,690)   |
| 25       | May                             | \$ 74,488                      | 8,055,207          | \$ 9.247                                     | \$ 9.833                           | \$ (0.586)                                      | \$ (4,719)   | \$ 293  | \$ (4,426)                                       | \$ -                          | \$ (4,426)   |
| 26       | June                            | \$ 72,776                      | 7,795,362          | \$ 9.336                                     | \$ 9.833                           | \$ (0.497)                                      | \$ (3,875)   | \$ 144  | \$ (3,731)                                       | \$ -                          | \$ (3,731)   |
| 27       | Total (Lines 15 to 26)          | \$ 905,514                     | 92,717,255         |  |                                    |   | \$ (6,174)   | \$ 6,174  | \$ -   | \$ -                          | \$ -   |

\* reflects actual information

- (1) The reference price from July 2006 to September 2006 is as approved in EB-2006-0106.  
The reference price from October 2006 to December 2006 is as approved in EB-2006-0500.  
The reference price from January 2007 to March 2007 is as approved in EB-2006-0502.  
The reference price from April 2007 to March 2008 is as approved in EB-2007-0053.  
The reference price from July 2007 to June 2008 is as proposed in EB-2007-0634

- (2) Interest is computed on the deferral amount balance net of the actual prospective recovery amount for the quarter prior to the current QRAM period.



UNION GAS LIMITED  
Deferral Account for  
Inventory Revaluation  
(Deferral Account 179-109)

| Line No. | Effective Date                  |   | Proceeding Number | Reference Price (C\$/GJ)                |   | Inventory Levels<br>Forecast/<br>Actual<br>(PJ's)<br>(c) | Inventory Revaluation                                     |           | Interest<br>(\$000's) (2)<br>(e) | Total<br>Deferral<br>Amount<br>(\$000's)<br>(f) = (d) + (e) |    |           |    |          |
|----------|---------------------------------|---|-------------------|---|---|--|---|-----------|----------------------------------|---|----|-----------|----|----------|
|          |                                 |   |                   | Approved/<br>Proposed<br>(\$/GJ)<br>(a) | Price Difference<br>from Previous<br>Approved Price<br>(\$/GJ)<br>(b) |  | Forecast/<br>Actual<br>(\$000's) (1)<br>(d) = - (b) x (c) |           |                                  |   |    |           |    |          |
|          |                                 |   |                   |   |   |  |   |           |                                  |   |    |           |    |          |
| 1        | Cumulative to end of June, 2006 |   |                   |   |   |  | \$  | (113,624) | \$                               | (1,724)   | \$ | (115,349) |    |          |
| 2        | July, 2006                      | * | EB-2006-0106      | \$                                      | 10.449  | \$   | (0.215)   | 20.3      | \$                               | 4,356   | \$ | (25)      | \$ | 4,330    |
| 3        | August                          | * |                   |   |   |  |   |           |                                  |   | \$ | (8)       | \$ | (8)      |
| 4        | September                       | * |                   |   |   |  |   |           |                                  |   | \$ | 2         | \$ | 2        |
| 5        | October, 2006                   | * | EB-2006-0500      | \$                                      | 10.343  | \$   | (0.106)   | 32.0      | \$                               | 3,397   | \$ | 9         | \$ | 3,406    |
| 6        | November                        | * |                   |   |   |  |   |           |                                  |   | \$ | 26        | \$ | 26       |
| 7        | December                        | * |                   |   |   |  |   |           |                                  |   | \$ | 37        | \$ | 37       |
| 8        | January, 2007                   | * | EB-2006-0502      | \$                                      | 9.329   | \$   | (1.0141)  | 30.3      | \$                               | 28,105  | \$ | 56        | \$ | 28,161   |
| 9        | February                        | * |                   |   |   |  |   |           |                                  |   | \$ | 123       | \$ | 123      |
| 10       | March                           | * |                   |   |   |  |   |           |                                  |   | \$ | 102       | \$ | 102      |
| 11       | April, 2007                     | * | EB-2007-0053      | \$                                      | 9.711   | \$   | 0.382   | 4.0       | \$                               | (802)   | \$ | 74        | \$ | (729)    |
| 12       | May                             |   |                   |   |   |  |   |           |                                  |   | \$ | 53        | \$ | 53       |
| 13       | June                            |   |                   |   |   |  |   |           |                                  |   | \$ | 48        | \$ | 47,595   |
| 14       | Total (lines 1 to 13)           |   |                   |   |   |  |   |           | \$                               | (78,569)  | \$ | (1,229)   | \$ | (79,798) |
|          | <u>Current QRAM Period</u>      |   |                   |   |   |  |   |           |                                  |   |    |           |    |          |
| 15       | July, 2007                      |   | EB-2007-0634      | \$                                      | 9.833   | \$   | 0.122   | 14.5      | \$                               | (1,763)   | \$ | -         | \$ | (1,763)  |
| 16       | August                          |   |                   |   |   |  |   |           |                                  |   | \$ | -         | \$ | -        |
| 17       | September                       |   |                   |   |   |  |   |           |                                  |   | \$ | -         | \$ | -        |
| 18       | October, 2007                   |   |                   |   |   |  |   |           | \$                               | -   | \$ | -         | \$ | -        |
| 19       | November                        |   |                   |   |   |  |   |           |                                  |   | \$ | -         | \$ | -        |
| 20       | December                        |   |                   |   |   |  |   |           |                                  |   | \$ | -         | \$ | -        |
| 21       | January, 2008                   |   |                   |   |   |  |   |           | \$                               | -   | \$ | -         | \$ | -        |
| 22       | February                        |   |                   |   |   |  |   |           |                                  |   | \$ | -         | \$ | -        |
| 23       | March                           |   |                   |   |   |  |   |           |                                  |   | \$ | -         | \$ | -        |
| 24       | April, 2008                     |   |                   |   |   |  |   |           | \$                               | -   | \$ | -         | \$ | -        |
| 25       | May                             |   |                   |   |   |  |   |           |                                  |   | \$ | -         | \$ | -        |
| 26       | June                            |   |                   |   |   |  |   |           |                                  |   | \$ | -         | \$ | -        |
| 27       | Total (lines 15 to 26)          |   |                   |   |   |  |   |           | \$                               | (1,763)   | \$ | -         | \$ | (1,763)  |

\* reflects actual information

(1) Includes adjustments for volume true-ups.

(2) Interest is computed on the deferral amount balance net of the actual prospective recovery amount for the quarter prior to the current QRAM period.

**UNION GAS LIMITED**  
**Deferral Account for**  
**Spot Gas Variance Account**  
**(Deferral Account 179-107)**

| Line No.                   | Particulars                     | Spot Gas Purchases                        |                    |                            | Load Balancing                    |  |  |   |                    |                            |
|----------------------------|---------------------------------|---|--------------------|----------------------------|-----------------------------------|--|--|---|--------------------|----------------------------|
|                            |                                 | Deferral Amount Before Interest (\$000's) | Interest (\$000's) | Deferral Balance (\$000's) | Load Balancing Deferral (\$000's) | North Load Balancing Revenue (\$000's) | South Load Balancing Revenue (\$000's) | Deferral Amount Before Interest (\$000's) | Interest (\$000's) | Deferral Balance (\$000's) |
|                            |                                 | (a)                                       | (b)                | (c) = (a) + (b)            | (d)                               | (e)                                    | (f)                                    | (g) = (d)+(e)+(f)                         | (h)                | (i) = (g)+(h)              |
| 1                          | Cumulative to end of June, 2006 | \$ 233                                    | \$ 77              | \$ 310                     | \$ 5,884                          | \$ (2,791)                             | \$ (11,107)                            | \$ (8,014)                                | \$ (254)           | \$ (8,268)                 |
| 2                          | July, 2006 *                    | \$ -                                      | \$ (0)             | \$ (0)                     | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ (22)            | \$ (22)                    |
| 3                          | August *                        | \$ -                                      | \$ (0)             | \$ (0)                     | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ (23)            | \$ (23)                    |
| 4                          | September *                     | \$ -                                      | \$ (0)             | \$ (0)                     | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ (21)            | \$ (21)                    |
| 5                          | October, 2006 *                 | \$ -                                      | \$ (0)             | \$ (0)                     | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ (22)            | \$ (22)                    |
| 6                          | November *                      | \$ -                                      | \$ (0)             | \$ (0)                     | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ (21)            | \$ (21)                    |
| 7                          | December *                      | \$ -                                      | \$ (0)             | \$ (0)                     | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ (21)            | \$ (21)                    |
| 8                          | January, 2007 *                 | \$ -                                      | \$ (0)             | \$ (0)                     | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ (23)            | \$ (23)                    |
| 9                          | February *                      | \$ -                                      | \$ (0)             | \$ (0)                     | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ (18)            | \$ (18)                    |
| 10                         | March *                         | \$ -                                      | \$ (0)             | \$ (0)                     | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ (29)            | \$ (29)                    |
| 11                         | April, 2007 *                   | \$ -                                      | \$ (0)             | \$ (0)                     | \$ -                              | \$ (590)                               | \$ (2,495)                             | \$ (3,084)                                | \$ (13)            | \$ (3,097)                 |
| 12                         | May                             | \$ -                                      | \$ (0)             | \$ (0)                     | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ (10)            | \$ (10)                    |
| 13                         | June                            | \$ -                                      | \$ (0)             | \$ (0)                     | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ (9)             | \$ (9)                     |
| 14                         | Total (Lines 1 to 13)           | \$ 233                                    | \$ 74              | \$ 308                     | \$ 5,884                          | \$ (3,381)                             | \$ (13,602)                            | \$ (11,099)                               | \$ (487)           | \$ (11,586)                |
| <u>Current QRAM Period</u> |                                 |   |                    |                            |                                   |  |  |   |                    |                            |
| 15                         | July, 2007                      | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |
| 16                         | August                          | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |
| 17                         | September                       | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |
| 18                         | October, 2007                   | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |
| 19                         | November                        | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |
| 20                         | December                        | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |
| 21                         | January, 2008                   | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |
| 22                         | February                        | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |
| 23                         | March                           | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |
| 24                         | April, 2008                     | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |
| 25                         | May                             | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |
| 26                         | June                            | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |
| 27                         | Total (Lines 15 to 26)          | \$ -                                      | \$ -               | \$ -                       | \$ -                              | \$ -                                   | \$ -                                   | \$ -                                      | \$ -               | \$ -                       |

\* reflects actual information

(1) Interest is computed on the deferral amount balance net of the actual prospective recovery amount for the quarter prior to the current QRAM period.





1 Transportation rates in the South will continue to be set by subtracting the SPCD from the TCPL  
2 EDA tolls.

3  
4 **3. RATE RIDERS**

5 In addition to the forecast reference price changes identified above, changes to previously  
6 approved rate riders are required to reflect quarterly updates to gas cost deferral account  
7 balances. Each quarter Union projects the balance expected in each gas cost deferral account over  
8 the next 12 month period. In addition, Union tracks recovery variances (differences between  
9 what Union intended to recover in previous rate riders and what was actually recovered). Each  
10 quarter Union includes that variance in the rate riders established for the next 12 month period.  
11 Rates are changed automatically every quarter to reflect updated projected deferral account  
12 balances and historical recovery variances.

13  
14 A summary of deferral account activity and proposed rate rider unit rate changes are provided at  
15 Tab 2, Schedule 2, Page 1. Projected deferral account balances (lines 1 to 3) are compared to  
16 previously projected balances (line 4) in each gas cost deferral account and variances are  
17 identified (line 5). In addition, the difference between what was actually recovered in previous  
18 rate riders and what Union intended to recover is identified (line 6). This is the difference  
19 between forecast and actual volumes (last three months of actual volumes) multiplied by the  
20 previously approved rate riders. The net amount to be recovered prospectively (line 7) is the  
21 amount which has not been included in rate riders to date. The unit rate rider change in the

1 current QRAM (line 9) is the net amount in each gas cost deferral account prospectively  
2 recovered over forecast consumption in the next twelve months (line 8).

3  
4 In total, the change in gas cost-related deferrals in the current QRAM is a credit of \$24.819  
5 million. This amount excludes the balances in the North Heat Value Account (Account No. 179-  
6 89) and the Joint Unabsorbed Demand Costs Account (Account No. 179-108) which are not  
7 prospectively recovered as per the current approved QRAM process.

8  
9 For each deferral account, Tab 2, Schedule 3, line 20 shows the net prospective rider for the  
10 current QRAM period. The net prospective rider includes: (i) the introduction of the unit rate  
11 change calculated at Tab 2, Schedule 2, Page 1, line 9 and (ii) the elimination of expiring riders  
12 which have been in place for 12 months.

13  
14 Although Union is proposing a 12 month rolling prospective recovery of deferral account  
15 balances, which is part of the approved QRAM process, Union is not seeking final disposition of  
16 the deferral account balances. Union will track actual deferral account balances and the revenue  
17 attributable to deferral account recovery separately. Actual year-end deferral account balances  
18 will continue to be subject to a prudence review by the Board.

1    **4. SUMMARY OF PROPOSED RATE CHANGES**

2    The proposed changes to rates (Appendix A), infranchise rate schedules (Appendix B), and the  
3    summary of interruptible rate changes (Appendix C) are attached. The unit rates for prospective  
4    recovery of the gas cost deferral accounts are provided at Tab 2, Schedule 6 (column c).

6    **5. CUSTOMER BILL IMPACTS**

7    General Service annual customer bill impacts (including the prospective recovery of deferral  
8    account balances outlined at Tab 2, Schedule 2) are provided at Tab 2, Schedule 4. The bill  
9    impacts shown at Tab 2, Schedule 4 reflect (i) the introduction of July 1, 2007 proposed QRAM  
10    changes detailed above and (ii) the elimination of expiring July 1, 2006 prospective riders.

11    A typical M2 residential customer consuming 2,600 m<sup>3</sup> per year will see a net bill increase of  
12    \$42 per year. A typical bundled M2 direct purchase customer will see a net bill decrease of \$0.03  
13    per year. A typical Rate 01 residential customer consuming 2,600 m<sup>3</sup> per year will see a net bill  
14    increase of \$76 per year. A typical bundled Rate 01 direct purchase customer will see a net bill  
15    increase of \$8 per year.

17    General Service quarterly bill impacts (including the prospective recovery of deferral account  
18    balances outlined at Tab 2, Schedule 2) for the period July 1, 2007 to September 30, 2007 are  
19    provided at Tab 2, Schedule 5.

1    **6. CUSTOMER NOTICES**

2    Union has adopted a standard customer notice for use in QRAM commodity price changes.

3    Notices that will accompany the July 2007 bills will be in the same format and use the same

4    standard wording as the current approved QRAM customer notices.





UNION GAS LIMITED  
Southern Operations Area  
Calculation of Gas Supply Commodity Charges

| Line No.                    | Particulars   | EB-2007-0053            |             | EB-2007-0634            |             | Change                  |                |
|-----------------------------|---|-------------------------|-------------|-------------------------|-------------|-------------------------|----------------|
|                             |   | Effective April 1, 2007 |             | Effective July 1, 2007  |             | Effective July 1, 2007  |                |
|                             |   | (cents/m <sup>3</sup> ) | (\$/GJ) (1) | (cents/m <sup>3</sup> ) | (\$/GJ) (2) | (cents/m <sup>3</sup> ) | (\$/GJ)        |
|                             |   | (a)                     | (b)         | (c)                     | (d)         | (e)= (c) - (a)          | (f)= (d) - (b) |
| 1                           | Alberta Border Price                                      | 31.0303                 | 8.288       | 31.3710                 | 8.379 (3)   | 0.3407                  | 0.091          |
| 2                           | Fuel Ratios   | 5.224%                  | 5.224%      | 5.054%                  | 5.054%      | -0.170%                 | -0.170%        |
| 3                           | Compressor Fuel Charge                                    | 1.6211                  | 0.433       | 1.5856                  | 0.424       | (0.0355)                | (0.010)        |
| 4                           | Administration Charge                                     | 0.3173                  | 0.085       | 0.3173                  | 0.085       | -                       | -              |
| 5                           | Gas Commodity & Fuel Rate (line 1+3+4)                    | 32.9687                 | 8.806       | 33.2739                 | 8.888       | 0.3052                  | 0.081          |
| <u>Prospective Recovery</u> |   |                         |             |                         |             |                         |                |
| 6                           | Inventory Revaluations                                    | 1.2159                  | 0.325       | 0.8956                  | 0.239       | (0.3203) (4)            | (0.086)        |
| 7                           | Spot Gas  | 0.0001                  | -           | (0.0000)                | -           | (0.0001) (5)            | -              |
| 8                           | Firm PGVA   | (8.3026)                | (2.218)     | (6.6684)                | (1.781)     | 1.6342 (6)              | 0.437          |
| 9                           | Prospective Recovery (line 6+7+8)                         | (7.0866)                | (1.893)     | (5.7728)                | (1.542)     | 1.3138                  | 0.351          |
| 10                          | Total Commodity and Fuel Rate (line 5+9)                  | 25.8821                 | 6.913       | 27.5011                 | 7.346       | 1.6190                  | 0.432          |
| 11                          | Transportation Tolls                                      | 3.6279                  | 0.969       | 3.5830                  | 0.957 (7)   | (0.0449)                | (0.012)        |
| 12                          | Total Commodity & Fuel & Transportation Rate (line 10+11) | 29.5100                 | 7.882       | 31.0841 (8)             | 8.303       | 1.5741                  | 0.420          |

Notes:

- (1) Conversion to GJs based on avg. heating value of Western suppliers of 37.44 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (2) Conversion to GJs based on avg. heating value of Western suppliers of 37.44 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (3) Alberta Border price per Tab 1, Schedule 1, Line 11.
- (4) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of 0.2925 cents/m<sup>3</sup>.
- (5) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of 0.0001 cents/m<sup>3</sup>.
- (6) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery credit of (2.3738) cents/m<sup>3</sup>.
- (7) EB-2007-0634, Tab 1, Schedule 2, Line 6
- (8) Appendix A, Page 6, Line 4, Column (c)

UNION GAS LIMITED  
Northern & Eastern Operations Area  
Calculation of Gas Commodity and Fuel  
Fort Frances District

| Line No.                      | Description                                   | EB-2007-0053            |             | EB-2007-0634            |             | Change                  |               |
|-------------------------------|---|-------------------------|-------------|-------------------------|-------------|-------------------------|---------------|
|                               |   | Effective April 1, 2007 |             | Effective July 1, 2007  |             | Effective July 1, 2007  |               |
|                               |   | (cents/m <sup>3</sup> ) | (\$/GJ) (5) | (cents/m <sup>3</sup> ) | (\$/GJ) (6) | (cents/m <sup>3</sup> ) | (\$/GJ)       |
|                               |   | (a)                     | (b)         | (c)                     | (d)         | (e) = (c)-(a)           | (f) = (d)-(b) |
| <b>Rates 01A, 10 &amp; 16</b> |   |                         |             |                         |             |                         |               |
| 1                             | Alberta Border Price                          | 31.0303                 | 8.288       | 31.3710                 | 8.379       | 0.3407                  | 0.091         |
| 2                             | Fuel ratios                                   | 1.457%                  | 1.457%      | 1.420%                  | 1.420%      | -0.037%                 | -0.037%       |
| 3                             | Compressor Fuel Charge                        | 0.4520                  | 0.121       | 0.4455                  | 0.119       | (0.0065)                | (0.002)       |
| 4                             | Administration Charge                         | 0.3173                  | 0.085       | 0.3173                  | 0.085       | -                       | -             |
| 5                             | Gas Commodity & Fuel Rate (line 1+3+4)        | 31.7996                 | 8.494       | 32.1338                 | 8.583       | 0.3342                  | 0.089         |
| <b>Prospective Recovery</b>   |   |                         |             |                         |             |                         |               |
| 6                             | Inventory Revaluations                        | 1.2159                  | 0.325       | 0.8956                  | 0.239       | (0.3203) (1)            | (0.086)       |
| 7                             | Spot Gas                                      | 0.0001                  | -           | (0.0000)                | -           | (0.0001) (2)            | -             |
| 8                             | Firm PGVA                                     | (10.8893)               | (2.908)     | (8.3400)                | (2.228)     | 2.5493 (3)              | 0.681         |
| 9                             | Fuel  | (0.2142)                | (0.057)     | (0.1440)                | (0.038)     | 0.0702 (4)              | 0.019         |
| 10                            | Total Prospective Recovery (line 6+7+8+9)     | (9.8875)                | (2.641)     | (7.5884)                | (2.026)     | 2.2991                  | 0.614         |
| 11                            | Total Commodity and Fuel Rate (line 5+10)     | 21.9121                 | 5.853       | 24.5454                 | 6.557       | 2.6333                  | 0.703         |
| <b>Rates 20 &amp; 100 (7)</b> |   |                         |             |                         |             |                         |               |
| 12                            | Alberta Border Price                          | 31.4032                 | 8.288       | 31.7480                 | 8.379       | 0.345                   | 0.091         |
| 13                            | Fuel ratios                                   | 1.457%                  | 1.457%      | 1.420%                  | 1.420%      | -0.037%                 | -0.037%       |
| 14                            | Compressor Fuel Charge                        | 0.4575                  | 0.121       | 0.4508                  | 0.119       | (0.0067)                | (0.002)       |
| 15                            | Administration Charge                         | 0.3173                  | 0.084       | 0.3173                  | 0.084       | -                       | -             |
| 16                            | Gas Commodity & Fuel Rate (line 12+14+15)     | 32.1780                 | 8.493       | 32.5161                 | 8.582       | 0.3381                  | 0.089         |
| <b>Prospective Recovery</b>   |   |                         |             |                         |             |                         |               |
| 17                            | Inventory Revaluations                        | 1.2159                  | 0.325       | 0.8956                  | 0.239       | (0.3203) (1)            | (0.086)       |
| 18                            | Spot Gas                                      | 0.0001                  | -           | (0.0000)                | -           | (0.0001) (2)            | -             |
| 19                            | Firm PGVA                                     | (10.8893)               | (2.908)     | (8.3400)                | (2.228)     | 2.5493 (3)              | 0.681         |
| 20                            | Fuel  | (0.2142)                | (0.057)     | (0.1440)                | (0.038)     | 0.0702 (4)              | 0.019         |
| 21                            | Total Prospective Recovery (line 17+18+19+20) | (9.8875)                | (2.641)     | (7.5884)                | (2.026)     | 2.2991                  | 0.614         |
| 22                            | Total Commodity and Fuel Rate (line 16+21)    | 22.2905                 | 5.852       | 24.9277                 | 6.556       | 2.6372                  | 0.703         |

**Notes:**

- (1) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of 0.2925 cents/m<sup>3</sup>.
- (2) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of 0.0001 cents/m<sup>3</sup>.
- (3) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery credit of (3.2982) cents/m<sup>3</sup>.
- (4) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of (0.1146) cents/m<sup>3</sup>.
- (5) Conversion to GJs based on 37.44 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (6) Conversion to GJs based on 37.44 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (7) Conversion to GJs based on 37.89 GJs / 10<sup>3</sup>m<sup>3</sup>.

UNION GAS LIMITED  
Northern & Eastern Operations Area  
Calculation of Gas Commodity and Fuel  
Western Zone

|                               |   | EB-2007-0053            |             | EB-2007-0634            |             | Change                  |               |
|-------------------------------|---|-------------------------|-------------|-------------------------|-------------|-------------------------|---------------|
| Line                          |   | Effective April 1, 2007 |             | Effective July 1, 2007  |             | Effective July 1, 2007  |               |
| No.                           | Description                                   | (cents/m <sup>3</sup> ) | (\$/GJ) (5) | (cents/m <sup>3</sup> ) | (\$/GJ) (6) | (cents/m <sup>3</sup> ) | (\$/GJ)       |
|                               |   | (a)                     | (b)         | (c)                     | (d)         | (e) = (c)-(a)           | (f) = (d)-(b) |
| <b>Rates 01A, 10 &amp; 16</b> |   |                         |             |                         |             |                         |               |
| 1                             | Alberta Border Price                          | 31.0303                 | 8.288       | 31.3710                 | 8.379       | 0.3407                  | 0.091         |
| 2                             | Fuel ratios                                   | 2.548%                  | 2.548%      | 2.464%                  | 2.464%      | -0.084%                 | -0.084%       |
| 3                             | Compressor Fuel Charge                        | 0.7907                  | 0.211       | 0.7730                  | 0.206       | (0.0177)                | (0.005)       |
| 4                             | Administration Charge                         | 0.3173                  | 0.085       | 0.3173                  | 0.085       | -                       | -             |
| 5                             | Gas Commodity & Fuel Rate (line 1+3+4)        | 32.1383                 | 8.584       | 32.4613                 | 8.670       | 0.3230                  | 0.086         |
| <b>Prospective Recovery</b>   |   |                         |             |                         |             |                         |               |
| 6                             | Inventory Revaluations                        | 1.2159                  | 0.325       | 0.8956                  | 0.239       | (0.3203) (1)            | (0.086)       |
| 7                             | Spot Gas                                      | 0.0001                  | -           | (0.0000)                | -           | (0.0001) (2)            | -             |
| 8                             | Firm PGVA                                     | (10.8893)               | (2.908)     | (8.3400)                | (2.228)     | 2.5493 (3)              | 0.681         |
| 9                             | Fuel  | (0.2142)                | (0.057)     | (0.1440)                | (0.038)     | 0.0702 (4)              | 0.019         |
| 10                            | Total Prospective Recovery (line 6+7+8+9)     | (9.8875)                | (2.641)     | (7.5884)                | (2.026)     | 2.2991                  | 0.614         |
| 11                            | Total Commodity and Fuel Rate (line 5+10)     | 22.2508                 | 5.943       | 24.8729                 | 6.644       | 2.6221                  | 0.700         |
| <b>Rates 20 &amp; 100 (7)</b> |   |                         |             |                         |             |                         |               |
| 12                            | Alberta Border Price                          | 31.4032                 | 8.288       | 31.7480                 | 8.379       | 0.345                   | 0.091         |
| 13                            | Fuel ratios                                   | 2.548%                  | 2.548%      | 2.464%                  | 2.464%      | -0.084%                 | -0.084%       |
| 14                            | Compressor Fuel Charge                        | 0.8002                  | 0.211       | 0.7823                  | 0.206       | (0.0179)                | (0.005)       |
| 15                            | Administration Charge                         | 0.3173                  | 0.0840      | 0.3173                  | 0.084       | -                       | -             |
| 16                            | Gas Commodity Charge (line 12+14+15)          | 32.5207                 | 8.583       | 32.8476                 | 8.669       | 0.3269                  | 0.086         |
| <b>Prospective Recovery</b>   |   |                         |             |                         |             |                         |               |
| 17                            | Inventory Revaluations                        | 1.2159                  | 0.325       | 0.8956                  | 0.239       | (0.3203) (1)            | (0.086)       |
| 18                            | Spot Gas                                      | 0.0001                  | -           | (0.0000)                | -           | (0.0001) (2)            | -             |
| 19                            | Firm PGVA                                     | (10.8893)               | (2.908)     | (8.3400)                | (2.228)     | 2.5493 (3)              | 0.681         |
| 20                            | Fuel  | (0.2142)                | (0.057)     | (0.1440)                | (0.038)     | 0.0702 (4)              | 0.019         |
| 21                            | Total Prospective Recovery (line 17+18+19+20) | (9.8875)                | (2.641)     | (7.5884)                | (2.026)     | 2.2991                  | 0.614         |
| 22                            | Total Commodity and Fuel Rate (line 16+21)    | 22.6332                 | 5.942       | 25.2592                 | 6.643       | 2.6260                  | 0.700         |

**Notes:**

- (1) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of 0.2925 cents/m<sup>3</sup>.
- (2) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of 0.0001 cents/m<sup>3</sup>.
- (3) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery credit of (3.2982) cents/m<sup>3</sup>.
- (4) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of (0.1146) cents/m<sup>3</sup>.
- (5) Conversion to GJs based on 37.44 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (6) Conversion to GJs based on 37.44 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (7) Conversion to GJs based on 37.89 GJs / 10<sup>3</sup>m<sup>3</sup>.

UNION GAS LIMITED  
Northern & Eastern Operations Area  
Calculation of Gas Commodity and Fuel  
Northern Zone

| Line No.                      | Description                                   | EB-2007-0053                   |                    | EB-2007-0634                   |                    | Change                                   |                          |
|-------------------------------|---|--------------------------------|--------------------|--------------------------------|--------------------|--|--------------------------|
|                               |   | Effective April 1, 2007        |                    | Effective July 1, 2007         |                    | Effective July 1, 2007                   |                          |
|                               |   | (cents/m <sup>3</sup> )<br>(a) | (\$/GJ) (5)<br>(b) | (cents/m <sup>3</sup> )<br>(c) | (\$/GJ) (6)<br>(d) | (cents/m <sup>3</sup> )<br>(e) = (c)-(a) | (\$/GJ)<br>(f) = (d)-(b) |
| <b>Rates 01A, 10 &amp; 16</b> |   |                                |                    |                                |                    |  |                          |
| 1                             | Alberta Border Price                          | 31.0303                        | 8.288              | 31.3710                        | 8.379              | 0.3407                                   | 0.091                    |
| 2                             | Fuel ratios                                   | 4.015%                         | 4.015%             | 3.876%                         | 3.876%             | -0.139%                                  | -0.139%                  |
| 3                             | Compressor Fuel Charge                        | 1.2459                         | 0.333              | 1.2159                         | 0.325              | (0.0300)                                 | (0.008)                  |
| 4                             | Administration Charge                         | 0.3173                         | 0.0850             | 0.3173                         | 0.0850             | -  | -                        |
| 5                             | Gas Commodity & Fuel Rate (line 1+3+4)        | 32.5935                        | 8.706              | 32.9042                        | 8.789              | 0.3107                                   | 0.083                    |
| <u>Prospective Recovery</u>   |   |                                |                    |                                |                    |  |                          |
| 6                             | Inventory Revaluations                        | 1.2159                         | 0.325              | 0.8956                         | 0.239              | (0.3203) (1)                             | (0.086)                  |
| 7                             | Spot Gas                                      | 0.0001                         | -                  | (0.0000)                       | -                  | (0.0001) (2)                             | -                        |
| 8                             | Firm PGVA                                     | (10.8893)                      | (2.908)            | (8.3400)                       | (2.228)            | 2.5493 (3)                               | 0.681                    |
| 9                             | Fuel  | (0.2142)                       | (0.057)            | (0.1440)                       | (0.038)            | 0.0702 (4)                               | 0.019                    |
| 10                            | Total Prospective Recovery (line 6+7+8+9)     | (9.8875)                       | (2.641)            | (7.5884)                       | (2.026)            | 2.2991                                   | 0.614                    |
| 11                            | Total Commodity and Fuel Rate (line 5+10)     | 22.7060                        | 6.065              | 25.3158                        | 6.763              | 2.6098                                   | 0.697                    |
| <b>Rates 20 &amp; 100 (7)</b> |   |                                |                    |                                |                    |  |                          |
| 12                            | Alberta Border Price                          | 31.4032                        | 8.288              | 31.7480                        | 8.379              | 0.345                                    | 0.091                    |
| 13                            | Fuel ratios                                   | 4.015%                         | 4.015%             | 3.876%                         | 3.876%             | -0.139%                                  | -0.139%                  |
| 14                            | Compressor Fuel Charge                        | 1.2608                         | 0.333              | 1.2305                         | 0.325              | (0.0303)                                 | (0.008)                  |
| 15                            | Administration Charge                         | 0.3173                         | 0.084              | 0.3173                         | 0.084              | -  | -                        |
| 16                            | Gas Commodity Charge (line 12+14+15)          | 32.9813                        | 8.705              | 33.2958                        | 8.788              | 0.3145                                   | 0.083                    |
| <u>Prospective Recovery</u>   |   |                                |                    |                                |                    |  |                          |
| 17                            | Inventory Revaluations                        | 1.2159                         | 0.325              | 0.8956                         | 0.239              | (0.3203) (1)                             | (0.086)                  |
| 18                            | Spot Gas                                      | 0.0001                         | -                  | (0.0000)                       | -                  | (0.0001) (2)                             | -                        |
| 19                            | Firm PGVA                                     | (10.8893)                      | (2.908)            | (8.3400)                       | (2.228)            | 2.5493 (3)                               | 0.681                    |
| 20                            | Fuel  | (0.2142)                       | (0.057)            | (0.1440)                       | (0.038)            | 0.0702 (4)                               | 0.019                    |
| 21                            | Total Prospective Recovery (line 17+18+19+20) | (9.8875)                       | (2.641)            | (7.5884)                       | (2.026)            | 2.2991                                   | 0.614                    |
| 22                            | Total Commodity and Fuel Rate (line 16+21)    | 23.0938                        | 6.064              | 25.7074                        | 6.762              | 2.6136                                   | 0.697                    |

Notes:

- (1) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of 0.2925 cents/m<sup>3</sup>.
- (2) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of 0.0001 cents/m<sup>3</sup>.
- (3) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery credit of (3.2982) cents/m<sup>3</sup>.
- (4) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of (0.1146) cents/m<sup>3</sup>.
- (5) Conversion to GJs based on 37.44 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (6) Conversion to GJs based on 37.44 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (7) Conversion to GJs based on 37.89 GJs / 10<sup>3</sup>m<sup>3</sup>.

UNION GAS LIMITED  
Northern & Eastern Operations Area  
Calculation of Gas Commodity and Fuel  
Eastern Zone

| Line No.                      | Description                                   | EB-2007-0053                   |                    | EB-2007-0634                   |                    | Change                                   |                          |
|-------------------------------|---|--------------------------------|--------------------|--------------------------------|--------------------|--|--------------------------|
|                               |   | Effective April 1, 2007        |                    | Effective July 1, 2007         |                    | Effective July 1, 2007                   |                          |
|                               |   | (cents/m <sup>3</sup> )<br>(a) | (\$/GJ) (5)<br>(b) | (cents/m <sup>3</sup> )<br>(c) | (\$/GJ) (6)<br>(d) | (cents/m <sup>3</sup> )<br>(e) = (c)-(a) | (\$/GJ)<br>(f) = (d)-(b) |
| <b>Rates 01A, 10 &amp; 16</b> |   |                                |                    |                                |                    |  |                          |
| 1                             | Alberta Border Price                          | 31.0303                        | 8.288              | 31.3710                        | 8.379              | 0.3407                                   | 0.091                    |
| 2                             | Fuel ratios                                   | 5.224%                         | 5.224%             | 5.054%                         | 5.054%             | -0.170%                                  | -0.170%                  |
| 3                             | Compressor Fuel Charge                        | 1.6211                         | 0.433              | 1.5856                         | 0.424              | (0.0355)                                 | (0.009)                  |
| 4                             | Administration Charge                         | 0.3173                         | 0.085              | 0.3173                         | 0.085              | -  | -                        |
| 5                             | Gas Commodity & Fuel Rate (line 1+3+4)        | 32.9687                        | 8.806              | 33.2739                        | 8.888              | 0.3052                                   | 0.082                    |
| <u>Prospective Recovery</u>   |   |                                |                    |                                |                    |  |                          |
| 6                             | Inventory Revaluations                        | 1.2159                         | 0.325              | 0.8956                         | 0.239              | (0.3203) (1)                             | (0.086)                  |
| 7                             | Spot Gas                                      | 0.0001                         | -                  | (0.0000)                       | -                  | (0.0001) (2)                             | -                        |
| 8                             | Firm PGVA                                     | (10.8893)                      | (2.908)            | (8.3400)                       | (2.228)            | 2.5493 (3)                               | 0.681                    |
| 9                             | Fuel  | (0.2142)                       | (0.057)            | (0.1440)                       | (0.038)            | 0.0702 (4)                               | 0.019                    |
| 10                            | Total Prospective Recovery (line 6+7+8+9)     | (9.8875)                       | (2.641)            | (7.5884)                       | (2.026)            | 2.2991                                   | 0.614                    |
| 11                            | Total Commodity and Fuel Rate (line 5+10)     | 23.0812                        | 6.165              | 25.6855                        | 6.862              | 2.6043                                   | 0.696                    |
| <b>Rates 20 &amp; 100 (7)</b> |   |                                |                    |                                |                    |  |                          |
| 12                            | Alberta Border Price                          | 31.4032                        | 8.288              | 31.7480                        | 8.379              | 0.345                                    | 0.091                    |
| 13                            | Fuel ratios                                   | 5.224%                         | 5.224%             | 5.054%                         | 5.054%             | -0.170%                                  | -0.170%                  |
| 14                            | Compressor Fuel Charge                        | 1.6406                         | 0.433              | 1.6046                         | 0.423              | (0.0360)                                 | (0.010)                  |
| 15                            | Administration Charge                         | 0.3173                         | 0.084              | 0.3173                         | 0.084              | -  | -                        |
| 16                            | Gas Commodity Charge (line 12+14+15)          | 33.3611                        | 8.805              | 33.6699                        | 8.886              | 0.3088                                   | 0.081                    |
| <u>Prospective Recovery</u>   |   |                                |                    |                                |                    |  |                          |
| 17                            | Inventory Revaluations                        | 1.2159                         | 0.325              | 0.8956                         | 0.239              | (0.3203) (1)                             | (0.086)                  |
| 18                            | Spot Gas                                      | 0.0001                         | -                  | (0.0000)                       | -                  | (0.0001) (2)                             | -                        |
| 19                            | Firm PGVA                                     | (10.8893)                      | (2.908)            | (8.3400)                       | (2.228)            | 2.5493 (3)                               | 0.681                    |
| 20                            | Fuel  | (0.2142)                       | (0.057)            | (0.1440)                       | (0.038)            | 0.0702 (4)                               | 0.019                    |
| 21                            | Total Prospective Recovery (line 17+18+19+20) | (9.8875)                       | (2.641)            | (7.5884)                       | (2.026)            | 2.2991                                   | 0.614                    |
| 22                            | Total Commodity and Fuel Rate (line 16+21)    | 23.4736                        | 6.164              | 26.0815                        | 6.860              | 2.6079                                   | 0.695                    |

Notes:

- (1) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of 0.2925 cents/m<sup>3</sup>.
- (2) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of 0.0001 cents/m<sup>3</sup>.
- (3) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery credit of (3.2982) cents/m<sup>3</sup>.
- (4) EB-2007-0634, Tab 2, Schedule 6, Page 1 of 4, less the expiry of July 2006 Prospective Recovery charge of (0.1146) cents/m<sup>3</sup>.
- (5) Conversion to GJs based on 37.44 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (6) Conversion to GJs based on 37.44 GJs / 10<sup>3</sup>m<sup>3</sup>.
- (7) Conversion to GJs based on 37.89 GJs / 10<sup>3</sup>m<sup>3</sup>.



**UNION GAS LIMITED**  
**Summary of Amounts for Prospective Recovery and**  
**Unit Changes to Prospective Rate Riders**

| Line No.   |  |     | TCPL Tolls |                |         | TCPL     | SPGVA     | Inventory Revaluation | Load Balancing | Spot Gas Purchases | Total     |
|--|--|-----|------------|----------------|---------|----------|-----------|-----------------------|----------------|--------------------|-----------|
|  |  |     | NPGVA      | Transportation | Storage | Fuel     |           |                       |                |                    |           |
|  |  |     | (a)        | (b)            | (c)     | (d)      | (e)       | (f)                   | (g)            | (h)                | (i)       |
| <u>Deferral Account Balance Continuity (\$000's)</u> |  |     |            |                |         |          |           |                       |                |                    |           |
| 1  | Cumulative to July 1, 2007                               | (1) | (77,322)   | (10,396)       | -       | 4,866    | (186,410) | (79,798)              | (11,586)       | 308                | (360,338) |
| 2  | Forecast Balance: Next 12 months                         | (2) | -          | (727)          | -       | (132)    | -         | (1,763)               | -              | -                  | (2,622)   |
| 3  | Total Balance - Current QRAM                             | (3) | (77,322)   | (11,123)       | -       | 4,734    | (186,410) | (81,561)              | (11,586)       | 308                | (362,960) |
| 4  | Total Balance - Previous QRAM                            | (4) | (70,417)   | (12,271)       | -       | 5,022    | (164,595) | (81,870)              | (8,427)        | 308                | (332,250) |
| 5  | Deferral Account Balance Variance                        | (5) | (6,905)    | 1,148          | -       | (288)    | (21,814)  | 309                   | (3,159)        | (0)                | (30,710)  |
| 6  | Prospective Recovery Variance                            | (6) | 1,925      | (2)            | -       | (7)      | 4,879     | (1,130)               | 226            | (0)                | 5,891     |
| 7  | Net Amount for Prospective Recovery                      | (7) | (4,980)    | 1,146          | -       | (295)    | (16,935)  | (821)                 | (2,933)        | (0)                | (24,819)  |
| <u>Prospective Rate Rider Changes</u>                |  |     |            |                |         |          |           |                       |                |                    |           |
| 8  | Forecast Billing Units (10 <sup>3</sup> m <sup>3</sup> ) | (8) | 664,889    | 1,449,347      |         | 664,889  | 2,289,705 | 2,954,594             | class          | 2,954,594          |           |
| 9  | Unit Rate Change (cents/m <sup>3</sup> )                 | (9) | (0.7489)   | 0.0791         |         | (0.0444) | (0.7396)  | (0.0278)              | specific       | (0.0000)           |           |

**Notes:**

- (1) Balance in each deferral account at July 1, 2007. Balances at Tab 1, Schedule 3, Page 1, line 14.
- (2) Next 12 months forecast for each deferral account. Balances at Tab 1, Schedule 3, Page 1, line 27.
- (3) Projected balance in each deferral account for the current QRAM period. Line 3 = Line 1 + Line 2.
- (4) Balances approved for prospective recovery in the previous QRAM, ie. EB-2006-0053.
- (5) The deferral amount for recovery/(refund) which has not been included in previously approved prospective rate riders. Line 5 = Line 3 - Line 4.
- (6) Variance between forecast and actual volumes (last three months of actual volumes) multiplied by the previously approved riders.  
Balances at Tab 2, Schedule 2, Page 2, Line 11.
- (7) Line 7 = Line 5 + Line 6.
- (8) Billing units reflect the approved allocation basis for each deferral account.
- (9) Line 9 = Line 7 / Line 8.



**UNION GAS LIMITED**  
**Summary of Amounts for Prospective Recovery**  
**for the 12-month period ending June 30, 2007**

| Line No.   | Particulars  |     | North                          | North Tolls and LBA                      |                                   | North                          | South                          | Joint Accounts                                  |  |  | Total (\$000's) |
|--|--|-----|--------------------------------|--|-----------------------------------|--------------------------------|--------------------------------|---|--|--|-----------------|
|  |  |     | PGVA<br>(179-105)<br>(\$000's) | Transportation<br>(179-100)<br>(\$000's) | Storage<br>(179-100)<br>(\$000's) | Fuel<br>(179-100)<br>(\$000's) | PGVA<br>(179-106)<br>(\$000's) | Inventory Revaluation<br>(179-109)<br>(\$000's) | Load Balancing<br>(179-107)<br>(\$000's) | Spot Gas Variance Acct<br>(179-107)<br>(\$000's) |                 |
|  |  |     | (a)                            | (b)                                      | (c)                               | (d)                            | (e)                            | (f)   | (g)                                      | (h)  | (i)             |
| <b>Deferral Amounts for Recovery</b>                             |  |     |                                |  |                                   |                                |                                |   |  |  |                 |
|  | Change in 12-month deferral account projection:                      |     |                                |  |                                   |                                |                                |   |  |  |                 |
| 1  | 12-month projection from current QRAM application                    | (1) | -                              | (727)                                    | -                                 | (132)                          | -                              | (1,763)   | -  | -  | (2,622)         |
| 2  | Less: 12-month projection from previous QRAM application             | (2) | -                              | (1,005)                                  | -                                 | (138)                          | -                              | (2,639)   | -  | -  | (3,781)         |
| 3  | Change (Line 1 - Line 2)   |     | -                              | 278                                      | -                                 | 6                              | -                              | 875   | -  | -  | 1,159           |
| Previous Quarter: True-up of deferral balances                   |  |     |                                |  |                                   |                                |                                |   |  |  |                 |
| 4  | Actual deferral balance for February, March, April                   | (3) | (4,892)                        | 866                                      | -                                 | (305)                          | (17,269)                       | (504)   | (3,145)                                  | (1)  | (25,249)        |
| 5  | Current projected deferral amount for May, June                      | (4) | (5,086)                        | 230                                      | -                                 | (174)                          | (14,791)                       | 101   | (19)                                     | (1)  | (19,739)        |
| 6  | Less: Previous projection included in recovery for January, February | (5) | (3,073)                        | 226                                      | -                                 | (184)                          | (10,246)                       | 164   | (4)                                      | (1)  | (13,119)        |
| 7  | Variance (Line 4 + Line 5 - Line 6)                                  |     | (6,905)                        | 870                                      | -                                 | (294)                          | (21,814)                       | (566)   | (3,159)                                  | (0)  | (31,869)        |
| 8  | Total Deferral Amounts for Recovery (Line 3 + Line 7)                |     | (6,905)                        | 1,148                                    | -                                 | (288)                          | (21,814)                       | 309   | (3,159)                                  | (0)  | (30,710)        |
| <b>Previous Quarter: True-up of Prospective Recovery Amounts</b> |  |     |                                |  |                                   |                                |                                |   |  |  |                 |
| 9  | Forecast prospective recovery amount for February, March, April      | (6) | (27,563)                       | (727)                                    | -                                 | (34)                           | (73,105)                       | 17,530  | (2,097)                                  | 3  | (85,992)        |
| 10   | Less: Actual prospective recovery amount for February, March, April  | (7) | (29,488)                       | (725)                                    | -                                 | (27)                           | (77,984)                       | 18,660  | (2,322)                                  | 3  | (91,883)        |
| 11   | Variance (Line 9 - Line 10)  |     | 1,925                          | (2)                                      | -                                 | (7)                            | 4,879                          | (1,130)   | 226                                      | (0)  | 5,891           |
| 12   | Total Amount for Prospective Recovery (Line 8 + Line 11)             |     | (4,980)                        | 1,146                                    | -                                 | (295)                          | (16,935)                       | (821)   | (2,933)                                  | (0)  | (24,819)        |

**Notes:**

- (1) Tab 1, Schedule 3, Page 1, Line 27.
- (2) EB-2006-0053, Tab 1, Schedule 3, Page 1, Line 27.
- (3) Tab 1, Schedule 3, Page 1, Lines 9+10+11.
- (4) Tab 1, Schedule 3, Page 1, Lines 12+13.
- (5) EB-2006-0053, Tab 2, Schedule 2, Page 2, Line 5.
- (6) Tab 2, Working Papers, Schedule 3, Column (a), Line 16.
- (7) Tab 2, Working Papers, Schedule 3, Column (b), Line 16.

Union Gas Limited  
Derivation of Amounts and Unit Rates for Prospective Recovery

| <u>Page</u> |   |
|-------------|---|
| 1           | North Purchased Gas Variance Account (Deferral Account 179-105)       |
| 2           | TCPL Tolls and LBA- Transportation (Deferral Account 179-100)         |
|             | TCPL Tolls and LBA- Storage (Deferral Account 179-100)                |
| 3           | Rate 01   |
| 4           | Rate 10   |
| 5           | Rate 20   |
| 6           | Bundled Storage (Rate 20 and R100)                                    |
| 7           | Fuel- Northern and Eastern Operations Area (Deferral Account 179-100) |
| 8           | Southern Purchased Gas Variance Account (Deferral Account 179-106)    |
| 9           | Inventory Revaluation (Deferral Account 179-109)                      |
|             | Load Balancing (Deferral Account 179-107)                             |
| 10          | Rate 01   |
| 11          | Rate 10   |
| 12          | Rate 20   |
| 13          | M2  |
| 14          | M4  |
| 15          | M5A   |
| 16          | M7  |
| 17          | M9  |
| 18          | Spot Gas Purchases (Deferral Account 179-107)                         |



**UNION GAS LIMITED**  
**North Purchased Gas Variance Account (Deferral Account 179-105)**  
**Derivation of Amounts and Unit Rates for Prospective Recovery**

| Line No. | Particulars   | Units                             | Year 2006              |                        | Year 2007               |                         |                        |
|----------|---|-----------------------------------|------------------------|------------------------|-------------------------|-------------------------|------------------------|
|          |   |                                   | Jul Q3<br>(a)          | Oct Q4 (1)<br>(b)      | Jan Q1 (2)<br>(c)       | Apr Q2 (3)<br>(d)       | Jul Q3 (4)<br>(e)      |
|          | <b><u>Deferral Amounts for Recovery</u></b>   |                                   |                        |                        |                         |                         |                        |
|          | Change in 12-month deferral account projection:   |                                   |                        |                        |                         |                         |                        |
| 1        | 12-month projection from current QRAM application   | (\$000's)                         | -                      | -                      | -                       | -                       | -                      |
| 2        | Less: 12-month projection from previous QRAM application  | (\$000's)                         | -                      | -                      | -                       | -                       | -                      |
| 3        | Change (Line 1 - Line 2)  | (\$000's)                         | -                      | -                      | -                       | -                       | -                      |
|          | Previous Quarter: True-up of deferral balances  |                                   |                        |                        |                         |                         |                        |
| 4        | Actual deferral balances  | (\$000's)                         | (21,836)               | (16,556)               | (28,438)                | (11,850)                | (4,892)                |
| 5        | Current projected deferral amounts  | (\$000's)                         | (11,403)               | (14,492)               | (10,120)                | (3,073)                 | (5,086)                |
| 6        | Less: Previous projection included in recovery  | (\$000's)                         | (11,058)               | (11,403)               | (14,492)                | (10,120)                | (3,073)                |
| 7        | Variance (Line 4 + Line 5 - Line 6)   | (\$000's)                         | (22,181)               | (19,645)               | (24,066)                | (4,802)                 | (6,905)                |
| 8        | Total Deferral Amounts for Recovery (Line 3 + Line 7)   | (\$000's)                         | (22,181)               | (19,645)               | (24,066)                | (4,802)                 | (6,905)                |
| 9        | Cumulative Deferral Amounts for Recovery  | (\$000's)                         | (21,904)               | (41,548)               | (65,614)                | (70,417)                | (77,322)               |
|          | <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |                                   |                        |                        |                         |                         |                        |
|          | Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |                                   |                        |                        |                         |                         |                        |
| 10       | Forecast prospective recovery amount  | (\$000's)                         | 4,166                  | 323                    | (2,416)                 | (19,990)                | (27,563)               |
| 11       | Less: Actual prospective recovery amount  | (\$000's)                         | 3,861                  | 486                    | (2,499)                 | (18,235)                | (29,488)               |
| 12       | Variance (Line 10 - Line 11)  | (\$000's)                         | 305                    | (163)                  | 83                      | (1,755)                 | 1,925                  |
| 13       | Total Amount for Prospective Recovery (Line 8 + Line 12)  | (\$000's)                         | (21,876)               | (19,808)               | (23,983)                | (6,557)                 | (4,980)                |
| 14       | Forecast - 12 month sales service volume  | (10 <sup>3</sup> m <sup>3</sup> ) | 663,281                | 663,115                | 662,903                 | 664,847                 | 664,889                |
| 15       | Unit Rate   | (cents/m <sup>3</sup> )           | <u>(3.2982)</u>        | <u>(2.9870)</u>        | <u>(3.6178)</u>         | <u>(0.9863)</u>         | <u>(0.7489)</u>        |
|          | <b><u>Summary of Unit Rates</u></b>   |                                   |                        |                        |                         |                         |                        |
| 16       | Unit Rate Q1  | (cents/m <sup>3</sup> )           | 4.1662                 | 4.1662                 | (3.6178)                | (3.6178)                | (3.6178)               |
| 17       | Unit Rate Q2  | (cents/m <sup>3</sup> )           | (1.6964)               | (1.6964)               | (1.6964)                | (0.9863)                | (0.9863)               |
| 18       | Unit Rate Q3 Expiring rate replaced by new rate   | (cents/m <sup>3</sup> )           | (3.2982)               | (3.2982)               | (3.2982)                | (3.2982)                | (0.7489)               |
| 19       | Unit Rate Q4  | (cents/m <sup>3</sup> )           | <u>(1.3824)</u>        | <u>(2.9870)</u>        | <u>(2.9870)</u>         | <u>(2.9870)</u>         | <u>(2.9870)</u>        |
| 20       | <b>Total Unit Rate - Prospective Recovery</b>   | (cents/m <sup>3</sup> )           | <b><u>(2.2108)</u></b> | <b><u>(3.8154)</u></b> | <b><u>(11.5994)</u></b> | <b><u>(10.8893)</u></b> | <b><u>(8.3400)</u></b> |

**Notes:**

- (1) EB-2006-0500, Tab 2, Schedule 2, Column (a).  
(2) EB-2006-0502, Tab 2, Schedule 2, Column (a).  
(3) EB-2007-0053, Tab 2, Schedule 2, Column (a).  
(4) EB-2007-0634, Tab 2, Schedule 2, Column (a).

UNION GAS LIMITED

TCPL Tolls and LBA - Transportation - Northern and Eastern Operations Area (Deferral Account 179-100)

Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006 |           | Year 2007 |           |           |
|---|--|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
|   |  |                                   | Jul       | Oct       | Jan       | Apr       | Jul       |
|   |  |                                   | Q3        | Q4 (1)    | Q1 (2)    | Q2 (3)    | Q3 (4)    |
|   |  |                                   | (a)       | (b)       | (c)       | (d)       | (e)       |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |           |           |           |           |           |
| Change in 12-month deferral account projection:   |  |                                   |           |           |           |           |           |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | (1,581)   | (1,581)   | (1,141)   | (1,005)   | (727)     |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | (1,582)   | (1,581)   | (1,581)   | (1,141)   | (1,005)   |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | 1         | 0         | 440       | 136       | 278       |
| Previous Quarter: True-up of deferral balances  |  |                                   |           |           |           |           |           |
| 4   | Actual deferral balances                                 | (\$000's)                         | (406)     | 364       | (1,523)   | 415       | 866       |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (268)     | (264)     | (272)     | 216       | 230       |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | (239)     | (268)     | (264)     | (272)     | 226       |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (435)     | 369       | (1,532)   | 903       | 870       |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | (435)     | 369       | (1,092)   | 1,039     | 1,148     |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | (5,250)   | (4,882)   | (5,973)   | (4,935)   | (3,787)   |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |           |           |           |           |           |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |           |           |           |           |           |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | (1,699)   | (544)     | (464)     | (992)     | (727)     |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | (1,492)   | (389)     | (455)     | (860)     | (725)     |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | (207)     | (155)     | (9)       | (132)     | (2)       |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | (642)     | 213       | (1,101)   | 906       | 1,146     |
| 14  | Forecast - 12 month volume                               | (10 <sup>3</sup> m <sup>3</sup> ) | 1,464,881 | 1,462,064 | 1,456,005 | 1,452,280 | 1,449,347 |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | (0.0438)  | 0.0146    | (0.0756)  | 0.0624    | 0.0791    |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |           |           |           |           |           |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | (0.0659)  | (0.0659)  | (0.0756)  | (0.0756)  | (0.0756)  |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | (0.0665)  | (0.0665)  | (0.0665)  | 0.0624    | 0.0624    |
| 18  | Unit Rate Q3 Expiring rate replaced by new rate          | (cents/m <sup>3</sup> )           | (0.0438)  | (0.0438)  | (0.0438)  | (0.0438)  | 0.0791    |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | (0.1388)  | 0.0146    | 0.0146    | 0.0146    | 0.0146    |
| 20  | Total Unit Rate - Prospective Recovery                   | (cents/m <sup>3</sup> )           | (0.3150)  | (0.1616)  | (0.1713)  | (0.0424)  | 0.0805    |

Notes:

- (1) EB-2006-0500, Tab 2, Schedule 2, Column (d).  
(2) EB-2006-0502, Tab 2, Schedule 2, Column (d).  
(3) EB-2007-0053, Tab 2, Schedule 2, Column (d).  
(4) EB-2007-0634, Tab 2, Schedule 2, Column (d).

**UNION GAS LIMITED**  
Rate 01 - North Tolls and LBA - Storage (Deferral Account 179-100)  
Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006 |          | Year 2007 |          |          |
|---|--|-----------------------------------|-----------|----------|-----------|----------|----------|
|   |  |                                   | Jul       | Oct      | Jan       | Apr      | Jul      |
|   |  |                                   | Q3        | Q4 (1)   | Q1 (2)    | Q2 (3)   | Q3 (4)   |
|   |  |                                   | (a)       | (b)      | (c)       | (d)      | (e)      |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |           |          |           |          |          |
| Change in 12-month deferral account projection:   |  |                                   |           |          |           |          |          |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | (1,225)   | (969)    | -         | -        | -        |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | (1,746)   | (1,225)  | (969)     | -        | -        |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | 522       | 256      | 969       | -        | -        |
| Previous Quarter: True-up of deferral balances  |  |                                   |           |          |           |          |          |
| 4   | Actual deferral balances                                 | (\$000's)                         | (262)     | (292)    | (401)     | (849)    | -        |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (234)     | (176)    | (742)     | 5        | -        |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | (68)      | (234)    | (176)     | (742)    | -        |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (428)     | (234)    | (968)     | (101)    | -        |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | 94        | 22       | 1         | (101)    | -        |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | (4,896)   | (4,874)  | (4,873)   | (4,974)  | -        |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |           |          |           |          |          |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |           |          |           |          |          |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | (713)     | (158)    | (130)     | (218)    | -        |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | (645)     | (116)    | (103)     | (192)    | -        |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | (69)      | (42)     | (27)      | (26)     | -        |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | 25        | (19)     | (27)      | (127)    | -        |
| 14  | Forecast - 12 month volume                               | (10 <sup>3</sup> m <sup>3</sup> ) | 909,397   | 908,384  | 905,311   | 904,307  | -        |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | 0.0028    | (0.0021) | (0.0029)  | (0.0141) | -        |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |           |          |           |          |          |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | (0.0999)  | (0.0999) | (0.0029)  | (0.0029) | (0.0029) |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | 0.0039    | 0.0039   | 0.0039    | (0.0141) | (0.0141) |
| 18  | Unit Rate Q3 Expiring rider                              | (cents/m <sup>3</sup> )           | 0.0028    | 0.0028   | 0.0028    | 0.0028   | -        |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | (0.0674)  | (0.0021) | (0.0021)  | (0.0021) | (0.0021) |
| 20  | Total Unit Rate - Prospective Recovery                   | (cents/m <sup>3</sup> )           | (0.1606)  | (0.0953) | 0.0017    | (0.0163) | (0.0191) |

**Notes:**

- (1) EB-2006-0500, Working Papers, Schedule 2, Page 6 of 6, Column (g).
- (2) EB-2006-0502, Working Papers, Schedule 2, Page 6 of 6, Column (g).
- (3) EB-2007-0053, Working Papers, Schedule 2, Page 6 of 6, Column (g).
- (4) EB-2007-0634, Working Papers, Schedule 2, Page 6 of 6, Column (g).

**UNION GAS LIMITED**  
Rate 10 - North Tolls and LBA - Storage (Deferral Account 179-100)  
Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006 |            | Year 2007  |            |            |
|---|--|-----------------------------------|-----------|------------|------------|------------|------------|
|   |  |                                   | Jul Q3    | Oct Q4 (1) | Jan Q1 (2) | Apr Q2 (3) | Jul Q3 (4) |
|   |  |                                   | (a)       | (b)        | (c)        | (d)        | (e)        |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |           |            |            |            |            |
| Change in 12-month deferral account projection:   |  |                                   |           |            |            |            |            |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | (378)     | (273)      | -          | -          | -          |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | (553)     | (378)      | (273)      | -          | -          |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | 175       | 105        | 273        | -          | -          |
| Previous Quarter: True-up of deferral balances  |  |                                   |           |            |            |            |            |
| 4   | Actual deferral balances                                 | (\$000's)                         | (80)      | (129)      | (156)      | (251)      | -          |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (88)      | (69)       | (197)      | 1          | -          |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | 15        | (88)       | (69)       | (197)      | -          |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (183)     | (110)      | (284)      | (52)       | -          |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | (8)       | (5)        | (12)       | (52)       | -          |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | (1,525)   | (1,530)    | (1,542)    | (1,594)    | -          |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |           |            |            |            |            |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |           |            |            |            |            |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | (201)     | (75)       | (58)       | (84)       | -          |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | (197)     | (60)       | (53)       | (79)       | -          |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | (3)       | (15)       | (5)        | (5)        | -          |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | (11)      | (20)       | (16)       | (57)       | -          |
| 14  | Forecast - 12 month volume                               | (10 <sup>3</sup> m <sup>3</sup> ) | 380,751   | 380,404    | 379,141    | 378,202    | -          |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | (0.0030)  | (0.0052)   | (0.0043)   | (0.0150)   | -          |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |           |            |            |            |            |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | (0.0696)  | (0.0696)   | (0.0043)   | (0.0043)   | (0.0043)   |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | (0.0046)  | (0.0046)   | (0.0046)   | (0.0150)   | (0.0150)   |
| 18  | Unit Rate Q3 Expiring rider                              | (cents/m <sup>3</sup> )           | (0.0030)  | (0.0030)   | (0.0030)   | (0.0030)   | -          |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | (0.0567)  | (0.0052)   | (0.0052)   | (0.0052)   | (0.0052)   |
| 20  | Total Unit Rate - Prospective Recovery                   | (cents/m <sup>3</sup> )           | (0.1339)  | (0.0824)   | (0.0171)   | (0.0275)   | (0.0245)   |

**Notes:**

- (1) EB-2006-0500, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(2) EB-2006-0502, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(3) EB-2007-0053, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(4) EB-2007-0634, Working Papers, Schedule 2, Page 6 of 6, Column (g).

**UNION GAS LIMITED**  
Rate 20 - North Tolls and LBA - Storage (Deferral Account 179-100)  
Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                               | Year 2006 |          | Year 2007 |        |        |
|---|--|-------------------------------------|-----------|----------|-----------|--------|--------|
|   |  |                                     | Jul       | Oct      | Jan       | Apr    | Jul    |
|   |  |                                     | Q3        | Q4 (1)   | Q1 (2)    | Q2 (3) | Q3 (4) |
|   |  |                                     | (a)       | (b)      | (c)       | (d)    | (e)    |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                     |           |          |           |        |        |
| Change in 12-month deferral account projection:   |  |                                     |           |          |           |        |        |
| 1   | 12-month projection from current QRAM application        | (\$000's)                           | (111)     | (51)     | -         | -      | -      |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                           | (171)     | (111)    | (51)      | -      | -      |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                           | 60        | 60       | 51        | -      | -      |
| Previous Quarter: True-up of deferral balances  |  |                                     |           |          |           |        |        |
| 4   | Actual deferral balances                                 | (\$000's)                           | 23        | (47)     | (41)      | (28)   | -      |
| 5   | Current projected deferral amounts                       | (\$000's)                           | (39)      | (39)     | (30)      | 1      | -      |
| 6   | Less: Previous projection included in recovery           | (\$000's)                           | 26        | (39)     | (39)      | (30)   | -      |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                           | (43)      | (47)     | (31)      | 3      | -      |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                           | 17        | 14       | 19        | 3      | -      |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                           | (246)     | (232)    | (213)     | (210)  | -      |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                     |           |          |           |        |        |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                     |           |          |           |        |        |
| 10  | Forecast prospective recovery amount                     | (\$000's)                           | (28)      | (34)     | (12)      | 9      | -      |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                           | (31)      | (32)     | (18)      | 8      | -      |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                           | 2         | (2)      | 6         | 1      | -      |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                           | 19        | 12       | 26        | 4      | -      |
| 14  | Forecast - 12 month demand billing units                 | (10 <sup>3</sup> m <sup>3</sup> /d) | 8,555     | 8,459    | 8,363     | 8,273  | -      |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )             | 0.2276    | 0.1426   | 0.3066    | 0.0507 | -      |
| <b><u>Summary of Unit Rates</u></b>   |  |                                     |           |          |           |        |        |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )             | (0.4321)  | (0.4321) | 0.3066    | 0.3066 | 0.3066 |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )             | 0.2291    | 0.2291   | 0.2291    | 0.0507 | 0.0507 |
| 18  | Unit Rate Q3 Expiring rider                              | (cents/m <sup>3</sup> )             | 0.2276    | 0.2276   | 0.2276    | 0.2276 | -      |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )             | (0.9197)  | 0.1426   | 0.1426    | 0.1426 | 0.1426 |
| 20  | Total Unit Rate - Prospective Recovery                   | (cents/m <sup>3</sup> )             | (0.8951)  | 0.1672   | 0.9059    | 0.7275 | 0.4999 |

Notes:

- (1) EB-2006-0500, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(2) EB-2006-0502, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(3) EB-2007-0053, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(4) EB-2007-0634, Working Papers, Schedule 2, Page 6 of 6, Column (g).



**UNION GAS LIMITED**  
Bundled Storage (R20 and R100) - North Tolls and LBA - Storage (Deferral Account 179-100)  
Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units     | Year 2006 |         | Year 2007 |         |         |
|---|--|-----------|-----------|---------|-----------|---------|---------|
|   |  |           | Jul       | Oct     | Jan       | Apr     | Jul     |
|   |  |           | Q3        | Q4 (1)  | Q1 (2)    | Q2 (3)  | Q3 (4)  |
|   |  |           | (a)       | (b)     | (c)       | (d)     | (e)     |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |           |           |         |           |         |         |
| Change in 12-month deferral account projection:   |  |           |           |         |           |         |         |
| 1   | 12-month projection from current QRAM application        | (\$000's) | (110)     | (51)    | -         | -       | -       |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's) | (169)     | (110)   | (51)      | -       | -       |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's) | 59        | 59      | 51        | -       | -       |
| Previous Quarter: True-up of deferral balances  |  |           |           |         |           |         |         |
| 4   | Actual deferral balances                                 | (\$000's) | (15)      | (75)    | (82)      | (57)    | -       |
| 5   | Current projected deferral amounts                       | (\$000's) | (39)      | (39)    | (32)      | 1       | -       |
| 6   | Less: Previous projection included in recovery           | (\$000's) | 14        | (39)    | (39)      | (32)    | -       |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's) | (67)      | (75)    | (75)      | (24)    | -       |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's) | (8)       | (16)    | (23)      | (24)    | -       |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's) | (494)     | (511)   | (534)     | (558)   | -       |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |           |           |         |           |         |         |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |           |           |         |           |         |         |
| 10  | Forecast prospective recovery amount                     | (\$000's) | (56)      | (51)    | (35)      | (19)    | -       |
| 11  | Less: Actual prospective recovery amount                 | (\$000's) | (57)      | (58)    | (41)      | (22)    | -       |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's) | 1         | 7       | 6         | 3       | -       |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's) | (7)       | (10)    | (17)      | (21)    | -       |
| 14  | Forecast - 12 month demand billing units                 | (GJ/d)    | 142,668   | 142,668 | 142,668   | 142,668 | -       |
| 15  | Unit Rate  | (\$/GJ)   | (0.051)   | (0.070) | (0.119)   | (0.149) | -       |
| <b><u>Summary of Unit Rates</u></b>   |  |           |           |         |           |         |         |
| 16  | Unit Rate Q1   | (\$/GJ)   | (0.450)   | (0.450) | (0.119)   | (0.119) | (0.119) |
| 17  | Unit Rate Q2   | (\$/GJ)   | (0.071)   | (0.071) | (0.071)   | (0.149) | (0.149) |
| 18  | Unit Rate Q3 Expiring rider                              | (\$/GJ)   | (0.051)   | (0.051) | (0.051)   | (0.051) | -       |
| 19  | Unit Rate Q4   | (\$/GJ)   | (0.586)   | (0.070) | (0.070)   | (0.070) | (0.070) |
| 20  | Total Unit Rate - Prospective Recovery                   | (\$/GJ)   | (1.158)   | (0.642) | (0.311)   | (0.389) | (0.338) |

Notes:

- (1) EB-2006-0500, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(2) EB-2006-0502, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(3) EB-2007-0053, Working Papers, Schedule 2, Page 6 of 6, Column (g).  
(4) EB-2007-0634, Working Papers, Schedule 2, Page 6 of 6, Column (g).

UNION GAS LIMITED

Fuel - Northern and Eastern Operations Area (Deferral Account 179-100)

Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006     |               | Year 2007     |                 |                 |
|---|--|-----------------------------------|---------------|---------------|---------------|-----------------|-----------------|
|   |  |                                   | Jul           | Oct           | Jan           | Apr             | Jul             |
|   |  |                                   | Q3            | Q4 (1)        | Q1 (2)        | Q2 (3)          | Q3 (4)          |
|   |  |                                   | (a)           | (b)           | (c)           | (d)             | (e)             |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |               |               |               |                 |                 |
| Change in 12-month deferral account projection:   |  |                                   |               |               |               |                 |                 |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | (1,045)       | (967)         | (6)           | (138)           | (132)           |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | (968)         | (1,045)       | (967)         | (6)             | (138)           |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | (77)          | 77            | 962           | (133)           | 6               |
| Previous Quarter: True-up of deferral balances  |  |                                   |               |               |               |                 |                 |
| 4   | Actual deferral balances                                 | (\$000's)                         | (538)         | (510)         | (1,361)       | (666)           | (305)           |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (835)         | (1,086)       | (569)         | (184)           | (174)           |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | (590)         | (835)         | (1,086)       | (569)           | (184)           |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (784)         | (761)         | (844)         | (281)           | (294)           |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | (861)         | (683)         | 118           | (414)           | (288)           |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | 6,001         | 5,318         | 5,435         | 5,022           | 4,734           |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |               |               |               |                 |                 |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |               |               |               |                 |                 |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | 2,170         | 637           | 640           | 1,300           | (34)            |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | 2,069         | 406           | 675           | 1,179           | (27)            |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | 101           | 231           | (35)          | 121             | (7)             |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | (760)         | (452)         | 83            | (292)           | (295)           |
| 14  | Forecast - 12 month sales service volume                 | (10 <sup>3</sup> m <sup>3</sup> ) | 663,281       | 663,115       | 662,903       | 664,847         | 664,889         |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | (0.1146)      | (0.0682)      | 0.0125        | (0.0439)        | (0.0444)        |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |               |               |               |                 |                 |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | 0.7234        | 0.7234        | 0.0125        | 0.0125          | 0.0125          |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | 0.2138        | 0.2138        | 0.2138        | (0.0439)        | (0.0439)        |
| 18  | Unit Rate Q3 Expiring rate replaced by new rate          | (cents/m <sup>3</sup> )           | (0.1146)      | (0.1146)      | (0.1146)      | (0.1146)        | (0.0444)        |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | 0.0659        | (0.0682)      | (0.0682)      | (0.0682)        | (0.0682)        |
| 20  | <b>Total Unit Rate - Prospective Recovery</b>            | (cents/m <sup>3</sup> )           | <b>0.8885</b> | <b>0.7544</b> | <b>0.0435</b> | <b>(0.2142)</b> | <b>(0.1440)</b> |

Notes:

- (1) EB-2006-0500, Tab 2, Schedule 2, Column (d).  
(2) EB-2006-0502, Tab 2, Schedule 2, Column (d).  
(3) EB-2007-0053, Tab 2, Schedule 2, Column (d).  
(4) EB-2007-0634, Tab 2, Schedule 2, Column (d).

**UNION GAS LIMITED**

Southern Purchased Gas Variance Account (Deferral Account 179-106)

Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006       |                 | Year 2007       |                 |                 |
|---|--|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|   |  |                                   | Jul             | Oct             | Jan             | Apr             | Jul             |
|   |  |                                   | Q3              | Q4 (1)          | Q1 (2)          | Q2 (3)          | Q3 (4)          |
|   |  |                                   | (a)             | (b)             | (c)             | (d)             | (e)             |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| Change in 12-month deferral account projection:   |  |                                   |                 |                 |                 |                 |                 |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | -               | -               | -               | -               | -               |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | -               | -               | -               | -               | -               |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | -               | -               | -               | -               | -               |
| Previous Quarter: True-up of deferral balances  |  |                                   |                 |                 |                 |                 |                 |
| 4   | Actual deferral balances                                 | (\$000's)                         | (56,699)        | (59,280)        | (51,776)        | (35,873)        | (17,269)        |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (28,512)        | (27,252)        | (23,636)        | (10,246)        | (14,791)        |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | (30,701)        | (28,512)        | (27,252)        | (23,636)        | (10,246)        |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (54,510)        | (58,021)        | (48,160)        | (22,483)        | (21,814)        |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | (54,510)        | (58,021)        | (48,160)        | (22,483)        | (21,814)        |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | (35,932)        | (93,952)        | (142,112)       | (164,595)       | (186,409)       |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |                 |                 |                 |                 |                 |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | 14,819          | 1,599           | (5,715)         | (51,141)        | (73,105)        |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | 14,072          | 1,658           | (5,755)         | (45,047)        | (77,984)        |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | 746             | (59)            | 40              | (6,094)         | 4,879           |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | (53,764)        | (58,080)        | (48,120)        | (28,577)        | (16,935)        |
| 14  | Forecast - 12 month sales service volume                 | (10 <sup>3</sup> m <sup>3</sup> ) | 2,264,852       | 2,267,630       | 2,272,812       | 2,285,585       | 2,289,705       |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | (2.3738)        | (2.5613)        | (2.1172)        | (1.2503)        | (0.7396)        |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | 3.6473          | 3.6473          | (2.1172)        | (2.1172)        | (2.1172)        |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | (1.7614)        | (1.7614)        | (1.7614)        | (1.2503)        | (1.2503)        |
| 18  | Unit Rate Q3 Expiring rate replaced by new rate          | (cents/m <sup>3</sup> )           | (2.3738)        | (2.3738)        | (2.3738)        | (2.3738)        | (0.7396)        |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | (0.6903)        | (2.5613)        | (2.5613)        | (2.5613)        | (2.5613)        |
| 20  | <b>Total Unit Rate - Prospective Recovery</b>            | (cents/m <sup>3</sup> )           | <b>(1.1782)</b> | <b>(3.0492)</b> | <b>(8.8137)</b> | <b>(8.3026)</b> | <b>(6.6684)</b> |

Notes:

- (1) EB-2006-0500, Tab 2, Schedule 2, Column (e).  
(2) EB-2006-0502, Tab 2, Schedule 2, Column (e).  
(3) EB-2007-0053, Tab 2, Schedule 2, Column (e).  
(4) EB-2007-0634, Tab 2, Schedule 2, Column (e).

**UNION GAS LIMITED**  
Inventory Revaluation (Deferral Account 179-109)  
Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006 |           | Year 2007 |           |           |
|---|--|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
|   |  |                                   | Jul       | Oct       | Jan       | Apr       | Jul       |
|   |  |                                   | Q3        | Q4 (1)    | Q1 (2)    | Q2 (3)    | Q3 (4)    |
|   |  |                                   | (a)       | (b)       | (c)       | (d)       | (e)       |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |           |           |           |           |           |
| Change in 12-month deferral account projection:   |  |                                   |           |           |           |           |           |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | 4,915     | 3,373     | 24,992    | (2,639)   | (1,763)   |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | 12,498    | 4,915     | 3,373     | 24,992    | (2,639)   |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | (7,583)   | (1,542)   | 21,619    | (27,630)  | 875       |
| Previous Quarter: True-up of deferral balances  |  |                                   |           |           |           |           |           |
| 4   | Actual deferral balances                                 | (\$000's)                         | 17,687    | 4,253     | 3,399     | 28,224    | (504)     |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (131)     | (9)       | 63        | 164       | 101       |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | (476)     | (131)     | (9)       | 63        | 164       |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | 18,031    | 4,375     | 3,472     | 28,324    | (566)     |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | 10,448    | 2,833     | 25,091    | 694       | 309       |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | (110,488) | (107,655) | (82,564)  | (81,870)  | (81,561)  |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |           |           |           |           |           |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |           |           |           |           |           |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | (38,391)  | (8,453)   | (5,958)   | 953       | 17,530    |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | (36,508)  | (6,324)   | (6,407)   | 779       | 18,660    |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | (1,882)   | (2,129)   | 449       | 174       | (1,130)   |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | 8,566     | 704       | 25,540    | 868       | (821)     |
| 14  | Forecast - 12 month sales service volume                 | (10 <sup>3</sup> m <sup>3</sup> ) | 2,928,133 | 2,930,745 | 2,935,715 | 2,950,432 | 2,954,594 |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | 0.2925    | 0.0240    | 0.8700    | 0.0294    | (0.0278)  |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |           |           |           |           |           |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | (1.9527)  | (1.9527)  | 0.8700    | 0.8700    | 0.8700    |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | 0.5532    | 0.5532    | 0.5532    | 0.0294    | 0.0294    |
| 18  | Unit Rate Q3 Expiring rate replaced by new rate          | (cents/m <sup>3</sup> )           | 0.2925    | 0.2925    | 0.2925    | 0.2925    | (0.0278)  |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | (1.3432)  | 0.0240    | 0.0240    | 0.0240    | 0.0240    |
| 20  | Total Unit Rate - Prospective Recovery                   | (cents/m <sup>3</sup> )           | (2.4502)  | (1.0830)  | 1.7397    | 1.2159    | 0.8956    |

Notes:

- (1) EB-2006-0500, Tab 2, Schedule 2, Column (f).  
(2) EB-2006-0502, Tab 2, Schedule 2, Column (f).  
(3) EB-2007-0053, Tab 2, Schedule 2, Column (f).  
(4) EB-2007-0634, Tab 2, Schedule 2, Column (f).

**UNION GAS LIMITED**  
Rate 01 - Load Balancing (Deferral Account 179-107)  
Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No. | Particulars   | Units                             | Year 2006       |                 | Year 2007       |                 |                 |
|----------|---|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|          |   |                                   | Jul Q3 (a)      | Oct Q4 (1) (b)  | Jan Q1 (2) (c)  | Apr Q2 (3) (d)  | Jul Q3 (4) (e)  |
|          | <b><u>Deferral Amounts for Recovery</u></b>   |                                   |                 |                 |                 |                 |                 |
|          | Change in 12-month deferral account projection:   |                                   |                 |                 |                 |                 |                 |
| 1        | 12-month projection from current QRAM application   | (\$000's)                         | -               | -               | -               | -               | -               |
| 2        | Less: 12-month projection from previous QRAM application  | (\$000's)                         | -               | -               | -               | -               | -               |
| 3        | Change (Line 1 - Line 2)  | (\$000's)                         | -               | -               | -               | -               | -               |
|          | Previous Quarter: True-up of deferral balances  |                                   |                 |                 |                 |                 |                 |
| 4        | Actual deferral balances  | (\$000's)                         | (665)           | (7)             | (9)             | (7)             | (353)           |
| 5        | Current projected deferral amounts  | (\$000's)                         | (5)             | (4)             | (4)             | (0)             | (2)             |
| 6        | Less: Previous projection included in recovery  | (\$000's)                         | (1)             | (5)             | (4)             | (4)             | (0)             |
| 7        | Variance (Line 4 + Line 5 - Line 6)   | (\$000's)                         | (669)           | (7)             | (9)             | (4)             | (355)           |
| 8        | Total Deferral Amounts for Recovery (Line 3 + Line 7)   | (\$000's)                         | (669)           | (7)             | (9)             | (4)             | (355)           |
| 9        | Cumulative Deferral Amounts for Recovery  | (\$000's)                         | (1,175)         | (1,182)         | (1,191)         | (1,194)         | (1,550)         |
|          | <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |                                   |                 |                 |                 |                 |                 |
|          | Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |                                   |                 |                 |                 |                 |                 |
| 10       | Forecast prospective recovery amount  | (\$000's)                         | (138)           | (34)            | (85)            | (330)           | (280)           |
| 11       | Less: Actual prospective recovery amount  | (\$000's)                         | (126)           | (19)            | (57)            | (294)           | (292)           |
| 12       | Variance (Line 10 - Line 11)  | (\$000's)                         | (12)            | (15)            | (28)            | (36)            | 12              |
| 13       | Total Amount for Prospective Recovery (Line 8 + Line 12)  | (\$000's)                         | (681)           | (22)            | (36)            | (40)            | (343)           |
| 14       | Forecast - 12 month volume  | (10 <sup>3</sup> m <sup>3</sup> ) | 909,397         | 908,384         | 905,311         | 904,307         | 903,072         |
| 15       | Unit Rate   | (cents/m <sup>3</sup> )           | <u>(0.0749)</u> | <u>(0.0024)</u> | <u>(0.0040)</u> | <u>(0.0044)</u> | <u>(0.0380)</u> |
|          | <b><u>Summary of Unit Rates</u></b>   |                                   |                 |                 |                 |                 |                 |
| 16       | Unit Rate Q1  | (cents/m <sup>3</sup> )           | (0.0022)        | (0.0022)        | (0.0040)        | (0.0040)        | (0.0040)        |
| 17       | Unit Rate Q2  | (cents/m <sup>3</sup> )           | (0.0027)        | (0.0027)        | (0.0027)        | (0.0044)        | (0.0044)        |
| 18       | Unit Rate Q3 Expiring rider replaced by new rider   | (cents/m <sup>3</sup> )           | (0.0749)        | (0.0749)        | (0.0749)        | (0.0749)        | (0.0380)        |
| 19       | Unit Rate Q4  | (cents/m <sup>3</sup> )           | (0.0018)        | (0.0024)        | (0.0024)        | (0.0024)        | (0.0024)        |
| 20       | <b>Total Unit Rate - Prospective Recovery</b>   | (cents/m <sup>3</sup> )           | <b>(0.0816)</b> | <b>(0.0822)</b> | <b>(0.0840)</b> | <b>(0.0857)</b> | <b>(0.0488)</b> |

Notes:

- (1) EB-2006-0500, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(2) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(3) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(4) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).

**UNION GAS LIMITED**

Rate 10 - Load Balancing (Deferral Account 179-107)

**Derivation of Amounts and Unit Rates for Prospective Recovery**

| Line No.  | Particulars  | Units                             | Year 2006       |                 | Year 2007       |                 |                 |
|---|--|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|   |  |                                   | Jul             | Oct             | Jan             | Apr             | Jul             |
|   |  |                                   | Q3              | Q4 (1)          | Q1 (2)          | Q2 (3)          | Q3 (4)          |
|   |  | (a)                               | (b)             | (c)             | (d)             | (e)             |                 |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| Change in 12-month deferral account projection:   |  |                                   |                 |                 |                 |                 |                 |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | -               | -               | -               | -               | -               |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | -               | -               | -               | -               | -               |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | -               | -               | -               | -               | -               |
| Previous Quarter: True-up of deferral balances  |  |                                   |                 |                 |                 |                 |                 |
| 4   | Actual deferral balances                                 | (\$000's)                         | (241)           | (2)             | (2)             | (3)             | (135)           |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (2)             | (2)             | (1)             | (1)             | (1)             |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | (0)             | (2)             | (2)             | (1)             | (1)             |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (243)           | (2)             | (2)             | (2)             | (135)           |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | (243)           | (2)             | (2)             | (2)             | (135)           |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | (206)           | (209)           | (211)           | (213)           | (348)           |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |                 |                 |                 |                 |                 |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | (43)            | (16)            | (37)            | (103)           | (91)            |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | (42)            | (12)            | (30)            | (97)            | (98)            |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | (1)             | (4)             | (7)             | (6)             | 6               |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | (244)           | (6)             | (9)             | (8)             | (129)           |
| 14  | Forecast - 12 month volume                               | (10 <sup>3</sup> m <sup>3</sup> ) | 380,751         | 380,404         | 379,141         | 378,202         | 377,776         |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | (0.0640)        | (0.0017)        | (0.0023)        | (0.0020)        | (0.0342)        |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | (0.0012)        | (0.0012)        | (0.0023)        | (0.0023)        | (0.0023)        |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | (0.0014)        | (0.0014)        | (0.0014)        | (0.0020)        | (0.0020)        |
| 18  | Unit Rate Q3 Expiring rider replaced by new rider        | (cents/m <sup>3</sup> )           | (0.0640)        | (0.0640)        | (0.0640)        | (0.0640)        | (0.0342)        |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | (0.0008)        | (0.0017)        | (0.0017)        | (0.0017)        | (0.0017)        |
| 20  | <b>Total Unit Rate - Prospective Recovery</b>            | (cents/m <sup>3</sup> )           | <b>(0.0674)</b> | <b>(0.0683)</b> | <b>(0.0694)</b> | <b>(0.0700)</b> | <b>(0.0402)</b> |

**Notes:**

- (1) EB-2006-0500, Working Papers, Schedule 2, Page 5 of 6, Column (i).
- (2) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).
- (3) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).
- (4) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).

## UNION GAS LIMITED

Rate 20 - Load Balancing (Deferral Account 179-107)

## Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006       |                 | Year 2007       |                 |                 |
|---|--|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|   |  |                                   | Jul             | Oct             | Jan             | Apr             | Jul             |
|   |  |                                   | Q3              | Q4 (1)          | Q1 (2)          | Q2 (3)          | Q3 (4)          |
|   |  |                                   | (a)             | (b)             | (c)             | (d)             | (e)             |
| <b>Deferral Amounts for Recovery</b>  |  |                                   |                 |                 |                 |                 |                 |
| Change in 12-month deferral account projection:   |  |                                   |                 |                 |                 |                 |                 |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | -               | -               | -               | -               | -               |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | -               | -               | -               | -               | -               |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | -               | -               | -               | -               | -               |
| Previous Quarter: True-up of deferral balances  |  |                                   |                 |                 |                 |                 |                 |
| 4   | Actual deferral balances                                 | (\$000's)                         | (191)           | (3)             | (2)             | (2)             | (120)           |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (2)             | (1)             | (1)             | (1)             | (1)             |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | (1)             | (2)             | (1)             | (1)             | (1)             |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (193)           | (2)             | (2)             | (2)             | (120)           |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | (193)           | (2)             | (2)             | (2)             | (120)           |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | (497)           | (499)           | (501)           | (503)           | (623)           |
| <b>Previous Quarter: True-up of Prospective Recovery Amounts</b>  |  |                                   |                 |                 |                 |                 |                 |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |                 |                 |                 |                 |                 |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | (48)            | (35)            | (60)            | (83)            | (85)            |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | (22)            | (21)            | (34)            | (37)            | (38)            |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | (27)            | (14)            | (26)            | (46)            | (47)            |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | (219)           | (16)            | (28)            | (48)            | (167)           |
| 14  | Forecast - 12 month volume                               | (10 <sup>3</sup> m <sup>3</sup> ) | 174,733         | 173,276         | 171,553         | 169,771         | 168,499         |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | (0.1255)        | (0.0093)        | (0.0162)        | (0.0281)        | (0.0994)        |
| <b>Summary of Unit Rates</b>  |  |                                   |                 |                 |                 |                 |                 |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | (0.0078)        | (0.0078)        | (0.0162)        | (0.0162)        | (0.0162)        |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | (0.0154)        | (0.0154)        | (0.0154)        | (0.0281)        | (0.0281)        |
| 18  | Unit Rate Q3 Expiring rider replaced by new rider        | (cents/m <sup>3</sup> )           | (0.1255)        | (0.1255)        | (0.1255)        | (0.1255)        | (0.0994)        |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | (0.0108)        | (0.0093)        | (0.0093)        | (0.0093)        | (0.0093)        |
| 20  | <b>Total Unit Rate - Prospective Recovery</b>            | (cents/m <sup>3</sup> )           | <b>(0.1595)</b> | <b>(0.1580)</b> | <b>(0.1664)</b> | <b>(0.1791)</b> | <b>(0.1530)</b> |

## Notes:

(1) EB-2006-0500, Working Papers, Schedule 2, Page 5 of 6, Column (i).

(2) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).

(3) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).

(4) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).

**UNION GAS LIMITED**  
Rate M2 - Load Balancing (Deferral Account 179-107)  
Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006       |                 | Year 2007       |                 |                 |
|---|--|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|   |  |                                   | Jul Q3 (a)      | Oct Q4 (1) (b)  | Jan Q1 (2) (c)  | Apr Q2 (3) (d)  | Jul Q3 (4) (e)  |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| Change in 12-month deferral account projection:   |  |                                   |                 |                 |                 |                 |                 |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | -               | -               | -               | -               | -               |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | -               | -               | -               | -               | -               |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | -               | -               | -               | -               | -               |
| Previous Quarter: True-up of deferral balances  |  |                                   |                 |                 |                 |                 |                 |
| 4   | Actual deferral balances                                 | (\$000's)                         | (3,242)         | (40)            | (42)            | (46)            | (1,767)         |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (23)            | (22)            | (17)            | (2)             | (9)             |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | (7)             | (23)            | (22)            | (17)            | (2)             |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (3,259)         | (39)            | (37)            | (31)            | (1,775)         |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | (3,259)         | (39)            | (37)            | (31)            | (1,775)         |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | (5,655)         | (5,694)         | (5,731)         | (5,762)         | (7,537)         |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |                 |                 |                 |                 |                 |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | (641)           | (184)           | (421)           | (1,495)         | (1,336)         |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | (595)           | (115)           | (338)           | (1,420)         | (1,505)         |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | (45)            | (69)            | (83)            | (75)            | 168             |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | (3,304)         | (108)           | (120)           | (106)           | (1,606)         |
| 14  | Forecast - 12 month volume                               | (10 <sup>3</sup> m <sup>3</sup> ) | 3,862,403       | 3,863,398       | 3,857,353       | 3,857,847       | 3,858,025       |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | (0.0855)        | (0.0028)        | (0.0031)        | (0.0027)        | (0.0416)        |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | (0.0015)        | (0.0015)        | (0.0031)        | (0.0031)        | (0.0031)        |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | (0.0020)        | (0.0020)        | (0.0020)        | (0.0027)        | (0.0027)        |
| 18  | Unit Rate Q3 Expiring rider replaced by new rider        | (cents/m <sup>3</sup> )           | (0.0855)        | (0.0855)        | (0.0855)        | (0.0855)        | (0.0416)        |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | (0.0024)        | (0.0028)        | (0.0028)        | (0.0028)        | (0.0028)        |
| 20  | <b>Total Unit Rate - Prospective Recovery</b>            | (cents/m <sup>3</sup> )           | <b>(0.0914)</b> | <b>(0.0918)</b> | <b>(0.0934)</b> | <b>(0.0941)</b> | <b>(0.0502)</b> |

**Notes:**

- (1) EB-2006-0500, Working Papers, Schedule 2, Page 5 of 6, Column (i).
- (2) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).
- (3) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).
- (4) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).



**UNION GAS LIMITED**  
Rate M4 - Load Balancing (Deferral Account 179-107)  
Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006       |                 | Year 2007       |                 |                 |
|---|--|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|   |  |                                   | Jul Q3 (a)      | Oct Q4 (1) (b)  | Jan Q1 (2) (c)  | Apr Q2 (3) (d)  | Jul Q3 (4) (e)  |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| Change in 12-month deferral account projection:   |  |                                   |                 |                 |                 |                 |                 |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | -               | -               | -               | -               | -               |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | -               | -               | -               | -               | -               |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | -               | -               | -               | -               | -               |
| Previous Quarter: True-up of deferral balances  |  |                                   |                 |                 |                 |                 |                 |
| 4   | Actual deferral balances                                 | (\$000's)                         | (598)           | (7)             | (5)             | (5)             | (368)           |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (4)             | (4)             | (3)             | (0)             | (2)             |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | (1)             | (4)             | (4)             | (3)             | (0)             |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (601)           | (6)             | (4)             | (2)             | (370)           |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | (601)           | (6)             | (4)             | (2)             | (370)           |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | (625)           | (631)           | (636)           | (638)           | (1,008)         |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |                 |                 |                 |                 |                 |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | (73)            | (54)            | (131)           | (194)           | (176)           |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | (70)            | (56)            | (144)           | (199)           | (209)           |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | (3)             | 2               | 13              | 5               | 32              |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | (604)           | (4)             | 9               | 3               | (338)           |
| 14  | Forecast - 12 month volume                               | (10 <sup>3</sup> m <sup>3</sup> ) | 464,890         | 458,899         | 452,403         | 455,069         | 459,280         |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | (0.1300)        | (0.0008)        | 0.0020          | 0.0006          | (0.0735)        |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | (0.0008)        | (0.0008)        | 0.0020          | 0.0020          | 0.0020          |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | (0.0010)        | (0.0010)        | (0.0010)        | 0.0006          | 0.0006          |
| 18  | Unit Rate Q3 Expiring rider replaced by new rider        | (cents/m <sup>3</sup> )           | (0.1300)        | (0.1300)        | (0.1300)        | (0.1300)        | (0.0735)        |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | (0.0010)        | (0.0008)        | (0.0008)        | (0.0008)        | (0.0008)        |
| 20  | <b>Total Unit Rate - Prospective Recovery</b>            | <b>(cents/m<sup>3</sup>)</b>      | <b>(0.1328)</b> | <b>(0.1326)</b> | <b>(0.1298)</b> | <b>(0.1282)</b> | <b>(0.0717)</b> |

**Notes:**

- (1) EB-2006-0500, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(2) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(3) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(4) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).

## UNION GAS LIMITED

Rate M5 - Load Balancing (Deferral Account 179-107)

Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006  |                | Year 2007      |                |                |
|---|--|-----------------------------------|------------|----------------|----------------|----------------|----------------|
|   |  |                                   | Jul Q3 (a) | Oct Q4 (1) (b) | Jan Q1 (2) (c) | Apr Q2 (3) (d) | Jul Q3 (4) (e) |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |            |                |                |                |                |
| Change in 12-month deferral account projection:   |  |                                   |            |                |                |                |                |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | -          | -              | -              | -              | -              |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | -          | -              | -              | -              | -              |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | -          | -              | -              | -              | -              |
| Previous Quarter: True-up of deferral balances  |  |                                   |            |                |                |                |                |
| 4   | Actual deferral balances                                 | (\$000's)                         | (286)      | (3)            | (3)            | (2)            | (208)          |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (2)        | (2)            | (1)            | (1)            | (1)            |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | (0)        | (2)            | (2)            | (1)            | (1)            |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (288)      | (3)            | (2)            | (1)            | (208)          |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | (288)      | (3)            | (2)            | (1)            | (208)          |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | 529        | 526            | 524            | 523            | 315            |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |            |                |                |                |                |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |            |                |                |                |                |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | (35)       | (25)           | (65)           | (89)           | (77)           |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | (36)       | (32)           | (84)           | (108)          | (90)           |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | 1          | 7              | 19             | 19             | 13             |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | (287)      | 4              | 17             | 18             | (195)          |
| 14  | Forecast - 12 month volume                               | (10 <sup>3</sup> m <sup>3</sup> ) | 409,906    | 406,863        | 404,634        | 398,563        | 395,271        |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | (0.0700)   | 0.0009         | 0.0043         | 0.0045         | (0.0493)       |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |            |                |                |                |                |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | -          | -              | 0.0043         | 0.0043         | 0.0043         |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | (0.0024)   | (0.0024)       | (0.0024)       | 0.0045         | 0.0045         |
| 18  | Unit Rate Q3 Expiring rider replaced by new rider        | (cents/m <sup>3</sup> )           | (0.0700)   | (0.0700)       | (0.0700)       | (0.0700)       | (0.0493)       |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | (0.0001)   | 0.0009         | 0.0009         | 0.0009         | 0.0009         |
| 20  | Total Unit Rate - Prospective Recovery                   | (cents/m <sup>3</sup> )           | (0.0725)   | (0.0715)       | (0.0672)       | (0.0603)       | (0.0396)       |

Notes:

- (1) EB-2006-0500, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
 (2) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
 (3) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
 (4) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).

**UNION GAS LIMITED**  
Rate M7 - Load Balancing (Deferral Account 179-107)  
Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006 |          | Year 2007 |          |          |
|---|--|-----------------------------------|-----------|----------|-----------|----------|----------|
|   |  |                                   | Jul       | Oct      | Jan       | Apr      | Jul      |
|   |  |                                   | Q3        | Q4 (1)   | Q1 (2)    | Q2 (3)   | Q3 (4)   |
|   |  |                                   | (a)       | (b)      | (c)       | (d)      | (e)      |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |           |          |           |          |          |
| Change in 12-month deferral account projection:   |  |                                   |           |          |           |          |          |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | -         | -        | -         | -        | -        |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | -         | -        | -         | -        | -        |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | -         | -        | -         | -        | -        |
| Previous Quarter: True-up of deferral balances  |  |                                   |           |          |           |          |          |
| 4   | Actual deferral balances                                 | (\$000's)                         | (275)     | (3)      | (2)       | (0)      | (183)    |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (2)       | (2)      | (1)       | 0        | (0)      |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | 0         | (2)      | (2)       | (1)      | 0        |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (277)     | (3)      | (1)       | 0        | (184)    |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | (277)     | (3)      | (1)       | 0        | (184)    |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | (570)     | (573)    | (574)     | (573)    | (757)    |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |           |          |           |          |          |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |           |          |           |          |          |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | 11        | (6)      | (63)      | (73)     | (40)     |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | 23        | (43)     | (184)     | (135)    | (80)     |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | (13)      | 37       | 121       | 62       | 40       |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | (290)     | 34       | 120       | 63       | (144)    |
| 14  | Forecast - 12 month volume                               | (10 <sup>3</sup> m <sup>3</sup> ) | 261,677   | 270,479  | 277,546   | 287,743  | 297,940  |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | (0.1107)  | 0.0126   | 0.0431    | 0.0218   | (0.0483) |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |           |          |           |          |          |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | (0.0002)  | (0.0002) | 0.0431    | 0.0431   | 0.0431   |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | (0.0043)  | (0.0043) | (0.0043)  | 0.0218   | 0.0218   |
| 18  | Unit Rate Q3 Expiring rider replaced by new rider        | (cents/m <sup>3</sup> )           | (0.1107)  | (0.1107) | (0.1107)  | (0.1107) | (0.0483) |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | 0.0136    | 0.0126   | 0.0126    | 0.0126   | 0.0126   |
| 20  | Total Unit Rate - Prospective Recovery                   | (cents/m <sup>3</sup> )           | (0.1016)  | (0.1026) | (0.0593)  | (0.0332) | 0.0292   |

**Notes:**

- (1) EB-2006-0500, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(2) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(3) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(4) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).

UNION GAS LIMITED

Rate M9 - Load Balancing (Deferral Account 179-107)

Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006       |                 | Year 2007       |                 |                 |
|---|--|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|   |  |                                   | Jul Q3 (a)      | Oct Q4 (1) (b)  | Jan Q1 (2) (c)  | Apr Q2 (3) (d)  | Jul Q3 (4) (e)  |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| Change in 12-month deferral account projection:   |  |                                   |                 |                 |                 |                 |                 |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | -               | -               | -               | -               | -               |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | -               | -               | -               | -               | -               |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | -               | -               | -               | -               | -               |
| Previous Quarter: True-up of deferral balances  |  |                                   |                 |                 |                 |                 |                 |
| 4   | Actual deferral balances                                 | (\$000's)                         | (26)            | (0)             | (0)             | (0)             | (11)            |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (0)             | (0)             | (0)             | (0)             | (0)             |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | (0)             | (0)             | (0)             | (0)             | (0)             |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (27)            | (0)             | (0)             | (0)             | (11)            |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | (27)            | (0)             | (0)             | (0)             | (11)            |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | (69)            | (70)            | (70)            | (70)            | (81)            |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |                 |                 |                 |                 |                 |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | (5)             | (1)             | (5)             | (14)            | (10)            |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | (4)             | (0)             | (4)             | (10)            | (11)            |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | (1)             | (0)             | (1)             | (4)             | 1               |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | (27)            | (0)             | (2)             | (4)             | (10)            |
| 14  | Forecast - 12 month volume                               | (10 <sup>3</sup> m <sup>3</sup> ) | 24,386          | 24,401          | 24,506          | 24,506          | 24,506          |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | (0.1123)        | (0.0019)        | (0.0066)        | (0.0150)        | (0.0428)        |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |                 |                 |                 |                 |                 |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | (0.0032)        | (0.0032)        | (0.0066)        | (0.0066)        | (0.0066)        |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | (0.0045)        | (0.0045)        | (0.0045)        | (0.0150)        | (0.0150)        |
| 18  | Unit Rate Q3 Expiring rider replaced by new rider        | (cents/m <sup>3</sup> )           | (0.1123)        | (0.1123)        | (0.1123)        | (0.1123)        | (0.0428)        |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | (0.0019)        | (0.0019)        | (0.0019)        | (0.0019)        | (0.0019)        |
| 20  | <b>Total Unit Rate - Prospective Recovery</b>            | (cents/m <sup>3</sup> )           | <b>(0.1219)</b> | <b>(0.1219)</b> | <b>(0.1253)</b> | <b>(0.1358)</b> | <b>(0.0663)</b> |

Notes:

- (1) EB-2006-0500, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(2) EB-2006-0502, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(3) EB-2007-0053, Working Papers, Schedule 2, Page 5 of 6, Column (i).  
(4) EB-2007-0634, Working Papers, Schedule 2, Page 5 of 6, Column (i).

**UNION GAS LIMITED**  
Spot Gas Purchases (Deferral Account 179-107)  
Derivation of Amounts and Unit Rates for Prospective Recovery

| Line No.  | Particulars  | Units                             | Year 2006     |                | Year 2006      |                |                 |
|---|--|-----------------------------------|---------------|----------------|----------------|----------------|-----------------|
|   |  |                                   | Jul Q3 (a)    | Oct Q4 (1) (b) | Jan Q1 (2) (c) | Apr Q2 (3) (d) | Jul Q3 (4) (e)  |
| <b><u>Deferral Amounts for Recovery</u></b>   |  |                                   |               |                |                |                |                 |
| Change in 12-month deferral account projection:   |  |                                   |               |                |                |                |                 |
| 1   | 12-month projection from current QRAM application        | (\$000's)                         | -             | -              | -              | -              | -               |
| 2   | Less: 12-month projection from previous QRAM application | (\$000's)                         | -             | -              | -              | -              | -               |
| 3   | Change (Line 1 - Line 2)                                 | (\$000's)                         | -             | -              | -              | -              | -               |
| Previous Quarter: True-up of deferral balances  |  |                                   |               |                |                |                |                 |
| 4   | Actual deferral balances                                 | (\$000's)                         | (0)           | (1)            | (1)            | (1)            | (1)             |
| 5   | Current projected deferral amounts                       | (\$000's)                         | (0)           | (0)            | (0)            | (1)            | (1)             |
| 6   | Less: Previous projection included in recovery           | (\$000's)                         | 0             | (0)            | (0)            | (0)            | (1)             |
| 7   | Variance (Line 4 + Line 5 - Line 6)                      | (\$000's)                         | (1)           | (1)            | (1)            | (1)            | (0)             |
| 8   | Total Deferral Amounts for Recovery (Line 3 + Line 7)    | (\$000's)                         | (1)           | (1)            | (1)            | (1)            | (0)             |
| 9   | Cumulative Deferral Amounts for Recovery                 | (\$000's)                         | 312           | 311            | 311            | 310            | 310             |
| <b><u>Previous Quarter: True-up of Prospective Recovery Amounts</u></b>   |  |                                   |               |                |                |                |                 |
| Variance between projected and actual prospective recovery for month(s) with actual data since previous QRAM application: |  |                                   |               |                |                |                |                 |
| 10  | Forecast prospective recovery amount                     | (\$000's)                         | 51            | 5              | 4              | 11             | 3               |
| 11  | Less: Actual prospective recovery amount                 | (\$000's)                         | 48            | 4              | 5              | 8              | 3               |
| 12  | Variance (Line 10 - Line 11)                             | (\$000's)                         | 2             | 1              | (1)            | 3              | (0)             |
| 13  | Total Amount for Prospective Recovery (Line 8 + Line 12) | (\$000's)                         | 2             | -              | (2)            | 2              | (0)             |
| 14  | Forecast - 12 month sales service volume                 | (10 <sup>3</sup> m <sup>3</sup> ) | 2,928,133     | 2,930,745      | 2,935,715      | 2,950,432      | 2,954,594       |
| 15  | Unit Rate  | (cents/m <sup>3</sup> )           | 0.0001        | -              | (0.0001)       | 0.0001         | (0.0000)        |
| <b><u>Summary of Unit Rates</u></b>   |  |                                   |               |                |                |                |                 |
| 16  | Unit Rate Q1   | (cents/m <sup>3</sup> )           | 0.0008        | 0.0008         | (0.0001)       | (0.0001)       | (0.0001)        |
| 17  | Unit Rate Q2   | (cents/m <sup>3</sup> )           | 0.0003        | 0.0003         | 0.0003         | 0.0001         | 0.0001          |
| 18  | Unit Rate Q3 Expiring rate replaced by new rate          | (cents/m <sup>3</sup> )           | 0.0001        | 0.0001         | 0.0001         | 0.0001         | (0.0000)        |
| 19  | Unit Rate Q4   | (cents/m <sup>3</sup> )           | 0.0004        | -              | -              | -              | -               |
| 20  | <b>Total Unit Rate - Prospective Recovery</b>            | (cents/m <sup>3</sup> )           | <b>0.0016</b> | <b>0.0012</b>  | <b>0.0003</b>  | <b>0.0001</b>  | <b>(0.0000)</b> |

**Notes:**

- (1) EB-2006-0500, Tab 2, Schedule 2, Column (d).  
(2) EB-2006-0502, Tab 2, Schedule 2, Column (d).  
(3) EB-2007-0053, Tab 2, Schedule 2, Column (d).  
(4) EB-2007-0634, Tab 2, Schedule 2, Column (d).

**UNION GAS LIMITED**  
Southern Operations Area  
General Service Customer Bill Impacts

| Line No. |  | Rate M2 - Residential<br>(Annual Consumption of 2,600 m <sup>3</sup> ) |  |                                   |     | Rate M2 - Commercial<br>(Annual Consumption of 17,000 m <sup>3</sup> ) |  |                                   |     |
|----------|--|--|--|-----------------------------------|-----|--|--|-----------------------------------|-----|
|          |  | EB-2007-0053<br>Approved<br>01-Apr-07<br>Total<br>Bill (\$)(1)         | EB-2007-0634<br>Proposed<br>01-Jul-07<br>Total<br>Bill (\$)(1) | Impact<br>(\$)<br>(c) = (b) - (a) |     | EB-2007-0053<br>Approved<br>01-Apr-07<br>Total<br>Bill (\$)(1)         | EB-2007-0634<br>Proposed<br>01-Jul-07<br>Total<br>Bill (\$)(1) | Impact<br>(\$)<br>(f) = (e) - (d) |     |
|          | <u>Delivery Charges</u>  |  |  |                                   |     |  |  |                                   |     |
| 1        | Monthly Charge   | 192.00   | 192.00   | -                                 |     | 192.00   | 192.00   | -                                 |     |
| 2        | Delivery Commodity Charge  | 134.42   | 134.42   | -                                 |     | 824.74   | 824.74   | -                                 |     |
| 3        | Prospective Recovery - Delivery                                  | (2.45)   | (1.31)   | 1.14                              | (3) | (15.99)  | (8.53)   | 7.46                              | (3) |
| 4        | Storage Services   | 24.19  | 24.19  | -                                 |     | 158.27   | 158.27   | -                                 |     |
| 5        | Total Delivery Charge  | 348.16   | 349.30   | 1.14                              |     | 1,159.02   | 1,166.48   | 7.46                              |     |
|          | <u>Supply Charges</u>  |  |  |                                   |     |  |  |                                   |     |
| 6        | Transportation to Union  | 94.33  | 93.16  | (1.17)                            |     | 616.74   | 609.10   | (7.64)                            |     |
| 7        | Commodity & Fuel   | 857.19   | 865.14   | 7.95                              |     | 5,604.67   | 5,656.57   | 51.90                             |     |
| 8        | Prospective Recovery - Commodity & Fuel                          | (184.24)   | (150.08)   | 34.16                             | (5) | (1,204.71)   | (981.38)   | 223.33                            | (5) |
| 9        | Subtotal   | 672.95   | 715.06   | 42.11                             |     | 4,399.96   | 4,675.19   | 275.23                            |     |
| 10       | Total Gas Supply Charge  | 767.28   | 808.22   | 40.94                             |     | 5,016.70   | 5,284.29   | 267.59                            |     |
| 11       | Total Bill   | 1,115.44   | 1,157.52   | 42.08                             |     | 6,175.72   | 6,450.77   | 275.05                            |     |
| 12       | Impacts for Customer Notices - Sales (line 11)                   |  |  | 42.08                             |     |  |  | 275.05                            |     |
| 13       | Impacts for Customer Notices - Direct Purchase (line 5 + line 6) |  |  | (0.03)                            |     |  |  | (0.18)                            |     |

Notes:

- (1) Excludes temporary charges/(credits).
- (2) Prospective recovery credit of (0.0941) cents/m<sup>3</sup> for 12 months.
- (3) Prospective recovery credit of (0.0502) cents/m<sup>3</sup> for 12 months.
- (4) Prospective recovery credit of (7.0866) cents/m<sup>3</sup> for 12 months.
- (5) Prospective recovery credit of (5.7728) cents/m<sup>3</sup> for 12 months.

| UNION GAS LIMITED                             |   |   |                                   |   |   |                                   |   |   |   |                                   |   |   |                                   |
|---|---|---|-----------------------------------|---|---|-----------------------------------|---|---|---|-----------------------------------|---|---|-----------------------------------|
| Northern & Eastern Operations Area            |   |   |                                   |   |   |                                   |   |   |   |                                   |   |   |                                   |
| General Service Customer Bill Impacts         |   |   |                                   |   |   |                                   |   |   |   |                                   |   |   |                                   |
| (Fort Frances)                                |   |   |                                   |   |   |                                   | (Western)                                     |   |   |                                   |   |   |                                   |
| Rate 01 - Residential                         |   |   |                                   |   |   |                                   | Rate 01 - Residential                         |   |   |                                   |   |   |                                   |
| (Annual Consumption of 2,600 m <sup>3</sup> ) |   |   |                                   |   |   |                                   | (Annual Consumption of 2,600 m <sup>3</sup> ) |   |   |                                   |   |   |                                   |
| Line No.                                      | EB-2007-0053<br>Approved<br>01-Apr-07<br>Total<br>Bill (\$)(1)<br>(a)   | EB-2007-0634<br>Proposed<br>01-Jul-07<br>Total<br>Bill (\$)(1)<br>(b) | Impact<br>(\$)<br>(c) = (b) - (a) | EB-2007-0053<br>Approved<br>01-Apr-07<br>Total<br>Bill (\$)(1)<br>(d) | EB-2007-0634<br>Proposed<br>01-Jul-07<br>Total<br>Bill (\$)(1)<br>(e) | Impact<br>(\$)<br>(f) = (e) - (d) | Line No.                                      | EB-2007-0053<br>Approved<br>01-Apr-07<br>Total<br>Bill (\$)(1)<br>(g)     | EB-2007-0634<br>Proposed<br>01-Jul-07<br>Total<br>Bill (\$)(1)<br>(h) | Impact<br>(\$)<br>(i) = (h) - (g) | EB-2007-0053<br>Approved<br>01-Apr-07<br>Total<br>Bill (\$)(1)<br>(j) | EB-2007-0634<br>Proposed<br>01-Jul-07<br>Total<br>Bill (\$)(1)<br>(k) | Impact<br>(\$)<br>(l) = (k) - (j) |
|   | <u>Delivery Charges</u>   |   |                                   |   |   |                                   |   | <u>Delivery Charges</u>   |   |                                   |   |   |                                   |
| 1   |   | 192.00  | 192.00                            | -   | 192.00  | -                                 | 16  |   | 192.00  | 192.00                            | -   | 192.00  | -                                 |
| 2   |   | 229.51  | 229.51                            | -   | 229.51  | -                                 | 17  |   | 229.34  | 229.34                            | -   | 228.96  | -                                 |
| 3   |   | 421.51  | 421.51                            | -   | 421.51  | -                                 | 18  |   | 421.34  | 421.34                            | -   | 420.96  | -                                 |
|   | <u>Supply Charges</u>   |   |                                   |   |   |                                   |   | <u>Supply Charges</u>   |   |                                   |   |   |                                   |
| 4   |   | 74.86   | 77.43                             | 2.57  | 75.12   | 2.91                              | 19  |   | 90.46   | 93.95                             | 3.49  | 103.62  | 4.00                              |
| 5   |   | (3.32) (2)  | 0.82 (3)                          | 4.14  | (3.32) (2)  | 4.14                              | 20  |   | (3.32) (2)  | 0.83 (3)                          | 4.15  | (3.33) (2)  | 0.83 (3)                          |
| 6   |   | 49.67   | 49.67                             | -   | 49.59   | -                                 | 21  |   | 59.68   | 59.68                             | -   | 67.81   | 67.81                             |
| 7   |   | (0.43) (4)  | (0.49) (5)                        | (0.06)  | (0.43) (4)  | (0.06)                            | 22  |   | (0.43) (4)  | (0.49) (5)                        | (0.06)  | (0.43) (4)  | (0.51) (5)                        |
| 8   |   | 120.78  | 127.43                            | 6.65  | 120.96  | 6.99                              | 23  |   | 146.39  | 153.97                            | 7.58  | 167.67  | 175.75                            |
| 9   |   | 826.80  | 835.47                            | 8.67  | 835.60  | 8.40                              | 24  |   | 847.43  | 855.52                            | 8.09  | 857.19  | 865.12                            |
| 10  |   | (257.08) (6)  | (197.29) (7)                      | 59.79   | (257.08) (6)  | 59.79                             | 25  |   | (257.08) (6)  | (197.30) (7)                      | 59.78   | (257.06) (6)  | (197.30) (7)                      |
| 11  |   | 569.72  | 638.18                            | 68.46   | 578.52  | 68.19                             | 26  |   | 590.35  | 658.22                            | 67.87   | 600.13  | 667.82                            |
| 12  |   | 690.50  | 765.61                            | 75.11   | 699.48  | 75.18                             | 27  |   | 736.74  | 812.19                            | 75.45   | 767.80  | 843.57                            |
| 13  |   | 1,112.01  | 1,187.12                          | 75.11   | 1,120.99  | 75.18                             | 28  |   | 1,158.08  | 1,233.53                          | 75.45   | 1,188.76  | 1,264.53                          |
| 14  |   |   |                                   | 75.11   |   | 75.18                             | 29  |   |   |                                   | 75.45   |   |                                   |
| 15  |   |   |                                   | 6.65  |   | 6.99                              | 30  |   |   |                                   | 7.58  |   |                                   |
|   | <u>Impacts for Customer Notices - Sales (line 13)</u>                   |   |                                   |   |   |                                   |   | <u>Impacts for Customer Notices - Sales (line 28)</u>                     |   |                                   |   |   |                                   |
|   | <u>Impacts for Customer Notices - Direct Purchase (line 3 + line 8)</u> |   |                                   |   |   |                                   |   | <u>Impacts for Customer Notices - Direct Purchase (line 18 + line 23)</u> |   |                                   |   |   |                                   |

Notes:

- (1) Excludes temporary charges/credits.
- (2) Prospective recovery credit of 0.1281 cents/m<sup>3</sup> for 12 months.
- (3) Prospective recovery charge of 0.0317 cents/m<sup>3</sup> for 12 months.
- (4) Prospective recovery credit of 0.0163 cents/m<sup>3</sup> for 12 months.
- (5) Prospective recovery credit of 0.0191 cents/m<sup>3</sup> for 12 months.
- (6) Prospective recovery credit of 0.98875 cents/m<sup>3</sup> for 12 months.
- (7) Prospective recovery credit of 0.75884 cents/m<sup>3</sup> for 12 months.

UNION GAS LIMITED  
Northern & Eastern Operations Area  
General Service Customer Bill Impacts

| (Fort Frances)   |                |                 |          | (Western)  |                |                 |  |
|--|----------------|-----------------|----------|--|----------------|-----------------|--|
| Rate 10 - Commercial / Industrial<br>(Annual Consumption of 93,000 m³) |                |                 |          | Rate 10 - Commercial / Industrial<br>(Annual Consumption of 93,000 m³) |                |                 |  |
| EB-2007-0053   | EB-2007-0634   |                 |          | EB-2007-0053   | EB-2007-0634   |                 |  |
| Approved   | Proposed       |                 |          | Approved   | Proposed       |                 |  |
| 01-Apr-07  | 01-Jul-07      |                 |          | 01-Apr-07  | 01-Jul-07      |                 |  |
| Total  | Total          | Impact          |          | Total  | Total          | Impact          |  |
| Bill (\$)(1)   | Bill (\$)(1)   | (\$)            |          | Bill (\$)(1)   | Bill (\$)(1)   | (\$)            |  |
| (a)  | (b)            | (c) = (b) - (a) |          | (d)  | (e)            | (f) = (e) - (d) |  |
| <u>Delivery Charges</u>  |                |                 |          |  |                |                 |  |
| 1 Monthly Charge   | 840.00         | 840.00          | -        | 840.00   | 840.00         | -               |  |
| 2 Delivery Commodity Charge  | 5,523.40       | 5,523.40        | -        | 5,523.40   | 5,523.40       | -               |  |
| 3 Total Delivery Charge  | 6,363.40       | 6,363.40        | -        | 6,363.40   | 6,363.40       | -               |  |
| <u>Supply Charges</u>  |                |                 |          |  |                |                 |  |
| 4 Transportation to Union  | 2,453.15       | 2,539.92        | 86.77    | 2,463.38   | 2,562.33       | 98.95           |  |
| 5 Prospective Recovery - Transportation                                | (104.53) (2)   | 37.46 (3)       | 141.99   | (104.53) (2)   | 37.46 (3)      | 141.99          |  |
| 6 Storage Services   | 1,139.72       | 1,139.72        | -        | 1,137.47   | 1,137.47       | -               |  |
| 7 Prospective Recovery - Storage                                       | (25.57) (4)    | (22.78) (5)     | 2.79     | (25.57) (4)  | (22.78) (5)    | 2.79            |  |
| 8 Subtotal   | 3,462.77       | 3,694.32        | 231.55   | 3,470.75   | 3,714.48       | 243.73          |  |
| 9 Commodity & Fuel   | 29,573.61      | 29,884.42       | 310.81   | 29,888.61  | 30,189.02      | 300.41          |  |
| 10 Prospective Recovery - Commodity & Fuel                             | (9,195.38) (6) | (7,057.20) (7)  | 2,138.18 | (9,195.38) (6)   | (7,057.20) (7) | 2,138.18        |  |
| 11 Subtotal  | 20,378.23      | 22,827.22       | 2,448.99 | 20,693.23  | 23,131.82      | 2,438.59        |  |
| 12 Total Gas Supply Charge   | 23,841.00      | 26,521.54       | 2,680.54 | 24,163.98  | 26,846.30      | 2,682.32        |  |
| 13 Total Bill  | 30,204.40      | 32,884.94       | 2,680.54 | 30,527.38  | 33,209.70      | 2,682.32        |  |
| 14 Impacts for Customer Notices - Sales (line 13)                      |                |                 | 2,680.54 |  |                | 2,682.32        |  |
| 15 Impacts for Customer Notices - Direct Purchase (line 3 + line 8)    |                |                 | 231.55   |  |                | 243.73          |  |
| (Northern)   |                |                 |          | (Eastern)  |                |                 |  |
| Rate 10 - Commercial / Industrial<br>(Annual Consumption of 93,000 m³) |                |                 |          | Rate 10 - Commercial / Industrial<br>(Annual Consumption of 93,000 m³) |                |                 |  |
| EB-2007-0053   | EB-2007-0634   |                 |          | EB-2007-0053   | EB-2007-0634   |                 |  |
| Approved   | Proposed       |                 |          | Approved   | Proposed       |                 |  |
| 01-Apr-07  | 01-Jul-07      |                 |          | 01-Apr-07  | 01-Jul-07      |                 |  |
| Total  | Total          | Impact          |          | Total  | Total          | Impact          |  |
| Bill (\$)(1)   | Bill (\$)(1)   | (\$)            |          | Bill (\$)(1)   | Bill (\$)(1)   | (\$)            |  |
| (g)  | (h)            | (i) = (h) - (g) |          | (j)  | (k)            | (l) = (k) - (j) |  |
| <u>Delivery Charges</u>  |                |                 |          |  |                |                 |  |
| 16 Monthly Charge  | 840.00         | 840.00          | -        | 840.00   | 840.00         | -               |  |
| 17 Delivery Commodity Charge   | 5,517.44       | 5,517.44        | -        | 5,532.69   | 5,532.69       | -               |  |
| 18 Total Delivery Charge   | 6,357.44       | 6,357.44        | -        | 6,372.69   | 6,372.69       | -               |  |
| <u>Supply Charges</u>  |                |                 |          |  |                |                 |  |
| 19 Transportation to Union   | 3,011.72       | 3,131.31        | 119.59   | 3,482.20   | 3,620.22       | 138.02          |  |
| 20 Prospective Recovery - Transportation                               | (104.54) (2)   | 37.49 (3)       | 142.03   | (104.52) (2)   | 37.46 (3)      | 141.98          |  |
| 21 Storage Services  | 1,497.95       | 1,497.95        | -        | 1,788.86   | 1,788.86       | -               |  |
| 22 Prospective Recovery - Storage                                      | (25.57) (4)    | (22.81) (5)     | 2.76     | (25.57) (4)  | (22.78) (5)    | 2.79            |  |
| 23 Subtotal  | 4,379.56       | 4,643.94        | 264.38   | 5,140.97   | 5,423.76       | 282.79          |  |
| 24 Commodity & Fuel  | 30,311.94      | 30,600.92       | 288.98   | 30,660.90  | 30,944.74      | 283.84          |  |
| 25 Prospective Recovery - Commodity & Fuel                             | (9,195.37) (6) | (7,057.21) (7)  | 2,138.16 | (9,195.38) (6)   | (7,057.23) (7) | 2,138.15        |  |
| 26 Subtotal  | 21,116.57      | 23,543.71       | 2,427.14 | 21,465.52  | 23,887.51      | 2,421.99        |  |
| 27 Total Gas Supply Charge   | 25,496.13      | 28,187.65       | 2,691.52 | 26,606.49  | 29,311.27      | 2,704.78        |  |
| 28 Total Bill  | 31,853.57      | 34,545.09       | 2,691.52 | 32,979.18  | 35,683.96      | 2,704.78        |  |
| 29 Impacts for Customer Notices - Sales (line 28)                      |                |                 | 2,691.52 |  |                | 2,704.78        |  |
| 30 Impacts for Customer Notices - Direct Purchase (line 18 + line 23)  |                |                 | 264.38   |  |                | 282.79          |  |

Notes:

- (1) Excludes temporary charges/credits.
- (2) Prospective recovery credit of (0.1124) cents/m³ for 12 months.
- (3) Prospective recovery charge of 0.0403 cents/m³ for 12 months.
- (4) Prospective recovery credit of (0.0275) cents/m³ for 12 months.
- (5) Prospective recovery credit of (0.0245) cents/m³ for 12 months.
- (6) Prospective recovery credit of (9.8875) cents/m³ for 12 months.
- (7) Prospective recovery credit of (7.5884) cents/m³ for 12 months.





UNION GAS LIMITED  
Southern Operations Area  
Quarterly Residential Bill Impacts  
Third Quarter: 2006 and 2007

| Line No. | Particulars                                    | Rate M2 - Residential<br>(July, August, September Consumption of 169 m <sup>3</sup> ) |  |  |   |
|----------|--|---|--|--|---|
|          |  | EB-2006-0106<br>Approved<br>01-Jul-06<br>Quarterly<br>Bill (\$)<br>(a)                | EB-2007-0634<br>Proposed<br>01-Jul-07<br>Quarterly<br>Bill (\$)<br>(b) | Quarterly<br>Impact<br>(\$)<br>(c) = (b) - (a) | Percent<br>Change<br>(%)<br>(d) = (b-a) / (a) |
|          | <u>Delivery Charges</u>                        |   |  |  |   |
| 1        | Monthly Charge                                 | 42.00   | 48.00  | 6.00   |   |
| 2        | Delivery Commodity Charge                      | 9.57  | 8.74   | (0.83)   |   |
| 3        | Prospective Recovery - Delivery                | (0.15) (1)  | (0.09) (2)   | 0.06   |   |
| 4        | Storage Services                               | 1.62  | 1.57   | (0.05)   |   |
| 5        | Total Delivery Charge                          | 53.04   | 58.22  | 5.18   | 10%   |
|          | <u>Supply Charges</u>                          |   |  |  |   |
| 6        | Transportation to Union                        | 5.08  | 6.06   | 0.98   | 19%   |
| 7        | Commodity & Fuel                               | 60.95   | 56.23  | (4.72)   |   |
| 8        | Prospective Recovery - Commodity & Fuel        | (6.12) (3)  | (9.75) (4)   | (3.63)   |   |
| 9        | Subtotal                                       | 54.83   | 46.48  | (8.35)   | -15%  |
| 10       | Total Gas Supply Charge                        | 59.91   | 52.54  | (7.37)   |   |
| 11       | Total Bill                                     | 112.95  | 110.76   | (2.19)   | -2%   |
| 12       | Comparison - Sales (line 11)                   | 112.95  | 110.76   | (2.19)   | -2%   |
| 13       | Comparison - Direct Purchase (line 5 + line 6) | 58.12   | 64.28  | 6.16   | 11%   |
| 14       | Alberta Border Reference Price (Can\$ / GJ)    | 8.954   | 8.379  | (0.575)  | -6%   |

Notes:

- (1) Prospective recovery credit of (0.0914) cents/m<sup>3</sup> for 12 months.  
(2) Prospective recovery credit of (0.0502) cents/m<sup>3</sup> for 12 months.  
(3) Prospective recovery credit of (3.6268) cents/m<sup>3</sup> for 12 months.  
(4) Prospective recovery credit of (5.7728) cents/m<sup>3</sup> for 12 months.

UNION GAS LIMITED  
Northern & Eastern Operations Area  
Quarterly Residential Bill Impacts  
Third Quarter: 2006 and 2007

(Fort Frances)  
Rate 01 - Residential

(July, August, September Consumption of 169 m<sup>3</sup>)

| Line No. | Particulars                                    | EB-2006-0106                           | EB-2007-0634                           | Quarterly Impact (\$) | Percent Change (%) |
|----------|--|--|--|-----------------------|--------------------|
|          |  | Approved 01-Jul-06 Quarterly Bill (\$) | Proposed 01-Jul-07 Quarterly Bill (\$) |                       |                    |
|          |  | (a)                                    | (b)                                    | (c) = (b) - (a)       | (d) = (b-a) / (a)  |
|          | <u>Delivery Charges</u>                        |  |  |                       |                    |
| 1        | Monthly Charge                                 | 42.00                                  | 48.00                                  | 6.00                  |                    |
| 2        | Delivery Commodity Charge                      | 16.37                                  | 15.60                                  | (0.77)                |                    |
| 3        | Total Delivery Charge                          | 58.37                                  | 63.60                                  | 5.23                  | 9%                 |
|          | <u>Supply Charges</u>                          |  |  |                       |                    |
| 4        | Transportation to Union                        | 4.61                                   | 5.03                                   | 0.42                  |                    |
| 5        | Prospective Recovery - Transportation          | (0.68) (1)                             | 0.06 (2)                               | 0.74                  |                    |
| 6        | Storage Services                               | 3.25                                   | 3.22                                   | (0.03)                |                    |
| 7        | Prospective Recovery - Storage                 | (0.27) (3)                             | (0.03) (4)                             | 0.24                  |                    |
| 8        | Subtotal                                       | 6.91                                   | 8.28                                   | 1.37                  | 20%                |
| 9        | Commodity & Fuel                               | 58.44                                  | 54.31                                  | (4.13)                |                    |
| 10       | Prospective Recovery - Commodity & Fuel        | (6.38) (5)                             | (12.82) (6)                            | (6.44)                |                    |
| 11       | Subtotal                                       | 52.06                                  | 41.49                                  | (10.57)               | -20%               |
| 12       | Total Gas Supply Charge                        | 58.97                                  | 49.77                                  | (9.20)                |                    |
| 13       | Total Bill                                     | 117.34                                 | 113.37                                 | (3.97)                | -3%                |
| 14       | Comparison - Sales (line 13)                   | 117.34                                 | 113.37                                 | (3.97)                | -3%                |
| 15       | Comparison - Direct Purchase (line 3 + line 8) | 65.28                                  | 71.88                                  | 6.60                  | 10%                |

(Western)

Rate 01 - Residential

(July, August, September Consumption of 169 m<sup>3</sup>)

| Line No. | Particulars                                    | EB-2006-0106                           | EB-2007-0634                           | Quarterly Impact (\$) | Percent Change (%) |
|----------|--|--|--|-----------------------|--------------------|
|          |  | Approved 01-Jul-06 Quarterly Bill (\$) | Proposed 01-Jul-07 Quarterly Bill (\$) |                       |                    |
|          |  | (e)                                    | (f)                                    | (g) = (f) - (e)       | (h) = (f-e) / (e)  |
|          | <u>Delivery Charges</u>                        |  |  |                       |                    |
|          | Monthly Charge                                 | 42.00                                  | 48.00                                  | 6.00                  |                    |
|          | Delivery Commodity Charge                      | 16.37                                  | 15.60                                  | (0.77)                |                    |
|          | Total Delivery Charge                          | 58.37                                  | 63.60                                  | 5.23                  | 9%                 |
|          | <u>Supply Charges</u>                          |  |  |                       |                    |
|          | Transportation to Union                        | 4.60                                   | 5.08                                   | 0.48                  |                    |
|          | Prospective Recovery - Transportation          | (0.68) (1)                             | 0.06 (2)                               | 0.74                  |                    |
|          | Storage Services                               | 3.40                                   | 3.22                                   | (0.18)                |                    |
|          | Prospective Recovery - Storage                 | (0.27) (3)                             | (0.03) (4)                             | 0.24                  |                    |
|          | Subtotal                                       | 7.05                                   | 8.33                                   | 1.28                  | 18%                |
|          | Commodity & Fuel                               | 59.21                                  | 54.86                                  | (4.35)                |                    |
|          | Prospective Recovery - Commodity & Fuel        | (6.38) (5)                             | (12.82) (6)                            | (6.44)                |                    |
|          | Subtotal                                       | 52.83                                  | 42.04                                  | (10.79)               | -20%               |
|          | Total Gas Supply Charge                        | 59.88                                  | 50.37                                  | (9.51)                |                    |
|          | Total Bill                                     | 118.25                                 | 113.97                                 | (4.28)                | -4%                |
|          | Comparison - Sales (line 13)                   | 118.25                                 | 113.97                                 | (4.28)                | -4%                |
|          | Comparison - Direct Purchase (line 3 + line 8) | 65.42                                  | 71.93                                  | 6.51                  | 10%                |

Notes:

- (1) Prospective recovery credit of (0.3824) cents/m<sup>3</sup> for 12 months.  
(2) Prospective recovery charge of 0.0317 cents/m<sup>3</sup> for 12 months.  
(3) Prospective recovery credit of (0.1339) cents/m<sup>3</sup> for 12 months.  
(4) Prospective recovery credit of (0.0191) cents/m<sup>3</sup> for 12 months.  
(5) Prospective recovery credit of (3.7709) cents/m<sup>3</sup> for 12 months.  
(6) Prospective recovery credit of (7.5884) cents/m<sup>3</sup> for 12 months.

UNION GAS LIMITED  
Northern & Eastern Operations Area  
Quarterly Residential Bill Impacts  
Third Quarter: 2006 and 2007

| Line No. | Particulars                                    | (Northern)  |   |                             |                          | (Eastern)   |   |                             |                          |
|----------|--|---|---|-----------------------------|--------------------------|---|---|-----------------------------|--------------------------|
|          |  | Rate 01 - Residential   |   |                             |                          | Rate 01 - Residential   |   |                             |                          |
|          |  | (July, August, September Consumption of 169 m³)                 |   |                             |                          | (July, August, September Consumption of 169 m³)                 |   |                             |                          |
|          |  | EB-2006-0106<br>Approved<br>01-Jul-06<br>Quarterly<br>Bill (\$) | EB-2007-0634<br>Proposed<br>01-Jul-07<br>Quarterly<br>Bill (\$) | Quarterly<br>Impact<br>(\$) | Percent<br>Change<br>(%) | EB-2006-0106<br>Approved<br>01-Jul-06<br>Quarterly<br>Bill (\$) | EB-2007-0634<br>Proposed<br>01-Jul-07<br>Quarterly<br>Bill (\$) | Quarterly<br>Impact<br>(\$) | Percent<br>Change<br>(%) |
|          |  | (a)   | (b)   | (c) = (b) - (a)             | (d) = (b-a) / (a)        | (e)   | (f)   | (g) = (f) - (e)             | (h) = (f-e) / (e)        |
|          | <u>Delivery Charges</u>                        |   |   |                             |                          |   |   |                             |                          |
| 1        | Monthly Charge                                 | 42.00   | 48.00   | 6.00                        |                          | 42.00   | 48.00   | 6.00                        |                          |
| 2        | Delivery Commodity Charge                      | 16.37   | 15.60   | (0.77)                      |                          | 16.37   | 15.60   | (0.77)                      |                          |
| 3        | Total Delivery Charge                          | 58.37   | 63.60   | 5.23                        | 9%                       | 58.37   | 63.60   | 5.23                        | 9%                       |
|          | <u>Supply Charges</u>                          |   |   |                             |                          |   |   |                             |                          |
| 4        | Transportation to Union                        | 5.61  | 6.11  | 0.50                        |                          | 6.42  | 7.00  | 0.58                        |                          |
| 5        | Prospective Recovery - Transportation          | (0.68) (1)  | 0.06 (2)  | 0.74                        |                          | (0.68) (1)  | 0.06 (2)  | 0.74                        |                          |
| 6        | Storage Services                               | 4.16  | 3.87  | (0.29)                      |                          | 4.81  | 4.40  | (0.41)                      |                          |
| 7        | Prospective Recovery - Storage                 | (0.27) (3)  | (0.03) (4)  | 0.24                        |                          | (0.27) (3)  | (0.03) (4)  | 0.24                        |                          |
| 8        | Subtotal                                       | 8.82  | 10.01   | 1.19                        | 13%                      | 10.28   | 11.43   | 1.15                        | 11%                      |
| 9        | Commodity & Fuel                               | 60.21   | 55.61   | (4.60)                      |                          | 61.04   | 56.23   | (4.81)                      |                          |
| 10       | Prospective Recovery - Commodity & Fuel        | (6.38) (5)  | (12.82) (6)   | (6.44)                      |                          | (6.38) (5)  | (12.82) (6)   | (6.44)                      |                          |
| 11       | Subtotal                                       | 53.83   | 42.79   | (11.04)                     | -21%                     | 54.66   | 43.41   | (11.25)                     | -21%                     |
| 12       | Total Gas Supply Charge                        | 62.65   | 52.80   | (9.85)                      |                          | 64.94   | 54.84   | (10.10)                     |                          |
| 13       | Total Bill                                     | 121.02  | 116.40  | (4.62)                      | -4%                      | 123.31  | 118.44  | (4.87)                      | -4%                      |
| 14       | Comparison - Sales (line 13)                   | 121.02  | 116.40  | (4.62)                      | -4%                      | 123.31  | 118.44  | (4.87)                      | -4%                      |
| 15       | Comparison - Direct Purchase (line 3 + line 8) | 67.19   | 73.61   | 6.42                        | 10%                      | 68.65   | 75.03   | 6.38                        | 9%                       |
| 16       | Alberta Border Reference Price (Can\$ / GJ)    | 8.954   | 8.379   | (0.575)                     | -6%                      |   |   |                             |                          |

Notes:

- (1) Prospective recovery credit of (0.3824) cents/m3 for 12 months.
- (2) Prospective recovery charge of 0.0317 cents/m3 for 12 months.
- (3) Prospective recovery credit of (0.1339) cents/m3 for 12 months.
- (4) Prospective recovery credit of (0.0191) cents/m3 for 12 months.
- (5) Prospective recovery credit of (3.7709) cents/m3 for 12 months.
- (6) Prospective recovery credit of (7.5884) cents/m3 for 12 months.



UNION GAS LIMITED  
2007 Prospective Recovery Commodity Unit Rates

| Line<br>No.                                 | Particulars                                 | Incremental<br>Amount for<br>Prospective<br>Recovery (1)<br>(\$000's)<br>(a) | Forecast<br>Sales Service<br>Billing Units (2)<br>(10 <sup>3</sup> m <sup>3</sup> )<br>(b) | Proposed<br>Incremental<br>Prospective Recovery<br>Unit Rate<br>(cents/m <sup>3</sup> )<br>(c) = (a) / (b) x 100 |
|---|---|--|--|--|
| <u>Northern and Eastern Operations Area</u> |   |  |  |  |
| 1   | North Purchase Gas Variance Account (NPGVA) | (4,980)  | 664,889  | (0.7489)   |
| 2   | Inventory Revaluations                      | (185)  | 664,889  | (0.0278)   |
| 3   | Spot Gas                                    | (0)  | 664,889  | (0.0000)   |
| 4   | Fuel  | (295)  | 664,889  | (0.0444)   |
| 5   | Total Northern Commodity                    | <u>(5,459)</u>   |  | <u>(0.8211)</u>  |
| <u>Southern Operations Area</u>             |   |  |  |  |
| 6   | South Purchase Gas Variance Account (SPGVA) | (16,935)   | 2,289,705  | (0.7396)   |
| 7   | Inventory Revaluations                      | (636)  | 2,289,705  | (0.0278)   |
| 8   | Spot Gas                                    | (0)  | 2,289,705  | (0.0000)   |
| 9   | Total Southern Commodity                    | <u>(17,572)</u>  |  | <u>(0.7674)</u>  |
| 10  | Total                                       | <u><u>(23,031)</u></u>   |  |  |

Notes:

- (1) Tab 2, Schedule 2  
(2) Forecast volumes for the 12 month period: July 1, 2007 to June 30, 2008

UNION GAS LIMITED  
2007 Prospective Recovery Transportation Unit Rates

| Line<br>No. | Particulars   | Incremental<br>Amount for<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Forecast<br>Firm Bundled<br>Billing Units (6)<br>(10 <sup>3</sup> m <sup>3</sup> )<br>(b) | Proposed<br>Incremental<br>Prospective Recovery<br>Unit Rate<br>(cents/m <sup>3</sup> )<br>(c) = (a) / (b) x 100 |
|-------------|---|--|---|--|
|             | <u>Northern and Eastern Operations Area</u>                 |  |   |  |
| 1           | <u>TCPL Tolls and LBA - Transportation</u><br>R01, R10, R20 | 1,146 (1)  | 1,449,347   | 0.0791   |
|             | <u>Load balancing</u>                                       |  |   |  |
| 2           | R01   | (343) (2)  | 903,072   | (0.0380)   |
| 3           | R10   | (129) (3)  | 377,776   | (0.0342)   |
| 4           | R20   | (167) (4)  | 168,499   | (0.0994)   |
|             | <u>TCPL Tolls and LBA - Storage</u>                         |  |   |  |
| 5           | R20 - Monthly Gas Supply Demand Charge                      | - (5)  | -   | -  |
| 6           | Total   | <u>506</u>   |   |  |

Notes:

- (1) Tab 2, Schedule 2
- (2) Schedule 2, Working Papers, Page 1 of 2, Column (i)
- (3) Schedule 2, Working Papers, Page 1 of 2, Column (i)
- (4) Schedule 2, Working Papers, Page 1 of 2, Column (i)
- (5) Schedule 2, Working Papers, Page 2 of 2, Column (g)

UNION GAS LIMITED  
2007 Prospective Recovery Delivery Unit Rates

| Line No. | Particulars                     | Incremental Amount for Prospective Recovery (1)<br>(\$000's)<br>(a) | Forecast Delivery Billing Units (2)<br>(10 <sup>3</sup> m <sup>3</sup> )<br>(b) | Proposed Incremental Prospective Recovery Unit Rate<br>(cents/m <sup>3</sup> )<br>(c) = (a) / (b) x 100 |
|----------|---------------------------------|---|---|---|
|          | <u>Southern Operations Area</u> |   |   |   |
|          | <u>Load Balancing</u>           |   |   |   |
| 1        | M2                              | (1,606)   | 3,858,025   | (0.0416)  |
| 2        | M4                              | (338)   | 459,280   | (0.0735)  |
| 3        | M5A (Firm & Interruptible)      | (195)   | 395,271   | (0.0493)  |
| 4        | M7                              | (144)   | 297,940   | (0.0483)  |
| 5        | M9                              | (10)  | 24,506  | (0.0428)  |
| 6        | Total                           | <u>(2,293)</u>  |   |   |

Notes:

- (1) Schedule 2, Working Papers, Page 1 of 2, Column (i)  
(2) Forecast volumes for the 12 month period: July 1, 2007 to June 30, 2008



UNION GAS LIMITED  
2007 Prospective Recovery Storage Unit Rates

| Line No. | Particulars                                    | Incremental Amount for Prospective Recovery (1) (\$000's)<br>(a) | Forecast Firm Storage Billing Units (10 <sup>3</sup> m <sup>3</sup> )<br>(b) | Proposed Incremental Prospective Recovery Unit Rate (cents/m <sup>3</sup> )<br>(c) = (a) / (b) x 100 |
|----------|--|--|--|--|
|          | <u>Northern and Eastern Operations Area</u>    |  |  |  |
|          | <u>TCPL Tolls and LBA - Storage</u>            |  |  |  |
| 1        | R01  | -  |  | -  |
| 2        | R10  | -  |  | -  |
| 3        | Bundled Storage Service - R20 and R100 (\$/GJ) | -  |  | -  |
| 4        | Total  |  |  |  |

Notes:  
(1) Schedule 2, Working Papers, Page 2 of 2, Column (g)



**EB-2007-0634**  
**Index of Appendices**

|            |   |
|------------|---|
| Appendix A | Summary of Changes to Sales Rates             |
| Appendix B | Rate Schedules                                |
| Appendix C | Summary of Average Interruptible Rate Changes |





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

| Line No. | Particulars (cents/m <sup>3</sup> )               | EB-2007-0053<br>Approved<br>April 1, 2007 | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007 |
|----------|---|---|-----------------------|--|
|          |   | Rate<br>(a)                               |                       | Rate<br>(c)                              |
| 1        | Monthly Charge - All Zones                        | \$16.00                                   |                       | \$16.00                                  |
|          | Monthly Delivery Charge - All Zones               |   |                       |  |
| 2        | First 100 m3                                      | 9.2380                                    |                       | 9.2380                                   |
| 3        | Next 200 m3                                       | 8.6369                                    |                       | 8.6369                                   |
| 4        | Next 200 m3                                       | 8.2100                                    |                       | 8.2100                                   |
| 5        | Next 500 m3                                       | 7.8180                                    |                       | 7.8180                                   |
| 6        | Over 1,000 m3                                     | 7.4944                                    |                       | 7.4944                                   |
| 7        | Delivery - Price Adjustment (All Volumes)         |   |                       |  |
|          | Gas Transportation Service                        |   |                       |  |
| 8        | Fort Frances                                      | 2.8784                                    | 0.0994                | 2.9778                                   |
| 9        | Western Zone                                      | 2.8894                                    | 0.1124                | 3.0018                                   |
| 10       | Northern Zone                                     | 3.4791                                    | 0.1346                | 3.6137                                   |
| 11       | Eastern Zone                                      | 3.9849                                    | 0.1544                | 4.1393                                   |
| 12       | Transportation - Price Adjustment (All Zones)     | (0.1281) (1)                              | 0.1598                | 0.0317 (2)                               |
|          | Storage Service                                   |   |                       |  |
| 13       | Fort Frances                                      | 1.9099                                    |                       | 1.9099                                   |
| 14       | Western Zone                                      | 1.9075                                    |                       | 1.9075                                   |
| 15       | Northern Zone                                     | 2.2951                                    |                       | 2.2951                                   |
| 16       | Eastern Zone                                      | 2.6079                                    |                       | 2.6079                                   |
| 17       | Storage - Price Adjustment (All Zones)            | (0.0163) (3)                              | (0.0028)              | (0.0191) (4)                             |
|          | Commodity Cost of Gas and Fuel                    |   |                       |  |
| 18       | Fort Frances                                      | 31.7996                                   | 0.3342                | 32.1338                                  |
| 19       | Western Zone                                      | 32.1383                                   | 0.3230                | 32.4613                                  |
| 20       | Northern Zone                                     | 32.5935                                   | 0.3107                | 32.9042                                  |
| 21       | Eastern Zone                                      | 32.9687                                   | 0.3052                | 33.2739                                  |
| 22       | Commodity and Fuel - Price Adjustment (All Zones) | (9.8875) (5)                              | 2.2991                | (7.5884) (6)                             |

Notes:

- (1) Includes Prospective Recovery of (0.1187), (0.0122), (0.0796) and 0.0580 cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery of 0.0122, (0.0796), 0.0580 and 0.0411cents/m<sup>3</sup>.  
(3) Includes Prospective Recovery of 0.0028, (0.0021), (0.0029) and (0.0141) cents/m<sup>3</sup>.  
(4) Includes Prospective Recovery of (0.0021), (0.0029) and (0.0141) cents/m<sup>3</sup>.  
(5) Includes Prospective Recovery of (3.1202), (3.0312), (2.7354) and (1.0007) cents/m<sup>3</sup>.  
(6) Includes Prospective Recovery of (3.0312), (2.7354), (1.0007) and (0.8211) cents/m<sup>3</sup>.

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

| Line No. | Particulars (cents/m <sup>3</sup> )               | EB-2007-0053<br>Approved<br>April 1, 2007<br>Rate<br>(a) | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007<br>Rate<br>(c) |
|----------|---|--|-----------------------|---|
| 1        | Monthly Charge - All Zones                        | \$70.00  |                       | \$70.00   |
|          | Monthly Delivery Charge - All Zones               |  |                       |   |
| 2        | First 1,000 m3                                    | 7.3562   |                       | 7.3562  |
| 3        | Next 9,000 m3                                     | 5.8543   |                       | 5.8543  |
| 4        | Next 20,000 m3                                    | 4.9979   |                       | 4.9979  |
| 5        | Next 70,000 m3                                    | 4.4495   |                       | 4.4495  |
| 6        | Over 100,000 m3                                   | 2.3725   |                       | 2.3725  |
| 7        | Delivery - Price Adjustment (All Volumes)         |  |                       |   |
|          | Gas Transportation Service                        |  |                       |   |
| 8        | Fort Frances                                      | 2.6378   | 0.0934                | 2.7311  |
| 9        | Western Zone                                      | 2.6488   | 0.1064                | 2.7552  |
| 10       | Northern Zone                                     | 3.2384   | 0.1286                | 3.3670  |
| 11       | Eastern Zone                                      | 3.7443   | 0.1484                | 3.8927  |
| 12       | Transportation - Price Adjustment (All Zones)     | (0.1124) (1)   | 0.1527                | 0.0403 (2)  |
|          | Storage Service                                   |  |                       |   |
| 13       | Fort Frances                                      | 1.2255   |                       | 1.2255  |
| 14       | Western Zone                                      | 1.2231   |                       | 1.2231  |
| 15       | Northern Zone                                     | 1.6107   |                       | 1.6107  |
| 16       | Eastern Zone                                      | 1.9235   |                       | 1.9235  |
| 17       | Storage - Price Adjustment (All Zones)            | (0.0275) (3)   | 0.0030                | (0.0245) (4)  |
|          | Commodity Cost of Gas and Fuel                    |  |                       |   |
| 18       | Fort Frances                                      | 31.7996  | 0.3342                | 32.1338   |
| 19       | Western Zone                                      | 32.1383  | 0.3230                | 32.4613   |
| 20       | Northern Zone                                     | 32.5935  | 0.3107                | 32.9042   |
| 21       | Eastern Zone                                      | 32.9687  | 0.3052                | 33.2739   |
| 22       | Commodity and Fuel - Price Adjustment (All Zones) | (9.8875) (5)   | 2.2991                | (7.5884) (6)  |

Notes:

- (1) Includes Prospective Recovery of (0.1078), 0.0129, (0.0779) and 0.0604 cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery of 0.0129, (0.0779), 0.0604 and 0.0449 cents/m<sup>3</sup>.  
(3) Includes Prospective Recovery of (0.0030), (0.0052), (0.0043) and (0.0150) cents/m<sup>3</sup>.  
(4) Includes Prospective Recovery of (0.0052), (0.0043) and (0.0150) cents/m<sup>3</sup>.  
(5) Includes Prospective Recovery of (3.1202), (3.0312), (2.7354) and (1.0007) cents/m<sup>3</sup>.  
(6) Includes Prospective Recovery of (3.0312), (2.7354), (1.0007) and (0.8211) cents/m<sup>3</sup>.

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

| Line No. | Particulars (cents/m <sup>3</sup> )               | EB-2007-0053<br>Approved<br>April 1, 2007<br>Rate<br>(a) | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007<br>Rate<br>(c) |
|----------|---|--|-----------------------|---|
| 1        | Monthly Charge                                    | \$780.00   |                       | \$780.00  |
| 2        | Delivery Demand Charge                            |  |                       |   |
| 3        | First 70,000 m <sup>3</sup>                       | 20.3317  |                       | 20.3317   |
| 3        | All over 70,000 m <sup>3</sup>                    | 11.9561  |                       | 11.9561   |
| 4        | Delivery Commodity Charge                         |  |                       |   |
| 5        | First 852,000 m <sup>3</sup>                      | 0.2877   |                       | 0.2877  |
| 5        | All over 852,000 m <sup>3</sup>                   | 0.2131   |                       | 0.2131  |
| 6        | Monthly Gas Supply Demand Charge                  |  |                       |   |
| 7        | Fort Frances                                      | 24.4742  | 0.9107                | 25.3849   |
| 7        | Western Zone                                      | 24.7073  | 1.1435                | 25.8508   |
| 8        | Northern Zone                                     | 41.3066  | 1.4749                | 42.7815   |
| 9        | Eastern Zone                                      | 55.1752  | 1.7584                | 56.9336   |
| 10       | Gas Supply Demand - Price Adjustment (All Zones)  | 0.7275 (1)   | (0.2276)              | 0.4999 (2)  |
| 11       | Commodity Transportation 1                        |  |                       |   |
| 12       | Fort Frances                                      | 2.1365   | 0.0606                | 2.1971  |
| 12       | Western Zone                                      | 2.1400   | 0.0658                | 2.2058  |
| 13       | Northern Zone                                     | 2.5308   | 0.0747                | 2.6055  |
| 14       | Eastern Zone                                      | 2.8583   | 0.0826                | 2.9409  |
| 15       | Transportation 1 - Price Adjustment (All Zones)   | (0.2215) (3)   | 0.1490                | (0.0725) (4)  |
| 16       | Commodity Transportation 2                        |  |                       |   |
| 17       | Fort Frances                                      | 0.1259   | 0.0075                | 0.1334  |
| 17       | Western Zone                                      | 0.1236   | 0.0075                | 0.1310  |
| 18       | Northern Zone                                     | 0.1909   | 0.0150                | 0.2059  |
| 19       | Eastern Zone                                      | 0.2508   | 0.0225                | 0.2733  |
| 20       | Commodity Cost of Gas and Fuel                    |  |                       |   |
| 21       | Fort Frances                                      | 32.1780  | 0.3381                | 32.5161   |
| 21       | Western Zone                                      | 32.5207  | 0.3269                | 32.8476   |
| 22       | Northern Zone                                     | 32.9813  | 0.3145                | 33.2958   |
| 23       | Eastern Zone                                      | 33.3611  | 0.3088                | 33.6699   |
| 24       | Commodity and Fuel - Price Adjustment (All Zones) | (9.8875) (5)   | 2.2991                | (7.5884) (6)  |
| 25       | Bundled Storage Service (\$/GJ)                   |  |                       |   |
| 26       | Monthly Demand Charge                             | 11.289   |                       | 11.289  |
| 26       | Commodity Charge                                  | 0.240  |                       | 0.240   |
| 27       | Storage Demand - Price Adjustment                 | (0.389) (7)  | 0.051                 | (0.338) (8)   |

Notes:

- (1) Includes Prospective Recovery of 0.2276, 0.1426, 0.3066 and 0.0507 cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery of 0.1426, 0.3066 and 0.0507 cents/m<sup>3</sup>.  
(3) Includes Prospective Recovery of (0.1693), 0.0053, (0.0918) and 0.0343 cents/m<sup>3</sup>.  
(4) Includes Prospective Recovery of 0.0053, (0.0918), 0.0343 and (0.0203) cents/m<sup>3</sup>.  
(5) Includes Prospective Recovery of (3.1202), (3.0312), (2.7354) and (1.0007) cents/m<sup>3</sup>.  
(6) Includes Prospective Recovery of (3.0312), (2.7354), (1.0007) and (0.8211) cents/m<sup>3</sup>.  
(7) Includes Prospective Recovery of (0.051), (0.070), (0.119) and (0.149) \$/GJ.  
(8) Includes Prospective Recovery of (0.070), (0.119) and (0.149) \$/GJ.



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

| Line No. | Particulars (cents/m <sup>3</sup> )                      | EB-2007-0053<br>Approved<br>April 1, 2007 | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007 |
|----------|--|---|-----------------------|--|
|          |  | Rate<br>(a)                               |                       | Rate<br>(c)                              |
| 1        | Monthly Charge   | \$780.00                                  |                       | \$780.00                                 |
| 2        | Delivery Demand Charge<br>All Zones                      | 11.9268                                   |                       | 11.9268                                  |
| 3        | Delivery Commodity Charge<br>All Zones                   | 0.2102                                    |                       | 0.2102                                   |
| 4        | Monthly Gas Supply Demand Charge<br>Fort Frances         | 39.1286                                   | 1.5659                | 40.6945                                  |
| 5        | Western Zone   | 39.4005                                   | 1.8376                | 41.2381                                  |
| 6        | Northern Zone  | 58.7664                                   | 2.2242                | 60.9906                                  |
| 7        | Eastern Zone   | 74.9465                                   | 2.5548                | 77.5013                                  |
| 8        | Commodity Transportation 1<br>Fort Frances               | 3.7489                                    | 0.1349                | 3.8838                                   |
| 9        | Western Zone   | 3.7515                                    | 0.1388                | 3.8903                                   |
| 10       | Northern Zone  | 4.0447                                    | 0.1454                | 4.1901                                   |
| 11       | Eastern Zone   | 4.2903                                    | 0.1514                | 4.4417                                   |
| 12       | Commodity Transportation 2<br>Fort Frances               | 0.1259                                    | 0.0075                | 0.1334                                   |
| 13       | Western Zone   | 0.1236                                    | 0.0075                | 0.1310                                   |
| 14       | Northern Zone  | 0.1909                                    | 0.0150                | 0.2059                                   |
| 15       | Eastern Zone   | 0.2508                                    | 0.0225                | 0.2733                                   |
| 16       | Commodity Cost of Gas and Fuel<br>Fort Frances           | 32.1780                                   | 0.3381                | 32.5161                                  |
| 17       | Western Zone   | 32.5207                                   | 0.3269                | 32.8476                                  |
| 18       | Northern Zone  | 32.9813                                   | 0.3145                | 33.2958                                  |
| 19       | Eastern Zone   | 33.3611                                   | 0.3088                | 33.6699                                  |
| 20       | Commodity and Fuel - Price Adjustment (All Zones)        | (9.8875) (1)                              | 2.2991                | (7.5884) (2)                             |
| 21       | Bundled Storage Service (\$/GJ)<br>Monthly Demand Charge | 11.289                                    |                       | 11.289                                   |
| 22       | Commodity Charge   | 0.240                                     |                       | 0.240                                    |
| 23       | Storage Demand - Price Adjustment                        | (0.389) (3)                               | 0.051                 | (0.338) (4)                              |

Notes:

(1) Includes Prospective Recovery of (3.1202), (3.0312), (2.7354) and (1.0007) cents/m<sup>3</sup>.

(2) Includes Prospective Recovery of (3.0312), (2.7354), (1.0007) and (0.8211) cents/m<sup>3</sup>.

(3) Includes Prospective Recovery of (0.051), (0.070), (0.119) and (0.149) \$/GJ.

(4) Includes Prospective Recovery of (0.070), (0.119) and (0.149) \$/GJ.

UNION GAS LIMITED  
Northern & Eastern Operations Area  
Summary of Changes to Sales Rates

| Line<br>No. | Particulars (cents/m <sup>3</sup> )                                   | EB-2007-0053<br>Approved<br>April 1, 2007 | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007 |
|-------------|---|---|-----------------------|--|
|             |   | Rate<br>(a)                               |                       | Rate<br>(c)                              |
| 1           | <u>Rate 25 - Large Volume Interruptible Service</u><br>Monthly Charge | \$190.00                                  |                       | \$190.00                                 |
| 2           | Delivery Charge - All Zones *<br>Maximum                              | 4.5768                                    |                       | 4.5768                                   |
| 3           | Gas Supply Charges - All Zones<br>Minimum                             | 14.3135                                   |                       | 14.3135                                  |
| 4           | Maximum   | 140.5622                                  |                       | 140.5622                                 |
| 5           | <u>Rate 77 - Wholesale Transportation Service</u><br>Monthly Charge   | \$145.00                                  |                       | \$145.00                                 |
| 6           | Delivery Demand Charge - All Zones                                    | 28.2927                                   |                       | 28.2927                                  |

\* see Appendix C

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

| Line No. | Particulars (cents/m <sup>3</sup> )  | EB-2007-0053<br>Approved<br>April 1, 2007<br>Rate<br>(a) | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007<br>Rate<br>(c) |
|----------|--|--|-----------------------|---|
|          | <u>Utility Sales</u>   |  |                       |   |
| 1        | Commodity and Fuel   | 32.9687  | 0.3052                | 33.2739   |
| 2        | Commodity and Fuel - Price Adjustment                                      | (7.0866) (1)   | 1.3138                | (5.7728) (2)  |
| 3        | Transportation   | 3.6279   | (0.0449)              | 3.5830  |
| 4        | Total Gas Supply Commodity Charge  | 29.5100  | 1.5741                | 31.0841   |
|          | <u>M4 Firm Commercial/Industrial</u>                                       |  |                       |   |
| 5        | Minimum annual gas supply commodity charge                                 | 5.5663   | (0.0804)              | 5.4859  |
|          | <u>M5A Interruptible Commercial/Industrial</u>                             |  |                       |   |
| 6        | Minimum annual gas supply commodity charge                                 | 5.5663   | (0.0804)              | 5.4859  |
|          | <u>Storage and Transportation Supplemental Services - Rate T1 &amp; T3</u> | <u>\$/GJ</u>   |                       | <u>\$/GJ</u>  |
|          | Monthly demand charges: (\$/GJ)  |  |                       |   |
| 7        | Firm gas supply service  | 28.065   | 1.063                 | 29.128  |
| 8        | Firm backstop gas  | 4.245  | 0.024                 | 4.269   |
|          | Commodity charges:   |  |                       |   |
| 9        | Gas supply   | 8.788  | 0.088                 | 8.876   |
| 10       | Backstop gas   | 11.727   | 0.070                 | 11.797  |
| 11       | Reasonable Efforts Backstop Gas  | 11.404   | 0.070                 | 11.474  |
| 12       | Supplemental Inventory   | Note (3)   |                       | Note (3)  |
| 13       | Supplemental Gas Sales Service (cents/m <sup>3</sup> )                     | 46.4836  | 0.2724                | 46.7560   |
| 14       | Failure to Deliver   | 3.011  |                       | 3.011   |
| 15       | Discretionary Gas Supply Service (DGSS)                                    | Note (4)   |                       | Note (4)  |

Notes:

- (1) Includes Prospective Recovery unit rate of (2.0812), (2.5373), (1.2473) and (1.2208) cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery unit rate of (2.5373), (1.2473), (1.2208) and (0.7674) cents/m<sup>3</sup>.  
(3) The charge for banked gas purchases shall be the higher of the daily spot gas cost at Dawn in the month of or the month following the month in which gas is sold under this rate and shall not be less than Union's approved weighted avg. cost of gas.  
(4) Reflects the "back to back" price plus gas supply administration charge.

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

| Line No. | Particulars (cents/m <sup>3</sup> )              | EB-2007-0053<br>Approved<br>April 1, 2007<br>Rate<br>(a) | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007<br>Rate<br>(c) |
|----------|--|--|-----------------------|---|
|          | <u>M2 General Service Rate</u>                   |  |                       |   |
| 1        | Monthly Charge                                   | \$16.00  |                       | \$16.00   |
|          | Monthly delivery commodity charge:               |  |                       |   |
| 2        | First 1 400 m <sup>3</sup>                       | 5.1701   |                       | 5.1701  |
| 3        | Next 4 600 m <sup>3</sup>                        | 4.1427   |                       | 4.1427  |
| 4        | Next 124 000 m <sup>3</sup>                      | 3.0859   |                       | 3.0859  |
| 5        | Next 270 000 m <sup>3</sup>                      | 2.4743   |                       | 2.4743  |
| 6        | All over 400 000 m <sup>3</sup>                  | 2.2978   |                       | 2.2978  |
| 7        | Delivery - Price Adjustment (All Volumes)        | (0.0941) (1)   | 0.0439                | (0.0502) (2)  |
| 8        | Storage Service                                  | 0.9309   |                       | 0.9309  |
|          | <u>M4 Firm comm/ind contract rate</u>            |  |                       |   |
|          | Monthly demand charge:                           |  |                       |   |
| 9        | First 8 450 m <sup>3</sup>                       | 45.6744  |                       | 45.6744   |
| 10       | Next 19 700 m <sup>3</sup>                       | 19.8165  |                       | 19.8165   |
| 11       | All over 28 150 m <sup>3</sup>                   | 16.4565  |                       | 16.4565   |
|          | Monthly delivery commodity charge:               |  |                       |   |
| 12       | First block                                      | 0.9291   |                       | 0.9291  |
| 13       | All remaining use                                | 0.5089   |                       | 0.5089  |
| 14       | Delivery - Price Adjustment (All Volumes)        | (0.1282) (3)   | 0.0565                | (0.0717) (4)  |
| 15       | Minimum annual delivery commodity charge         | 1.2464   |                       | 1.2464  |
|          | <u>M5A interruptible comm/ind contract</u>       |  |                       |   |
|          | <u>Firm contracts *</u>                          |  |                       |   |
| 16       | Monthly demand charge                            | 27.5785  |                       | 27.5785   |
| 17       | Monthly delivery commodity charge                | 1.7957   |                       | 1.7957  |
| 18       | Delivery - Price Adjustment (All Volumes)        | (0.0603) (5)   | 0.0207                | (0.0396) (6)  |
|          | <u>Interruptible contracts *</u>                 |  |                       |   |
| 19       | Monthly Charge                                   | \$500.00   |                       | \$500.00  |
|          | Daily delivery commodity charge:                 |  |                       |   |
| 20       | 4 800 m <sup>3</sup> to 17 000 m <sup>3</sup>    | 1.9019   |                       | 1.9019  |
| 21       | 17 000 m <sup>3</sup> to 30 000 m <sup>3</sup>   | 1.7720   |                       | 1.7720  |
| 22       | 30 000 m <sup>3</sup> to 50 000 m <sup>3</sup>   | 1.7037   |                       | 1.7037  |
| 23       | 50 000 m <sup>3</sup> to 70 000 m <sup>3</sup>   | 1.6558   |                       | 1.6558  |
| 24       | 70 000 m <sup>3</sup> to 100 000 m <sup>3</sup>  | 1.6215   |                       | 1.6215  |
| 25       | 100 000 m <sup>3</sup> to 140 870 m <sup>3</sup> | 1.5878   |                       | 1.5878  |
| 26       | Delivery - Price Adjustment (All Volumes)        | (0.0603) (5)   | 0.0207                | (0.0396) (6)  |
| 27       | Annual minimum delivery commodity charge         | 2.2192   |                       | 2.2192  |

Notes:

- (1) Includes Prospective Recovery of (0.0855), (0.0028), (0.0031) and (0.0027) cents/m<sup>3</sup>.  
(2) Includes Prospective Recovery of (0.0028), (0.0031), (0.0027) and (0.0416)cents/m<sup>3</sup>.  
(3) Includes Prospective Recovery of (0.1300), (0.0008), 0.0020 and 0.0006 cents/m<sup>3</sup>.  
(4) Includes Prospective Recovery of (0.0008), 0.0020, 0.0006 and (0.0735) cents/m<sup>3</sup>.  
(5) Includes Prospective Recovery of (0.0700), 0.0009, 0.0043 and 0.0045 cents/m<sup>3</sup> associated with load balancing costs.  
(6) Includes Prospective Recovery of 0.0009, 0.0043, 0.0045 and (0.0493) cents/m<sup>3</sup> associated with load balancing costs.

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

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

| Line No. | Particulars (cents/m <sup>3</sup> )           | EB-2007-0053<br>Approved<br>April 1, 2007<br>Rate<br>(a) | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007<br>Rate<br>(c) |
|----------|---|--|-----------------------|---|
|          | <u>M7 Special large volume contract</u>       |  |                       |   |
|          | <u>Firm</u>                                   |  |                       |   |
| 1        | Monthly demand charge                         | 25.5426  |                       | 25.5426   |
| 2        | Monthly delivery commodity charge             | 0.3344   |                       | 0.3344  |
| 3        | Delivery - Price Adjustment                   | (0.0332) (1)   | 0.0624                | 0.0292 (2)  |
|          | <u>Interruptible *</u>                        |  |                       |   |
| 4        | Monthly delivery commodity charge:<br>Maximum | 2.7337   | -                     | 2.7337  |
| 5        | Delivery - Price Adjustment                   | (0.0332) (1)   | 0.0624                | 0.0292 (2)  |
|          | <u>Seasonal *</u>                             |  |                       |   |
| 6        | Monthly delivery commodity charge:<br>Maximum | 2.4896   |                       | 2.4896  |
| 7        | Delivery - Price Adjustment                   | (0.0332) (1)   | 0.0624                | 0.0292 (2)  |
|          | <u>M9 Large wholesale service</u>             |  |                       |   |
| 8        | Monthly demand charge                         | 17.0902  |                       | 17.0902   |
| 9        | Monthly delivery commodity charge             | 0.5367   |                       | 0.5367  |
| 10       | Delivery - Price Adjustment                   | (0.1358) (3)   | 0.0695                | (0.0663) (4)  |
|          | <u>M10 Small wholesale service</u>            |  |                       |   |
| 11       | Monthly delivery commodity charge             | 2.6978   |                       | 2.6978  |

Notes:

(1) Includes Prospective Recovery of (0.1107), 0.0126, 0.0431 and 0.0218 cents/m<sup>3</sup>.

(2) Includes Prospective Recovery of 0.0126, 0.0431, 0.0218 and (0.0483) cents/m<sup>3</sup>.

(3) Includes Prospective Recovery of (0.1123), (0.0019), (0.0066) and (0.0150) cents/m<sup>3</sup>.

(4) Includes Prospective Recovery of (0.0019), (0.0066), (0.0150) and (0.0428) cents/m<sup>3</sup>.

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

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

| Line No. | Particulars   | EB-2007-0053<br>Approved<br>April 1, 2007<br>Rate<br>(a) | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007<br>Rate<br>(c) |
|----------|---|--|-----------------------|---|
|          | <u>Contract Carriage Service</u>                                    |  |                       |   |
|          | <u>T1 Storage and Transportation</u>                                |  |                       |   |
|          | <u>Storage (\$ / GJ)</u>  |  |                       |   |
|          | Monthly demand charges:   |  |                       |   |
| 1        | Firm space  | 0.010  |                       | 0.010   |
|          | Firm Injection/Withdrawal Right                                     |  |                       |   |
| 2        | Union provides deliverability inventory                             | 1.980  |                       | 1.980   |
| 3        | Customer provides deliverability inventory                          | 1.050  |                       | 1.050   |
| 4        | Firm incremental injection  | 1.050  |                       | 1.050   |
| 5        | Interruptible withdrawal  | 1.050  |                       | 1.050   |
|          | Commodity charges:  |  |                       |   |
| 6        | Withdrawal  | 0.064  |                       | 0.064   |
| 7        | Customer provides compressor fuel                                   | 0.007  |                       | 0.007   |
| 8        | Injection   | 0.064  |                       | 0.064   |
| 9        | Customer provides compressor fuel                                   | 0.007  |                       | 0.007   |
| 10       | Storage fuel ratio - customer provides fuel                         | 0.600%   |                       | 0.600%  |
|          | <u>Transportation (cents / m<sup>3</sup>)</u>                       |  |                       |   |
| 11       | Monthly demand charge first 140,870 m <sup>3</sup>                  | 18.9471  |                       | 18.9471   |
| 12       | Monthly demand charge all over 140,870 m <sup>3</sup>               | 12.9470  |                       | 12.9470   |
|          | Commodity charges:  |  |                       |   |
| 13       | Firm- Union provides compressor fuel first 2,360,653 m <sup>3</sup> | 0.3573   |                       | 0.3573  |
| 14       | Union provides compressor fuel all over 2,360,653 m <sup>3</sup>    | 0.2767   |                       | 0.2767  |
| 15       | Customer provides compressor fuel first 2,360,653 m <sup>3</sup>    | 0.1604   |                       | 0.1604  |
| 16       | Customer provides compressor fuel all over 2,360,653 m <sup>3</sup> | 0.0798   |                       | 0.0798  |
|          | Interruptible: *  |  |                       |   |
| 17       | Maximum - Union provides compressor fuel                            | 2.7337   |                       | 2.7337  |
| 18       | Maximum - customer provides compressor fuel                         | 2.5368   |                       | 2.5368  |
| 19       | Transportation fuel ratio - customer provides fuel                  | 0.554%   |                       | 0.554%  |
|          | <u>Authorized overrun services</u>                                  |  |                       |   |
|          | <u>Storage (\$ / GJ)</u>  |  |                       |   |
|          | Commodity charges   |  |                       |   |
| 20       | Injection May 1 to Oct 31   | 0.169  |                       | 0.169   |
| 21       | Customer provides compressor fuel                                   | 0.072  |                       | 0.072   |
| 22       | Withdrawals Nov 1 to Apr 30   | 0.169  |                       | 0.169   |
| 23       | Customer provides compressor fuel                                   | 0.072  |                       | 0.072   |
| 24       | Transportation commodity charge (cents / m <sup>3</sup> )           | 0.9803   |                       | 0.9803  |
| 25       | Customer provides compressor fuel                                   | 0.7833   |                       | 0.7833  |
| 26       | <u>Monthly Charge</u>   | \$1,800  |                       | \$1,800   |

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

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

| Line<br>No. | Particulars   | EB-2007-0053<br>Approved<br>April 1, 2007<br>Rate<br>(a) | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007<br>Rate<br>(c) |
|-------------|---|--|-----------------------|---|
|             | <u>T3 Storage and Transportation</u>                        |  |                       |   |
|             | <u>Storage (\$ / GJ)</u>                                    |  |                       |   |
|             | Monthly demand charges:                                     |  |                       |   |
| 1           | Firm space  | 0.010  |                       | 0.010   |
|             | Firm Injection/Withdrawal Right                             |  |                       |   |
| 2           | Union provides deliverability inventory                     | 1.980  |                       | 1.980   |
| 3           | Customer provides deliverability inventory                  | 1.050  |                       | 1.050   |
| 4           | Firm incremental injection                                  | 1.050  |                       | 1.050   |
| 5           | Interruptible withdrawal                                    | 1.050  |                       | 1.050   |
|             | Commodity charges:  |  |                       |   |
| 6           | Withdrawal  | 0.064  |                       | 0.064   |
| 7           | Customer provides compressor fuel                           | 0.007  |                       | 0.007   |
| 8           | Injection   | 0.064  |                       | 0.064   |
| 9           | Customer provides compressor fuel                           | 0.007  |                       | 0.007   |
| 10          | Storage fuel ratio- Cust. provides fuel                     | 0.600%   |                       | 0.600%  |
|             | <u>Transportation (cents / m<sup>3</sup>)</u>               |  |                       |   |
| 11          | Monthly demand charge                                       | 9.0121   |                       | 9.0121  |
|             | Commodity charges   |  |                       |   |
| 12          | Firm- Union supplies compressor fuel                        | 0.3242   |                       | 0.3242  |
| 13          | Customer provides compressor fuel                           | 0.0666   |                       | 0.0666  |
| 14          | Transportation fuel ratio- Cust. provides fuel              | 0.725%   |                       | 0.725%  |
|             | <u>Authorized overrun services</u>                          |  |                       |   |
|             | <u>Storage (\$ / GJ)</u>                                    |  |                       |   |
|             | Commodity charges:  |  |                       |   |
| 15          | Injection   | 0.169  |                       | 0.169   |
| 16          | Customer provides compressor fuel                           | 0.072  |                       | 0.072   |
| 17          | Withdrawals   | 0.169  |                       | 0.169   |
| 18          | Customer provides compressor fuel                           | 0.072  |                       | 0.072   |
| 19          | Transportation commodity charge (cents / m <sup>3</sup> )   | 0.6205   |                       | 0.6205  |
| 20          | Customer provides compressor fuel (cents / m <sup>3</sup> ) | 0.3629   |                       | 0.3629  |
|             | <u>Monthly Charge</u>                                       |  |                       |   |
| 21          | City of Kitchener   | \$17,155   |                       | \$17,155  |
| 22          | Natural Resource Gas  | \$2,631  |                       | \$2,631   |
| 23          | Six Nations   | \$877  |                       | \$877   |

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

| Line No. | Particulars  | EB-2007-0053<br>Approved<br>April 1, 2007<br>Rate<br>(a) | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007<br>Rate<br>(c) |
|----------|--|--|-----------------------|---|
|          | <u>U2 Unbundled Customers</u>                      |  |                       |   |
|          | <u>Storage (\$ / GJ)</u>                           |  |                       |   |
|          | Monthly demand charges:                            |  |                       |   |
|          | Standard Storage Service (SSS)                     |  |                       |   |
| 1        | Combined Firm Space & Deliverability               | 0.021  |                       | 0.021   |
|          | Standard Peaking Service (SPS)                     |  |                       |   |
| 2        | Combined Firm Space & Deliverability               | 0.106  |                       | 0.106   |
| 3        | Incremental firm injection right                   | 0.955  |                       | 0.955   |
| 4        | Incremental firm withdrawal right                  | 0.955  |                       | 0.955   |
|          | Commodity charges:                                 |  |                       |   |
| 5        | Injection customer provides compressor fuel        | 0.015  |                       | 0.015   |
| 6        | Withdrawal customer provides compressor fuel       | 0.015  |                       | 0.015   |
| 7        | Storage fuel ratio - Customer provides fuel        | 0.600%   |                       | 0.600%  |
|          | <u>Authorized overrun services</u>                 |  |                       |   |
|          | <u>Storage (\$ / GJ)</u>                           |  |                       |   |
|          | Commodity charges:                                 |  |                       |   |
| 8        | Injection customer provides compressor fuel        | 0.046  |                       | 0.046   |
| 9        | Withdrawal customer provides compressor fuel       | 0.046  |                       | 0.046   |
|          | <u>U5 Unbundled Customers</u>                      |  |                       |   |
|          | <u>Storage (\$ / GJ)</u>                           |  |                       |   |
|          | Monthly demand charges:                            |  |                       |   |
|          | Combined Firm Space & Deliverability               | 0.021  |                       | 0.021   |
| 11       | Incremental firm injection right                   | 0.955  |                       | 0.955   |
| 12       | Incremental firm withdrawal right                  | 0.955  |                       | 0.955   |
|          | Commodity charges:                                 |  |                       |   |
| 13       | Injection customer provides compressor fuel        | 0.015  |                       | 0.015   |
| 14       | Withdrawal customer provides compressor fuel       | 0.015  |                       | 0.015   |
| 15       | Storage fuel ratio - Customer provides fuel        | 0.600%   |                       | 0.600%  |
|          | <u>Delivery (cents / m<sup>3</sup>)</u>            |  |                       |   |
|          | <u>Firm contracts</u>                              |  |                       |   |
|          | Monthly demand charge                              | 21.8236  |                       | 21.8236   |
| 17       | Monthly delivery commodity charge                  | 1.7957   |                       | 1.7957  |
| 18       | Transportation fuel ratio - Customer provides fuel | 0.554%   |                       | 0.554%  |
|          | <u>Interruptible contracts</u>                     |  |                       |   |
| 19       | Monthly Charge                                     | \$500.00   |                       | \$500.00  |
|          | Monthly delivery commodity charge:                 |  |                       |   |
| 20       | 4 800 m <sup>3</sup> to 17 000 m <sup>3</sup>      | 1.5464   |                       | 1.5464  |
| 21       | 17 000 m <sup>3</sup> to 30 000 m <sup>3</sup>     | 1.4165   |                       | 1.4165  |
| 22       | 30 000 m <sup>3</sup> to 50 000 m <sup>3</sup>     | 1.3482   |                       | 1.3482  |
| 23       | 50 000 m <sup>3</sup> to 70 000 m <sup>3</sup>     | 1.3003   |                       | 1.3003  |
| 24       | 70 000 m <sup>3</sup> to 100 000 m <sup>3</sup>    | 1.2660   |                       | 1.2660  |
| 25       | 100 000 m <sup>3</sup> to 140 870 m <sup>3</sup>   | 1.2323   |                       | 1.2323  |
|          | <u>Authorized overrun services</u>                 |  |                       |   |
|          | <u>Storage (\$ / GJ)</u>                           |  |                       |   |
|          | Commodity charges:                                 |  |                       |   |
| 26       | Injection customer provides compressor fuel        | 0.046  |                       | 0.046   |
| 27       | Withdrawal customer provides compressor fuel       | 0.046  |                       | 0.046   |



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

| Line<br>No. | Particulars  | EB-2007-0053<br>Approved<br>April 1, 2007<br>Rate<br>(a) | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007<br>Rate<br>(c) |
|-------------|--|--|-----------------------|---|
|             | <u>U7 Unbundled Customers</u>  |  |                       |   |
|             | <u>Storage (\$ / GJ)</u>   |  |                       |   |
|             | Monthly demand charges:  |  |                       |   |
| 1           | Combined Firm Space & Deliverability                                     | 0.021  |                       | 0.021   |
| 2           | Incremental firm injection right   | 0.955  |                       | 0.955   |
| 3           | Incremental firm withdrawal right  | 0.955  |                       | 0.955   |
|             | Commodity charges:   |  |                       |   |
| 4           | Injection customer provides compressor fuel                              | 0.015  |                       | 0.015   |
| 5           | Withdrawal customer provides compressor fuel                             | 0.015  |                       | 0.015   |
| 6           | Storage fuel ratio - Customer provides fuel                              | 0.600%   |                       | 0.600%  |
|             | <u>Delivery (cents / m<sup>3</sup>)</u>                                  |  |                       |   |
| 7           | Monthly demand charge first 140,870 m <sup>3</sup>                       | 18.9471  |                       | 18.9471   |
| 8           | Monthly demand charge all over 140,870 m <sup>3</sup>                    | 12.9470  |                       | 12.9470   |
|             | Commodity charges  |  |                       |   |
| 9           | Firm Customer provides compressor fuel first 2,360,653 m <sup>3</sup>    | 0.1604   |                       | 0.1604  |
| 10          | Firm Customer provides compressor fuel all over 2,360,653 m <sup>3</sup> | 0.0798   |                       | 0.0798  |
|             | Interruptible:   |  |                       |   |
| 11          | Maximum customer provides compressor fuel                                | 2.5368   |                       | 2.5368  |
| 12          | Transportation fuel ratio - Customer provides fuel                       | 0.554%   |                       | 0.554%  |
|             | <u>Authorized overrun services</u>                                       |  |                       |   |
|             | <u>Storage (\$ / GJ)</u>   |  |                       |   |
|             | Commodity charges:   |  |                       |   |
| 13          | Injection customer provides compressor fuel                              | 0.046  |                       | 0.046   |
| 14          | Withdrawal customer provides compressor fuel                             | 0.046  |                       | 0.046   |
| 15          | Transportation commodity charge (cents / m <sup>3</sup> )                | 0.7833   |                       | 0.7833  |
|             | <u>Other Services &amp; Charges</u>                                      |  |                       |   |
| 16          | Monthly Charge   | \$1,800  |                       | \$1,800   |

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

| Line<br>No. | Particulars   | EB-2007-0053<br>Approved<br>April 1, 2007<br>Rate<br>(a) | Rate<br>Change<br>(b) | EB-2007-0634<br>Approved<br>July 1, 2007<br>Rate<br>(c) |
|-------------|---|--|-----------------------|---|
|             | <u>U9 Unbundled Customers</u>                             |  |                       |   |
|             | <u>Storage (\$ / GJ)</u>                                  |  |                       |   |
|             | Monthly demand charges:                                   |  |                       |   |
| 1           | Firm space  | 0.021  |                       | 0.021   |
| 2           | Incremental firm injection right                          | 0.955  |                       | 0.955   |
| 3           | Incremental firm withdrawal right                         | 0.955  |                       | 0.955   |
|             | Commodity charges:  |  |                       |   |
| 4           | Injection customer provides compressor fuel               | 0.015  |                       | 0.015   |
| 5           | Withdrawal customer provides compressor fuel              | 0.015  |                       | 0.015   |
| 6           | Storage fuel ratio - Customer provides fuel               | 0.600%   |                       | 0.600%  |
|             | <u>Delivery (cents / m<sup>3</sup>)</u>                   |  |                       |   |
| 7           | Monthly demand charge                                     | 9.0121   |                       | 9.0121  |
|             | Commodity charges   |  |                       |   |
| 8           | Firm customer provides compressor fuel                    | 0.0666   |                       | 0.0666  |
| 9           | Transportation fuel ratio - Customer provides fuel        | 0.725%   |                       | 0.725%  |
|             | <u>Authorized overrun services</u>                        |  |                       |   |
|             | <u>Storage (\$ / GJ)</u>                                  |  |                       |   |
|             | Commodity charges:  |  |                       |   |
| 10          | Injection customer provides compressor fuel               | 0.046  |                       | 0.046   |
| 11          | Withdrawal customer provides compressor fuel              | 0.046  |                       | 0.046   |
| 12          | Transportation commodity charge (cents / m <sup>3</sup> ) | 0.3629   |                       | 0.3629  |
|             | <u>Other Services &amp; Charges</u>                       |  |                       |   |
|             | Monthly Charge  |  |                       |   |
| 13          | City of Kitchener   | \$17,155   |                       | \$17,155  |
| 14          | NRG   | \$2,631  |                       | \$2,631   |
| 15          | Six Nations   | \$877  |                       | \$877   |





# uniongas

Effective  
2007-07-01  
Schedule "A"  
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Union Gas Limited  
Northern and Eastern Operations Area  
Gas Supply Charges

(A) Availability

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

(B) Applicability:

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

(C) Rates

Utility Sales

|   | <u>Fort Frances</u> | <u>Western</u> | <u>Northern</u> | <u>Eastern</u> |
|---|---------------------|----------------|-----------------|----------------|
| <u>Rate 01A (cents / m<sup>3</sup>)</u>   |                     |                |                 |                |
| Effective July 1, 2007 (EB-2007-0634)     |                     |                |                 |                |
| Storage                                   | 1.9099              | 1.9075         | 2.2951          | 2.6079         |
| Storage - Price Adjustment (1)            | (0.0191)            | (0.0191)       | (0.0191)        | (0.0191)       |
| Commodity and Fuel                        | 32.1338             | 32.4613        | 32.9042         | 33.2739        |
| Commodity and Fuel - Price Adjustment (1) | (7.5884)            | (7.5884)       | (7.5884)        | (7.5884)       |
| Transportation                            | 2.9778              | 3.0018         | 3.6137          | 4.1393         |
| Transportation - Price Adjustment (1)     | 0.0317              | 0.0317         | 0.0317          | 0.0317         |
| Total Gas Supply Charge                   | <u>29.4457</u>      | <u>29.7948</u> | <u>31.2371</u>  | <u>32.4454</u> |

Rate 10 (cents / m<sup>3</sup>)

|   |                |                |                |                |
|---|----------------|----------------|----------------|----------------|
| Effective July 1, 2007 (EB-2007-0634)     |                |                |                |                |
| Storage                                   | 1.2255         | 1.2231         | 1.6107         | 1.9235         |
| Storage - Price Adjustment (1)            | (0.0245)       | (0.0245)       | (0.0245)       | (0.0245)       |
| Commodity and Fuel                        | 32.1338        | 32.4613        | 32.9042        | 33.2739        |
| Commodity and Fuel - Price Adjustment (1) | (7.5884)       | (7.5884)       | (7.5884)       | (7.5884)       |
| Transportation                            | 2.7311         | 2.7552         | 3.3670         | 3.8927         |
| Transportation - Price Adjustment (1)     | 0.0403         | 0.0403         | 0.0403         | 0.0403         |
| Total Gas Supply Charge                   | <u>28.5179</u> | <u>28.8670</u> | <u>30.3094</u> | <u>31.5176</u> |

Notes:

(1) As laid out in Appendix A. The Commodity and Fuel line includes gas supply administration charge of 0.3173 cents/m<sup>3</sup>.



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Effective  
2007-07-01  
Schedule "A"  
Page 2 of 2

Union Gas Limited  
Northern and Eastern Operations Area  
Gas Supply Charges

Utility Sales

|   | <u>Fort Frances</u> | <u>Western</u> | <u>Northern</u> | <u>Eastern</u> |
|---|---------------------|----------------|-----------------|----------------|
| <u>Rate 20 (cents / m<sup>3</sup>)</u>    |                     |                |                 |                |
| Effective July 1, 2007 (EB-2007-0634)     |                     |                |                 |                |
| Commodity and Fuel                        | 32.5161             | 32.8476        | 33.2958         | 33.6699        |
| Commodity and Fuel - Price Adjustment (1) | (7.5884)            | (7.5884)       | (7.5884)        | (7.5884)       |
| Commodity Transportation - Charge 1       | 2.1971              | 2.2058         | 2.6055          | 2.9409         |
| Transportation 1 - Price Adjustment (1)   | (0.0725)            | (0.0725)       | (0.0725)        | (0.0725)       |
| Commodity Transportation - Charge 2       | 0.1334              | 0.1310         | 0.2059          | 0.2733         |
| Monthly Gas Supply Demand                 | 25.3849             | 25.8508        | 42.7815         | 56.9336        |
| Gas Supply Demand - Price Adjustment (1)  | 0.4999              | 0.4999         | 0.4999          | 0.4999         |
| Commissioning and Decommissioning Rate    | 3.4284              | 3.4655         | 4.9135          | 6.1258         |

Rate 100 (cents / m<sup>3</sup>)

|   |          |          |          |          |
|---|----------|----------|----------|----------|
| Effective July 1, 2007 (EB-2007-0634)     |          |          |          |          |
| Commodity and Fuel                        | 32.5161  | 32.8476  | 33.2958  | 33.6699  |
| Commodity and Fuel - Price Adjustment (1) | (7.5884) | (7.5884) | (7.5884) | (7.5884) |
| Commodity Transportation - Charge 1       | 3.8838   | 3.8903   | 4.1901   | 4.4417   |
| Commodity Transportation - Charge 2       | 0.1334   | 0.1310   | 0.2059   | 0.2733   |
| Monthly Gas Supply Demand                 | 40.6945  | 41.2381  | 60.9906  | 77.5013  |
| Commissioning and Decommissioning Rate    | 3.6520   | 3.6790   | 4.7780   | 5.6997   |

Rate 25 (cents / m<sup>3</sup>)

|                                       |                       |          |          |          |
|---------------------------------------|-----------------------|----------|----------|----------|
| Effective July 1, 2007 (EB-2007-0634) |                       |          |          |          |
| Gas Supply Charge:                    | Interruptible Service |          |          |          |
|                                       | Minimum               | 14.3135  | 14.3135  | 14.3135  |
|                                       | Maximum               | 140.5622 | 140.5622 | 140.5622 |

Notes:

(1) As laid out in Appendix A. The Commodity and Fuel line includes gas supply administration charge of 0.3173 cents/m<sup>3</sup>.

Effective: July 1, 2007  
O.E.B. Order # EB-2007-0634

Chatham, Ontario

Supersedes EB-2007-0053 Rate Schedule effective April 1, 2007.



RATE 01A – SMALL VOLUME GENERAL FIRM SERVICE

**ELIGIBILITY**

Any customer in Union's Fort Frances, Western, Northern or Eastern Zones who is an end user whose total gas requirements at that location are equal to or less than 50,000 m<sup>3</sup> per year.

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

(a) **Sales Service**

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

(b) **Transportation Service**

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

(c) **Bundled Transportation Service**

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

**MONTHLY RATES AND CHARGES**

| Zone<br>Rate Schedule No.                | <u>Fort Frances</u><br>201 | <u>Western</u><br>101      | <u>Northern</u><br>301     | <u>Eastern</u><br>601      |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>APPLICABLE TO ALL SERVICES</u>        |                            |                            |                            |                            |
| <u>MONTHLY CHARGE</u>                    | \$16.00                    | \$16.00                    | \$16.00                    | \$16.00                    |
| <u>DELIVERY CHARGE</u>                   | <u>¢ per m<sup>3</sup></u> | <u>¢ per m<sup>3</sup></u> | <u>¢ per m<sup>3</sup></u> | <u>¢ per m<sup>3</sup></u> |
| First 100 m <sup>3</sup> per month @     | 9.2380                     | 9.2380                     | 9.2380                     | 9.2380                     |
| Next 200 m <sup>3</sup> per month @      | 8.6369                     | 8.6369                     | 8.6369                     | 8.6369                     |
| Next 200 m <sup>3</sup> per month @      | 8.2100                     | 8.2100                     | 8.2100                     | 8.2100                     |
| Next 500 m <sup>3</sup> per month @      | 7.8180                     | 7.8180                     | 7.8180                     | 7.8180                     |
| Over 1,000 m <sup>3</sup> per month @    | 7.4944                     | 7.4944                     | 7.4944                     | 7.4944                     |
| Delivery- Price Adjustment (All Volumes) | -                          | -                          | -                          | -                          |



**uniongas**

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2007-07-01  
**Rate 01A**  
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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**

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

**SERVICE AGREEMENT**

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

**TERMS AND CONDITIONS OF SERVICE**

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

Effective

July 1, 2007  
O.E.B. ORDER # EB-2007-0634

Chatham, Ontario

Supersedes EB-2007-0053 Rate Schedule effective April 1, 2007.



RATE 10 – LARGE VOLUME GENERAL FIRM SERVICE

**ELIGIBILITY**

Any customer in Union's Fort Frances, Western, Northern or Eastern Zones who is an end-user whose total firm gas requirements at one or more Company-owned meters at one location exceed 50,000 m<sup>3</sup> per year.

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

(a) **Sales Service**

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

(b) **Transportation Service**

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

(c) **Bundled Transportation Service**

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

**MONTHLY RATES AND CHARGES**

| Zone<br>Rate Schedule No.               | <u>Fort Frances</u><br>210 | <u>Western</u><br>110      | <u>Northern</u><br>310     | <u>Eastern</u><br>610      |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>APPLICABLE TO ALL SERVICES</u>       |                            |                            |                            |                            |
| <u>MONTHLY CHARGE</u>                   | \$70.00                    | \$70.00                    | \$70.00                    | \$70.00                    |
| <u>DELIVERY CHARGE</u>                  | <u>¢ per m<sup>3</sup></u> | <u>¢ per m<sup>3</sup></u> | <u>¢ per m<sup>3</sup></u> | <u>¢ per m<sup>3</sup></u> |
| First 1,000 m <sup>3</sup> per month @  | 7.3562                     | 7.3562                     | 7.3562                     | 7.3562                     |
| Next 9,000 m <sup>3</sup> per month @   | 5.8543                     | 5.8543                     | 5.8543                     | 5.8543                     |
| Next 20,000 m <sup>3</sup> per month @  | 4.9979                     | 4.9979                     | 4.9979                     | 4.9979                     |
| Next 70,000 m <sup>3</sup> per month @  | 4.4495                     | 4.4495                     | 4.4495                     | 4.4495                     |
| Over 100,000 m <sup>3</sup> per month @ | 2.3725                     | 2.3725                     | 2.3725                     | 2.3725                     |
| Delivery-Price Adjustment (All Volumes) | -                          | -                          | -                          | -                          |



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**

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

**SERVICE AGREEMENT**

Customers providing their own gas supply in whole or in part, for transportation by Union and customers purchasing gas from Union with maximum daily requirements in excess of 3,000 m<sup>3</sup> 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

July 1, 2007  
O.E.B. ORDER # EB-2007-0634

Chatham, Ontario

Supersedes EB-2007-0053 Rate Schedule effective April 1, 2007.

**RATE 20 – MEDIUM VOLUME FIRM SERVICE****ELIGIBILITY**

Any customer in Union's Fort Frances, Western, Northern or Eastern Zones who is an end-user or who is authorized to serve an end-user of gas through one or more Company-owned meters at one location, and whose total maximum daily requirements for firm or combined firm and interruptible service is 14,000 m<sup>3</sup> or more.

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

**(a) Sales Service**

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

**(b) Transportation Service**

For continuous delivery on Union's distribution system from the Point of Receipt on TCPL's system to the Point of Consumption on the customer's premises of natural gas owned by the customer. The customer is responsible for obtaining the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Monthly, Delivery, Transportation Account and Diversion Transaction Charges shall apply. Unless otherwise authorized by Union, customers who initiate a movement to Transportation Service from a Sales Service or Bundled Transportation Service must accept an assignment from Union of transportation capacity on upstream pipeline systems. Customers may reduce their assignment of transportation capacity in compliance with Union's Turnback Policy.

**(c) Bundled Transportation Service**

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

**(d) Storage Service**

For load balancing purposes for customers using Transportation Service on this rate schedule. If at the sole discretion of Union, adequate supplies exist, bundled and unbundled storage and delivery/redelivery services will be provided.

The charge for Bundled Storage Service will consist of the charges for Transportation Service plus the charges for Bundled Storage Service.

The charge for Unbundled Storage Service will consist of the charges for Transportation Service plus the charges for Unbundled Storage Service which must include charges for delivery/redelivery service to/from storage.

**NOTE:** Union has a short-term intermittent gas supply service under Rate 30 which customers may avail themselves of, if they qualify for use of the service.

**MONTHLY RATES AND CHARGES**APPLICABLE TO ALL SERVICES – ALL ZONES (1)

|   |          |
|---|----------|
| <u>MONTHLY CHARGE</u>   | \$780.00 |
| <u>DELIVERY CHARGES</u> (cents per month per m <sup>3</sup> )                             |          |
| Monthly Demand Charge for first 70,000 m <sup>3</sup> of Contracted Daily Demand          | 20.3317  |
| Monthly Demand Charge for all units over 70,000 m <sup>3</sup> of Contracted Daily Demand | 11.9561  |
| Commodity Charge for first 852,000 m <sup>3</sup> of gas volumes delivered                | 0.2877   |
| Commodity Charge for all units over 852,000 m <sup>3</sup> of gas volumes delivered       | 0.2131   |

NOTE

(1) Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates, charges and terms and conditions applicable thereto, different from the rates, charges and terms and conditions specified herein if changed rates, charges and terms and conditions are considered by either party to be necessary, desirable and in the public interest.

ADDITIONAL CHARGES FOR SALES SERVICE**Gas Supply Charge**

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

**Commodity Transportation**

Charge 1 applies for all gas volumes delivered in the billing month up to the volume represented by the Contract Demand multiplied by the number of days in the billing month multiplied by 0.4.

Charge 2 applies for all additional gas volumes delivered in the billing month.

**HEAT CONTENT ADJUSTMENT**

The gas supply commodity charges hereunder will be adjusted upwards or downwards as described below if the average total heating value of the gas per cubic metre (m<sup>3</sup>) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m<sup>3</sup>, respectively.

The adjustment shall be determined by multiplying the amount otherwise payable by a fraction, where the numerator is the monthly weighted average total heating value per cubic meter and the denominator 37.89.



## COMMISSIONING AND DECOMMISSIONING RATE

The contract may provide that the Monthly Demand Charges specified above shall not apply on all or part of the daily contracted demand used by the customer either during the testing, commissioning and phasing in of gas using equipment or, alternatively, in the decommissioning and phasing out of gas using equipment being displaced by other gas using equipment, for a period not to exceed one year ("the transition period"). To be eligible the new or displaced gas using equipment must be separately meterable. In such event, the contract will provide the following rates that such volume during the transitional period will be charged.

| Zone<br>Rate Schedule No.                               | <u>Fort Frances</u><br>220     | <u>Western</u><br>120          | <u>Northern</u><br>320         | <u>Eastern</u><br>620          |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <u>MONTHLY CHARGE</u>                                   | \$780.00                       | \$780.00                       | \$780.00                       | \$780.00                       |
| <u>DELIVERY CHARGES</u>                                 | <u>cents per m<sup>3</sup></u> | <u>cents per m<sup>3</sup></u> | <u>cents per m<sup>3</sup></u> | <u>cents per m<sup>3</sup></u> |
| Commodity Charge for each unit of gas volumes delivered | 1.6246                         | 1.6246                         | 1.6246                         | 1.6246                         |

### GAS SUPPLY CHARGES

The gas supply charge is comprised of charges for transportation and for commodity and fuel.

The applicable rates are provided in Schedule "A".

## ADDITIONAL CHARGES FOR TRANSPORTATION AND STORAGE SERVICES – ALL ZONES

### MONTHLY TRANSPORTATION ACCOUNT CHARGE

For customers that currently have installed or will require installing telemetering equipment: \$220.00

### BUNDLED (T-SERVICE) STORAGE SERVICE CHARGES

Monthly Demand Charge for each unit of Contracted Daily Storage Withdrawal Entitlement (\$ per GJ per Month) \$11.289

Monthly Storage Demand- Price Adjustment for each unit of Contracted Daily Storage Withdrawal Entitlement: (\$ per GJ per Month) \$ (0.338)

Commodity Charge for each unit of gas withdrawn from storage (\$ per GJ) \$0.240

Authorized Overrun Commodity Charge on each additional unit of gas Union authorizes for withdrawal from storage (\$ per GJ) \$0.611

The Authorized Overrun Commodity Charge is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

### UNBUNDLED STORAGE SERVICE CHARGES

Storage Space Charge:

Applied to Contracted Maximum Storage Balance (\$ per GJ per Month) \$0.032

Fuel Ratio:

Applied to all gas injected and withdrawn from storage (%) 0.600%

Commodity Charge:

Applied to all gas injected and withdrawn from storage (\$ per GJ) \$0.015

### UNBUNDLED STORAGE SERVICE AUTHORIZED OVERRUN CHARGES:

Fuel Ratio:

Applied to all gas injected and withdrawn from storage (%) 1.03%

Commodity Charge:

Applied to all gas injected and withdrawn from storage (\$ per GJ) \$0.072

The Authorized Overrun Commodity Charge is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

**UNBUNDLED STORAGE SERVICE UNAUTHORIZED OVERRUN CHARGES**

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

**UNBUNDLED SERVICE NOMINATION VARIANCES**

The rate for unauthorized parking or drafting which results from nomination variances shall be equal to 50% of the "Daily Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff. No Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 4% of the nominated amount and 150 GJ.

| Zone<br>Rate Schedule No.                         | <u>Fort Frances</u><br>220 | <u>Western</u><br>120 | <u>Northern</u><br>320 | <u>Eastern</u><br>620 |
|---|----------------------------|-----------------------|------------------------|-----------------------|
| <u>Delivery service to Storage Facilities (1)</u> |                            |                       |                        |                       |
| Demand Charge (\$/GJ/month)                       | N/A                        | \$29.227              | \$12.025               | \$1.202               |
| Commodity (\$/GJ)                                 | N/A                        | \$0.032               | \$0.024                | \$0.019               |
| <u>Redelivery Service from Storage Facilities</u> |                            |                       |                        |                       |
| Demand Charge (\$/GJ/month)                       | \$2.255                    | \$2.255               | \$2.255                | \$5.916               |
| Commodity (\$/GJ)                                 | N/A                        | \$0.095               | \$0.095                | \$0.099               |

**Notes:**

1. Delivery Service to Storage Facilities is not available to Northern Zone Customers in the Sault Ste. Marie Delivery Area (SSMDA).
2. Daily Firm injection and Withdrawal Rights shall be pursuant to the storage contract.
3. Storage Space, Withdrawal Rights and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.

**DIVERSION TRANSACTION CHARGE**

Charge to a customer Receiving Delivery of diverted gas each time such customer requests a diversion and Union provides the service:

**\$10.00****THE BILL**

The bill will equal the sum of the charges for all services selected plus the rates multiplied by the applicable gas quantities delivered or withdrawn for each service chosen plus all applicable taxes. If the customer transports its own gas, the Gas Supply Charge under Sales Service will not apply. If the customer selects Union's Sales Service which includes the Gas Supply Charge, no additional charges for Transportation and Storage Services will apply.

**MINIMUM BILL**

The minimum bill shall be the Monthly Charge, the Transportation Account Charge and the Demand Charges, as applicable.

**DELAYED PAYMENT**

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

**SERVICE AGREEMENT**

All customers must enter into a Service Agreement with Union before receiving service under this rate schedule.

**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, the Transportation Account 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 billing data of individual end-users to generate a single bill which is less than the sum of the 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.



**RATE 25 – LARGE VOLUME INTERRUPTIBLE SERVICE****ELIGIBILITY**

Any customer in Union's Fort Frances, Western, Northern or Eastern Zones who is an end-user or who is authorized to serve an end-user of gas through one or more Company-owned meters at one location, and whose total maximum daily interruptible requirement is 3,000 m<sup>3</sup> or more or the interruptible portion of a maximum daily requirement for combined firm and interruptible service is 14,000 m<sup>3</sup> or more and whose operations, in the judgement of Union, can readily accept interruption and restoration of gas service.

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

**(a) Sales Service**

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

**(b) Transportation Service**

For delivery of natural gas owned by the customer on Union's distribution system from the Point of Receipt from TCPL's system to the Point of Consumption on the customer's or end-user's premises, providing that, in the judgement of Union, acting reasonably, the customer-owned gas does not displace service from Union under a Rate 20 or Rate 100 contract specific to that location. The customer is responsible for obtaining the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Monthly, Delivery, Transportation Account and Diversion Transaction Charges shall apply.

NOTE: Union has a short-term intermittent gas supply service under Rate 30 which customers may avail themselves of, if they qualify for use of the service.

**MONTHLY RATES AND CHARGES****APPLICABLE TO ALL SERVICES – ALL ZONES (1)**

|                              |                 |
|------------------------------|-----------------|
| <b><u>MONTHLY CHARGE</u></b> | <b>\$190.00</b> |
|------------------------------|-----------------|

|                                |                                       |
|--------------------------------|---------------------------------------|
| <b><u>DELIVERY CHARGES</u></b> | <b><u>cents per m<sup>3</sup></u></b> |
|--------------------------------|---------------------------------------|

A Delivery Price for all volumes delivered to the customer to be negotiated between Union and the customer and the average price during the period in which these rates remain in effect shall not exceed:

**4.5768**

**NOTE**

(1) Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates, charges and terms and conditions applicable thereto, different from the rates, charges and terms and conditions specified herein if changed rates, charges and terms and conditions are considered by either party to be necessary, desirable and in the public interest.



ADDITIONAL CHARGES FOR SALES SERVICEGas Supply Charge

As per applicable rate provided in  
Schedule "A".

Interruptible Service Applicable all year at a price agreed upon between Union and the customer and the average price during the period in which these rates remain in effect.

**HEAT CONTENT ADJUSTMENT**

The gas supply commodity charges hereunder will be adjusted upwards or downwards as described below if the average total heating value of the gas per cubic metre (m<sup>3</sup>) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m<sup>3</sup>, respectively.

The adjustment shall be determined by multiplying the amount otherwise payable by a fraction, where the numerator is the monthly weighted average total heating value per cubic meter and the denominator 37.89.

ADDITIONAL CHARGES FOR TRANSPORTATION – ALL ZONES

MONTHLY TRANSPORTATION ACCOUNT CHARGE: For customers that currently have installed or will require installing telemetering equipment.

\$220.00

**THE BILL**

The bill will equal the sum of the monthly charges for all services selected plus the rates multiplied by the applicable gas volumes delivered or withdrawn for each service chosen plus all applicable taxes. If the customer transports its own gas, the Gas Supply Charge under Sales Service will not apply. If the customer selects Union's Sales Service which includes the Gas Supply Charge, no additional charges for Transportation will apply.

**MINIMUM BILL**

The minimum bill shall be the Monthly Charge and the Transportation Account Charge, if applicable.

**DELAYED PAYMENT**

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

**SERVICE AGREEMENT**

All customers must enter into a Service Agreement with Union before receiving service under this rate schedule.



**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, the Transportation Account 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, Union will combine the individual bills on a single invoice or statement for administrative convenience. However, Union will not combine the volumes 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 volumes 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.





RATE 30 – INTERMITTENT GAS SUPPLY SERVICE  
AND SHORT TERM STORAGE / BALANCING SERVICE

**ELIGIBILITY**

Any customer in Union's Fort Frances, Western, Northern or Eastern Zones already connected to Union's gas distribution system who is an end-user or is authorized to serve an end-user.

**SERVICE AVAILABLE**

For intermittent, short-term gas supply which will be a substitute for energy forms other than Company owned gas sold under other rate schedules. This may include situations where customer-owned gas supplies are inadequate and short-term backstopping service is requested or during a situation of curtailment on the basis of price when the purchase price of Spot gas is outside the interruptible service price range. The gas supply service available hereunder is offered only in conjunction with service to the customer under an applicable firm or interruptible service rate schedule of Union. The service is for intermittent gas supply and short term storage / balancing service and will be billed in combination with Monthly, Delivery, and other applicable charges for such services under the applicable rate schedule. Gas supply under this rate will be provided when, at the sole discretion of Union, adequate supplies are available.

**GAS SUPPLY CHARGE**

The gas supply charge shall be \$5.00 per 10<sup>3</sup>m<sup>3</sup> plus the greater of the incremental cost of gas for Union and the customer's gas supply charge.

**SHORT TERM STORAGE / BALANCING SERVICE**

Short Term Storage / Balancing Service is:

- i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
- ii) short-term firm deliverability, OR
- iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for service, the matters that are to be considered include:

- i) the minimum amount of storage service to which a customer is willing to commit,
- ii) whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
- iii) utilization of facilities, and
- iv) competition.

A commodity charge to be negotiated between Union and the customer not to exceed \$6.000/GJ.

**THE BILL**

The bill for gas supply and/or short term supplemental services under this rate shall be rendered in conjunction with the billing for delivery and other services under the customer's applicable rate for such services.

**SERVICE AGREEMENT**

All customers must enter into a Service Agreement with Union for this service and must agree therein to curtail or interrupt use of gas under this rate schedule whenever requested to do so by Union.



**uniongas**

Effective  
2007-07-01  
**Rate 30**  
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**TERMS AND CONDITIONS OF SERVICE**

1. Failure of the customer to interrupt or curtail use of gas on this rate as requested by Union shall be subject to the Unauthorized Overrun Gas Penalty as provided in Union's Terms and Conditions. Anytime the customer has such failure, Union reserves the right to cancel service under this rate.
2. The Terms and Conditions of the applicable rate schedule for delivery of the gas sold hereunder shall also apply.
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

July 1, 2007  
O.E.B. ORDER # EB-2007-0634

Chatham, Ontario

Supersedes EB-2007-0053 Rate Schedule effective April 1, 2007.

**RATE 77 – WHOLESALE TRANSPORTATION SERVICE****ELIGIBILITY**

Any natural gas distributor in Union's Fort Frances, Western, Northern or Eastern Zones who uses Union's gas distribution facilities for the transportation of natural gas to customers outside Union's franchise area.

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

**(a) Transportation Service**

For the continuous delivery through Union's distribution system from the Point of Receipt on TCPL to the Point of Consumption at the Consumer's distribution system of natural gas owned by the customer. The customer is responsible for obtaining the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Monthly and Delivery Charges shall apply.

**MONTHLY RATES AND CHARGES – ALL ZONES**

|   |          |
|---|----------|
| <u>MONTHLY CHARGE</u> (\$ per month)                              | \$145.00 |
| <u>MONTHLY DELIVERY DEMAND CHARGE</u> (cents per m <sup>3</sup> ) | 28.2927  |

**THE BILL**

The bill will equal the sum of the monthly charges plus all applicable taxes.

**DELAYED PAYMENT**

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

**SERVICE AGREEMENT**

All customers must enter into a Service Agreement with Union before receiving service under this rate schedule.

**TERMS AND CONDITIONS OF SERVICE**

1. Service shall be for a minimum term of one year.
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 July 1, 2007  
O.E.B. ORDER # EB-2007-0634

Chatham, Ontario

Supersedes EB-2007-0053 Rate Schedule effective April 1, 2007.





RATE 100 – LARGE VOLUME HIGH LOAD FACTOR FIRM SERVICE

**ELIGIBILITY**

Any customer in Union's Fort Frances, Western, Northern or Eastern Zones who is an end-user or who is authorized to serve an end-user of gas through one or more Company-owned meters at one location, and whose maximum daily requirement for firm service is 100,000 m<sup>3</sup> or more, and whose annual requirement for firm service is equal to or greater than its maximum daily requirement multiplied by 256.

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

(a) **Sales Service**

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

(b) **Transportation Service**

For continuous delivery on Union's distribution system from the Point of Receipt on TCPL's system to the Point of Consumption on the customer's premises of natural gas owned by the customer. The customer is responsible for obtaining the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Monthly, Delivery, Transportation Account and Diversion Transaction Charges shall apply. Unless otherwise authorized by Union, customers who initiate a movement to Transportation Service from a Sales Service or Bundled Transportation Service must accept an assignment from Union of transportation capacity on upstream pipeline systems. Customers may reduce their assignment of transportation capacity in compliance with Union's Turnback Policy.

(c) **Bundled Transportation Service**

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

(d) **Storage Service**

For load balancing purposes for customers using Transportation Service on this rate schedule. If at the sole discretion of Union, adequate supplies exist, bundled and unbundled storage and delivery/redelivery services will be provided.

The charge for Bundled Storage Service will consist of the charges for Transportation Service plus the charges for Bundled Storage Service.

The charge for Unbundled Storage Service will consist of the charges for Transportation Service plus the charges for Unbundled Storage Service which must include charges for delivery/redelivery service to/from storage.

**NOTE:** Union has a short-term intermittent gas supply service under Rate 30 which customers may avail themselves of, if they qualify for use of the service.



**MONTHLY RATES AND CHARGES**APPLICABLE TO ALL SERVICES – ALL ZONES (1)

|                       |          |
|-----------------------|----------|
| <u>MONTHLY CHARGE</u> | \$780.00 |
|-----------------------|----------|

|   |         |
|---|---------|
| <u>DELIVERY CHARGES</u> (cents per Month per m <sup>3</sup> of Daily Contract Demand) |         |
| Monthly Demand Charge for each unit of Contracted Daily Demand:                       | 11.9268 |

|   |        |
|---|--------|
| COMMODITY CHARGE for each unit of gas volumes delivered (cents per m <sup>3</sup> ) | 0.2102 |
|---|--------|

NOTE:

(1) Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates, charges and terms and conditions applicable thereto, different from the rates, charges and terms and conditions specified herein if changed rates, charges and terms and conditions are considered by either party to be necessary, desirable and in the public interest.

ADDITIONAL CHARGES FOR SALES SERVICEGas Supply Charges

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

Commodity Transportation

Charge 1 applies for all gas volumes delivered in the billing month up to the volume represented by the Contract Demand multiplied by the number of days in the billing month multiplied by 0.3.

Charge 2 applies for all additional gas volumes delivered in the billing month.

**HEAT CONTENT ADJUSTMENT**

The gas supply commodity charges hereunder will be adjusted upwards or downwards as described below if the average total heating value of the gas per cubic metre (m<sup>3</sup>) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m<sup>3</sup>, respectively.

The adjustment shall be determined by multiplying the amount otherwise payable by a fraction, where the numerator is the monthly weighted average total heating value per cubic meter and the denominator 37.89.

**COMMISSIONING AND DECOMMISSIONING RATE**

The contract may provide that the Monthly Demand Charges specified above shall not apply on all or part of the daily contracted demand used by the customer either during the testing, commissioning and phasing in of gas using equipment or, alternatively, in the decommissioning and phasing out of gas using equipment being displaced by other gas using equipment, for a period not to exceed one year ("the transitional period"). To be eligible the new or displaced gas using equipment must be separately meterable. In such event, the contract will provide the following rates that such volume during the transitional period will be charged.

| Zone<br>Rate Schedule No.                                  | <u>Fort Frances</u><br>2100              | <u>Western</u><br>1100                   | <u>Northern</u><br>3100                  | <u>Eastern</u><br>6100                   |
|--|--|--|--|--|
| <u>MONTHLY CHARGE</u>                                      | \$780.00                                 | \$780.00                                 | \$780.00                                 | \$780.00                                 |
| <u>DELIVERY CHARGES</u>                                    |  |  |  |  |
| Commodity Charge for each unit of gas<br>volumes delivered | <u>cents per m<sup>3</sup></u><br>0.7704 | <u>cents per m<sup>3</sup></u><br>0.7704 | <u>cents per m<sup>3</sup></u><br>0.7704 | <u>cents per m<sup>3</sup></u><br>0.7704 |

GAS SUPPLY CHARGES

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

ADDITIONAL CHARGES FOR TRANSPORTATION AND STORAGE SERVICES – ALL ZONESMONTHLY TRANSPORTATION ACCOUNT CHARGE

For customers that currently have installed or will require installing telemetering equipment \$220.00

BUNDLED (T-SERVICE) STORAGE SERVICE CHARGES

Monthly Demand Charge for each unit of Contracted Daily Storage Withdrawal Entitlement (\$ per GJ per Month) \$11.289

Monthly Storage Demand- Price Adjustment for each unit of Contracted Daily Storage Withdrawal Entitlement:  
(\$ per GJ per Month) \$ (0.338)

Commodity Charge for each unit of gas withdrawn from storage (\$ per GJ) \$0.240

Authorized Overrun Commodity Charge on each additional unit of gas Union authorizes for  
withdrawal from storage (\$ per GJ) \$0.611

The Authorized Overrun Commodity Charge is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

UNBUNDLED STORAGE SERVICE CHARGES

Storage Space Charge:

Applied to Contracted Maximum Storage Balance (\$ per GJ per Month) \$0.032

Fuel Ratio:

Applied to all gas injected and withdrawn from storage (%) 0.600%

Commodity Charge:

Applied to all gas injected and withdrawn from storage (\$ per GJ) \$0.015

UNBUNDLED STORAGE SERVICE AUTHORIZED OVERRUN CHARGES

Fuel Ratio:

Applied to all gas injected and withdrawn from storage (%) 1.03%

Commodity Charge:

Applied to all gas injected and withdrawn from storage (\$ per GJ) \$0.072

The Authorized Overrun Commodity Charge is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

**UNBUNDLED STORAGE SERVICE UNAUTHORIZED OVERRUN CHARGES**

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

**UNBUNDLED SERVICE NOMINATION VARIANCES**

The rate for unauthorized parking or drafting which results from nomination variances shall be equal to 50% of the "Daily Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff. No Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 4% of the nominated amount and 150 GJ.

| Zone<br>Rate Schedule No.                         | <u>Fort Frances</u><br>2100 | <u>Western</u><br>1100 | <u>Northern</u><br>3100 | <u>Eastern</u><br>6100 |
|---|-----------------------------|------------------------|-------------------------|------------------------|
| <u>Delivery service to Storage Facilities (1)</u> |                             |                        |                         |                        |
| Demand Charge (\$/GJ/month)                       | N/A                         | \$29.227               | \$12.025                | \$1.202                |
| Commodity (\$/GJ)                                 | N/A                         | \$0.032                | \$0.024                 | \$0.019                |
| <u>Redelivery Service from Storage Facilities</u> |                             |                        |                         |                        |
| Demand Charge (\$/GJ/month)                       | \$2.255                     | \$2.255                | \$2.255                 | \$5.916                |
| Commodity (\$/GJ)                                 | N/A                         | \$0.095                | \$0.095                 | \$0.099                |

**Notes:**

1. Delivery Service to Storage Facilities is not available to Northern Zone customers in the Sault Ste. Marie Delivery Area (SSMDA).
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the storage contract.
3. Storage Space, Withdrawal Rights and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.

**DIVERSION TRANSACTION CHARGE**

Charge to a customer Receiving Delivery of diverted gas each time such customer requests a diversion and Union provides the service:

**\$10.00****THE BILL**

The bill will equal the sum of the charges for all services selected plus the rates multiplied by the applicable gas quantities delivered or withdrawn for each service chosen plus all applicable taxes. If the customer transports its own gas, the Gas Supply Charge under Sales Service will not apply. If the customer selects Union's Sales Service which includes the Gas Supply Charge, no additional charges for Transportation and Storage Services will apply.

**MINIMUM BILL**

The minimum bill shall be the Monthly Charge, the Transportation Account Charge and the Demand Charges, as applicable.

**DELAYED PAYMENT**

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

**SERVICE AGREEMENT**

All customers must enter into a Service Agreement with Union before receiving service under this rate schedule.

**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, the Transportation Account 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 billing data of individual end-users to generate a single bill which is less than the sum of the 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.



**RATE S1 – GENERAL FIRM SERVICE STORAGE RATES****ELIGIBILITY**

Any customer or agent in Union's Fort Frances, Western, Northern or Eastern Zones who is authorized to serve an end-user of gas, paying for delivery services under Rate 01A or Rate 10.

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

**(a) Transportation Service**

The customer is responsible for obtaining all Gas Supply services to the end-user including the requisite regulatory approvals for the supply and transmission of such gas to Union's distribution system. For this service, the Diversion Transaction Charge 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.

**(b) Storage Service**

For load balancing purposes for customers using Transportation Service on this rate schedule. If at the sole discretion of Union, adequate supplies exist, unbundled storage and delivery/redelivery services will be provided.

The charge for Unbundled Storage Service will consist of the charges for Transportation Service plus the charges for Unbundled Storage Service which must include charges for delivery/redelivery service to/from storage.

**MONTHLY RATES AND CHARGES****UNBUNDLED STORAGE SERVICE CHARGES**

|  |         |
|--|---------|
| Storage Space Charge   |         |
| Applied to Contracted Maximum Storage Space (\$ per GJ per Month)  | \$0.032 |
| Fuel Ratio   |         |
| Applied to all gas injected and withdrawn from storage (%)         | 0.600%  |
| Commodity Charge   |         |
| Applied to all gas injected and withdrawn from storage (\$ per GJ) | \$0.015 |

**UNBUNDLED STORAGE SERVICE AUTHORIZED OVERRUN CHARGES**

|  |         |
|--|---------|
| Fuel Ratio   |         |
| Applied to all gas injected and withdrawn from storage (%)         | 1.03%   |
| Commodity Charge   |         |
| Applied to all gas injected and withdrawn from storage (\$ per GJ) | \$0.072 |

The Authorized Overrun Commodity Charge is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

**UNBUNDLED STORAGE SERVICE UNAUTHORIZED OVERRUN CHARGES**

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

| Zone | <u>Fort Frances</u> | <u>Western</u> | <u>Northern</u> | <u>Eastern</u> |
|------|---------------------|----------------|-----------------|----------------|
|------|---------------------|----------------|-----------------|----------------|

**Delivery Service to Storage Facilities (1)**

|                             |     |          |          |         |
|-----------------------------|-----|----------|----------|---------|
| Demand Charge (\$/GJ/month) | N/A | \$29.227 | \$12.025 | \$1.202 |
| Commodity (\$/GJ)           | N/A | \$0.032  | \$0.024  | \$0.019 |

**Redelivery Service from Storage Facilities**

|                             |         |         |         |         |
|-----------------------------|---------|---------|---------|---------|
| Demand Charge (\$/GJ/month) | \$2.255 | \$2.255 | \$2.255 | \$5.916 |
| Commodity (\$/GJ)           | N/A     | \$0.095 | \$0.095 | \$0.099 |

**Notes:**

1. Delivery Service to Storage Facilities is not available to Northern Zone customers in the Sault Ste. Marie Delivery Area (SSMDA).
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the storage contract.
3. Storage Space, Withdrawal Rights, and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.

**Diversion Transaction Charge**

Charge to a customer receiving delivery of diverted gas each time such customer requests a diversion and Union provides the service: \$10.00

**MONTHLY BILL**

The monthly bill will equal the sum of the monthly charges for all services selected plus the rates multiplied by the applicable gas quantities delivered or withdrawn for each service chosen plus all applicable taxes.

**DELAYED PAYMENT**

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

**TERMS AND CONDITIONS OF SERVICE**

1. Customers must enter into a Service Agreement with Union prior to the commencement of service.
2. The identified rates 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

July 1, 2007  
O.E.B. ORDER # EB-2007-0634

Chatham, Ontario

Supersedes EB-2007-0053 Rate Schedule effective April 1, 2007.



**uniongas**

Effective  
2007-07-01  
Schedule "A"

**Gas Supply Charges**

**(A) Availability:**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability:**

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

**(C) Rates:**

cents / m<sup>3</sup>

Utility Sales

|                                       |                |
|---------------------------------------|----------------|
| Commodity and Fuel                    | 33.2739 (1)    |
| Commodity and Fuel - Price Adjustment | (5.7728)       |
| Transportation                        | 3.5830         |
| Total Gas Supply Commodity Charge     | <u>31.0841</u> |

Minimum Annual Gas Supply Commodity Charge

|  |        |
|--|--------|
| Rate M4 Firm and Rate M5A Interruptible Contract | 5.4859 |
|--|--------|

Storage and Transportation Supplemental Services - Rate T1 & T3

\$/GJ

|   |          |
|---|----------|
| Monthly demand charges:   |          |
| Firm gas supply service   | 29.128   |
| Firm backstop gas   | 4.269    |
| Commodity charges:  |          |
| Gas supply  | 8.876    |
| Backstop gas  | 11.797   |
| Reasonable Efforts Backstop Gas   | 11.474   |
| Supplemental Inventory  | Note (2) |
| Supplemental Gas Sales Service (cents / m <sup>3</sup> )  | 46.7560  |
| Failure to Deliver: Applied to quantities not delivered to Union in the event the customer's supply fails | 3.011    |
| Discretionary Gas Supply Service (DGSS)   | Note (3) |

Notes:

- (1) The Commodity and Fuel line includes gas supply administration charge of 0.3173 cents/ m<sup>3</sup>.
- (2) The charge for banked gas purchases shall be the higher of the daily spot gas cost at Dawn in the month of or the month following the month in which gas is sold under this rate and shall not be less than Union's approved weighted average cost of gas.
- (3) Reflects the "back to back" price plus gas supply administration charge.

Effective: July 1, 2007  
O.E.B. Order # EB-2007-0634

Chatham, Ontario

Supersedes EB-2007-0053 Rate Schedule effective April 1, 2007.





GENERAL SERVICE RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To residential and non-contract commercial and industrial customers.

**(C) Rates**

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

a) Monthly Charge \$ 16.00

b) Delivery Charge

|          |                        |                            |
|----------|------------------------|----------------------------|
| First    | 1 400 m <sup>3</sup>   | 5.1701¢ per m <sup>3</sup> |
| Next     | 4 600 m <sup>3</sup>   | 4.1427¢ per m <sup>3</sup> |
| Next     | 124 000 m <sup>3</sup> | 3.0859¢ per m <sup>3</sup> |
| Next     | 270 000 m <sup>3</sup> | 2.4743¢ per m <sup>3</sup> |
| All Over | 400 000 m <sup>3</sup> | 2.2978¢ per m <sup>3</sup> |

Delivery – Price Adjustment (All Volumes) (0.0502)¢ per m<sup>3</sup>

c) Storage Charge (if applicable) 0.9309¢ per m<sup>3</sup>

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.

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

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

**(E) Delayed Payment**

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

**(F) Direct Purchase**

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

**(G) Overrun Charge**

In the event that a direct purchase customer fails to deliver its contracted volumes to Union, and Union has the capability to continue to supply the customer, Union will do so. The customer may pay 6.1010¢ per m<sup>3</sup> for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, plus 7¢ per m<sup>3</sup>.

**(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<br>Atmospheric<br>Pressure<br><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   |

FIRM INDUSTRIAL AND COMMERCIAL CONTRACT RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a customer who enters into a contract for the purchase or transportation of gas for a minimum term of one year that specifies a daily contracted demand between 4 800 m<sup>3</sup> and 140 870 m<sup>3</sup>.

**(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.

1. Bills will be rendered monthly and shall be the total of:

|                             |  |                             |
|-----------------------------|--|-----------------------------|
| (i) A Monthly Demand Charge |  |                             |
| First                       | 8 450 m <sup>3</sup> of daily contracted demand  | 45.6744¢ per m <sup>3</sup> |
| Next                        | 19 700 m <sup>3</sup> of daily contracted demand | 19.8165¢ per m <sup>3</sup> |
| All Over                    | 28 150 m <sup>3</sup> of daily contracted demand | 16.4565¢ per m <sup>3</sup> |

|   |                            |
|---|----------------------------|
| (ii) A Monthly Delivery Commodity Charge                    |                            |
| First 422 250 m <sup>3</sup> delivered per month            | 0.9291¢ per m <sup>3</sup> |
| Next volume equal to 15 days use of daily contracted demand | 0.9291¢ per m <sup>3</sup> |
| For remainder of volumes delivered in the month             | 0.5089¢ per m <sup>3</sup> |

|  |                              |
|--|------------------------------|
| Delivery- Price Adjustment (All Volumes) | (0.0717)¢ per m <sup>3</sup> |
|--|------------------------------|

(iii) 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"

2. Overrun Charge

Authorized overrun gas is available provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization. Overrun means gas taken on any day in excess of 103% of contracted daily demand. Authorized overrun will be available April 1 through October 31 and will be paid for at a Delivery Rate of 2.4307¢ per m<sup>3</sup> and, if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup> for all volumes purchased.

Unauthorized overrun gas taken in any month shall be paid for at the rate of 6.1010¢ per m<sup>3</sup> for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup> for all gas supply volumes purchased.

3. Minimum Annual Charge

In each contract year, the customer shall purchase from Union or pay for a minimum volume of gas or transportation services equivalent to 146 days use of contracted demand. Overrun gas volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume the customer shall pay an amount equal to the deficiency from the minimum volume times a Delivery Charge of 1.2464¢ per m<sup>3</sup> and, if applicable a gas supply commodity charge provided in Schedule "A".

In the event that the contract period exceeds one year the annual minimum volume will be prorated for any part year.



**(D) Delayed Payment**

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

**(E) 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 for all volumes. 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.

**(F) 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.

INTERRUPTIBLE INDUSTRIAL AND COMMERCIAL CONTRACT RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a customer who enters into a contract for the purchase or transportation of gas for a minimum term of one year that specifies a daily contracted demand between 4 800 m<sup>3</sup> and 140 870 m<sup>3</sup> inclusive.

**(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.

**1. Interruptible Service**

The price of all gas delivered by Union pursuant to any contract, contract amendment, or contract renewal shall be determined on the basis of the following schedules:

**a) (i) Monthly Delivery Commodity Charge**

| <u>Daily Contracted Demand Level (CD)</u>            | <u>Price per m<sup>3</sup></u> |
|--|--------------------------------|
| 4 800 m <sup>3</sup> ≤ CD < 17 000 m <sup>3</sup>    | 1.9019¢ per m <sup>3</sup>     |
| 17 000 m <sup>3</sup> ≤ CD < 30 000 m <sup>3</sup>   | 1.7720¢ per m <sup>3</sup>     |
| 30 000 m <sup>3</sup> ≤ CD < 50 000 m <sup>3</sup>   | 1.7037¢ per m <sup>3</sup>     |
| 50 000 m <sup>3</sup> ≤ CD < 70 000 m <sup>3</sup>   | 1.6558¢ per m <sup>3</sup>     |
| 70 000 m <sup>3</sup> ≤ CD < 100 000 m <sup>3</sup>  | 1.6215¢ per m <sup>3</sup>     |
| 100 000 m <sup>3</sup> ≤ CD ≤ 140 870 m <sup>3</sup> | 1.5878¢ per m <sup>3</sup>     |

Delivery- Price Adjustment (All Volumes) (0.0396)¢ per m<sup>3</sup>

**(ii) Days Use of Interruptible Contract Demand**

The price determined under Paragraph 1(a) of "Rates" will be reduced by the amount based on the number of Days Use of Contracted Demand as scheduled below:

|  |                             |
|--|-----------------------------|
| For 75 days use of contracted demand   | 0.0530¢ per m <sup>3</sup>  |
| For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of | 0.00212¢ per m <sup>3</sup> |

**(iii) 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"

(iv) Monthly Charge \$500 per month



2. In each contract year, the customer shall take delivery from Union, or in any event pay for, if available and not accepted by the customer, a minimum volume of gas or transportation services as specified in the contract between the parties and which will not be less than 700 000 m<sup>3</sup> per annum. Overrun volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume, the customer shall pay an amount equal to the deficiency from the minimum volume times a Delivery Charge of 2.2192¢ per m<sup>3</sup>, and if applicable, a gas supply charge provided in Schedule "A".

In the event that the contract period exceeds one year, the annual minimum volume will be prorated for any part year.

3. Overrun gas is available without penalty provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization. Overrun means gas taken on any day in excess of 105% of contracted daily demand.

Unauthorized overrun gas taken in any month shall be paid for at the rate of 6.1010¢ per m<sup>3</sup> for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup> for all gas supply volumes purchased.

4. Non-Interruptible Service

Union may agree, in its sole discretion, to combine an interruptible service with a firm service in which case the amount of firm daily demand to be delivered shall be agreed upon by Union and the customer.

- a) The monthly demand charge for firm daily deliveries will be 27.5785¢ per m<sup>3</sup>.
- b) The commodity charge for firm service shall be the rate for firm service at Union's firm rates net of a monthly demand charge of 27.5785¢ per m<sup>3</sup> of daily contracted demand and a delivery commodity price adjustment of (0.0396)¢ per m<sup>3</sup>.
- c) The interruptible commodity charge will be established under Clause 1 of this schedule.

**(D) Delayed Payment**

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

**(E) 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.

**(F) 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.



SPECIAL LARGE VOLUME  
INDUSTRIAL AND COMMERCIAL CONTRACT RATE

**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a Customer

- a) who enters into a contract for the purchase or transportation of gas for a minimum term of one year that specifies a combined maximum daily requirement for firm, interruptible and seasonal service of at least 140 870 m<sup>3</sup>, and a qualifying annual volume of at least 28 327 840 m<sup>3</sup>; and
- b) who has site specific energy measuring equipment installed at each Point of Consumption that will be used in determining energy balances.

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.

**(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.

1. Bills will be rendered monthly and shall be the total of:

(i) A Monthly Demand Charge

A negotiated Monthly Demand Charge of up to 25.5426¢ per m<sup>3</sup> for each m<sup>3</sup> of daily contracted firm demand.

(ii) A Monthly Delivery Commodity Charge

- (1) A Monthly Firm Delivery Commodity Charge for all firm volumes of 0.3344¢ per m<sup>3</sup> for each m<sup>3</sup>, and a Delivery- Price Adjustment of 0.0292 ¢ per m<sup>3</sup>.
- (2) A Monthly Interruptible Delivery Commodity Charge for all interruptible volumes to be negotiated between Union and the customer not to exceed an annual average of 2.7337¢ per m<sup>3</sup>.
- (3) A Monthly Seasonal Delivery Commodity Charge for all seasonal volumes to be negotiated between Union and the customer not to exceed an annual average of 2.4896¢ per m<sup>3</sup>.

(iii) 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".





(iv) **Overrun Gas**

Overrun gas is available without penalty provided that it is authorized by Union in advance. Union will not unreasonably withhold authorization.

Unauthorized overrun gas taken in any month shall be paid for at the M2 rate in effect at the time the overrun occurs, plus, if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup> for all the gas supply volumes purchased.

2. In negotiating the Monthly Interruptible and Seasonal Commodity Charges, the matters to be considered include:
  - a) The volume of gas for which the customer is willing to contract,
  - b) The load factor of the customer's anticipated gas consumption, the pattern of annual use, and the minimum annual quantity of gas which the customer is willing to contract to take or in any event pay for,
  - c) Interruptible or curtailment provisions, and
  - d) Competition.
3. In each contract year, the customer shall take delivery from Union, or in any event, pay for if available and not accepted by the customer, a minimum volume of gas as specified in the contract between the parties. Overrun gas volumes will not contribute to the minimum volume.
4. The contract may provide that the Monthly Demand Charge specified in Rate Section 1 above shall not apply on all or part of the daily contracted firm demand used by the customer during the testing, commissioning, phasing in, decommissioning and phasing out of gas-using equipment for a period not to exceed one year (the "transition period"). In such event, the contract will provide for a Monthly Delivery Commodity Charge to be applied on such volume during the transition of 2.4845¢ per m<sup>3</sup> and the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, if applicable.
5. Either the utility or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates and other charges different from the rates and other charges specified herein if the changed rates and other charges are considered by either party to be necessary, desirable and in the public interest.

**(D) Delayed Payment**

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

**(E) 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.

**(F) Bundled Direct Purchase Delivery and Short Term Supplemental Services**

Where a customer elects transportation service and/or a short term supplemental service under this rate schedule, the customer must enter into a Contract under rate schedule R1.

Effective

July 1, 2007  
O.E.B. ORDER # EB-2007-0634

Chatham, Ontario

Supersedes EB-2007-0053 Rate Schedule effective April 1, 2007.



LARGE WHOLESALE SERVICE RATE

**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a distributor who enters into a contract to purchase and/or receive delivery of a firm supply of gas for distribution to its customers and who agrees to take or pay for an annual quantity of at least two million cubic metres.

**(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.

1. (i) A Monthly Demand Charge of 17.0902¢ per m<sup>3</sup> of established daily demand determined in accordance with the service contract, such demand charge to be computed on a calendar month basis and a prorata charge to be made for the fraction of a calendar month which will occur if the day of first regular delivery does not fall on the first day of a month,
- (ii) A Delivery Commodity Charge of 0.5367¢ per m<sup>3</sup>, a Delivery- Price Adjustment of (0.0663)¢ per m<sup>3</sup> for gas delivered and,
- (iii) 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".

**(D) Delayed Payment**

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

**(E) 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.

**(F) Overrun Charge**

Authorized:

For all quantities on any day in excess of 103% of the customer's contractual rights, for which authorization has been received, the customer will be charged 1.0986¢ per m<sup>3</sup>. Overrun will be authorized by Union at its sole discretion.

Unauthorized:

For all quantities on any day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged 36.0¢ per m<sup>3</sup>.



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**(G) 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.

Effective

July 1, 2007  
O.E.B. ORDER # EB-2007-0634

Chatham, Ontario

Supersedes EB-2007-0053 Rate Schedule effective April 1, 2007.



## SMALL WHOLESALE SERVICE RATE

**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a non-contract distributor who purchases and/or receives delivery of a firm supply of gas for distribution only to its own customers.

**(C) Rates**

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

1. A Delivery Commodity Charge of 2.6978¢ per m<sup>3</sup> for gas delivered
2. 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".

**(D) Delayed Payment**

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

**(E) 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 must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

**(F) 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. This gas shall be paid for at the rate of 6.1010¢ per m<sup>3</sup> for the delivery and, if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m<sup>3</sup>, plus 7¢ per m<sup>3</sup> for all gas supply volumes purchased.

**(G) 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.



BUNDLED DIRECT PURCHASE CONTRACT RATE**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a customer who enters into a Receipt Contract or Gas Purchase Contract for delivery and/or sale of gas to Union.

**(C) Rates**

|  | <u>Demand<br/>Charge<br/>Rate/GJ/month</u> | <u>Commodity<br/>Charges/Credits<br/>Rate/GJ</u> |
|--|--|--|
| a) Transportation by Union<br>For gas delivered to Union at any point other than the Ontario Point(s) of Receipt, Union will charge a customer all approved tolls and charges, incurred by Union to transport the gas to the Ontario Point(s) of Receipt |  |  |
| b) Firm Backstop Gas<br>Applied to the contracted Firm Backstop Gas Supply Service   | \$4.269                                    |  |
| Backstop Gas Commodity Charge<br>On all quantities supplied by Union to the Ontario Point(s) of Receipt  |  | \$11.797   |
| c) Reasonable Efforts Backstop Gas<br>Paid on all quantities of gas supplied by Union to the customer's Point(s) of Consumption  |  | \$11.474   |
| d) Banked Gas Purchase<br>T-service  |  | Note (1)   |
| e) Failure to Deliver<br>Applied to all quantities not delivered to Union in the event the customer's supply fails   |  | \$3.011  |
| f) Short Term Storage / Balancing Service (2)<br>Maximum   |  | \$6.000  |
| g) Discretionary Gas Supply Service ("DGSS")   |  | Note (3)   |



**Notes:**

- (1) The charge for banked gas purchases shall be the higher of the daily spot 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.
- (2) Short Term Storage / Balancing Service is:
  - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
  - ii) short-term firm deliverability, OR
  - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for short term storage services, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
  - ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
  - iii) Utilization of facilities, and
  - iv) Competition
- (3) Discretionary Gas Supply Service price reflects the "back-to-back" price plus gas supply administration charge.

**STORAGE AND TRANSPORTATION RATES  
FOR CONTRACT CARRIAGE CUSTOMERS****(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a customer

- a) whose combined firm and interruptible service minimum annual transportation of natural gas is 5 000 000 m<sup>3</sup> or greater; and
- b) who enters into a Carriage Service Contract with Union for the transportation or the storage and transportation of Gas for use at facilities located within Union's gas franchise area; and
- c) who has meters with electronic recording at each Point of Consumption; and
- d) who has site specific energy measuring equipment installed at each Point of Consumption that will be used in determining energy balances; and
- e) for whom Union has determined transportation and/or storage capacity is available.

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.

**(C) Rates**

The following rates shall be charged for all quantities contracted or handled as appropriate. The identified rates 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.

**STORAGE SERVICE:**

|  | Demand<br>Charge<br><u>Rate/GJ/mo</u> | Commodity<br>Charge<br><u>Rate/GJ</u> | <u>For Customers Providing<br/>Their Own Compressor Fuel</u> |   |
|--|---------------------------------------|---------------------------------------|--|---|
|  |                                       |                                       | <u>Fuel<br/>Ratio</u>  | <u>Commodity<br/>Charge<br/>Rate/GJ</u> |
| a) Annual Firm Storage Space<br>Applied to contracted Maximum<br>Annual Storage Space  | \$0.010                               |                                       |  |   |
| b) Annual Firm Injection/Withdrawal Right:<br>Applied to the contracted Maximum<br>Annual Firm Injection/Withdrawal Right<br>Union provides deliverability Inventory | \$1.980                               |                                       |  |   |
| Customer provides deliverability Inventory (4)   | \$1.050                               |                                       |  |   |
| c) Incremental Firm Injection Right:<br>Applied to the contracted Maximum<br>Incremental Firm Injection Right  | \$1.050                               |                                       |  |   |
| d) Annual Interruptible Withdrawal Right:<br>Applied to the contracted Maximum<br>Annual Interruptible Withdrawal Right  | \$1.050                               |                                       |  |   |





|  | Demand<br>Charge<br><u>Rate/GJ/mo</u> | Commodity<br>Charge<br><u>Rate/GJ</u> | For Customers Providing<br>Their Own Compressor Fuel |   |
|--|---------------------------------------|---------------------------------------|--|---|
|  |                                       |                                       | <u>Fuel<br/>Ratio</u>                                | <u>Commodity<br/>Charge<br/>Rate/GJ</u> |
| e) Withdrawal Commodity<br>Paid on all quantities withdrawn<br>from storage up to the Maximum<br>Daily Storage Withdrawal Quantity |                                       | \$0.064                               | 0.600%   | \$0.007                                 |
| f) Injection Commodity<br>Paid on all quantities injected into<br>storage up to the Maximum Daily<br>Storage Injection Quantity    |                                       | \$0.064                               | 0.600%   | \$0.007                                 |
| g) Short Term Storage / Balancing Service<br>Maximum   |                                       | \$6.000                               |  |   |

**Notes:**

1. Demand charges for Annual Services are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.
2. Annual Firm Injection Rights are equal to 100% of their respective Annual Firm Withdrawal Rights. Injection Rights in excess of the Annual Firm Injection Rights will be charged at the Incremental Firm Injection Right.
3. Storage Space and Withdrawal Rights are not assignable to any other party without the prior written consent of Union. Storage and withdrawal rights are for the exclusive purpose of meeting the requirements of the specific locations included in each contract.
4. Deliverability Inventory being defined as 20% of annual storage space.
5. Short Term Storage / Balancing Service is:
  - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
  - ii) short-term firm deliverability, OR
  - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for service, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
- ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
- iii) Utilization of facilities, and
- iv) Competition



## TRANSPORTATION CHARGES:

|  | Demand<br>Charge<br><u>Rate/m<sup>3</sup>/mo</u> | Commodity<br>Charge<br><u>Rate/m<sup>3</sup></u> | For Customers Providing<br>Their Own Compressor Fuel |  |
|--|--|--|--|--|
|  |  |  | Fuel<br>Ratio (5) (6)                                | Commodity<br>Charge<br><u>Rate/m<sup>3</sup></u> |
| a) Annual Firm Transportation Demand   |  |  |  |  |
| Applied to the Firm Daily Contract Demand  |  |  |  |  |
| First 140,870 m <sup>3</sup> per month   | 18.9471¢   |  |  |  |
| All over 140,870 m <sup>3</sup> per month  | 12.9470¢   |  |  |  |
| b) Firm Transportation Commodity   |  |  |  |  |
| Paid on all firm quantities redelivered to the customer's Point(s) of Consumption          |  |  |  |  |
| First 2,360,653 m <sup>3</sup> per month   |  | 0.3573¢  | 0.554%   | 0.1604¢  |
| All over 2,360,653 m <sup>3</sup> per month  |  | 0.2767¢  | 0.554%   | 0.0798¢  |
| c) Interruptible Transportation Commodity  |  |  |  |  |
| Paid on all interruptible quantities redelivered to the customer's Point(s) of Consumption |  |  |  |  |
| Maximum  |  | 2.7337¢  | 0.554%   | 2.5368¢  |

### Notes:

1. All demand charges are paid monthly during the term of the contract for not less than one year unless Union, at its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.
2. Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m<sup>3</sup>/day and who are directly connected to i) the Dawn-Trafalgar transmission system in close proximity to Parkway or ii) a third party pipeline, have the option to pay for service using a Billing Contract Demand. The Billing Contract Demand shall be determined by Union such that the annual revenues over the term of the contract will recover the invested capital, return on capital and operating and maintenance costs associated with the dedicated service in accordance with Union's system expansion policy. The firm transportation demand charge will be applied to the Billing Contract Demand. For customers choosing the Billing Contract Demand option, the authorized transportation overrun rate will apply to all volumes in excess of the Billing Contract Demand but less than the daily firm demand requirement.
3. In negotiating the rate to be charged for the transportation of gas under Interruptible Transportation, the matters that are to be considered include:
  - a) The amount of the interruptible transportation for which customer is willing to contract,
  - b) The anticipated load factor for the interruptible transportation quantities,
  - c) Interruptible or curtailment provisions, and
  - d) Competition.
4. In each contract year, the customer shall pay for a Minimum Interruptible Transportation Activity level as specified in the Contract. Overrun activity will not contribute to the minimum activity level.
5. Transportation fuel ratios do not apply to customers served from dedicated facilities directly connected to third party transmission systems with custody transfer metering at the interconnect.
6. Firm transportation fuel ratio does not apply to new customers or existing customers with incremental daily firm demand requirements in excess of 1,200,000 m<sup>3</sup>/day that contract for M12 Dawn to Parkway transportation service equivalent to 100% of their daily firm demand requirement. If a customer with a daily firm demand requirement in



excess of 1,200,000 m<sup>3</sup>/day contracts for M12 Dawn to Parkway transportation service at less than 100% of their firm daily demand requirement, the firm transportation fuel ratio will be applicable to daily volumes not transported under the M12 transportation contract.

7. Either Union or a customer, or potential customer, may apply to the Ontario Energy Board to fix rates and other charges different from the rates and other charges specified herein if the changed rates and other charges are considered by either party to be necessary, desirable and in the public interest.

#### **SUPPLEMENTAL CHARGES:**

Rates for supplemental services are provided in Schedule "A".

Notes:

1. All demand charges are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year.

#### **OVERRUN SERVICE:**

##### **1. Annual Storage Space**

Authorized

Authorized Overrun is provided as Storage/Balancing Service. It is payable on all quantities on any Day in excess of the customer's contracted Maximum Storage Space. Overrun will be authorized by Union at its sole discretion. Storage Space Overrun equal to the customer's firm deliveries from TCPL: less the customer's Firm Daily Contract Demand, all multiplied by the Days of Interruption called during the period of November 1 to March 31, will be automatically authorized until the following July 1.

Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space, and which has not been authorized by Union or provided for under a short term supplemental storage service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate will be \$6.000 per GJ applied to the greatest excess for each occurrence.

If on any Day the gas storage balance for the account of the customer is less than zero, the Unauthorized Overrun charge will apply for each GJ of gas below a zero inventory level and this amount of gas shall be deemed not to have been withdrawn from storage. The gas shall be deemed to have been sold to the customer at the highest spot price at Dawn in the month of occurrence and the month following occurrence as identified in the Canadian Gas Price Reporter and shall not be less than Union's approved weighted average cost of gas. If the customer has contracted to provide its own deliverability inventory, the zero inventory level shall be deemed to mean twenty percent (20%) of the Annual Firm Storage Space.

**2. Injection, Withdrawals and Transportation****Authorized**

The following Overrun rates are applied to any quantities transported, injected or withdrawn in excess of 103% of the Contract parameters. Overrun will be authorized by Union at its sole discretion.

Automatic authorization of Injection Overrun will be given during all Days a customer has been interrupted.

|                     | Union<br>Providing<br><u>Fuel</u>          | For Customers Providing<br>Their Own Compressor Fuel<br><u>Firm or Interruptible Service</u> |                            |
|---------------------|--|--|----------------------------|
|                     | Firm or<br>Interruptible<br><u>Service</u> | Fuel<br><u>Ratio</u>   | Commodity<br><u>Charge</u> |
| Storage Injections  | \$0.169/GJ                                 | 1.03%  | \$0.072/GJ                 |
| Storage Withdrawals | \$0.169/GJ                                 | 1.03%  | \$0.072/GJ                 |
| Transportation      | 0.9803 ¢/m <sup>3</sup>                    | 0.554%   | 0.7833 ¢/m <sup>3</sup>    |

**Unauthorized**

For all quantities on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged 6.1010¢ per m<sup>3</sup> or \$1.629 per GJ, as appropriate.

**3. Storage / Balancing Service****Authorized**

The following Overrun rates are applied to any quantities stored in excess of the Contract parameters. Overrun will be authorized by Union Gas at its sole discretion.

|                                   | Firm<br>Service<br><u>Rate/GJ</u> |
|-----------------------------------|-----------------------------------|
| Space                             | \$6.000                           |
| Injection / Withdrawal<br>Maximum | \$6.000                           |

**OTHER SERVICES & CHARGES:****1. Monthly Charge**

In addition to the rates and charges described previously for each Point of Consumption, a Monthly Charge shall be applied as follows:

|                |         |
|----------------|---------|
| Monthly Charge | \$1 800 |
|----------------|---------|

**2. Diversion of Gas**

The availability of the right to divert gas will be based on Union's ability to accommodate the diversion. The price to be charged for the right to divert shall be determined through negotiation.

**3. Delivery Obligations**

Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m<sup>3</sup>/day who are delivering gas to Union under direct purchase arrangements may be entitled to non-obligated deliveries. The delivery options available to customers are detailed at [www.uniongas.com/aboutus/regulatory/rates/deliveryobligations.asp](http://www.uniongas.com/aboutus/regulatory/rates/deliveryobligations.asp).

Unless otherwise authorized by Union, all other 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.

**4. Nominations**

Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m<sup>3</sup>/day who have non obligated deliveries may contract to use Union's 5 additional nomination windows (13 in total) for the purposes of delivering gas to Union. These windows are in addition to the standard NAESB and TCPL STS nomination windows. Customers taking the additional nomination window service will pay an additional monthly demand charge of \$0.692/GJ/day/month multiplied by the non-obligated daily contract quantity.

**5. Additional Service Information**

Additional information on Union's T1 service offering can be found at [www.uniongas.com/aboutus/regulatory/rates/T1info.asp](http://www.uniongas.com/aboutus/regulatory/rates/T1info.asp). The additional information consists of, but is not limited to, the following:

- i. Storage space and deliverability entitlement;
- ii. The determination of gas supply receipt points and delivery obligations;
- iii. The nomination schedule;
- iv. The management of multiple redelivery points by a common fuel manager; and
- v. The availability of supplemental transactional services including title transfers.



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**(D) Delayed Payment**

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

Effective

July 1, 2007  
O.E.B. ORDER # EB-2007-0634

Chatham, Ontario

Supersedes EB-2007-0053 Rate Schedule effective April 1, 2007.



**STORAGE AND TRANSPORTATION RATES  
FOR CONTRACT CARRIAGE CUSTOMERS****(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a Distributor:

- a) whose minimum annual transportation of natural gas is 700 000 m<sup>3</sup> or greater; and
- b) who enters into a Carriage Service Contract with Union for the transportation or the storage and transportation of Gas for distribution to its customers; and
- c) who has meters with electronic recording at each Point of Redelivery; and
- d) for whom Union has determined transportation and/or storage capacity is available.

**(C) Rates**

The following rates shall be charged for all quantities contracted or handled as appropriate. The identified rates 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.

**STORAGE SERVICE**

|  | Demand<br>Charge<br><u>Rate/GJ/mo</u> | Commodity<br>Charge<br><u>Rate/GJ</u> | <u>For Customers Providing<br/>Their Own Compressor Fuel</u> |   |
|--|---------------------------------------|---------------------------------------|--|---|
|  |                                       |                                       | <u>Fuel<br/>Ratio</u>  | <u>Commodity<br/>Charge<br/>Rate/GJ</u> |
| a) Annual Firm Storage Space<br>Applied to contracted Maximum<br>Annual Storage Space                                    | \$0.010                               |                                       |  |   |
| b) Annual Firm Injection/Withdrawal Right<br>Applied to the contracted Maximum<br>Annual Firm Injection/Withdrawal Right |                                       |                                       |  |   |
| Union provides deliverability Inventory  | \$1.980                               |                                       |  |   |
| Customer provides deliverability Inventory (4)   | \$1.050                               |                                       |  |   |
| c) Incremental Firm Injection Right<br>Applied to the contracted Maximum<br>Incremental Firm Injection Right             | \$1.050                               |                                       |  |   |
| d) Annual Interruptible Withdrawal Right<br>Applied to the contracted Maximum<br>Annual Interruptible Withdrawal Right   | \$1.050                               |                                       |  |   |





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|  | <u>Demand<br/>Charge<br/>Rate/GJ/mo</u> | <u>Commodity<br/>Charge<br/>Rate/GJ</u> | <u>For Customers Providing<br/>Their Own Compressor Fuel</u> |   |
|--|---|---|--|---|
|  |   |   | <u>Fuel<br/>Ratio</u>  | <u>Commodity<br/>Charge<br/>Rate/GJ</u> |
| e) Withdrawal Commodity<br>Paid on all quantities withdrawn<br>from storage up to the Maximum<br>Daily Storage Withdrawal Quantity |   | \$0.064                                 | 0.600%   | \$0.007                                 |
| f) Injection Commodity<br>Paid on all quantities injected into<br>storage up to the Maximum Daily<br>Storage Injection Quantity    |   | \$0.064                                 | 0.600%   | \$0.007                                 |
| g) Short Term Storage / Balancing Service<br>Maximum   |   | \$6.000                                 |  |   |

**Notes:**

1. Demand charges for Annual Services are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.
2. Annual Firm Injection Rights are equal to 100% of their respective Annual Firm Withdrawal Rights. Injection Rights in excess of the Annual Firm Injection Rights will be charged at the Incremental Firm Injection Right.
3. Storage Space and Withdrawal Rights are not assignable to any other party without the prior written consent of Union.
4. Deliverability Inventory being defined as 20% of annual storage space.
5. Short Term Storage / Balancing Service is:
  - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
  - ii) short-term firm deliverability, OR
  - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for this service, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
- ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
- iii) Utilization of facilities, and
- iv) Competition

**TRANSPORTATION CHARGES**

|   | Demand<br>Charge<br><u>Rate/m<sup>3</sup>/mo</u> | Commodity<br>Charge<br><u>Rate/m<sup>3</sup></u> | <u>For Customers Providing<br/>Their Own Compressor Fuel</u> |  |
|---|--|--|--|--|
|   |  |  | <u>Fuel<br/>Ratio</u>  | <u>Commodity<br/>Charge<br/>Rate/m<sup>3</sup></u> |
| a) Annual Firm Transportation Demand (1)<br>Applied to the Firm Daily Contract Demand                                   | 9.0121¢  |  |  |  |
| b) Firm Transportation Commodity<br>Paid on all firm quantities redelivered to the<br>Customer's Point(s) of Redelivery |  | 0.3242¢  | 0.725%   | 0.0666¢  |

**Notes:**

- (1) All demand charges are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year. Demand charges apply whether Union or the customer provides the fuel.

**SUPPLEMENTAL CHARGES**

Rates for supplemental services are provided in Schedule "A".

**Notes:**

1. All demand charges are paid monthly during the term of the contract for not less than one year unless Union, in its sole discretion, accepts a term of less than one year.

**OVERRUN SERVICE****1. Annual Storage Space****Authorized**

Authorized Overrun is provided as Storage/Balancing Service. It is payable on all quantities on any Day in excess of the customer's contracted Maximum Storage Space. Overrun will be authorized by Union at its sole discretion.

**Unauthorized**

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space, and which has not been authorized by Union or provided for under a short term supplemental storage service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate will be \$6.000 per GJ applied to the greatest excess for each occurrence.

If on any Day, the gas storage balance for the account of the customer is less than zero, the Unauthorized Overrun charge will apply for each GJ of gas below a zero inventory level and this amount of gas shall be deemed not to have been withdrawn from storage. The gas shall be deemed to have been sold to the customer at the highest spot price at Dawn in the month of occurrence and the month following occurrence as identified in the Canadian Gas Price Reporter and shall not be less than Union's approved weighted average cost of gas. If the customer has contracted to provide its own deliverability inventory, the zero inventory level shall be deemed to mean twenty percent (20%) of the Annual Firm Storage Space.

**2. Injection, Withdrawals and Transportation**

## Authorized

The following Overrun rates are applied to any quantities transported, injected or withdrawn in excess of 103% of the Contract parameters. Overrun will be authorized by Union at its sole discretion.

|                     | Union<br>Providing<br><u>Fuel</u>          | For Customers Providing<br>Their Own Compressor Fuel<br><u>Firm or Interruptible Service</u> |                            |
|---------------------|--|--|----------------------------|
|                     | Firm or<br>Interruptible<br><u>Service</u> | Fuel<br><u>Ratio</u>   | Commodity<br><u>Charge</u> |
| Storage Injections  | \$0.169/GJ                                 | 1.03%  | \$0.072/GJ                 |
| Storage Withdrawals | \$0.169/GJ                                 | 1.03%  | \$0.072/GJ                 |
| Transportation      | 0.6205¢/m <sup>3</sup>                     | 0.725%   | 0.3629¢/m <sup>3</sup>     |

## Unauthorized

For all quantities on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged 36.0¢ per m<sup>3</sup> or \$9.615 per GJ, as appropriate.

**3. Short Term Storage Services**

## Authorized

The following Overrun rates are applied to any quantities stored in excess of the Contract parameters. Overrun will be authorized by Union Gas at its sole discretion.

|                      | Firm<br>Service<br><u>Rate/GJ</u> |
|----------------------|-----------------------------------|
| Space                | \$6.000                           |
| Injection<br>Maximum | \$6.000                           |

**OTHER SERVICES & CHARGES****1. Monthly Charge**

In addition to the rates and charges described previously for each Point of redelivery a Monthly Charge shall be applied to each specific customer as follows:

|                   | <u>Monthly<br/>Charge</u> |
|-------------------|---------------------------|
| City of Kitchener | \$ 17,155                 |
| NRG               | \$ 2,631                  |
| Six Nations       | \$ 877                    |

If a customer combines Sales Service with Contract Carriage Service, the monthly charge will be prorated such that the customer will under both services pay no more than the above monthly charge.

**2. Diversion of Gas**

The availability of the right to divert gas will be based on Union's ability to accommodate the diversion. The price to be charged for the right to divert shall be determined through negotiation.

3. 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 must also accept, unless otherwise authorized by Union, an assignment from Union of transportation capacity on upstream pipeline systems.

**(D) Delayed Payment**

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



**STORAGE RATES FOR  
UNBUNDLED CUSTOMERS****(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a customer, or an agent, who is authorized to service residential and non-contract commercial and industrial end-users paying for the Monthly Fixed Charge and Delivery charge under Rate M2:

- a) who enters into an Unbundled Service Contract with Union for the storage of Gas for use at facilities located within Union's gas franchise area;
- b) who contracts for Standard Peaking Service (SPS) with Union unless the customer can demonstrate that it has a replacement to the deliverability available in the SPS physically tied into Union's system and an OEB approved rate to provide the SPS replacement service;
- c) who accepts daily estimates of consumption at Points of Consumption as prepared by Union so that they may nominate an equivalent amount from storage, upstream transportation, or Ontario Producers authorized to sell to third parties;
- d) who nominates injections and withdrawals from storage and deliveries on upstream pipeline systems daily or Ontario Producers authorized to sell to third parties;
- e) for whom Union has determined storage capacity is available; and
- f) who accepts a monthly bill as prepared by Union.

**(C) Rates**

The following rates shall be charged for all volumes contracted or handled as appropriate. The identified rates 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.

**STORAGE SERVICE**

|   | <u>Demand Charge<br/>Rate/GJ/mo</u> | <u>Fuel<br/>Ratio</u> | <u>Commodity Charge<br/>Rate/GJ</u> |
|---|-------------------------------------|-----------------------|-------------------------------------|
| i) Standard Storage Service (SSS)   |                                     |                       |                                     |
| a) Combined Storage Space & Deliverability<br>Applied to contracted Maximum Storage Space | \$0.021                             |                       |                                     |
| b) Injection Commodity  |                                     | 0.600%                | \$0.015                             |
| c) Withdrawal Commodity   |                                     | 0.600%                | \$0.015                             |
| ii) Standard Peaking Service (SPS)  |                                     |                       |                                     |
| a) Combined Storage Space & Deliverability<br>Applied to contracted Maximum Storage Space | \$0.106                             |                       |                                     |
| b) Injection Commodity  |                                     | 0.600%                | \$0.015                             |
| c) Withdrawal Commodity   |                                     | 1.03%                 | \$0.015                             |



|   | <u>Demand Charge</u><br><u>Rate/GJ/mo</u> | <u>Fuel</u><br><u>Ratio</u> | <u>Commodity Charge</u><br><u>Rate/GJ</u> |
|---|---|-----------------------------|---|
| iii) Supplemental Service   |   |                             |   |
| a) Incremental Firm Injection Right: (5)<br>Applied to the contracted Maximum<br>Incremental Firm Injection Right   | \$0.955                                   |                             |   |
| b) Incremental Firm Withdrawal Right: (5)<br>Applied to the contracted Maximum<br>Incremental Firm Withdrawal Right | \$0.955                                   |                             |   |
| c) Short Term Storage / Balancing Service<br>- Maximum  |   |                             | \$6.000                                   |

**Notes:**

1. Demand charges for Annual Services are paid monthly during the term of the Contract, which shall not be less than one year, unless Union, in its sole discretion, accepts a term of less than one year.
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the Storage Contract.
3. Storage Space, Withdrawal Rights, and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.
4. Short Term Storage / Balancing service (less than 2 years) is:
  - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
  - ii) short-term incremental firm deliverability, OR
  - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for service, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
  - ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
  - iii) Utilization of facilities,
  - iv) Competition, and
  - v) Term.
5. Union's ability to offer incremental injection and withdrawal rights is subject to annual asset availability.

**OVERRUN SERVICE****1. Injection and Withdrawal**

## Authorized

|            | <u>Fuel<br/>Ratio</u> | <u>Commodity<br/>Charge<br/>Rate/GJ</u> |
|------------|-----------------------|---|
| Injection  | 1.03%                 | \$0.046                                 |
| Withdrawal | 1.03%                 | \$0.046                                 |

The Authorized Overrun rate is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

## Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

**OTHER SERVICES & CHARGES**

1. Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must commit to provide a call at Parkway, throughout the winter period, for a specified number of days. 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.

**(D) Delayed Payment**

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

Effective

July 1, 2007  
O.E.B. ORDER # EB-2007-0634

Chatham, Ontario

Supersedes EB-2007-0053 Rate Schedule effective April 1, 2007.





**STORAGE AND DELIVERY RATES  
FOR UNBUNDLED CUSTOMERS****(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To an interruptible industrial and commercial customer:

- a) whose daily contracted demand is between 4 800 m<sup>3</sup> and 140 870 m<sup>3</sup> inclusive;
- b) who enters into an Unbundled Service Contract with Union for the delivery or the storage and delivery of Gas for use at facilities located within Union's gas franchise area;
- c) who has meters with electronic recording at each Point of Consumption;
- d) who nominates injections and withdrawals from storage, deliveries on upstream pipeline systems daily or Ontario Producers authorized to sell to third parties; and
- e) for whom Union has determined delivery and/or storage capacity is available.

**(C) Rates**

The following rates shall be charged for all volumes contracted or handled as appropriate. The identified rates 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.

**STORAGE SERVICE**

|  | <u>Demand Charge<br/>Rate/GJ/mo</u> | <u>Fuel<br/>Ratio</u> | <u>Commodity Charge<br/>Rate/GJ</u> |
|--|-------------------------------------|-----------------------|-------------------------------------|
| i) Standard Storage Service (SSS)  |                                     |                       |                                     |
| a) Combined Storage Space & Deliverability<br>Applied to contracted Maximum Storage Space                          | \$0.021                             |                       |                                     |
| b) Injection Commodity   |                                     | 0.600%                | \$0.015                             |
| c) Withdrawal Commodity  |                                     | 0.600%                | \$0.015                             |
| ii) Supplemental Service   |                                     |                       |                                     |
| a) Incremental Firm Injection Right (5)<br>Applied to the contracted Maximum<br>Incremental Firm Injection Right   | \$0.955                             |                       |                                     |
| b) Incremental Firm Withdrawal Right (5)<br>Applied to the contracted Maximum<br>Incremental Firm Withdrawal Right | \$0.955                             |                       |                                     |
| c) Short Term Storage / Balancing Service<br>- Maximum   |                                     |                       | \$6.000                             |

**Notes:**

1. Demand charges for Annual Services are paid monthly during the term of the Contract, which shall not be less than one year, unless Union, in its sole discretion, accepts a term of less than one year.
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the Storage Contract.
3. Storage Space, Withdrawal Rights, and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.
4. Short Term Storage / Balancing service (less than 2 years) is:
  - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
  - ii) short-term incremental firm deliverability, OR
  - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for service, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
  - ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
  - iii) Utilization of facilities,
  - iv) Competition, and
  - v) Term.
5. Union's ability to offer incremental injection and withdrawal rights is subject to annual asset availability.

**DELIVERY SERVICE****1. Interruptible Service**

The price of all gas delivered by the Company pursuant to any contract, contract amendment, or contract renewal shall be determined on the basis of the following schedules:

**(i) Monthly Delivery Commodity Charge**

| <u>Daily Contracted Demand Level (CD)</u>            | <u>Price per m<sup>3</sup></u><br>(¢/m <sup>3</sup> ) |
|--|---|
| 4 800 m <sup>3</sup> ≤ CD < 17 000 m <sup>3</sup>    | 1.5464  |
| 17 000 m <sup>3</sup> ≤ CD < 30 000 m <sup>3</sup>   | 1.4165  |
| 30 000 m <sup>3</sup> ≤ CD < 50 000 m <sup>3</sup>   | 1.3482  |
| 50 000 m <sup>3</sup> ≤ CD < 70 000 m <sup>3</sup>   | 1.3003  |
| 70 000 m <sup>3</sup> ≤ CD < 100 000 m <sup>3</sup>  | 1.2660  |
| 100 000 m <sup>3</sup> ≤ CD ≤ 140 870 m <sup>3</sup> | 1.2323  |

**(ii) Days Use of Interruptible Contract Demand**

The price determined under Paragraph 1(i) of "Delivery Service" will be reduced by the amount based on the number of Days Use of Contracted Demand as scheduled below:

|  |                                     |
|--|-------------------------------------|
| For 75 days use of contracted demand   | 0.053¢ per m <sup>3</sup> minimum   |
| For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of | 0.00212¢ per m <sup>3</sup> minimum |

**(iii) Monthly Charge** **\$500 per month**



2. In each contract year, the customer shall take delivery from the Company or in any event pay for if available and not accepted by the customer, a minimum volume of gas or delivery services as specified in the contract between the parties and which will not be less than 700 000 m<sup>3</sup> per annum. Overrun volumes will not contribute to the minimum volume. In the event that the customer shall not take such minimum volume, the customer shall pay an amount equal to the deficiency from the minimum volume times a Delivery charge of 1.5464¢ per m<sup>3</sup>.

In the event that the contract period exceeds one year, the annual minimum volume will be prorated for any part year.

3. **Non-Interruptible Service**

The Company may agree, at its sole discretion, to combine an interruptible service with a firm service in which case the amount of firm daily demand to be delivered shall be agreed upon by the Company and the customer.

- a) The monthly demand charge for firm daily deliveries will be 21.8236¢ per m<sup>3</sup>.
- b) The commodity charge for firm service shall be the rate for firm service at the Company's firm rates net of a monthly demand charge of 21.8236¢ per m<sup>3</sup> of daily contracted demand.
- c) The interruptible commodity charge will be established under Clause 1 of "Delivery Service" of this schedule.

**OVERRUN SERVICE**

**1. Injection and Withdrawal**

Authorized

|            | <u>Fuel<br/>Ratio</u> | <u>Commodity<br/>Charge<br/>Rate/GJ</u> |
|------------|-----------------------|---|
| Injection  | 1.03%                 | \$0.046                                 |
| Withdrawal | 1.03%                 | \$0.046                                 |

The Authorized Overrun rate is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.



**uniongas**

Effective  
2007-07-01  
**Rate U5**  
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## **2. Delivery**

### **Authorized**

Overrun Delivery Service is available without penalty provided that it is authorized by the Company in advance. The Company will not unreasonably withhold authorization.

### **Unauthorized**

Unauthorized Delivery Overrun Service taken in a month shall be paid for at the rate of 6.1010¢ per m<sup>3</sup>.

## **OTHER SERVICES & CHARGES**

1. Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must commit to provide a call at Parkway, throughout the winter period, for a specified number of days. 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.

## **2. Nomination Variances**

The rate for unauthorized parking or drafting which results from nomination variances shall be equal to 50% of the "Daily Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff. During the period September 1 to November 30, and February 1 to April 30, no Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 4% of the nominated amount and 150 GJ's. For the remainder of the year, no Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 8% of the nominated amount and 302 GJ's.

## **(D) Delayed Payment**

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

Effective

July 1, 2007  
O.E.B. ORDER # EB-2007-0634

Chatham, Ontario

Supersedes EB-2007-0053 Rate Schedule effective April 1, 2007.

**STORAGE AND DELIVERY RATES  
FOR UNBUNDLED CUSTOMERS****(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a customer:

- a) whose combined firm and interruptible service minimum annual delivery of natural gas is 5 000 000 m<sup>3</sup> or greater;
- b) who enters into an Unbundled Service Contract with Union for the delivery or the storage and delivery of Gas for use at facilities located within Union's gas franchise area;
- c) who has meters with electronic recording at each Point of Consumption;
- d) who nominates injections and withdrawals from storage, deliveries on upstream pipeline systems daily, or Ontario Producers authorized to sell to third parties;
- e) for whom Union has determined delivery and/or storage capacity is available; and
- f) who has site specific energy measuring equipment installed at each Point of Consumption that will be used in determining energy balances.

For the purposes of qualifying for a rate class, the total quantities of gas consumed or expected to be consumed on the customer's property will be used, irrespective of the number of meters installed.

**(C) Rates**

The following rates shall be charged for all volumes contracted or handled as appropriate. The identified rates 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.

**STORAGE SERVICE**

|  | <u>Demand Charge</u><br><u>Rate/GJ/mo</u> | <u>Fuel</u><br><u>Ratio</u> | <u>Commodity Charge</u><br><u>Rate/GJ</u> |
|--|---|-----------------------------|---|
| i) Standard Storage Service (SSS)  |   |                             |   |
| a) Combined Storage Space & Deliverability<br>Applied to contracted Maximum Storage Space                          | \$0.021                                   |                             |   |
| b) Injection Commodity   |   | 0.600%                      | \$0.015                                   |
| c) Withdrawal Commodity  |   | 0.600%                      | \$0.015                                   |
| ii) Supplemental Service   |   |                             |   |
| a) Incremental Firm Injection Right (5)<br>Applied to the contracted Maximum<br>Incremental Firm Injection Right   | \$0.955                                   |                             |   |
| b) Incremental Firm Withdrawal Right (5)<br>Applied to the contracted Maximum<br>Incremental Firm Withdrawal Right | \$0.955                                   |                             |   |
| c) Short Term Storage / Balancing Service - Maximum  |   |                             | \$6.000                                   |

**Notes:**

1. Demand charges for Annual Services are paid monthly during the term of the Contract, which shall not be less than one year, unless Union, in its sole discretion, accepts a term of less than one year.
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the Storage Contract.
3. Storage Space, Withdrawal Rights, and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.
4. Short Term Storage / Balancing Service (less than 2 years) is:
  - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
  - ii) short-term incremental firm deliverability, OR
  - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for service, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
  - ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
  - iii) Utilization of facilities,
  - iv) Competition, and
  - v) Term.
5. Union's ability to offer incremental injection and withdrawal rights is subject to annual asset availability.

**DELIVERY SERVICE**

|  | Demand Charge<br>Rate/m <sup>3</sup> /mo | Fuel<br>Ratio (5) (6) | Commodity Charge<br>Rate/ m <sup>3</sup> |
|--|--|-----------------------|--|
| a) Annual Firm Delivery Demand   |  |                       |  |
| Applied to the Firm Daily Contracted Demand  |  |                       |  |
| First 140,870 m <sup>3</sup> per month   | 18.9471¢                                 |                       |  |
| All over 140,870 m <sup>3</sup> per month  | 12.9470¢                                 |                       |  |
| b) Firm Delivery Commodity   |  |                       |  |
| Paid on all firm volumes redelivered to the customer's Point(s) of Consumption                 |  |                       |  |
| First 2,360,653 m <sup>3</sup> per month   |  | 0.554%                | 0.1604¢                                  |
| All over 2,360,653 m <sup>3</sup> per month  |  | 0.554%                | 0.0798¢                                  |
| c) Interruptible Delivery Commodity  |  |                       |  |
| Paid on all interruptible volumes redelivered to the customer's Point of Consumption – Maximum |  | 0.554%                | 2.5368¢                                  |



Notes:

1. All demand charges are paid monthly during the term of the Contract, which shall not be less than one year unless Union, at its sole discretion, accepts a term of less than one year.
2. Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m<sup>3</sup>/day and who are directly connected to i) the Dawn-Trafalgar transmission system in close proximity to Parkway or ii) a third party pipeline, have the option to pay for service using a Billing Contract Demand. The Billing Contract Demand shall be determined by Union such that the annual revenues over the term of the contract will recover the invested capital, return on capital and operating and maintenance costs associated with the dedicated service in accordance with Union's system expansion policy. The firm transportation demand charge will be applied to the Billing Contract Demand. For customers choosing the Billing Contract Demand option, the authorized transportation overrun rate will apply to all volumes in excess of the Billing Contract Demand but less than the daily firm demand requirement.
3. In negotiating the rate to be charged for the delivery of gas under interruptible Delivery, the matters that are to be considered include:
  - a) The amount of the Interruptible Delivery for which customer is willing to contract,
  - b) The anticipated load factor for the Interruptible Delivery volumes,
  - c) Interruptible or curtailment provisions, and
  - d) Competition.
4. In each contract year, the customer shall pay for a Minimum Interruptible Delivery Activity level as specified in the Contract. Overrun activity will not contribute to the minimum activity level.
5. Transportation fuel ratios do not apply to customers served from dedicated facilities directly connected to third party transmission systems with custody transfer metering at the interconnect.
6. Firm transportation fuel ratio does not apply to new customers or existing customers with incremental daily firm demand requirements in excess of 1,200,000 m<sup>3</sup>/day that contract for M12 Dawn to Parkway transportation service equivalent to 100% of their daily firm demand requirement. If a customer with a daily firm demand requirement in excess of 1,200,000 m<sup>3</sup>/day contracts for M12 Dawn to Parkway transportation service at less than 100% of their firm daily demand requirement, the firm transportation fuel ratio will be applicable to daily volumes not transported under the M12 transportation contract.



**OVERRUN SERVICE****1. Injection and Withdrawal**

## Authorized

|            | <u>Fuel<br/>Ratio</u> | <u>Commodity<br/>Charge<br/>Rate/GJ</u> |
|------------|-----------------------|---|
| Injection  | 1.03%                 | \$0.046                                 |
| Withdrawal | 1.03%                 | \$0.046                                 |

The Authorized Overrun rate is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

## Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

**2. Delivery**

## Authorized

The following Authorized Overrun rates are applied to any volumes transported in excess of 103% of the Contract parameters. Overrun will be authorized by Union at its sole discretion.

|          | <u>Fuel<br/>Ratio</u> | <u>Commodity<br/>Charge<br/>Rate/ m<sup>3</sup></u> |
|----------|-----------------------|---|
| Delivery | 0.554%                | 0.7833¢   |

## Unauthorized

For all volumes on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged a rate of 6.1010¢ per m<sup>3</sup>.

**OTHER SERVICES & CHARGES****1. Monthly Charge**

In addition to the rates and charges described previously for each Point of Consumption, a Monthly Charge shall be applied as follows:

|                |                   |
|----------------|-------------------|
| Monthly Charge | \$1 800 per month |
|----------------|-------------------|

**2. Delivery Obligations**

Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m<sup>3</sup>/day who are delivering gas to Union under direct purchase arrangements may be entitled to non-obligated deliveries. The delivery options available to customers are detailed at [www.uniongas.com/aboutus/regulatory/rates/deliveryobligations.asp](http://www.uniongas.com/aboutus/regulatory/rates/deliveryobligations.asp).

Unless otherwise authorized by Union, all other customers who are delivering gas to Union under direct purchase arrangements must commit to provide a call at Parkway, throughout the winter period, for a specified number of days. 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.

**3. Nominations**

Effective January 1, 2007, new customers and existing customers with incremental daily firm demand requirements in excess of 1,200,000 m<sup>3</sup>/day who have non obligated deliveries may contract to use Union's 5 additional nomination windows (13 in total) for U7 storage services, U7 delivery services and U7 gas supply receipts. These windows are in addition to the standard NAESB and TCPL STS nomination windows. Customers taking the additional nomination window service will pay an additional monthly demand charge of \$0.692/GJ/day/month multiplied by the non-obligated daily contract quantity.

**4. Nomination Variances**

The rate for unauthorized parking or drafting which results from nomination variances ( i.e. the difference between nominated consumption and actual consumption) shall be equal to 50% of the "Daily Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff. During the period September 1 to November 30, and February 1 to April 30, no Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 4% of the nominated amount and 150 GJ's. For the remainder of the year, no Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 8% of the nominated amount and 302 GJ's.



**5. Additional Service Information**

Additional information on Union's U7 service offering can be found at [www.uniongas.com/aboutus/regulatory/rates/U7info.asp](http://www.uniongas.com/aboutus/regulatory/rates/U7info.asp). The additional information consists of, but is not limited to, the following:

- i. Storage space and deliverability entitlement;
- ii. The determination of gas supply receipt points and delivery obligations;
- iii. The nomination schedule;
- iv. The management of multiple redelivery points by a common fuel manager; and
- v. The availability of supplemental transactional services including title transfers.

**(D) Delayed Payment**

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

**STORAGE AND DELIVERY RATES  
FOR UNBUNDLED CUSTOMERS****(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To a Distributor

- a) whose minimum annual delivery of natural gas is 700 000 m<sup>3</sup> or greater;
- b) who enters into an Unbundled Service Contract with Union for the delivery or the storage and delivery of Gas for use at facilities located within Union's gas franchise area;
- c) who has meters with electronic recording at each Point of Consumption;
- d) who nominates injections and withdrawals from storage, deliveries on upstream pipeline systems daily or Ontario Producers authorized to sell to third parties; and
- e) for whom Union has determined delivery and/or storage capacity is available.

**(C) Rates**

The following rates shall be charged for all volumes contracted or handled as appropriate. The identified rates 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.

**STORAGE SERVICE**

|  | <u>Demand Charge</u><br><u>Rate/GJ/mo</u> | <u>Fuel</u><br><u>Ratio</u> | <u>Commodity Charge</u><br><u>Rate/GJ</u> |
|--|---|-----------------------------|---|
| i) Standard Storage Service (SSS)  |   |                             |   |
| a) Combined Storage Space & Deliverability<br>Applied to contracted Maximum Storage Space                          | \$0.021                                   |                             |   |
| b) Injection Commodity   |   | 0.600%                      | \$0.015                                   |
| c) Withdrawal Commodity  |   | 0.600%                      | \$0.015                                   |
| ii) Supplemental Service   |   |                             |   |
| a) Incremental Firm Injection Right (5)<br>Applied to the contracted Maximum<br>Incremental Firm Injection Right   | \$0.955                                   |                             |   |
| b) Incremental Firm Withdrawal Right (5)<br>Applied to the contracted Maximum<br>Incremental Firm Withdrawal Right | \$0.955                                   |                             |   |
| c) Short Term Storage / Balancing Service - Maximum  |   |                             | \$6.000                                   |

**Notes:**

1. Demand charges for Annual Services are paid monthly during the term of the Contract, which shall not be less than one year, unless Union, in its sole discretion, accepts a term of less than one year.
2. Daily Firm Injection and Withdrawal Rights shall be pursuant to the Storage Contract.
3. Storage Space, Withdrawal Rights, and Injection Rights are not assignable to any other party without the prior written consent of Union and where necessary, approval from the Ontario Energy Board.
4. Short Term Storage / Balancing service (less than 2 years) is:
  - i) a combined space and interruptible deliverability service for short-term or off-peak storage in Union's storage facilities, OR
  - ii) short-term incremental firm deliverability, OR
  - iii) a component of an operational balancing service offered.

In negotiating the rate to be charged for service, the matters that are to be considered include:

- i) The minimum amount of storage service to which a customer is willing to commit,
  - ii) Whether the customer is contracting for firm or interruptible service during Union's peak or non-peak periods,
  - iii) Utilization of facilities,
  - iv) Competition, and
  - v) Term.
5. Union's ability to offer incremental injection and withdrawal rights is subject to annual asset availability.

**DELIVERY SERVICE**

|   | Demand Charge<br><u>Rate/ m<sup>3</sup>/mo</u> | Fuel<br><u>Ratio</u> | Commodity Charge<br><u>Rate/ m<sup>3</sup></u> |
|---|--|----------------------|--|
| a) Annual Firm Delivery Demand (1)<br>Applied to the Firm Daily Contracted Demand                               | 9.0121¢  |                      |  |
| b) Firm Delivery Commodity<br>Paid on all firm volumes redelivered to the<br>customer's Point(s) of Consumption |  | 0.725%               | 0.0666¢  |

**Notes:**

1. All demand charges are paid monthly during the term of the Contract, which shall not be less than one year unless Union, at its sole discretion, accepts a term of less than one year.

**OVERRUN SERVICE****1. Injection and Withdrawal**

## Authorized

|            | <u>Fuel<br/>Ratio</u> | <u>Commodity Charge<br/>Rate/GJ</u> |
|------------|-----------------------|-------------------------------------|
| Injection  | 1.03%                 | \$0.046                             |
| Withdrawal | 1.03%                 | \$0.046                             |

The Authorized Overrun rate is payable on all quantities on any Day in excess of the customer's contractual rights, for which authorization has been received. Overrun will be authorized by Union at its sole discretion.

## Unauthorized

If in any month, the customer has gas in storage in excess of the contracted Maximum Storage Space or the gas storage balance for the account of the customer is less than zero or the customer has injected or withdrawn volumes from storage which exceeds their contractual rights, and which has not been authorized by Union or provided for under a short term storage/balancing service, such an event will constitute an occurrence of Unauthorized Overrun. The Unauthorized Overrun rate during the November 1 to April 15 period will be \$60.00 per GJ. The Unauthorized Overrun rate during the April 16 to October 31 period will be \$6.000 per GJ.

**2. Delivery**

## Authorized

The following Authorized Overrun rates are applied to any volumes transported in excess of 103% of the Contract parameters. Overrun will be authorized by Union at its sole discretion.

|          | <u>Fuel<br/>Ratio</u> | <u>Commodity<br/>Charge<br/>Rate/ m<sup>3</sup></u> |
|----------|-----------------------|---|
| Delivery | 0.725%                | 0.3629¢   |

## Unauthorized

For all volumes on any Day in excess of 103% of the customer's contractual rights, for which authorization has not been received, the customer will be charged 36.0¢ per m<sup>3</sup> or \$9.615per GJ, as appropriate.

**OTHER SERVICES & CHARGES****1. Monthly Charge**

In addition to the rates and charges described previously for each Point of Consumption, a Monthly Charge shall be applied to each specific customer as follows:

|                   | <u>Monthly Charge</u> |
|-------------------|-----------------------|
| City of Kitchener | \$17 155              |
| NRG               | \$ 2 631              |
| Six Nations       | \$ 877                |

If a customer combines Sales Service with Contract Carriage Service, the monthly charge will be prorated such that the customer will under both services pay no more than the above monthly charge.



2. Unless otherwise authorized by Union, customers who are delivering gas to Union under direct purchase arrangements must commit to provide a call at Parkway, throughout the winter period, for a specified number of days. 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.

3. **Nomination Variances**

The rate for unauthorized parking or drafting which results from nomination variances shall be equal to 50% of the "Daily Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff. During the period September 1 to November 30, and February 1 to April 30, no Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 4% of the nominated amount and 150 GJ's. For the remainder of the year, no Daily Balancing Fee is payable on the portion of the nomination variance which is less than the greater of 8% of the nominated amount and 302 GJ's.

**(D) Delayed Payment**

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





UNION GAS LIMITED  
 Infranchise Customers  
 Summary of Average Rate and Price Adjustment Changes for Rates 25, M5A, M7 and T1  
Effective July 1, 2007

| Line<br>No. | Particulars                                | Monthly<br>Charge<br>Increase<br>(Decrease)<br>(a) | Delivery<br>Commodity Charge<br>Increase / (Decrease)<br>(b) | Delivery - Price<br>Adjustment<br>Increase / (Decrease)<br>(c) |
|-------------|--|--|--|--|
|             | Rate 25 (cents/m <sup>3</sup> )            |  |  |  |
| 1           | Fort Frances                               |  |  |  |
| 2           | Western Zone                               |  |  |  |
| 3           | Northern Zone                              |  |  |  |
| 4           | Eastern Zone                               |  |  |  |
|             | M5A (cents / m <sup>3</sup> )              |  |  |  |
| 5           | Firm                                       |  |  | 0.0207   |
| 6           | Interruptible                              |  |  | 0.0207   |
|             | M7 (cents / m <sup>3</sup> )               |  |  |  |
| 7           | Interruptible                              |  |  | 0.0624   |
| 8           | Seasonal                                   |  |  | 0.0624   |
|             | T1-Interruptible (cents / m <sup>3</sup> ) |  |  |  |
| 9           | Transportation-Union provides fuel         |  |  |  |
| 10          | Transportation-provides own fuel           |  |  |  |





**EB-2007-0634**  
**Working Paper Index**

|            |  |
|------------|--|
| Schedule 1 | Calculation of Supplemental Service                              |
| Schedule 2 | Allocation by Rate Class - Load Balancing and TCPL Tolls-Storage |
| Schedule 3 | Details of Forecast and Actual                                   |
| Schedule 4 | Prospective Recovery Reconciliation                              |
| Schedule 5 | Gas Supply Transportation Charges                                |



UNION GAS LIMITED  
Calculation of Supplemental Service Charges  
Commissioning and Decommissioning Rates

| Line No.                             | Particulars  | Ft. Frances<br>(a) | Western<br>(b) | Northern<br>(c) | Eastern<br>(d) |
|--------------------------------------|--|--------------------|----------------|-----------------|----------------|
| Northern and Eastern Operations Area |  |                    |                |                 |                |
| Rate 20 - At 50% Load Factor         |  |                    |                |                 |                |
| Delivery (cents / m*3)               |  |                    |                |                 |                |
| 1                                    | Monthly Demand (1)   | 20.3317            | 20.3317        | 20.3317         | 20.3317        |
| 2                                    | x 12 months  | 243.9804           | 243.9804       | 243.9804        | 243.9804       |
| 3                                    | / 365 days   | 0.6684             | 0.6684         | 0.6684          | 0.6684         |
| 4                                    | @ 50% L.F.   | 1.3369             | 1.3369         | 1.3369          | 1.3369         |
| 5                                    | Commodity Charge (2)   | 0.2877             | 0.2877         | 0.2877          | 0.2877         |
| 6                                    | Total Delivery Commissioning                                 | 1.6246             | 1.6246         | 1.6246          | 1.6246         |
| Gas Supply (cents / m*3)             |  |                    |                |                 |                |
| 7                                    | Monthly Demand (3)   | 25.3849            | 25.8508        | 42.7815         | 56.9336        |
| 8                                    | Gas Supply Demand - Price Adjustment (3)                     | 0.4999             | 0.4999         | 0.4999          | 0.4999         |
| 9                                    | (Line 7 + Line 8) x 12 months                                | 310.6176           | 316.2084       | 519.3768        | 689.2020       |
| 10                                   | / 365 days   | 0.8510             | 0.8663         | 1.4230          | 1.8882         |
| 11                                   | @ 50% L.F.   | 1.7020             | 1.7326         | 2.8459          | 3.7764         |
| 12                                   | Transportation 1 (4)   | 2.1971             | 2.2058         | 2.6055          | 2.9409         |
| 13                                   | Transportation 1 - Price Adjustment                          | (0.0725)           | (0.0725)       | (0.0725)        | (0.0725)       |
| 14                                   | (Line 12 + Line 13) x 4/5                                    | 1.6997             | 1.7066         | 2.0264          | 2.2947         |
| 15                                   | Transportation 2 (5)   | 0.1334             | 0.1310         | 0.2059          | 0.2733         |
| 16                                   | x 1/5  | 0.0267             | 0.0262         | 0.0412          | 0.0547         |
| 17                                   | Total Commodity Transportation Charge for Commissioning Rate | 3.4284             | 3.4655         | 4.9135          | 6.1258         |
| Rate 100 - At 70% Load Factor        |  |                    |                |                 |                |
| Delivery (cents / m*3)               |  |                    |                |                 |                |
| 18                                   | Monthly Demand (6)   | 11.9268            | 11.9268        | 11.9268         | 11.9268        |
| 19                                   | x 12 months  | 143.1216           | 143.1216       | 143.1216        | 143.1216       |
| 20                                   | / 365 days   | 0.3921             | 0.3921         | 0.3921          | 0.3921         |
| 21                                   | @ 70% L.F.   | 0.5602             | 0.5602         | 0.5602          | 0.5602         |
| 22                                   | Commodity Charge (7)   | 0.2102             | 0.2102         | 0.2102          | 0.2102         |
| 23                                   | Total Delivery Commissioning                                 | 0.7704             | 0.7704         | 0.7704          | 0.7704         |
| Gas Supply (cents / m*3)             |  |                    |                |                 |                |
| 24                                   | Monthly Demand (8)   | 40.6945            | 41.2381        | 60.9906         | 77.5013        |
| 25                                   | x 12 months  | 488.3340           | 494.8572       | 731.8872        | 930.0156       |
| 26                                   | / 365 days   | 1.3379             | 1.3558         | 2.0052          | 2.5480         |
| 27                                   | @ 70% L.F.   | 1.9113             | 1.9368         | 2.8645          | 3.6400         |
| 28                                   | Transportation 1 (9)   | 3.8838             | 3.8903         | 4.1901          | 4.4417         |
| 29                                   | x 3/7  | 1.6645             | 1.6673         | 1.7958          | 1.9036         |
| 30                                   | Transportation 2 (10)  | 0.1334             | 0.1310         | 0.2059          | 0.2733         |
| 31                                   | x 4/7  | 0.0762             | 0.0749         | 0.1177          | 0.1562         |
| 32                                   | Total Commodity Transportation Charge for Commissioning Rate | 3.6520             | 3.6790         | 4.7780          | 5.6997         |

Notes:

- (1) Appendix A, Page 3 of 13
- (2) Appendix A, Page 3 of 13
- (3) Appendix A, Page 3 of 13
- (4) Appendix A, Page 3 of 13
- (5) Appendix A, Page 3 of 13

- (6) Appendix A, Page 4 of 13
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UNION GAS LIMITED  
Southern Operations Area  
Calculation of Supplemental Service Charges  
Effective July 1, 2007

| Line<br>No. | Particulars   | cents / m <sup>3</sup> | (\$ / GJ)     |
|-------------|---|------------------------|---------------|
|             | Minimum annual gas supply commodity charge - Rate M4, M5A |                        |               |
| 1           | Compressor Fuel   | 1.5856                 |               |
| 2           | Transportation Tolls                                      | 3.5830                 |               |
| 3           | Administration Charge                                     | 0.3173                 |               |
| 4           | Minimum annual gas supply commodity charge                | <u>5.4859</u>          | <u>1.465</u>  |
|             | <u>Gas Supply Commodity Charges</u>                       |                        |               |
| 5           | Commodity Cost of Gas                                     | 31.3710                |               |
| 6           | FS Transportation Commodity                               | 0.2733                 |               |
| 7           | FS Fuel   | 1.5856                 |               |
| 8           | Total Gas Supply Commodity Charge                         | <u>33.2299</u>         | <u>8.876</u>  |
|             | <u>Firm Gas Supply Service Monthly Demand Charge</u>      |                        |               |
| 9           | FS Demand Charge  | <u>109.0552</u>        | <u>29.128</u> |

UNION GAS LIMITED  
Southern Operations Area  
Calculation of Supplemental Service Charges  
Effective July 1, 2007

| Line No. | Particulars                      |   |      | cents / m <sup>3</sup> | (\$ / GJ) |
|----------|----------------------------------|---|------|------------------------|-----------|
|          | Firm backstop gas:               |   |      |                        |           |
|          | Demand:                          |   |      |                        |           |
| 1        | Monthly space charge             | 0.0370  |      |                        |           |
| 2        | Units required (1)               | 43  |      |                        |           |
|          |                                  | Note: Each unit of added delivery requires 43 m <sup>3</sup> of additional inventory. |      |                        |           |
| 3        | Number of months                 | 12  |      | 19.0738 (a)            |           |
|          | Inventory carrying costs:        |   |      |                        |           |
| 4        | Sales WACOG                      | 36.8569   |      |                        |           |
| 5        | Withdrawal overrun               | 6.3306  |      |                        |           |
| 6        |                                  | 43.1875   |      |                        |           |
| 7        | Units required (m <sup>3</sup> ) | 43  |      |                        |           |
| 8        | Pre-tax return (%)               | 9.300%  |      | 172.7069 (b)           |           |
| 9        | Annual demand charge             |   |      | 191.7807 (a) + (b)     |           |
| 10       |                                  |   |      | 12                     |           |
| 11       | Monthly demand charge            |   |      | 15.9817                | 4.269     |
|          | Commodity:                       |   |      |                        |           |
| 12       | Sales WACOG                      |   |      | 36.8569                |           |
| 13       | Withdrawal overrun               |   |      | 6.3306                 |           |
| 14       | Overrun transportation           |   |      | 0.9803                 |           |
| 15       | Commodity charge                 |   |      | 44.1678                | 11.797    |
|          | Reasonable efforts backstop gas: |   |      |                        |           |
| 16       | M2 Block 1 plus Storage          |   |      | 6.1010                 |           |
| 17       | Sales WACOG                      |   |      | 36.8569                |           |
| 18       |                                  |   |      | 42.9579                | 11.474    |
|          | Supplemental inventory:          |   |      |                        |           |
| 19       | Sales WACOG                      |   |      | 36.8569                |           |
| 20       | Injection commodity              |   |      | 0.3920                 |           |
| 21       | Space charge                     | 0.0370  | x 12 | 0.4436                 |           |
| 22       |                                  |   |      | 37.6925                | 10.067    |
|          | Carrying costs (1/2 year)        |   |      |                        |           |
| 23       |                                  | 37.6925   | x    | 9.300%                 | / 2       |
| 24       |                                  |   |      | 1.7527                 |           |
|          | Supplemental gas sales:          |   |      | 39.4452                | 10.536    |
| 25       | Supplemental inventory           |   |      | 39.4452                |           |
| 26       | Overrun withdrawal               |   |      | 6.3306                 |           |
| 27       | Overrun transportation           |   |      | 0.9803                 |           |
| 28       |                                  |   |      | 46.7560                |           |
|          | Failure to Deliver:              |   |      |                        |           |
| 29       | M2 Block 1 plus Storage          |   |      | 6.1010                 | 1.630     |
| 30       | Failure to Deliver Adjustment    |   |      | 5.1708                 | 1.381     |
| 31       | Failure to Deliver Charge        |   |      | 11.2718                | 3.011     |

Notes:

(1) Each unit of added delivery requires 43 m3 of additional inventory.



UNION GAS LIMITED  
Southern Operations Area  
Calculation of Supplemental Service Charges  
Calculation of Minimum, Maximum & Seasonal Charges  
Effective July 1, 2007

| <u>Line<br/>No.</u> |                        |  | <u>cents / m<sup>3</sup></u> |
|---------------------|------------------------|--|------------------------------|
|                     | <u>Minimum Charges</u> |  |                              |
|                     | Rate M4                | Minimum annual delivery commodity charge:        |                              |
| 1                   |                        | Monthly delivery commodity charge (1st Block M4) | 0.9291                       |
| 2                   |                        | Administration Fee                               | 0.3173                       |
| 3                   |                        | Minimum annual delivery commodity charge         | <u>1.2464</u>                |
|                     | Rate M5                | Minimum annual delivery commodity charge:        |                              |
| 4                   |                        | Monthly delivery commodity charge (1st block M5) | 1.9019                       |
| 5                   |                        | Administration Fee                               | 0.3173                       |
| 6                   |                        | Minimum annual delivery commodity charge         | <u>2.2192</u>                |
|                     | <u>Maximum Charges</u> |  |                              |
|                     | Rate M7 Interruptible  | Maximum interruptible delivery commodity charge: |                              |
| 7                   |                        | M7 firm commodity charge                         | 0.3344                       |
| 8                   |                        | M7 firm demand charge commoditized using 35% LF  | 2.3993                       |
| 9                   |                        | M7 maximum interruptible charge                  | <u>2.7337</u>                |
| 10                  | Rate T1 Interruptible  | Maximum interruptible delivery commodity charge: | <u>2.7337</u>                |





UNION GAS LIMITED  
Allocation of Load Balancing Costs by Rate Class

| Line No.                                    | Rate Class                                 | Load Balancing Allocator (P/L's) | Load Balancing Costs (\$000's) | Load Balancing Revenue in 2004 Rates (\$000's) | Interest (\$000's) | Subtotal (\$000's) (e) = (b)+(c)+(d) | Previous Protection in OGRAM Rates (\$000's) | Subtotal (\$000's) (g) = (e)+(f) | True-up of Prospective Recovery Amounts (\$000's) | Net Balance by Rate Class (\$000's) (h) = (g)+(i) |
|---|--|----------------------------------|--------------------------------|--|--------------------|--------------------------------------|--|----------------------------------|---|---|
| <b>Northern and Eastern Operations Area</b> |  |                                  |                                |  |                    |                                      |  |                                  |   |   |
| <b>R01</b>                                  |  |                                  |                                |  |                    |                                      |  |                                  |   |   |
| 1   | February *                                 | -                                | -                              | -  | (4)                | (4)                                  |  |                                  |   |   |
| 2   | March *                                    | -                                | -                              | (10)   | (10)               | (10)                                 |  |                                  |   |   |
| 3   | April *                                    | -                                | (337)                          | (340)  | (340)              | (340)                                |  |                                  |   |   |
| 4   | May *                                      | -                                | -                              | (1)  | (1)                | (1)                                  |  |                                  |   |   |
| 5   | June *                                     | -                                | -                              | (1)  | (1)                | (1)                                  |  |                                  |   |   |
| 6   | July 2007 - June 2008                      | -                                | -                              | -  | (19)               | (356)                                | (0)  | (355)                            | 12  | (343)   |
| 7   |  |                                  |                                | (337)  |                    |                                      |  |                                  |   |   |
| <b>R10</b>                                  |  |                                  |                                |  |                    |                                      |  |                                  |   |   |
| 8   | February *                                 | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 9   | March *                                    | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 10  | April *                                    | -                                | (134)                          | (134)  | (0)                | (134)                                |  |                                  |   |   |
| 11  | May *                                      | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 12  | June *                                     | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 13  | July 2007 - June 2008                      | -                                | -                              | -  | (2)                | (136)                                | (1)  | (135)                            | 6   | (129)   |
| 14  |  |                                  | (134)                          |  |                    |                                      |  |                                  |   |   |
| <b>R20</b>                                  |  |                                  |                                |  |                    |                                      |  |                                  |   |   |
| 15  | February *                                 | -                                | -                              | (1)  | (1)                | (1)                                  |  |                                  |   |   |
| 16  | March *                                    | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 17  | April *                                    | -                                | (119)                          | (119)  | (0)                | (119)                                |  |                                  |   |   |
| 18  | May *                                      | -                                | -                              | (1)  | (1)                | (1)                                  |  |                                  |   |   |
| 19  | June *                                     | -                                | -                              | (1)  | (1)                | (1)                                  |  |                                  |   |   |
| 20  | July 2007 - June 2008                      | -                                | -                              | -  | (3)                | (121)                                | (1)  | (120)                            | (47)  | (167)   |
| 21  |  |                                  | (119)                          |  |                    |                                      |  |                                  |   |   |
| 22  | Total Northern and Eastern Operations Area | -                                | (590)                          | (590)  | (23)               | (613)                                | (2)  | (611)                            | (29)  | (640)   |
| <b>Southern Operations Area</b>             |  |                                  |                                |  |                    |                                      |  |                                  |   |   |
| <b>M2</b>                                   |  |                                  |                                |  |                    |                                      |  |                                  |   |   |
| 23  | February *                                 | -                                | -                              | (12)   | (12)               | (12)                                 |  |                                  |   |   |
| 24  | March *                                    | -                                | -                              | (19)   | (19)               | (19)                                 |  |                                  |   |   |
| 25  | April *                                    | -                                | (1,727)                        | (1,737)  | (5)                | (1,737)                              |  |                                  |   |   |
| 26  | May *                                      | -                                | -                              | (5)  | (5)                | (5)                                  |  |                                  |   |   |
| 27  | June *                                     | -                                | -                              | (4)  | (4)                | (4)                                  |  |                                  |   |   |
| 28  | July 2007 - June 2008                      | -                                | -                              | -  | (49)               | (1,776)                              | (2)  | (1,775)                          | 168   | (1,606)   |
| 29  |  |                                  | (1,727)                        |  |                    |                                      |  |                                  |   |   |
| <b>M4</b>                                   |  |                                  |                                |  |                    |                                      |  |                                  |   |   |
| 30  | February *                                 | -                                | -                              | (1)  | (1)                | (1)                                  |  |                                  |   |   |
| 31  | March *                                    | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 32  | April *                                    | -                                | (366)                          | (366)  | (0)                | (366)                                |  |                                  |   |   |
| 33  | May *                                      | -                                | -                              | (1)  | (1)                | (1)                                  |  |                                  |   |   |
| 34  | June *                                     | -                                | -                              | (1)  | (1)                | (1)                                  |  |                                  |   |   |
| 35  | July 2007 - June 2008                      | -                                | -                              | -  | (4)                | (370)                                | (0)  | (370)                            | 32  | (338)   |
| 36  |  |                                  | (366)                          |  |                    |                                      |  |                                  |   |   |
| <b>MSA</b>                                  |  |                                  |                                |  |                    |                                      |  |                                  |   |   |
| 37  | February *                                 | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 38  | March *                                    | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 39  | April *                                    | -                                | (207)                          | (207)  | (0)                | (207)                                |  |                                  |   |   |
| 40  | May *                                      | -                                | -                              | (1)  | (1)                | (1)                                  |  |                                  |   |   |
| 41  | June *                                     | -                                | -                              | (1)  | (1)                | (1)                                  |  |                                  |   |   |
| 42  | July 2007 - June 2008                      | -                                | -                              | -  | (2)                | (209)                                | (1)  | (208)                            | 13  | (195)   |
| 43  |  |                                  | (207)                          |  |                    |                                      |  |                                  |   |   |
| <b>M7</b>                                   |  |                                  |                                |  |                    |                                      |  |                                  |   |   |
| 44  | February *                                 | -                                | -                              | 0  | 0                  | 0                                    |  |                                  |   |   |
| 45  | March *                                    | -                                | -                              | 0  | 0                  | 0                                    |  |                                  |   |   |
| 46  | April *                                    | -                                | (184)                          | (184)  | (0)                | (184)                                |  |                                  |   |   |
| 47  | May *                                      | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 48  | June *                                     | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 49  | July 2007 - June 2008                      | -                                | -                              | -  | 0                  | (183)                                | 0  | (184)                            | 40  | (144)   |
| 50  |  |                                  | (184)                          |  |                    |                                      |  |                                  |   |   |
| <b>M8</b>                                   |  |                                  |                                |  |                    |                                      |  |                                  |   |   |
| 51  | February *                                 | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 52  | March *                                    | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 53  | April *                                    | -                                | (11)                           | (11)   | (0)                | (11)                                 |  |                                  |   |   |
| 54  | May *                                      | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 55  | June *                                     | -                                | -                              | (0)  | (0)                | (0)                                  |  |                                  |   |   |
| 56  | July 2007 - June 2008                      | -                                | -                              | -  | (0)                | (11)                                 | (0)  | (11)                             | 1   | (10)  |
| 57  |  |                                  | (11)                           |  |                    |                                      |  |                                  |   |   |
| 58  | Total Southern Operations Area             | -                                | (2,095)                        | (2,095)  | (55)               | (2,550)                              | (2)  | (2,548)                          | 255   | (2,293)   |
| 59  | Grand Total                                | -                                | (3,095)                        | (3,095)  | (78)               | (3,163)                              | (4)  | (3,159)                          | 276   | (2,883)   |

\* Actuals

Notes:  
(1) Tab 2, Schedule 2, Column (g), Line 8  
(2) Tab 2, Schedule 2, Column (g), Line 11  
(3) Tab 2, Schedule 2, Column (g), Line 12

**UNION GAS LIMITED**  
**Allocation of North Tolls and LBA - Storage Costs by Rate Class**

| Line No.                              | Rate Class             | North Tolls and LBA - Storage Costs (\$000's) | Interest (\$000's) | Subtotal (\$000's) | Previous Projection in QRAM Rates (\$000's) | Subtotal (\$000's) | True-up of Prospective Recovery Amounts (\$000's) | Net Balance by Rate Class (\$000's) |
|---------------------------------------|------------------------|---|--------------------|--------------------|---|--------------------|---|-------------------------------------|
|                                       |                        | (a)   | (b)                | (c) = (a+b)        | (d)   | (e) = (c-d)        | (f)   | (g) = (e+f)                         |
| <b>R01</b>                            |                        |   |                    |                    |   |                    |   |                                     |
| 1                                     | February *             | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 2                                     | March *                | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 3                                     | April *                | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 4                                     | May                    | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 5                                     | June                   | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 6                                     | July 2007 to June 2007 | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 7                                     |                        | -   | -                  | -                  | -   | -                  | -   | -                                   |
| <b>R10</b>                            |                        |   |                    |                    |   |                    |   |                                     |
| 8                                     | February *             | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 9                                     | March *                | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 10                                    | April *                | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 11                                    | May                    | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 12                                    | June                   | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 13                                    | July 2007 to June 2007 | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 14                                    |                        | -   | -                  | -                  | -   | -                  | -   | -                                   |
| <b>R20</b>                            |                        |   |                    |                    |   |                    |   |                                     |
| 15                                    | February *             | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 16                                    | March *                | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 17                                    | April *                | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 18                                    | May                    | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 19                                    | June                   | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 20                                    | July 2007 to June 2007 | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 21                                    |                        | -   | -                  | -                  | -   | -                  | -   | -                                   |
| <b>Bundled Storage - R20 and R100</b> |                        |   |                    |                    |   |                    |   |                                     |
| 22                                    | February *             | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 23                                    | March *                | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 24                                    | April *                | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 25                                    | May                    | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 26                                    | June                   | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 27                                    | July 2007 to June 2007 | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 28                                    |                        | -   | -                  | -                  | -   | -                  | -   | -                                   |
| 29                                    | Total                  | -   | -                  | -                  | -   | -                  | -   | -                                   |

\* Actuals

UNION GAS LIMITED

North Purchased Gas Variance Account (Deferral Account 179-105)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May           | 436   | 397   | 39   |
| 2           | June          | 227   | 201   | 26   |
| 3           | July          | (340)   | (112)   | (228)  |
| 4           |               | <u>323</u>  | <u>486</u>  | <u>(163)</u>   |
| 5           | August        | (342)   | (478)   | 136  |
| 6           | September     | (458)   | (394)   | (64)   |
| 7           | October       | (1,616)   | (1,627)   | 11   |
| 8           |               | <u>(2,416)</u>  | <u>(2,499)</u>  | <u>83</u>  |
| 9           | November      | (2,650)   | (2,425)   | (225)  |
| 10          | December      | (3,664)   | (3,180)   | (484)  |
| 11          | January, 2007 | (13,675)  | (12,630)  | (1,045)  |
| 12          |               | <u>(19,990)</u>   | <u>(18,235)</u>                                       | <u>(1,755)</u>   |
| 13          | February      | (11,819)  | (12,719)  | 900  |
| 14          | March         | (9,888)   | (10,372)  | 484  |
| 15          | April         | (5,856)   | (6,397)   | 541  |
| 16          |               | <u>(27,563)</u>   | <u>(29,488)</u>                                       | <u>1,925</u>   |
| 17          | May           | (3,235)   |   |  |
| 18          | June          | (1,676)   |   |  |
| 19          | July          | (1,284)   |   |  |
| 20          | August        | (1,291)   |   |  |
| 21          | September     | (1,708)   |   |  |
| 22          | October       | (2,263)   |   |  |
| 23          | November      | (3,720)   |   |  |
| 24          | December      | (5,133)   |   |  |
| 25          | January       | (2,060)   |   |  |
| 26          | February      | (1,779)   |   |  |
| 27          | March         | (1,487)   |   |  |
| 28          | April         | (404)   |   |  |
| 29          | May           | (222)   |   |  |
| 30          | June          | (115)   |   |  |
| 31          |               | <u>(26,376)</u>   |   |  |

UNION GAS LIMITED

TCPL Tolls and LBA - Transportation - Northern and Eastern Operations Area (Deferral Account 179-100)

Details of Forecast and Actual Prospective Recovery

| Line No. | Particulars   | Forecast Prospective Recovery (\$000's) | Actual Prospective Recovery (\$000's) | Difference Forecast less Actual (\$000's) |
|----------|---------------|---|---------------------------------------|---|
| 1        | May           | (258)                                   | (207)                                 | (51)                                      |
| 2        | June          | (153)                                   | (127)                                 | (26)                                      |
| 3        | July          | (133)                                   | (55)                                  | (78)                                      |
| 4        |               | <u>(544)</u>                            | <u>(389)</u>                          | <u>(155)</u>                              |
| 5        | August        | (136)                                   | (165)                                 | 29  |
| 6        | September     | (169)                                   | (138)                                 | (31)                                      |
| 7        | October       | (159)                                   | (152)                                 | (7)                                       |
| 8        |               | <u>(464)</u>                            | <u>(455)</u>                          | <u>(9)</u>                                |
| 9        | November      | (244)                                   | (213)                                 | (31)                                      |
| 10       | December      | (328)                                   | (269)                                 | (59)                                      |
| 11       | January, 2007 | (421)                                   | (378)                                 | (43)                                      |
| 12       |               | <u>(992)</u>                            | <u>(860)</u>                          | <u>(132)</u>                              |
| 13       | February      | (365)                                   | (372)                                 | 7   |
| 14       | March         | (312)                                   | (302)                                 | (10)                                      |
| 15       | April         | (50)                                    | (51)                                  | 1   |
| 16       |               | <u>(727)</u>                            | <u>(725)</u>                          | <u>(2)</u>                                |
| 17       | May           | (31)                                    |                                       |   |
| 18       | June          | (18)                                    |                                       |   |
| 19       | July          | 33                                      |                                       |   |
| 20       | August        | 34                                      |                                       |   |
| 21       | September     | 42                                      |                                       |   |
| 22       | October       | 64                                      |                                       |   |
| 23       | November      | 98                                      |                                       |   |
| 24       | December      | 132                                     |                                       |   |
| 25       | January       | 346                                     |                                       |   |
| 26       | February      | 300                                     |                                       |   |
| 27       | March         | 256                                     |                                       |   |
| 28       | April         | 93                                      |                                       |   |
| 29       | May           | 56                                      |                                       |   |
| 30       | June          | 33                                      |                                       |   |
| 31       |               | <u>1,438</u>                            |                                       |   |

UNION GAS LIMITED

Rate 01 - North Tolls and LBA - Storage (Deferral Account 179-100)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May, 2006     | (86)  | (71)  | (15)   |
| 2           | June          | (41)  | (37)  | (4)  |
| 3           | July          | (30)  | (8)   | (22)   |
| 4           |               | <u>(158)</u>  | <u>(116)</u>  | <u>(42)</u>  |
| 5           | August        | (31)  | (28)  | (3)  |
| 6           | September     | (46)  | (30)  | (16)   |
| 7           | October       | (54)  | (45)  | (9)  |
| 8           |               | <u>(130)</u>  | <u>(103)</u>  | <u>(27)</u>  |
| 9           | November      | (92)  | (83)  | (9)  |
| 10          | December      | (129)   | (108)   | (21)   |
| 11          | January       | 3   | (1)   | 4  |
| 12          |               | <u>(218)</u>  | <u>(192)</u>  | <u>(26)</u>  |
| 13          | February 2007 | 2   |   |  |
| 14          | March         | 2   |   |  |
| 15          | April         | (12)  |   |  |
| 16          | May           | (6)   |   |  |
| 17          | June          | (3)   |   |  |
| 18          | July          | (4)   |   |  |
| 19          | August        | (4)   |   |  |
| 20          | September     | (5)   |   |  |
| 21          | October       | (9)   |   |  |
| 22          | November      | (16)  |   |  |
| 23          | December      | (23)  |   |  |
| 24          | January 2008  | (23)  |   |  |
| 25          | February      | (20)  |   |  |
| 26          | March         | (16)  |   |  |
| 27          | April         | -   |   |  |
| 28          | May           | -   |   |  |
| 29          | June          | -   |   |  |
| 30          |               | <u>(138)</u>  |   |  |



UNION GAS LIMITED

Rate 10 - North Tolls and LBA - Storage (Deferral Account 179-100)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May, 2006     | (35)  | (31)  | (4)  |
| 2           | June          | (23)  | (21)  | (2)  |
| 3           | July          | (17)  | (8)   | (9)  |
| 4           |               | (75)  | (60)  | (15)   |
| 5           | August        | (17)  | (14)  | (3)  |
| 6           | September     | (18)  | (18)  | 0  |
| 7           | October       | (23)  | (21)  | (2)  |
| 8           |               | (58)  | (53)  | (5)  |
| 9           | November      | (32)  | (31)  | (1)  |
| 10          | December      | (41)  | (38)  | (3)  |
| 11          | January       | (10)  | (10)  | (0)  |
| 12          |               | (84)  | (79)  | (5)  |
| 13          | February 2007 | (9)   |   |  |
| 14          | March         | (8)   |   |  |
| 15          | April         | (8)   |   |  |
| 16          | May           | (5)   |   |  |
| 17          | June          | (4)   |   |  |
| 18          | July          | (3)   |   |  |
| 19          | August        | (3)   |   |  |
| 20          | September     | (3)   |   |  |
| 21          | October       | (5)   |   |  |
| 22          | November      | (7)   |   |  |
| 23          | December      | (10)  |   |  |
| 24          | January 2008  | (9)   |   |  |
| 25          | February      | (8)   |   |  |
| 26          | March         | (7)   |   |  |
| 27          | April         | -   |   |  |
| 28          | May           | -   |   |  |
| 29          | June          | -   |   |  |
| 30          |               | (90)  |   |  |

UNION GAS LIMITED

Rate 20 - North Tolls and LBA - Storage (Deferral Account 179-100)

Details of Forecast and Actual Prospective Recovery

| Line No. | Particulars   | Forecast Prospective Recovery (\$000's)<br>(a) | Actual Prospective Recovery (\$000's)<br>(b) | Difference Forecast less Actual (\$000's)<br>(c) = (a) - (b) |
|----------|---------------|--|--|--|
| 1        | May, 2006     | (14)   | (13)   | (1)  |
| 2        | June          | (14)   | (13)   | (1)  |
| 3        | July          | (7)  | (6)  | (1)  |
| 4        |               | <u>(34)</u>                                    | <u>(32)</u>                                  | <u>(2)</u>   |
| 5        | August        | (7)  | (6)  | (1)  |
| 6        | September     | (7)  | (6)  | (1)  |
| 7        | October       | 1  | (6)  | 7  |
| 8        |               | <u>(12)</u>                                    | <u>(18)</u>                                  | <u>6</u>   |
| 9        | November      | 1  | 1  | 0  |
| 10       | December      | 1  | 1  | 0  |
| 11       | January       | 6  | 6  | 0  |
| 12       |               | <u>9</u>                                       | <u>8</u>                                     | <u>1</u>   |
| 13       | February 2007 | 6  |  |  |
| 14       | March         | 6  |  |  |
| 15       | April         | 5  |  |  |
| 16       | May           | 5  |  |  |
| 17       | June          | 5  |  |  |
| 18       | July          | 3  |  |  |
| 19       | August        | 3  |  |  |
| 20       | September     | 3  |  |  |
| 21       | October       | 2  |  |  |
| 22       | November      | 2  |  |  |
| 23       | December      | 2  |  |  |
| 24       | January 2008  | 0  |  |  |
| 25       | February      | 0  |  |  |
| 26       | March         | 0  |  |  |
| 27       | April         | -  |  |  |
| 28       | May           | -  |  |  |
| 29       | June          | -  |  |  |
| 30       |               | <u>47</u>                                      |  |  |

UNION GAS LIMITED

Bundled Storage (R20 and R100) - North Tolls and LBA - Storage (Deferral Account 179-100)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May, 2006     | (19)  | (20)  | 1  |
| 2           | June          | (19)  | (23)  | 4  |
| 3           | July          | (14)  | (15)  | 1  |
| 4           |               | (51)  | (58)  | 7  |
| 5           | August        | (14)  | (17)  | 3  |
| 6           | September     | (14)  | (15)  | 2  |
| 7           | October       | (8)   | (9)   | 1  |
| 8           |               | (35)  | (41)  | 6  |
| 9           | November      | (8)   | (9)   | 1  |
| 10          | December      | (8)   | (9)   | 1  |
| 11          | January       | (4)   | (4)   | 0  |
| 12          |               | (19)  | (22)  | 3  |
| 13          | February 2007 | (4)   |   |  |
| 14          | March         | (4)   |   |  |
| 15          | April         | (5)   |   |  |
| 16          | May           | (5)   |   |  |
| 17          | June          | (5)   |   |  |
| 18          | July          | (4)   |   |  |
| 19          | August        | (4)   |   |  |
| 20          | September     | (4)   |   |  |
| 21          | October       | (3)   |   |  |
| 22          | November      | (3)   |   |  |
| 23          | December      | (3)   |   |  |
| 24          | January 2008  | (2)   |   |  |
| 25          | February      | (2)   |   |  |
| 26          | March         | (2)   |   |  |
| 27          | April         | -   |   |  |
| 28          | May           | -   |   |  |
| 29          | June          | -   |   |  |
| 30          |               | (48)  |   |  |

UNION GAS LIMITED

Fuel - Northern and Eastern Operations Area (Deferral Account 179-100)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May           | 330   | 208   | 122  |
| 2           | June          | 171   | 153   | 18   |
| 3           | July          | 137   | 45  | 92   |
| 4           |               | <u>637</u>  | <u>406</u>  | <u>231</u>   |
| 5           | August        | 137   | 194   | (57)   |
| 6           | September     | 184   | 158   | 26   |
| 7           | October       | 320   | 323   | (3)  |
| 8           |               | <u>640</u>  | <u>675</u>  | <u>(35)</u>  |
| 9           | November      | 524   | 480   | 44   |
| 10          | December      | 725   | 629   | 96   |
| 11          | January, 2007 | 51  | 70  | (19)   |
| 12          |               | <u>1,300</u>  | <u>1,179</u>  | <u>121</u>   |
| 13          | February      | 44  | 56  | (12)   |
| 14          | March         | 37  | 39  | (2)  |
| 15          | April         | (115)   | (122)   | 7  |
| 16          |               | <u>(34)</u>   | <u>(27)</u>   | <u>(7)</u>   |
| 17          | May           | (64)  |   |  |
| 18          | June          | (33)  |   |  |
| 19          | July          | (22)  |   |  |
| 20          | August        | (22)  |   |  |
| 21          | September     | (29)  |   |  |
| 22          | October       | (32)  |   |  |
| 23          | November      | (53)  |   |  |
| 24          | December      | (73)  |   |  |
| 25          | January       | (105)   |   |  |
| 26          | February      | (91)  |   |  |
| 27          | March         | (76)  |   |  |
| 28          | April         | (24)  |   |  |
| 29          | May           | (13)  |   |  |
| 30          | June          | (7)   |   |  |
| 31          |               | <u>(643)</u>  |   |  |

UNION GAS LIMITED

Southern Purchased Gas Variance Account (Deferral Account 179-106)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's) | Actual<br>Prospective<br>Recovery<br>(\$000's) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's) |
|-------------|---------------|--|--|---|
| 1           | May           | 1,484  | 1,207  | 277   |
| 2           | June          | 754  | 678  | 76  |
| 3           | July          | (639)  | (227)  | (412)   |
| 4           |               | <u>1,599</u>                                     | <u>1,658</u>                                   | <u>(59)</u>   |
| 5           | August        | (684)  | (947)  | 263   |
| 6           | September     | (814)  | (718)  | (96)  |
| 7           | October       | (4,217)  | (4,090)  | (127)   |
| 8           |               | <u>(5,715)</u>                                   | <u>(5,755)</u>                                 | <u>40</u>   |
| 9           | November      | (6,781)  | (6,230)  | (551)   |
| 10          | December      | (10,230)   | (8,723)  | (1,507)   |
| 11          | January, 2007 | (34,130)   | (30,094)                                       | (4,036)   |
| 12          |               | <u>(51,141)</u>                                  | <u>(45,047)</u>                                | <u>(6,094)</u>  |
| 13          | February      | (30,606)   | (34,304)                                       | 3,698   |
| 14          | March         | (26,600)   | (26,460)                                       | (140)   |
| 15          | April         | (15,899)   | (17,220)                                       | 1,321   |
| 16          |               | <u>(73,105)</u>                                  | <u>(77,984)</u>                                | <u>4,879</u>  |
| 17          | May           | (8,776)  |  |   |
| 18          | June          | (4,468)  |  |   |
| 19          | July          | (3,696)  |  |   |
| 20          | August        | (3,949)  |  |   |
| 21          | September     | (4,632)  |  |   |
| 22          | October       | (5,723)  |  |   |
| 23          | November      | (9,210)  |  |   |
| 24          | December      | (13,874)   |  |   |
| 25          | January       | (7,803)  |  |   |
| 26          | February      | (6,995)  |  |   |
| 27          | March         | (6,077)  |  |   |
| 28          | April         | (1,432)  |  |   |
| 29          | May           | (789)  |  |   |
| 30          | June          | (405)  |  |   |
| 31          |               | <u>(77,831)</u>                                  |  |   |

UNION GAS LIMITED  
Inventory Revaluation (Deferral Account 179-109)  
Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May           | (4,466)   | (3,684)   | (782)  |
| 2           | June          | (2,283)   | (2,043)   | (240)  |
| 3           | July          | (1,705)   | (597)   | (1,108)  |
| 4           |               | (8,453)   | (6,324)   | (2,129)  |
| 5           | August        | (1,801)   | (2,582)   | 781  |
| 6           | September     | (2,200)   | (1,930)   | (270)  |
| 7           | October       | (1,957)   | (1,895)   | (62)   |
| 8           |               | (5,958)   | (6,407)   | 449  |
| 9           | November      | (3,161)   | (2,909)   | (252)  |
| 10          | December      | (4,674)   | (3,999)   | (675)  |
| 11          | January, 2007 | 8,788   | 7,687   | 1,101  |
| 12          |               | 953   | 779   | 174  |
| 13          | February      | 7,814   | 8,603   | (789)  |
| 14          | March         | 6,733   | 6,777   | (44)   |
| 15          | April         | 2,982   | 3,280   | (298)  |
| 16          |               | 17,530  | 18,660  | (1,130)  |
| 17          | May           | 1,646   |   |  |
| 18          | June          | 842   |   |  |
| 19          | July          | 634   |   |  |
| 20          | August        | 669   |   |  |
| 21          | September     | 806   |   |  |
| 22          | October       | 1,583   |   |  |
| 23          | November      | 2,560   |   |  |
| 24          | December      | 3,780   |   |  |
| 25          | January       | 8   |   |  |
| 26          | February      | 7   |   |  |
| 27          | March         | 6   |   |  |
| 28          | April         | (69)  |   |  |
| 29          | May           | (38)  |   |  |
| 30          | June          | (19)  |   |  |
| 31          |               | 12,416  |   |  |

UNION GAS LIMITED

Rate 01 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May, 2006     | (13)  | (10)  | (3)  |
| 2           | June          | (6)   | (5)   | (1)  |
| 3           | July          | (15)  | (4)   | (11)   |
| 4           |               | (34)  | (19)  | (15)   |
| 5           | August        | (16)  | (13)  | (3)  |
| 6           | September     | (23)  | (15)  | (8)  |
| 7           | October       | (46)  | (29)  | (17)   |
| 8           |               | (85)  | (57)  | (28)   |
| 9           | November      | (79)  | (71)  | (7)  |
| 10          | December      | (111)   | (93)  | (18)   |
| 11          | January, 2007 | (140)   | (130)   | (10)   |
| 12          |               | (330)   | (294)   | (36)   |
| 13          | February      | (120)   | (127)   | 7  |
| 14          | March         | (98)  | (98)  | 0  |
| 15          | April         | (62)  | (67)  | 5  |
| 16          |               | (280)   | (292)   | 12   |
| 17          | May           | (33)  |   |  |
| 18          | June          | (15)  |   |  |
| 19          | July          | (9)   |   |  |
| 20          | August        | (9)   |   |  |
| 21          | September     | (14)  |   |  |
| 22          | October       | (26)  |   |  |
| 23          | November      | (44)  |   |  |
| 24          | December      | (62)  |   |  |
| 25          | January       | (71)  |   |  |
| 26          | February      | (60)  |   |  |
| 27          | March         | (49)  |   |  |
| 28          | April         | (27)  |   |  |
| 29          | May           | (15)  |   |  |
| 30          | June          | (7)   |   |  |
| 31          |               | (443)   |   |  |

UNION GAS LIMITED

Rate 10 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

| Line No. | Particulars   | Forecast Prospective Recovery (\$000's)<br>(a) | Actual Prospective Recovery (\$000's)<br>(b) | Difference Forecast less Actual (\$000's)<br>(c) = (a) - (b) |
|----------|---------------|--|--|--|
| 1        | May, 2006     | (4)  | (5)  | 1  |
| 2        | June          | (3)  | (3)  | 0  |
| 3        | July          | (9)  | (4)  | (5)  |
| 4        |               | (16)   | (12)   | (4)  |
| 5        | August        | (8)  | (7)  | (1)  |
| 6        | September     | (9)  | (9)  | 0  |
| 7        | October       | (19)   | (14)   | (5)  |
| 8        |               | (37)   | (30)   | (7)  |
| 9        | November      | (27)   | (25)   | (1)  |
| 10       | December      | (34)   | (31)   | (3)  |
| 11       | January, 2007 | (42)   | (40)   | (2)  |
| 12       |               | (103)  | (97)   | (6)  |
| 13       | February      | (37)   | (40)   | 3  |
| 14       | March         | (33)   | (35)   | 2  |
| 15       | April         | (21)   | (22)   | 1  |
| 16       |               | (91)   | (98)   | 6  |
| 17       | May           | (14)   |  |  |
| 18       | June          | (9)  |  |  |
| 19       | July          | (5)  |  |  |
| 20       | August        | (5)  |  |  |
| 21       | September     | (5)  |  |  |
| 22       | October       | (11)   |  |  |
| 23       | November      | (15)   |  |  |
| 24       | December      | (19)   |  |  |
| 25       | January       | (22)   |  |  |
| 26       | February      | (19)   |  |  |
| 27       | March         | (17)   |  |  |
| 28       | April         | (10)   |  |  |
| 29       | May           | (7)  |  |  |
| 30       | June          | (5)  |  |  |
| 31       |               | (163)  |  |  |



UNION GAS LIMITED

Rate 20 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May, 2006     | (10)  | (5)   | (5)  |
| 2           | June          | (8)   | (5)   | (3)  |
| 3           | July          | (17)  | (11)  | (6)  |
| 4           |               | (35)  | (21)  | (14)   |
| 5           | August        | (18)  | (11)  | (7)  |
| 6           | September     | (19)  | (11)  | (8)  |
| 7           | October       | (23)  | (12)  | (11)   |
| 8           |               | (60)  | (34)  | (26)   |
| 9           | November      | (25)  | (12)  | (14)   |
| 10          | December      | (27)  | (12)  | (15)   |
| 11          | January, 2007 | (31)  | (13)  | (18)   |
| 12          |               | (83)  | (37)  | (46)   |
| 13          | February      | (29)  | (12)  | (17)   |
| 14          | March         | (29)  | (13)  | (16)   |
| 15          | April         | (28)  | (13)  | (14)   |
| 16          |               | (85)  | (38)  | (47)   |
| 17          | May           | (25)  |   |  |
| 18          | June          | (20)  |   |  |
| 19          | July          | (15)  |   |  |
| 20          | August        | (17)  |   |  |
| 21          | September     | (17)  |   |  |
| 22          | October       | (20)  |   |  |
| 23          | November      | (22)  |   |  |
| 24          | December      | (23)  |   |  |
| 25          | January       | (23)  |   |  |
| 26          | February      | (21)  |   |  |
| 27          | March         | (21)  |   |  |
| 28          | April         | (15)  |   |  |
| 29          | May           | (13)  |   |  |
| 30          | June          | (11)  |   |  |
| 31          |               | (264)   |   |  |

UNION GAS LIMITED

Rate M2 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May, 2006     | (65)  | (52)  | (13)   |
| 2           | June          | (35)  | (30)  | (5)  |
| 3           | July          | (84)  | (33)  | (51)   |
| 4           |               | (184)   | (115)   | (69)   |
| 5           | August        | (91)  | (84)  | (7)  |
| 6           | September     | (109)   | (100)   | (9)  |
| 7           | October       | (221)   | (154)   | (67)   |
| 8           |               | (421)   | (338)   | (83)   |
| 9           | November      | (353)   | (352)   | (1)  |
| 10          | December      | (527)   | (481)   | (46)   |
| 11          | January, 2007 | (615)   | (587)   | (28)   |
| 12          |               | (1,495)   | (1,420)   | (75)   |
| 13          | February      | (551)   | (654)   | 103  |
| 14          | March         | (479)   | (500)   | 20   |
| 15          | April         | (305)   | (350)   | 45   |
| 16          |               | (1,336)   | (1,505)   | 168  |
| 17          | May           | (168)   |   |  |
| 18          | June          | (84)  |   |  |
| 19          | July          | (46)  |   |  |
| 20          | August        | (50)  |   |  |
| 21          | September     | (60)  |   |  |
| 22          | October       | (113)   |   |  |
| 23          | November      | (181)   |   |  |
| 24          | December      | (270)   |   |  |
| 25          | January       | (292)   |   |  |
| 26          | February      | (262)   |   |  |
| 27          | March         | (227)   |   |  |
| 28          | April         | (135)   |   |  |
| 29          | May           | (74)  |   |  |
| 30          | June          | (38)  |   |  |
| 31          |               | (2,003)   |   |  |

UNION GAS LIMITED

Rate M4 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May, 2006     | (11)  | (11)  | (0)  |
| 2           | June          | (9)   | (10)  | 1  |
| 3           | July          | (33)  | (35)  | 2  |
| 4           |               | <u>(54)</u>   | <u>(56)</u>   | <u>2</u>   |
| 5           | August        | (42)  | (42)  | (0)  |
| 6           | September     | (40)  | (44)  | 4  |
| 7           | October       | (49)  | (58)  | 9  |
| 8           |               | <u>(131)</u>  | <u>(144)</u>  | <u>13</u>  |
| 9           | November      | (57)  | (63)  | 5  |
| 10          | December      | (65)  | (63)  | (2)  |
| 11          | January, 2007 | (71)  | (73)  | 2  |
| 12          |               | <u>(194)</u>  | <u>(199)</u>  | <u>5</u>   |
| 13          | February      | (64)  | (80)  | 15   |
| 14          | March         | (63)  | (72)  | 9  |
| 15          | April         | (49)  | (57)  | 8  |
| 16          |               | <u>(176)</u>  | <u>(209)</u>  | <u>32</u>  |
| 17          | May           | (40)  |   |  |
| 18          | June          | (35)  |   |  |
| 19          | July          | (17)  |   |  |
| 20          | August        | (21)  |   |  |
| 21          | September     | (20)  |   |  |
| 22          | October       | (25)  |   |  |
| 23          | November      | (29)  |   |  |
| 24          | December      | (33)  |   |  |
| 25          | January       | (40)  |   |  |
| 26          | February      | (37)  |   |  |
| 27          | March         | (36)  |   |  |
| 28          | April         | (29)  |   |  |
| 29          | May           | (24)  |   |  |
| 30          | June          | (21)  |   |  |
| 31          |               | <u>(406)</u>  |   |  |

UNION GAS LIMITED

Rate M5 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May, 2006     | (5)   | (7)   | 2  |
| 2           | June          | (4)   | (5)   | 1  |
| 3           | July          | (16)  | (20)  | 4  |
| 4           |               | (25)  | (32)  | 7  |
| 5           | August        | (17)  | (21)  | 4  |
| 6           | September     | (22)  | (28)  | 6  |
| 7           | October       | (25)  | (35)  | 10   |
| 8           |               | (65)  | (84)  | 19   |
| 9           | November      | (27)  | (35)  | 8  |
| 10          | December      | (29)  | (30)  | 1  |
| 11          | January, 2007 | (33)  | (43)  | 10   |
| 12          |               | (89)  | (108)   | 19   |
| 13          | February      | (29)  | (36)  | 7  |
| 14          | March         | (28)  | (30)  | 3  |
| 15          | April         | (20)  | (24)  | 3  |
| 16          |               | (77)  | (90)  | 13   |
| 17          | May           | (17)  |   |  |
| 18          | June          | (14)  |   |  |
| 19          | July          | (8)   |   |  |
| 20          | August        | (9)   |   |  |
| 21          | September     | (12)  |   |  |
| 22          | October       | (14)  |   |  |
| 23          | November      | (15)  |   |  |
| 24          | December      | (16)  |   |  |
| 25          | January       | (21)  |   |  |
| 26          | February      | (19)  |   |  |
| 27          | March         | (18)  |   |  |
| 28          | April         | (16)  |   |  |
| 29          | May           | (13)  |   |  |
| 30          | June          | (11)  |   |  |
| 31          |               | (203)   |   |  |

UNION GAS LIMITED

Rate M7 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May, 2006     | 2   | 6   | (4)  |
| 2           | June          | 2   | 6   | (4)  |
| 3           | July          | (10)  | (55)  | 45   |
| 4           |               | (6)   | (43)  | 37   |
| 5           | August        | (20)  | (63)  | 43   |
| 6           | September     | (20)  | (56)  | 36   |
| 7           | October       | (23)  | (65)  | 42   |
| 8           |               | (63)  | (184)   | 121  |
| 9           | November      | (24)  | (49)  | 25   |
| 10          | December      | (29)  | (51)  | 22   |
| 11          | January, 2007 | (20)  | (35)  | 15   |
| 12          |               | (73)  | (135)   | 62   |
| 13          | February      | (18)  | (33)  | 15   |
| 14          | March         | (16)  | (32)  | 16   |
| 15          | April         | (7)   | (15)  | 9  |
| 16          |               | (40)  | (80)  | 40   |
| 17          | May           | (5)   |   |  |
| 18          | June          | (4)   |   |  |
| 19          | July          | 4   |   |  |
| 20          | August        | 7   |   |  |
| 21          | September     | 7   |   |  |
| 22          | October       | 4   |   |  |
| 23          | November      | 4   |   |  |
| 24          | December      | 5   |   |  |
| 25          | January       | (10)  |   |  |
| 26          | February      | (9)   |   |  |
| 27          | March         | (8)   |   |  |
| 28          | April         | (11)  |   |  |
| 29          | May           | (9)   |   |  |
| 30          | June          | (8)   |   |  |
| 31          |               | (34)  |   |  |

UNION GAS LIMITED

Rate M9 - Load Balancing (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May, 2006     | (0)   | (0)   | (0)  |
| 2           | June          | (0)   | (0)   | (0)  |
| 3           | July          | (0)   | (0)   | 0  |
| 4           |               | (1)   | (0)   | (0)  |
| 5           | August        | (1)   | (1)   | (0)  |
| 6           | September     | (2)   | (1)   | (1)  |
| 7           | October       | (2)   | (2)   | 0  |
| 8           |               | (5)   | (4)   | (1)  |
| 9           | November      | (4)   | (3)   | (1)  |
| 10          | December      | (5)   | (3)   | (2)  |
| 11          | January, 2007 | (5)   | (4)   | (1)  |
| 12          |               | (14)  | (10)  | (4)  |
| 13          | February      | (4)   | (5)   | 1  |
| 14          | March         | (4)   | (3)   | (0)  |
| 15          | April         | (2)   | (2)   | 0  |
| 16          |               | (10)  | (11)  | 1  |
| 17          | May           | (1)   |   |  |
| 18          | June          | (0)   |   |  |
| 19          | July          | (0)   |   |  |
| 20          | August        | (1)   |   |  |
| 21          | September     | (1)   |   |  |
| 22          | October       | (1)   |   |  |
| 23          | November      | (2)   |   |  |
| 24          | December      | (2)   |   |  |
| 25          | January       | (3)   |   |  |
| 26          | February      | (2)   |   |  |
| 27          | March         | (2)   |   |  |
| 28          | April         | (1)   |   |  |
| 29          | May           | (0)   |   |  |
| 30          | June          | (0)   |   |  |
| 31          |               | (15)  |   |  |

UNION GAS LIMITED

Spot Gas Purchases (Deferral Account 179-107)

Details of Forecast and Actual Prospective Recovery

| Line<br>No. | Particulars   | Forecast<br>Prospective<br>Recovery<br>(\$000's)<br>(a) | Actual<br>Prospective<br>Recovery<br>(\$000's)<br>(b) | Difference<br>Forecast<br>less<br>Actual<br>(\$000's)<br>(c) = (a) - (b) |
|-------------|---------------|---|---|--|
| 1           | May           | 3   | 3   | -  |
| 2           | June          | 2   | 1   | 1  |
| 3           | July          | 1   | -   | 1  |
| 4           |               | <u>5</u>  | <u>4</u>  | <u>1</u>   |
| 5           | August        | 1   | 2   | (1)  |
| 6           | September     | 1   | 1   | -  |
| 7           | October       | 2   | 2   | 0  |
| 8           |               | <u>4</u>  | <u>5</u>  | <u>(1)</u>   |
| 9           | November      | 4   | 3   | 1  |
| 10          | December      | 5   | 4   | 1  |
| 11          | January, 2007 | 2   | 1   | 1  |
| 12          |               | <u>11</u>   | <u>8</u>  | <u>3</u>   |
| 13          | February      | 1   | 2   | (1)  |
| 14          | March         | 1   | 1   | 0  |
| 15          | April         | 0   | -   | 0  |
| 16          |               | <u>3</u>  | <u>3</u>  | <u>(0)</u>   |
| 17          | May           | 0   |   |  |
| 18          | June          | 0   |   |  |
| 19          | July          | (0)   |   |  |
| 20          | August        | (0)   |   |  |
| 21          | September     | (0)   |   |  |
| 22          | October       | (0)   |   |  |
| 23          | November      | (0)   |   |  |
| 24          | December      | (0)   |   |  |
| 25          | January       | 0   |   |  |
| 26          | February      | 0   |   |  |
| 27          | March         | 0   |   |  |
| 28          | April         | (0)   |   |  |
| 29          | May           | (0)   |   |  |
| 30          | June          | <u>(0)</u>  |   |  |
| 31          |               | <u>1</u>  |   |  |

UNION GAS LIMITED  
North Purchased Gas Variance Account (Deferral Account 179-105)  
Prospective Recovery Reconciliation

| Line No.                           | Particulars (\$000's)                                   | Notes           | Year 2006 |          | Year 2007 |          |          |
|------------------------------------|---|-----------------|-----------|----------|-----------|----------|----------|
|                                    |   |                 | Jul Q3    | Oct Q4   | Jan Q1    | Apr Q2   | Jul Q3   |
|                                    |   |                 | (a)       | (b)      | (c)       | (d)      | (e)      |
| <b><u>Deferral Amounts</u></b>     |   |                 |           |          |           |          |          |
| 1                                  | Total Deferral Amounts for Recovery                     | (1)             | (22,181)  | (19,645) | (24,066)  | (4,802)  | (6,905)  |
| 2                                  | Cumulative Deferral Amounts for Recovery                | (2)             | (21,904)  | (41,548) | (65,614)  | (70,417) | (77,322) |
| <b><u>Prospective Recovery</u></b> |   |                 |           |          |           |          |          |
| 3                                  | Actual Prospective Recovery                             | (3)             | 3,861     | 486      | (2,499)   | (18,235) | (29,488) |
| 4                                  | Cumulative Actual Prospective Recovery                  |                 | (1,210)   | (724)    | (3,223)   | (21,458) | (50,946) |
| 5                                  | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 20,694    | 40,825   | 62,392    | 48,959   | 26,376   |

References:

- (1) Tab 2, Schedule 3, Page 1 of 18, Line 8.
- (2) Tab 2, Schedule 3, Page 1 of 18, Line 9.
- (3) Tab 2, Schedule 3, Page 1 of 18, Line 11.



UNION GAS LIMITED  
TCPL Tolls and LBA - Transportation - Northern and Eastern Operations Area (Deferral Account 179-100)  
Prospective Recovery Reconciliation

| Line No.                    | Particulars (\$000's)                                   | Notes           | Year 2006 |         | Year 2007 |         |         |
|-----------------------------|---|-----------------|-----------|---------|-----------|---------|---------|
|                             |   |                 | Jul Q3    | Oct Q4  | Jan Q1    | Apr Q2  | Jul Q3  |
|                             |   |                 | (a)       | (b)     | (c)       | (d)     | (e)     |
| <b>Deferral Amounts</b>     |   |                 |           |         |           |         |         |
| 1                           | Total Deferral Amounts for Recovery                     | (1)             | (435)     | 369     | (1,092)   | 1,148   |         |
| 2                           | Cumulative Deferral Amounts for Recovery                | (2)             | (5,250)   | (4,882) | (5,973)   | (3,787) |         |
| <b>Prospective Recovery</b> |   |                 |           |         |           |         |         |
| 3                           | Actual Prospective Recovery                             | (3)             | (1,492)   | (389)   | (455)     | (725)   |         |
| 4                           | Cumulative Actual Prospective Recovery                  |                 | (2,796)   | (3,185) | (3,640)   | (5,225) |         |
| 5                           | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 2,454     | 1,696   | 2,333     | 435     | (1,438) |

References:  
(1) Tab 2, Schedule 3, Page 2 of 18, Line 8.  
(2) Tab 2, Schedule 3, Page 2 of 18, Line 9.  
(3) Tab 2, Schedule 3, Page 2 of 18, Line 11.

UNION GAS LIMITED

Rate 01 - North Tolls and LBA - Storage (Deferral Account 179-100)

Prospective Recovery Reconciliation

| Line No.                           | Particulars (\$000's)                                   | Notes           | Year 2006 |         |         | Year 2007 |         |         |
|------------------------------------|---|-----------------|-----------|---------|---------|-----------|---------|---------|
|                                    |   |                 | Apr Q2    | Jul Q3  | Oct Q4  | Jan Q1    | Apr Q2  | Jul Q3  |
|                                    |   |                 | (a)       | (b)     | (c)     | (d)       | (e)     | (f)     |
| <b><u>Deferral Amounts</u></b>     |   |                 |           |         |         |           |         |         |
| 1                                  | Total Deferral Amounts for Recovery                     | (1)             | 100       | 94      | 22      | 1         | (101)   | -       |
| 2                                  | Cumulative Deferral Amounts for Recovery                | (2)             | (4,990)   | (4,896) | (4,874) | (4,873)   | (4,974) | (4,974) |
| <b><u>Prospective Recovery</u></b> |   |                 |           |         |         |           |         |         |
| 3                                  | Actual Prospective Recovery                             | (3)             | (477)     | (645)   | (116)   | (103)     | (192)   | -       |
| 4                                  | Cumulative Actual Prospective Recovery                  |                 | (3,781)   | (4,425) | (4,541) | (4,644)   | (4,836) | (4,836) |
| 5                                  | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 1,209     | 471     | 333     | 229       | 138     | 138     |

References:

- (1) Tab 2, Schedule 3, Page 3 of 18, Line 8.
- (2) Tab 2, Schedule 3, Page 3 of 18, Line 9.
- (3) Tab 2, Schedule 3, Page 3 of 18, Line 11.

UNION GAS LIMITED

Rate 10 - North Tolls and LBA - Storage (Deferral Account 179-100)

Prospective Recovery Reconciliation

| Line<br>No.                        | Particulars (\$000's)                                   | Notes           | Year 2006 |         |         | Year 2007 |         |         |
|------------------------------------|---|-----------------|-----------|---------|---------|-----------|---------|---------|
|                                    |   |                 | Apr       | Jul     | Oct     | Jan       | Apr     | Jul     |
|                                    |   |                 | Q2        | Q3      | Q4      | Q1        | Q2      | Q3      |
|                                    |   |                 | (a)       | (b)     | (c)     | (d)       | (e)     | (f)     |
| <b><u>Deferral Amounts</u></b>     |   |                 |           |         |         |           |         |         |
| 1                                  | Total Deferral Amounts for Recovery                     | (1)             | (7)       | (8)     | (5)     | (12)      | (52)    | -       |
| 2                                  | Cumulative Deferral Amounts for Recovery                | (2)             | (1,517)   | (1,525) | (1,530) | (1,542)   | (1,594) | (1,594) |
| <b><u>Prospective Recovery</u></b> |   |                 |           |         |         |           |         |         |
| 3                                  | Actual Prospective Recovery                             | (3)             | (117)     | (197)   | (60)    | (53)      | (79)    | -       |
| 4                                  | Cumulative Actual Prospective Recovery                  |                 | (1,114)   | (1,311) | (1,371) | (1,424)   | (1,503) | (1,503) |
| 5                                  | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 403       | 214     | 159     | 117       | 90      | 90      |

References:

- (1) Tab 2, Schedule 3, Page 4 of 18, Line 8.
- (2) Tab 2, Schedule 3, Page 4 of 18, Line 9.
- (3) Tab 2, Schedule 3, Page 4 of 18, Line 11.

UNION GAS LIMITED

Rate 20 - North Tolls and LBA - Storage (Deferral Account 179-100)

Prospective Recovery Reconciliation

| Line No.                           | Particulars (\$000's)                                   | Notes           | Year 2006 |        |        | Year 2007 |        |        |
|------------------------------------|---|-----------------|-----------|--------|--------|-----------|--------|--------|
|                                    |   |                 | Apr Q2    | Jul Q3 | Oct Q4 | Jan Q1    | Apr Q2 | Jul Q3 |
|                                    |   |                 | (a)       | (b)    | (c)    | (d)       | (e)    | (f)    |
| <b><u>Deferral Amounts</u></b>     |   |                 |           |        |        |           |        |        |
| 1                                  | Total Deferral Amounts for Recovery                     | (1)             | 17        | 17     | 14     | 19        | 3      | -      |
| 2                                  | Cumulative Deferral Amounts for Recovery                | (2)             | (263)     | (246)  | (232)  | (213)     | (210)  | (210)  |
| <b><u>Prospective Recovery</u></b> |   |                 |           |        |        |           |        |        |
| 3                                  | Actual Prospective Recovery                             | (3)             | (21)      | (31)   | (32)   | (18)      | 8      | -      |
| 4                                  | Cumulative Actual Prospective Recovery                  |                 | (184)     | (215)  | (247)  | (265)     | (257)  | (257)  |
| 5                                  | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 79        | 31     | (14)   | (52)      | (47)   | (47)   |

References:

- (1) Tab 2, Schedule 3, Page 5 of 18, Line 8.
- (2) Tab 2, Schedule 3, Page 5 of 18, Line 9.
- (3) Tab 2, Schedule 3, Page 5 of 18, Line 11.

UNION GAS LIMITED

Bundled Storage (R20 and R100) - North Tolls and LBA - Storage (Deferral Account 179-100)

Prospective Recovery Reconciliation

| Line<br>No. | Particulars (\$000's)                                   | Notes           | Year 2006        |                  |                  | Year 2007        |                  |                  |
|-------------|---|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|
|             |   |                 | Apr<br>Q2<br>(a) | Jul<br>Q3<br>(b) | Oct<br>Q4<br>(c) | Jan<br>Q1<br>(d) | Apr<br>Q2<br>(e) | Jul<br>Q3<br>(e) |
|             | <b><u>Deferral Amounts</u></b>                          |                 |                  |                  |                  |                  |                  |                  |
| 1           | Total Deferral Amounts for Recovery                     | (1)             | (11)             | (8)              | (16)             | (23)             | (24)             | -                |
| 2           | Cumulative Deferral Amounts for Recovery                | (2)             | (486)            | (494)            | (511)            | (534)            | (558)            | (558)            |
|             | <b><u>Prospective Recovery</u></b>                      |                 |                  |                  |                  |                  |                  |                  |
| 3           | Actual Prospective Recovery                             | (3)             | (40)             | (57)             | (58)             | (41)             | (22)             | -                |
| 4           | Cumulative Actual Prospective Recovery                  |                 | (333)            | (389)            | (447)            | (488)            | (510)            | (510)            |
| 5           | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 153              | 105              | 63               | 45               | 48               | 48               |

References:

- (1) Tab 2, Schedule 3, Page 6 of 18, Line 8.
- (2) Tab 2, Schedule 3, Page 6 of 18, Line 9.
- (3) Tab 2, Schedule 3, Page 6 of 18, Line 11.

UNION GAS LIMITED  
Fuel - Northern and Eastern Operations Area (Deferral Account 179-100)  
Prospective Recovery Reconciliation

| Line<br>No.                        | Particulars (\$000's)                                   | Notes           | Year 2006 |         | Year 2007 |       |       |
|------------------------------------|---|-----------------|-----------|---------|-----------|-------|-------|
|                                    |   |                 | Jul       | Oct     | Jan       | Apr   | Jul   |
|                                    |   |                 | Q3        | Q4      | Q1        | Q2    | Q3    |
|                                    |   |                 | (a)       | (b)     | (c)       | (d)   | (e)   |
| <b><u>Deferral Amounts</u></b>     |   |                 |           |         |           |       |       |
| 1                                  | Total Deferral Amounts for Recovery                     | (1)             | (861)     | (683)   | 118       | (414) | (288) |
| 2                                  | Cumulative Deferral Amounts for Recovery                | (2)             | 6,001     | 5,318   | 5,435     | 5,022 | 4,734 |
| <b><u>Prospective Recovery</u></b> |   |                 |           |         |           |       |       |
| 3                                  | Actual Prospective Recovery                             | (3)             | 2,069     | 406     | 675       | 1,179 | (27)  |
| 4                                  | Cumulative Actual Prospective Recovery                  |                 | 3,143     | 3,549   | 4,224     | 5,403 | 5,376 |
| 5                                  | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | (2,857)   | (1,768) | (1,211)   | 382   | 643   |

References:

- (1) Tab 2, Schedule 3, Page 7 of 18, Line 8.  
(2) Tab 2, Schedule 3, Page 7 of 18, Line 9.  
(3) Tab 2, Schedule 3, Page 7 of 18, Line 11.

UNION GAS LIMITED  
Southern Purchased Gas Variance Account (Deferral Account 179-106)  
Prospective Recovery Reconciliation

| Line No. | Particulars (\$000's)                                   | Notes           | Year 2006 |          |     |  | Year 2007 |           |        |           |
|----------|---|-----------------|-----------|----------|-----|--|-----------|-----------|--------|-----------|
|          |   |                 | Jul Q3    | Oct Q4   | (a) |  | Jan Q1    | Apr Q2    | Jul Q3 | (e)       |
|          | <b><u>Deferral Amounts</u></b>                          |                 |           |          |     |  | (c)       | (d)       |        |           |
| 1        | Total Deferral Amounts for Recovery                     | (1)             | (54,510)  | (58,021) |     |  | (48,160)  | (22,483)  |        | (21,814)  |
| 2        | Cumulative Deferral Amounts for Recovery                | (2)             | (35,932)  | (93,952) |     |  | (142,112) | (164,595) |        | (186,409) |
|          | <b><u>Prospective Recovery</u></b>                      |                 |           |          |     |  |           |           |        |           |
| 3        | Actual Prospective Recovery                             | (3)             | 14,072    | 1,658    |     |  | (5,755)   | (45,047)  |        | (77,984)  |
| 4        | Cumulative Actual Prospective Recovery                  |                 | 18,549    | 20,207   |     |  | 14,452    | (30,595)  |        | (108,579) |
| 5        | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 54,481    | 114,160  |     |  | 156,565   | 134,001   |        | 77,831    |

References:

- (1) Tab 2, Schedule 3, Page 8 of 18, Line 8.
- (2) Tab 2, Schedule 3, Page 8 of 18, Line 9.
- (3) Tab 2, Schedule 3, Page 8 of 18, Line 11.

**UNION GAS LIMITED**  
**Inventory Revaluation (Deferral Account 179-109)**  
**Prospective Recovery Reconciliation**

| Line No.                    | Particulars (\$000's)                                   | Notes           | Year 2006  |            | Year 2007  |            |            |  |  |  |
|-----------------------------|---|-----------------|------------|------------|------------|------------|------------|--|--|--|
|                             |   |                 | Jul Q3 (a) | Oct Q4 (b) | Jan Q1 (c) | Apr Q2 (d) | Jul Q3 (e) |  |  |  |
| <b>Deferral Amounts</b>     |   |                 |            |            |            |            |            |  |  |  |
| 1                           | Total Deferral Amounts for Recovery                     | (1)             | 10,448     | 2,833      | 25,091     | 694        | 309        |  |  |  |
| 2                           | Cumulative Deferral Amounts for Recovery                | (2)             | (110,488)  | (107,655)  | (82,564)   | (81,870)   | (81,561)   |  |  |  |
| <b>Prospective Recovery</b> |   |                 |            |            |            |            |            |  |  |  |
| 3                           | Actual Prospective Recovery                             | (3)             | (36,508)   | (6,324)    | (6,407)    | 779        | 18,660     |  |  |  |
| 4                           | Cumulative Actual Prospective Recovery                  |                 | (100,685)  | (107,009)  | (113,416)  | (112,637)  | (93,977)   |  |  |  |
| 5                           | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 9,803      | 646        | (30,852)   | (30,767)   | (12,416)   |  |  |  |

References:  
(1) Tab 2, Schedule 3, Page 9 of 18, Line 8.  
(2) Tab 2, Schedule 3, Page 9 of 18, Line 9.  
(3) Tab 2, Schedule 3, Page 9 of 18, Line 11.



UNION GAS LIMITED

Rate 01 - Load Balancing (Deferral Account 179-107)

Prospective Recovery Reconciliation

| Line<br>No. | Particulars (\$000's)                                   | Notes           | Year 2006        |                  | Year 2007        |                  |                  |
|-------------|---|-----------------|------------------|------------------|------------------|------------------|------------------|
|             |   |                 | Jul<br>Q3<br>(b) | Oct<br>Q4<br>(c) | Jan<br>Q1<br>(d) | Apr<br>Q2<br>(e) | Jul<br>Q3<br>(e) |
|             | <b><u>Deferral Amounts</u></b>                          |                 |                  |                  |                  |                  |                  |
| 1           | Total Deferral Amounts for Recovery                     | (1)             | (669)            | (7)              | (9)              | (4)              | (355)            |
| 2           | Cumulative Deferral Amounts for Recovery                | (2)             | (1,175)          | (1,182)          | (1,191)          | (1,194)          | (1,550)          |
|             | <b><u>Prospective Recovery</u></b>                      |                 |                  |                  |                  |                  |                  |
| 3           | Actual Prospective Recovery                             | (3)             | (126)            | (19)             | (57)             | (294)            | (292)            |
| 4           | Cumulative Actual Prospective Recovery                  |                 | (445)            | (464)            | (521)            | (815)            | (1,107)          |
| 5           | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 730              | 718              | 669              | 379              | 443              |

References:

- (1) Tab 2, Schedule 3, Page 10 of 18, Line 8.
- (2) Tab 2, Schedule 3, Page 10 of 18, Line 9.
- (3) Tab 2, Schedule 3, Page 10 of 18, Line 11.

UNION GAS LIMITED

Rate 10 - Load Balancing (Deferral Account 179-107)

Prospective Recovery Reconciliation

| Line<br>No. | Particulars (\$000's)                                   | Notes           | Year 2006        |                  | Year 2007        |                  |           |
|-------------|---|-----------------|------------------|------------------|------------------|------------------|-----------|
|             |   |                 | Jul<br>Q3<br>(b) | Oct<br>Q4<br>(c) | Jan<br>Q1<br>(d) | Apr<br>Q2<br>(e) | Jul<br>Q3 |
|             | <b><u>Deferral Amounts</u></b>                          |                 |                  |                  |                  |                  |           |
| 1           | Total Deferral Amounts for Recovery                     | (1)             | (243)            | (2)              | (2)              | (2)              | (135)     |
| 2           | Cumulative Deferral Amounts for Recovery                | (2)             | (206)            | (209)            | (211)            | (213)            | (348)     |
|             | <b><u>Prospective Recovery</u></b>                      |                 |                  |                  |                  |                  |           |
| 3           | Actual Prospective Recovery                             | (3)             | (42)             | (12)             | (30)             | (97)             | (98)      |
| 4           | Cumulative Actual Prospective Recovery                  |                 | 52               | 40               | 10               | (88)             | (185)     |
| 5           | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 258              | 248              | 220              | 125              | 163       |

References:

- (1) Tab 2, Schedule 3, Page 11 of 18, Line 8.
- (2) Tab 2, Schedule 3, Page 11 of 18, Line 9.
- (3) Tab 2, Schedule 3, Page 11 of 18, Line 11.

UNION GAS LIMITED  
Rate 20 - Load Balancing (Deferral Account 179-107)  
Prospective Recovery Reconciliation

| Line No. | Particulars (\$000's)                                   | Notes           | Year 2006     |               | Year 2007     |               |               |
|----------|---|-----------------|---------------|---------------|---------------|---------------|---------------|
|          |   |                 | Jul Q3<br>(b) | Oct Q4<br>(c) | Jan Q1<br>(d) | Apr Q2<br>(e) | Jul Q3<br>(e) |
|          | <b><u>Deferral Amounts</u></b>                          |                 |               |               |               |               |               |
| 1        | Total Deferral Amounts for Recovery                     | (1)             | (193)         | (2)           | (2)           | (2)           | (120)         |
| 2        | Cumulative Deferral Amounts for Recovery                | (2)             | (497)         | (499)         | (501)         | (503)         | (623)         |
|          | <b><u>Prospective Recovery</u></b>                      |                 |               |               |               |               |               |
| 3        | Actual Prospective Recovery                             | (3)             | (22)          | (21)          | (34)          | (37)          | (38)          |
| 4        | Cumulative Actual Prospective Recovery                  |                 | (229)         | (250)         | (284)         | (321)         | (359)         |
| 5        | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 268           | 249           | 217           | 182           | 264           |

References:

- (1) Tab 2, Schedule 3, Page 12 of 18, Line 8.
- (2) Tab 2, Schedule 3, Page 12 of 18, Line 9.
- (3) Tab 2, Schedule 3, Page 12 of 18, Line 11.

UNION GAS LIMITED  
Rate M2 - Load Balancing (Deferral Account 179-107)  
Prospective Recovery Reconciliation

| Line<br>No. | Particulars (\$000's)                                   | Notes           | Year 2006        |                  | Year 2007        |                  |           |
|-------------|---|-----------------|------------------|------------------|------------------|------------------|-----------|
|             |   |                 | Jul<br>Q3<br>(b) | Oct<br>Q4<br>(c) | Jan<br>Q1<br>(d) | Apr<br>Q2<br>(e) | Jul<br>Q3 |
|             | <b><u>Deferral Amounts</u></b>                          |                 |                  |                  |                  |                  |           |
| 1           | Total Deferral Amounts for Recovery                     | (1)             | (3,259)          | (39)             | (37)             | (31)             | (1,775)   |
| 2           | Cumulative Deferral Amounts for Recovery                | (2)             | (5,655)          | (5,694)          | (5,731)          | (5,762)          | (7,537)   |
|             | <b><u>Prospective Recovery</u></b>                      |                 |                  |                  |                  |                  |           |
| 3           | Actual Prospective Recovery                             | (3)             | (595)            | (115)            | (338)            | (1,420)          | (1,505)   |
| 4           | Cumulative Actual Prospective Recovery                  |                 | (2,156)          | (2,271)          | (2,609)          | (4,028)          | (5,533)   |
| 5           | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 3,499            | 3,423            | 3,122            | 1,733            | 2,003     |

References:

- (1) Tab 2, Schedule 3, Page 13 of 18, Line 8.  
(2) Tab 2, Schedule 3, Page 13 of 18, Line 9.  
(3) Tab 2, Schedule 3, Page 13 of 18, Line 11.

UNION GAS LIMITED  
Rate M4 - Load Balancing (Deferral Account 179-107)  
Prospective Recovery Reconciliation

| Line No. | Particulars (\$000's)                                   | Notes           | Year 2006     |               | Year 2007     |               |         |
|----------|---|-----------------|---------------|---------------|---------------|---------------|---------|
|          |   |                 | Jul Q3<br>(b) | Oct Q4<br>(c) | Jan Q1<br>(d) | Apr Q2<br>(e) | Jul Q3  |
|          | <b><u>Deferral Amounts</u></b>                          |                 |               |               |               |               |         |
| 1        | Total Deferral Amounts for Recovery                     | (1)             | (601)         | (6)           | (4)           | (2)           | (370)   |
| 2        | Cumulative Deferral Amounts for Recovery                | (2)             | (625)         | (631)         | (636)         | (638)         | (1,008) |
|          | <b><u>Prospective Recovery</u></b>                      |                 |               |               |               |               |         |
| 3        | Actual Prospective Recovery                             | (3)             | (70)          | (56)          | (144)         | (199)         | (209)   |
| 4        | Cumulative Actual Prospective Recovery                  |                 | 6             | (50)          | (194)         | (393)         | (601)   |
| 5        | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 631           | 581           | 442           | 245           | 406     |

References:

- (1) Tab 2, Schedule 3, Page 14 of 18, Line 8.
- (2) Tab 2, Schedule 3, Page 14 of 18, Line 9.
- (3) Tab 2, Schedule 3, Page 14 of 18, Line 11.

UNION GAS LIMITED  
Rate M5 - Load Balancing (Deferral Account 179-107)  
Prospective Recovery Reconciliation

| Line No. | Particulars (\$000's)                                   | Notes           | Year 2006 |      | Year 2007 |       |       |
|----------|---|-----------------|-----------|------|-----------|-------|-------|
|          |   |                 | Jul       | Oct  | Jan       | Apr   | Jul   |
|          |   |                 | Q3        | Q4   | Q1        | Q2    | Q3    |
|          |   |                 | (b)       | (c)  | (d)       | (e)   | (d)   |
|          | <b><u>Deferral Amounts</u></b>                          |                 |           |      |           |       |       |
| 1        | Total Deferral Amounts for Recovery                     | (1)             | (288)     | (3)  | (2)       | (1)   | (208) |
| 2        | Cumulative Deferral Amounts for Recovery                | (2)             | 529       | 526  | 524       | 523   | 315   |
|          | <b><u>Prospective Recovery</u></b>                      |                 |           |      |           |       |       |
| 3        | Actual Prospective Recovery                             | (3)             | (36)      | (32) | (84)      | (108) | (90)  |
| 4        | Cumulative Actual Prospective Recovery                  |                 | 832       | 800  | 716       | 608   | 518   |
| 5        | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 302       | 273  | 192       | 85    | 203   |

References:

- (1) Tab 2, Schedule 3, Page 15 of 18, Line 8.  
(2) Tab 2, Schedule 3, Page 15 of 18, Line 9.  
(3) Tab 2, Schedule 3, Page 15 of 18, Line 11.

UNION GAS LIMITED

Rate M7 - Load Balancing (Deferral Account 179-107)

Prospective Recovery Reconciliation

| Line No. | Particulars (\$000's)                                   | Notes           | Year 2006     |               | Year 2007     |               |               |
|----------|---|-----------------|---------------|---------------|---------------|---------------|---------------|
|          |   |                 | Jul Q3<br>(b) | Oct Q4<br>(c) | Jan Q1<br>(d) | Apr Q2<br>(e) | Jul Q3<br>(d) |
|          | <b><u>Deferral Amounts</u></b>                          |                 |               |               |               |               |               |
| 1        | Total Deferral Amounts for Recovery                     | (1)             | (277)         | (3)           | (1)           | 0             | (184)         |
| 2        | Cumulative Deferral Amounts for Recovery                | (2)             | (570)         | (573)         | (574)         | (573)         | (757)         |
|          | <b><u>Prospective Recovery</u></b>                      |                 |               |               |               |               |               |
| 3        | Actual Prospective Recovery                             | (3)             | 23            | (43)          | (184)         | (135)         | (80)          |
| 4        | Cumulative Actual Prospective Recovery                  |                 | (281)         | (324)         | (508)         | (643)         | (723)         |
| 5        | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 289           | 248           | 65            | (70)          | 34            |

References:

- (1) Tab 2, Schedule 3, Page 16 of 18, Line 8.
- (2) Tab 2, Schedule 3, Page 16 of 18, Line 9.
- (3) Tab 2, Schedule 3, Page 16 of 18, Line 11.

UNION GAS LIMITED  
Rate M9 - Load Balancing (Deferral Account 179-107)  
Prospective Recovery Reconciliation

| Line No. | Particulars (\$000's)                                   | Notes           | Year 2006 |        |  | Year 2007 |        |        |
|----------|---|-----------------|-----------|--------|--|-----------|--------|--------|
|          |   |                 | Jul Q3    | Oct Q4 |  | Jan Q1    | Apr Q2 | Jul Q3 |
|          |   |                 | (b)       | (c)    |  | (d)       | (e)    |        |
|          | <b><u>Deferral Amounts</u></b>                          |                 |           |        |  |           |        |        |
| 1        | Total Deferral Amounts for Recovery                     | (1)             | (27)      | (0)    |  | (0)       | (0)    | (11)   |
| 2        | Cumulative Deferral Amounts for Recovery                | (2)             | (69)      | (70)   |  | (70)      | (70)   | (81)   |
|          | <b><u>Prospective Recovery</u></b>                      |                 |           |        |  |           |        |        |
| 3        | Actual Prospective Recovery                             | (3)             | (4)       | (0)    |  | (4)       | (10)   | (11)   |
| 4        | Cumulative Actual Prospective Recovery                  |                 | (40)      | (41)   |  | (45)      | (55)   | (66)   |
| 5        | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | 29        | 29     |  | 25        | 15     | 15     |

References:  
(1) Tab 2, Schedule 3, Page 17 of 18, Line 8.  
(2) Tab 2, Schedule 3, Page 17 of 18, Line 9.  
(3) Tab 2, Schedule 3, Page 17 of 18, Line 11.



UNION GAS LIMITED  
Spot Gas Purchases (Deferral Account 179-107)  
Prospective Recovery Reconciliation

| Line<br>No. | Particulars (\$000's)                                   | Notes           | Year 2006 |      | Year 2007 |     |     |
|-------------|---|-----------------|-----------|------|-----------|-----|-----|
|             |   |                 | Jul       | Oct  | Jan       | Apr | Jul |
|             |   |                 | Q3        | Q4   | Q1        | Q2  | Q3  |
|             |   |                 | (a)       | (b)  | (c)       | (d) | (e) |
|             | <b><u>Deferral Amounts</u></b>                          |                 |           |      |           |     |     |
| 1           | Total Deferral Amounts for Recovery                     | (1)             | (1)       | (1)  | (1)       | (1) | (0) |
| 2           | Cumulative Deferral Amounts for Recovery                | (2)             | 314       | 313  | 312       | 311 | 311 |
|             | <b><u>Prospective Recovery</u></b>                      |                 |           |      |           |     |     |
| 3           | Actual Prospective Recovery                             | (3)             | 48        | 4    | 5         | 8   | 3   |
| 4           | Cumulative Actual Prospective Recovery                  |                 | 290       | 294  | 299       | 307 | 310 |
| 5           | Cumulative (Prospective Recovery less Deferral Amounts) | Line 4 - Line 2 | (23)      | (19) | (13)      | (4) | (1) |

References:

- (1) Tab 2, Schedule 3, Page 18 of 18, Line 8.
- (2) Tab 2, Schedule 3, Page 18 of 18, Line 9.
- (3) Tab 2, Schedule 3, Page 18 of 18, Line 11.

Union Gas Limited - Northern Operations Area  
Gas Purchase Transportation Expense  
Year Ending December 31, 2007

| Line No.                             |  | Annual Vol. TJ | EB-2005-0520    |                 | April 2007 QRAM Toll Update |                         | July 2007 QRAM Toll Update (1) |                         | Variance in Costs (\$000's) |          |
|--------------------------------------|--|----------------|-----------------|-----------------|-----------------------------|-------------------------|--------------------------------|-------------------------|-----------------------------|----------|
|                                      |  |                | Rates (\$ / GJ) | Costs (\$000's) | Updated Rates (\$ / GJ)     | Updated Costs (\$000's) | Updated Rates (\$ / GJ)        | Updated Costs (\$000's) |                             |          |
|                                      |  | (a)            | (b)             | (c)             | (d)                         | (e)                     | (f)                            | (g)                     | (h) = (g)-(e)               |          |
| <b><u>FT TCPL Transportation</u></b> |  |                |                 |                 |                             |                         |                                |                         |                             |          |
| <b><u>Demand Costs</u></b>           |  |                |                 |                 |                             |                         |                                |                         |                             |          |
| 1                                    | CDA                                      | Capacity       | 3,211           | 26,474          | 2,787                       | 28,065                  | 2,954                          | 29,128                  | 3,066                       | 112      |
| 2                                    | EDA                                      | Capacity       | 22,967          | 26,474          | 19,935                      | 28,065                  | 21,133                         | 29,128                  | 21,933                      | 800      |
| 3                                    | MDA                                      | Capacity       | 1,651           | 8,496           | 460                         | 8,779                   | 475                            | 9,205                   | 498                         | 23       |
| 4                                    | NDA                                      | Capacity       | 17,924          | 20,734          | 12,185                      | 21,615                  | 12,702                         | 22,465                  | 13,202                      | 499      |
| 5                                    | SDA                                      | Capacity       | 2,966           | 20,734          | 2,016                       | 21,615                  | 2,102                          | 22,465                  | 2,184                       | 83       |
| 6                                    | WDA                                      | Capacity       | 12,145          | 13,595          | 5,413                       | 14,081                  | 5,607                          | 14,682                  | 5,846                       | 239      |
| 7                                    | Supply TCPL Demand Costs                 |                |                 | 42,796          |                             | 44,973                  |                                | 46,730                  |                             | 1,757    |
| 8                                    | LBA                                      |                |                 | 1,200           |                             | 1,200                   |                                | 1,200                   |                             | -        |
| 9                                    | CMinn/CTrans                             | 3,136          | 4,782           | 493             | 4,782                       | 493                     | 4,782                          | 493                     |                             | -        |
| 10                                   | Supply Transportation Demand             |                |                 | 44,489          |                             | 46,666                  |                                | 48,423                  |                             | 1,757    |
| 11                                   | Company Used                             | (355)          |                 | (366)           |                             | (366)                   |                                | (366)                   |                             | -        |
| 12                                   | Inventory Change                         | (112)          |                 | (115)           |                             | (115)                   |                                | (115)                   |                             | -        |
| 13                                   | Adjustment                               |                |                 | (41)            |                             | (41)                    |                                | (41)                    |                             | -        |
| 14                                   | Demand Costs in Rates                    |                |                 | 43,967          |                             | 46,144                  |                                | 47,901                  |                             | 1,757    |
| <b><u>Commodity Costs</u></b>        |  |                |                 |                 |                             |                         |                                |                         |                             |          |
| 15                                   | CDA                                      | Flow           | 2,924           | 0.065           | 189                         | 0.067                   | 197                            | 0.073                   | 213                         | 16       |
| 16                                   | EDA                                      | Flow           | 21,398          | 0.065           | 1,383                       | 0.067                   | 1,440                          | 0.073                   | 1,555                       | 115      |
| 17                                   | MDA                                      | Flow           | 706             | 0.019           | 13                          | 0.019                   | 14                             | 0.021                   | 15                          | 1        |
| 18                                   | NDA                                      | Flow           | 17,924          | 0.050           | 897                         | 0.051                   | 918                            | 0.055                   | 992                         | 73       |
| 19                                   | SDA                                      | Flow           | 2,966           | 0.050           | 148                         | 0.051                   | 152                            | 0.055                   | 164                         | 12       |
| 20                                   | WDA                                      | Flow           | 10,505          | 0.032           | 339                         | 0.033                   | 344                            | 0.035                   | 371                         | 28       |
| 21                                   | Supply TCPL Commodity                    |                | 56,423          |                 | 2,969                       |                         | 3,065                          |                         | 3,310                       | 245      |
| 22                                   | CMinn/CTrans                             | 706            |                 | 10              |                             | 10                      |                                | 10                      |                             | -        |
| 23                                   | Supply Transportation Commodity          |                |                 | 2,980           |                             | 3,075                   |                                | 3,320                   |                             | 245      |
| 24                                   | Company Used                             | (355)          |                 | (18)            |                             | (18)                    |                                | (18)                    |                             | -        |
| 25                                   | Inventory Change                         | (112)          |                 | (6)             |                             | (6)                     |                                | (6)                     |                             | -        |
| 26                                   | Adjustment                               |                |                 | (2)             |                             | (2)                     |                                | (2)                     |                             | -        |
| 27                                   | Commodity Costs in Rates                 |                |                 | 2,954           |                             | 3,050                   |                                | 3,295                   |                             | 245      |
| <b><u>Fuel Costs</u></b>             |  |                |                 |                 |                             |                         |                                |                         |                             |          |
| 28                                   | CDA                                      | Flow           | 885             | 4.373%          | 268                         | 4.373%                  | 268                            | 4.373%                  | 268                         | -        |
| 29                                   | EDA                                      | Flow           | 10,688          | 4.373%          | 3,280                       | 4.373%                  | 3,280                          | 4.373%                  | 3,280                       | -        |
| 30                                   | MDA                                      | Flow           | 385             | 1.350%          | 40                          | 1.350%                  | 40                             | 1.350%                  | 40                          | -        |
| 31                                   | NDA                                      | Flow           | 9,050           | 3.303%          | 2,177                       | 3.303%                  | 2,177                          | 3.303%                  | 2,177                       | -        |
| 32                                   | SDA                                      | Flow           | 657             | 3.303%          | 158                         | 3.303%                  | 158                            | 3.303%                  | 158                         | -        |
| 33                                   | WDA                                      | Flow           | 5,123           | 2.012%          | 791                         | 2.012%                  | 791                            | 2.012%                  | 791                         | -        |
| 34                                   | Supply Transportation Fuel               | 26,788         |                 | 6,714           |                             | 6,714                   |                                | 6,714                   |                             | -        |
| 35                                   | Company Used                             |                |                 | (124)           |                             | (124)                   |                                | (124)                   |                             | -        |
| 36                                   | Inventory Change                         |                |                 | (39)            |                             | (39)                    |                                | (39)                    |                             | -        |
| 37                                   | Deferral Adjustment                      |                |                 | 766             |                             | 766                     |                                | 766                     |                             | -        |
| 38                                   | Fuel Costs in Rates                      |                |                 | 7,317           |                             | 7,317                   |                                | 7,317                   |                             | -        |
| 39                                   | <b>Total North FT Transport in Rates</b> |                |                 |                 | \$ 54,238                   |                         | \$ 56,511                      |                         | \$ 58,512                   | \$ 2,002 |

Notes:

(1) The effective date for Union customers reflecting in rates the most recent Toll update by TCPL (in April 2007).

UNION GAS LIMITED  
Allocation of Firm Transportation Related Costs  
(\$000's)

| Line No. | Particulars                                      | Total<br>(a) | Rate 01<br>(b) | Rate 10<br>(c) | Rate 20<br>(d) | Rate 100<br>(e) | Rate 25<br>(f) |
|----------|--|--------------|----------------|----------------|----------------|-----------------|----------------|
|          | FT Transportation Demand                         |              |                |                |                |                 |                |
| 1        | Approved Toll Rate for April 2007 (1) (2)        | 46,144       | 28,696         | 11,671         | 4,908          | -               | 870            |
| 2        | Updated Toll Rate for July 2007 (1) (3)          | 47,901       | 29,785         | 12,114         | 5,093          | -               | 909            |
| 3        | Increase (Line 2 minus Line 1) (4)               | 1,757        | 1,089          | 443            | 185            | -               | 39             |
|          | FT Transportation Commodity                      |              |                |                |                |                 |                |
| 4        | Approved Toll Rate for April 2007 (1) (5)        | 3,050        | 1,837          | 770            | 348            | -               | 95             |
| 5        | Updated Toll Rate for July 2007 (1) (6)          | 3,295        | 1,985          | 831            | 376            | -               | 103            |
| 6        | Increase (Line 5 minus Line 4) (7)               | 245          | 148            | 61             | 28             | -               | 8              |
| 7        | Total Incremental Costs (Line 3 plus Line 6) (8) | 2,002        | 1,237          | 504            | 213            | -               | 47             |

Notes:

- 1) The allocation of Firm Transportation related costs is consistent with EB-2005-0520.
- 2) EB-2007-0053, Schedule 5, Page 1 of 11, Working Papers, Line 14, Col. (e)
- 3) EB-2007-0634, Schedule 5, Page 1 of 11, Working Papers, Line 14, Col. (g)
- 4) EB-2007-0634, Schedule 5, Page 1 of 11, Working Papers, Line 14, Col. (h)
- 5) EB-2007-0053, Schedule 5, Page 1 of 11, Working Papers, Line 27, Col. (e)
- 6) EB-2007-0634, Schedule 5, Page 1 of 11, Working Papers, Line 27, Col. (g)
- 7) EB-2007-0634, Schedule 5, Page 1 of 11, Working Papers, Line 27, Col. (h)
- 8) EB-2007-0634, Schedule 5, Page 1 of 11, Working Papers, Line 39, Col. (h)

UNION GAS LIMITED  
Northern & Eastern Operations Area  
Gas Supply Transportation Charges  
Effective July 1, 2007

| EB-2007-0053               |               |             |                 | EB-2007-0634 |                 |             |             |
|----------------------------|---------------|-------------|-----------------|--------------|-----------------|-------------|-------------|
|                            |               | Approved    |                 | Proposed     |                 |             |             |
| Line                       | Billing       |             |                 |              |                 | Rate        | Revenue     |
| No.                        | Units (1)     | Rate (2)    | Revenue         | Rate (3)     | Revenue         | Difference  | Difference  |
|                            | (10*3 m*3)    | (cents/m*3) | (\$000's)       | (cents/m*3)  | (\$000's)       | (cents/m*3) | (\$000's)   |
|                            | (a)           | (b)         | (c) = (b*a/100) | (d)          | (e) = (d*a/100) | (f) = (d-b) | (g) = (e-c) |
| <u>Rate 01 (cents/ m3)</u> |               |             |                 |              |                 |             |             |
| Gas Transportation         |               |             |                 |              |                 |             |             |
| 1                          | Fort Frances  | 13,366      | 2.8784          | 385          | 2.9778          | 398         | 13          |
| 2                          | Western       | 178,403     | 2.8894          | 5,155        | 3.0018          | 5,355       | 201         |
| 3                          | Northern      | 397,216     | 3.4791          | 13,819       | 3.6137          | 14,354      | 535         |
| 4                          | Eastern       | 316,326     | 3.9849          | 12,605       | 4.1393          | 13,094      | 489         |
| 5                          | Total Rate 01 | 905,311     | 3.5307          | 31,964       | 3.6674          | 33,201      | 1,237       |
| Gas Storage                |               |             |                 |              |                 |             |             |
| 6                          | Fort Frances  | 13,366      | 1.9099          | 255          | 1.9099          | 255         | -           |
| 7                          | Western       | 178,403     | 1.9075          | 3,403        | 1.9075          | 3,403       | -           |
| 8                          | Northern      | 397,216     | 2.2951          | 9,116        | 2.2951          | 9,116       | -           |
| 9                          | Eastern       | 316,326     | 2.6079          | 8,249        | 2.6079          | 8,249       | -           |
| 10                         | Total Rate 01 | 905,311     | 2.3223          | 21,024       | 2.3223          | 21,024      | -           |
| <u>Rate 10 (cents/m3)</u>  |               |             |                 |              |                 |             |             |
| Gas Transportation         |               |             |                 |              |                 |             |             |
| 11                         | Fort Frances  | 2,629       | 2.6378          | 69           | 2.7311          | 72          | 2           |
| 12                         | Western       | 65,506      | 2.6488          | 1,735        | 2.7552          | 1,805       | 70          |
| 13                         | Northern      | 146,303     | 3.2384          | 4,738        | 3.3670          | 4,926       | 188         |
| 14                         | Eastern       | 164,703     | 3.7443          | 6,167        | 3.8927          | 6,411       | 244         |
| 15                         | Total Rate 10 | 379,141     | 3.3521          | 12,709       | 3.4853          | 13,214      | 504         |
| Gas Storage                |               |             |                 |              |                 |             |             |
| 16                         | Fort Frances  | 2,629       | 1.2255          | 32           | 1.2255          | 32          | -           |
| 17                         | Western       | 65,506      | 1.2231          | 801          | 1.2231          | 801         | -           |
| 18                         | Northern      | 146,303     | 1.6107          | 2,357        | 1.6107          | 2,357       | -           |
| 19                         | Eastern       | 164,703     | 1.9235          | 3,168        | 1.9235          | 3,168       | -           |
| 20                         | Total Rate 10 | 379,141     | 1.6770          | 6,358        | 1.6770          | 6,358       | -           |

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Column (a)
- (2) EB-2006-0053, Appendix A effective April 1, 2007 (Excludes Price Adjustments)
- (3) Schedule 5, Working Papers, Pages 6-10

UNION GAS LIMITED  
Northern & Eastern Operations Area  
Gas Supply Transportation Charges  
Effective July 1, 2007

| EB-2007-0053       |                  |                  |                   |                              | EB-2007-0634      |                              |  |  |  |
|--------------------|------------------|------------------|-------------------|------------------------------|-------------------|------------------------------|--|--|--|
| Line No.           | Particulars      | Billing          | Approved          |                              | Proposed          |                              | Rate Difference<br>(cents/m³)<br>(f) = (d-b) | Revenue Difference<br>(\$000's)<br>(g) = (e-c) |  |
|                    |                  | Units (1)        | Rate (2)          | Revenue                      | Rate (3)          | Revenue                      |  |  |  |
|                    |                  | (10*3 m³)<br>(a) | (cents/m³)<br>(b) | (\$000's)<br>(c) = (b*a/100) | (cents/m³)<br>(d) | (\$000's)<br>(e) = (d*a/100) |  |  |  |
| <u>Rate 20</u>     |                  |                  |                   |                              |                   |                              |  |  |  |
| Gas Supply Demand  |                  |                  |                   |                              |                   |                              |  |  |  |
| 1                  | Fort Frances     | -                | 24.4742           | -                            | 25.3849           | -                            | 0.9107                                       | -  |  |
| 2                  | Western          | 2,664            | 24.7073           | 658                          | 25.8508           | 689                          | 1.1435                                       | 30   |  |
| 3                  | Northern         | 942              | 41.3066           | 389                          | 42.7815           | 403                          | 1.4749                                       | 14   |  |
| 4                  | Eastern          | 4,757            | 55.1752           | 2,625                        | 56.9336           | 2,708                        | 1.7584                                       | 84   |  |
| Commodity Trans. 1 |                  |                  |                   |                              |                   |                              |  |  |  |
| 5                  | Fort Frances     | -                | 2.1365            | -                            | 2.1971            | -                            | 0.0606                                       | -  |  |
| 6                  | Western          | 25,318           | 2.1400            | 542                          | 2.2058            | 558                          | 0.0658                                       | 17   |  |
| 7                  | Northern         | 10,073           | 2.5308            | 255                          | 2.6055            | 262                          | 0.0747                                       | 8  |  |
| 8                  | Eastern          | 55,824           | 2.8583            | 1,596                        | 2.9409            | 1,642                        | 0.0826                                       | 46   |  |
| Commodity Trans. 2 |                  |                  |                   |                              |                   |                              |  |  |  |
| 9                  | Fort Frances     | -                | 0.1259            | -                            | 0.1334            | -                            | 0.0075                                       | -  |  |
| 10                 | Western          | 11,140           | 0.1236            | 14                           | 0.1310            | 15                           | 0.0075                                       | 1  |  |
| 11                 | Northern         | 10,162           | 0.1909            | 19                           | 0.2059            | 21                           | 0.0150                                       | 2  |  |
| 12                 | Eastern          | 59,036           | 0.2508            | 148                          | 0.2733            | 161                          | 0.0225                                       | 13   |  |
| 13                 | Total Rate 20    | 171,554          | 3.641             | 6,246                        | 3.7653            | 6,460                        | 0.1247                                       | 213  |  |
| <u>R100</u>        |                  |                  |                   |                              |                   |                              |  |  |  |
| Gas Supply Demand  |                  |                  |                   |                              |                   |                              |  |  |  |
| 14                 | Fort Frances     |                  | 37.8415           | -                            | 40.6945           | -                            | 2.8530                                       | -  |  |
| 15                 | Western          |                  | 37.8425           | -                            | 41.2381           | -                            | 3.3956                                       | -  |  |
| 16                 | Northern         |                  | 56.6575           | -                            | 60.9906           | -                            | 4.3331                                       | -  |  |
| 17                 | Eastern          |                  | 71.7855           | -                            | 77.5013           | -                            | 5.7158                                       | -  |  |
| Commodity Trans. 1 |                  |                  |                   |                              |                   |                              |  |  |  |
| 18                 | Fort Frances     |                  | 3.6299            | -                            | 3.8838            | -                            | 0.2539                                       | -  |  |
| 19                 | Western          |                  | 3.6299            | -                            | 3.8903            | -                            | 0.2604                                       | -  |  |
| 20                 | Northern         |                  | 3.9099            | -                            | 4.1901            | -                            | 0.2802                                       | -  |  |
| 21                 | Eastern          |                  | 4.1399            | -                            | 4.4417            | -                            | 0.3018                                       | -  |  |
| Commodity Trans. 2 |                  |                  |                   |                              |                   |                              |  |  |  |
| 22                 | Fort Frances     | -                | 0.1263            | -                            | 0.1334            | -                            | 0.0071                                       | -  |  |
| 23                 | Western          | -                | 0.1205            | -                            | 0.1310            | -                            | 0.0106                                       | -  |  |
| 24                 | Northern         | -                | 0.1883            | -                            | 0.2059            | -                            | 0.0177                                       | -  |  |
| 25                 | Eastern          | -                | 0.2447            | -                            | 0.2733            | -                            | 0.0286                                       | -  |  |
| 26                 | Total Rate 100   | -                | -                 | -                            | -                 | -                            | -  | -  |  |
| <u>R25</u>         |                  |                  |                   |                              |                   |                              |  |  |  |
| 27                 | Gas Supply       | 41,048           | -                 | -                            | -                 | -                            | 0.1144                                       | 47   |  |
| 28                 | Total Difference |                  |                   |                              |                   |                              |  | 2,002  |  |

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Column (a)
- (2) EB-2006-0053, Appendix A effective April 1, 2007 (Excludes Price Adjustments)
- (3) Schedule 5, Working Papers, Pages 6-10

UNION GAS LIMITED  
Northern & Eastern Operations Area  
Change in Commodity Transportation Rate  
Effective July 1, 2007

| Line No.                      | Description  | Fort Frances District | Western Zone  | Northern Zone | Eastern Zone  |
|-------------------------------|--|-----------------------|---------------|---------------|---------------|
|                               |  | (a)                   | (b)           | (c)           | (d)           |
| <b><u>R01 (cents/ m3)</u></b> |  |                       |               |               |               |
| 1                             | Proposed Transportation Toll Prospective Recovery      | 0.0791                | 0.0791        | 0.0791        | 0.0791        |
| 2                             | Less: Current Transportation Toll Prospective Recovery | (0.0438)              | (0.0438)      | (0.0438)      | (0.0438)      |
| 3                             | Load Balancing Prospective Recovery                    | (0.0380)              | (0.0380)      | (0.0380)      | (0.0380)      |
| 4                             | Less: Current Load Balancing Prospective Recovery      | (0.0749)              | (0.0749)      | (0.0749)      | (0.0749)      |
| 5                             | TCPL Toll Change Adjustment                            | 0.0994                | 0.1124        | 0.1346        | 0.1544        |
| 6                             | Total Transportation Rate Change                       | <u>0.2592</u>         | <u>0.2722</u> | <u>0.2944</u> | <u>0.3142</u> |
| <b><u>R10 (cents/ m3)</u></b> |  |                       |               |               |               |
| 7                             | Proposed Transportation Toll Prospective Recovery      | 0.0791                | 0.0791        | 0.0791        | 0.0791        |
| 8                             | Less: Current Transportation Toll Prospective Recovery | (0.0438)              | (0.0438)      | (0.0438)      | (0.0438)      |
| 9                             | Load Balancing Prospective Recovery                    | (0.0342)              | (0.0342)      | (0.0342)      | (0.0342)      |
| 10                            | Less: Current Load Balancing Prospective Recovery      | (0.0640)              | (0.0640)      | (0.0640)      | (0.0640)      |
| 11                            | TCPL Toll Change Adjustment                            | 0.0934                | 0.1064        | 0.1286        | 0.1484        |
| 12                            | Total Transportation Rate Change                       | <u>0.2461</u>         | <u>0.2591</u> | <u>0.2813</u> | <u>0.3011</u> |
| <b><u>R20 (cents/m3)</u></b>  |  |                       |               |               |               |
| <u>Commodity Transport 1</u>  |  |                       |               |               |               |
| 13                            | Proposed Transportation Toll Prospective Recovery      | 0.0791                | 0.0791        | 0.0791        | 0.0791        |
| 14                            | Less: Current Transportation Toll Prospective Recovery | (0.0438)              | (0.0438)      | (0.0438)      | (0.0438)      |
| 15                            | Load Balancing Prospective Recovery                    | (0.0994)              | (0.0994)      | (0.0994)      | (0.0994)      |
| 16                            | Less: Current Load Balancing Prospective Recovery      | (0.1255)              | (0.1255)      | (0.1255)      | (0.1255)      |
| 17                            | TCPL Toll Change Adjustment Transport 1                | 0.0606                | 0.0658        | 0.0747        | 0.0826        |
| 18                            | Total Commodity Transport 1 Rate Change                | <u>0.2096</u>         | <u>0.2148</u> | <u>0.2237</u> | <u>0.2316</u> |
| <u>Commodity Transport 2</u>  |  |                       |               |               |               |
| 19                            | TCPL Toll Change Adjustment Transport 2                | 0.0075                | 0.0075        | 0.0150        | 0.0225        |
| 20                            | Total Commodity Transport 2 Rate Change                | <u>0.0075</u>         | <u>0.0075</u> | <u>0.0150</u> | <u>0.0225</u> |

UNION GAS LIMITED  
Northern & Eastern Operations Area  
Gas Supply Charges for Rates 01 and 10

| Line No.                           | Particulars                                     | Rate 01          |                | Rate 10          |                |
|------------------------------------|---|------------------|----------------|------------------|----------------|
|                                    |   | Transport<br>(a) | Storage<br>(b) | Transport<br>(c) | Storage<br>(d) |
| 1                                  | Allocated Costs                                 | 31,964           | 21,024         | 12,710           | 6,358          |
| 2                                  | Change in costs                                 | 1,237            | -              | 504              | -              |
| 3                                  | Total Allocated Costs- (\$000's)                | 33,201           | 21,024         | 13,214           | 6,358          |
| <u>Western District Adjustment</u> |   |                  |                |                  |                |
| 4                                  | Volume - 10*3 m*3                               | 178,403          | 178,403        | 65,506           | 65,506         |
| 5                                  | Zonal Commodity Differential - cents/ m*3       | 0.0241           | (0.0024)       | 0.0241           | (0.0024)       |
| 6                                  | Cost - (\$000)                                  | 43               | (4)            | 16               | (2)            |
| <u>Northern Zone Adjustment</u>    |   |                  |                |                  |                |
| 7                                  | Volume - 10*3 m*3                               | 397,216          | 397,216        | 146,303          | 146,303        |
| 8                                  | Zonal Commodity Differential - cents/ m*3       | 0.6359           | 0.3852         | 0.6359           | 0.3852         |
| 9                                  | Cost - (\$000's)                                | 2,526            | 1,530          | 930              | 564            |
| <u>Eastern Zone Adjustment</u>     |   |                  |                |                  |                |
| 10                                 | Volume - 10*3 m*3                               | 316,326          | 316,326        | 164,703          | 164,703        |
| 11                                 | Zonal Commodity Differential - cents/ m*3       | 1.1616           | 0.6980         | 1.1616           | 0.6980         |
| 12                                 | Cost - (\$000's)                                | 3,674            | 2,208          | 1,913            | 1,150          |
| 13                                 | Total Cost Differential (\$000's)               | 6,243            | 3,734          | 2,859            | 1,712          |
| 14                                 | Remaining Cost - (\$000's) - (line 3 - line 13) | 26,958           | 17,290         | 10,355           | 4,646          |
| 15                                 | Total Volume - 10*3 m*3                         | 905,311          | 905,311        | 379,141          | 379,141        |
| <u>Rate By Zone- cents/m3</u>      |   |                  |                |                  |                |
| 16                                 | Avg. Ft. Frances (line 14 / line 15 *100)       | 2.9778           | 1.9099         | 2.7311           | 1.2255         |
| 17                                 | Western District (line 5 + line 16)             | 3.0018           | 1.9075         | 2.7552           | 1.2231         |
| 18                                 | Northern Zone (line 8 + line 16)                | 3.6137           | 2.2951         | 3.3670           | 1.6107         |
| 19                                 | Eastern Zone (line 11 + line 16)                | 4.1393           | 2.6079         | 3.8927           | 1.9235         |

| <u>Allocation of Costs</u> |                          |       |     |       |
|----------------------------|--------------------------|-------|-----|-------|
| 6                          | Demand Recovery @ 60%    | 3,800 | -   | 3,800 |
| 7                          | Commodity Recovery @ 40% | 2,534 | 126 | 2,660 |

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UNION GAS LIMITED  
Northern & Eastern Operations  
Separation of Gas Supply Costs  
Allocated to Rate 20

| Line No.                          | Particulars  | Fort Frances<br>(a) | Western Zone<br>(b) | Northern Zone<br>(c) | Eastern Zone<br>(d) | Total (\$000's)<br>(e) |
|-----------------------------------|--|---------------------|---------------------|----------------------|---------------------|------------------------|
| <u>Commodity Transportation 2</u> |  |                     |                     |                      |                     |                        |
| 1                                 | Commodity Related Costs  |                     |                     |                      |                     | 126                    |
| 2                                 | Demand Related Costs   |                     |                     |                      |                     | 2,534                  |
| 3                                 | Total Costs (\$000's) (1)  |                     |                     |                      |                     | 2,660                  |
| 4                                 | Volume (Second Block) (10*3 m*3)                                   | -                   | 11,140              | 10,162               | 59,036              |                        |
| 5                                 | Commodity Transportation- cents per m*3                            | 0.1334              | 0.1310              | 0.2059               | 0.2733              |                        |
| 6                                 | Base Cost (line 4 * line 5 /100)                                   | -                   | 15                  | 21                   | 161                 | 197                    |
| 7                                 | Remaining Cost Recovered in<br>Commodity Trans 1 (line 3 - line 6) |                     |                     |                      |                     | 2,463                  |
| <u>Commodity Transportation 1</u> |  |                     |                     |                      |                     |                        |
| 8                                 | Total Cost Differential (cents per m*3)                            | -                   | 0.0217              | 1.0211               | 1.8596              |                        |
| 9                                 | Adjustment Factor  | -                   | 40%                 | 40%                  | 40%                 |                        |
| 10                                | Adjusted Differential (line 8 * line 9)                            | -                   | 0.0087              | 0.4084               | 0.7438              |                        |
| 11                                | Volume (First Block) (10 *3 m*3)                                   | -                   | 25,318              | 10,073               | 55,824              |                        |
| 12                                | Cost Differential (\$000's)  | -                   | 2                   | 41                   | 415                 | 459                    |
| 13                                | Remaining Costs (\$000's) (line 7 - line 12)                       |                     |                     |                      |                     | 2,004                  |
| 14                                | Total Volume (First Block)   |                     |                     |                      |                     | 91,215                 |
| 15                                | Avg. Fort Frances Zone Rate  |                     |                     |                      |                     | 2.1971                 |
| 16                                | Zone Rates (cents per m*3) - (line 10 + line 15)                   | 2.1971              | 2.2058              | 2.6055               | 2.9409              |                        |
| <u>Gas Supply Demand Charge</u>   |  |                     |                     |                      |                     |                        |
| 17                                | Total Gas Supply Demand Costs (\$000's) (2)                        |                     |                     |                      |                     | 3,800                  |
| 18                                | Total Demand Differential (cents/m3/day)                           | -                   | 0.7766              | 28.9944              | 52.5812             |                        |
| 19                                | Adjustment Factor  | -                   | 60%                 | 60%                  | 60%                 |                        |
| 20                                | Adjusted Differential (line 18 * line 19)                          | -                   | 0.4659              | 17.3966              | 31.5487             |                        |
| 21                                | Annual Demand Volume - (10*3 m*3 / day )                           | -                   | 2,664               | 942                  | 4,757               |                        |
| 22                                | Cost Differential (\$000's)  | -                   | 12                  | 164                  | 1,501               | 1,677                  |
| 23                                | Remaining Costs (\$000's) (line 17 - line 22)                      |                     |                     |                      |                     | 2,123                  |
| 24                                | Total Annual Demand Volume (10*3 m*3 / day)                        |                     |                     |                      |                     | 8,363                  |
| 25                                | Avg. Fort Frances Zone Rate  |                     |                     |                      |                     | 25.3849                |
| 26                                | Zone Rates (cents per m*3) - (line 20 + line 25)                   | 25.3849             | 25.8508             | 42.7815              | 56.9336             |                        |

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 11, Page 4 of 8, Column (c), Line 7  
(2) EB-2005-0520, Rate Order, Working Papers, Schedule 11, Page 4 of 8, Column (c), Line 6

UNION GAS LIMITED  
Northern & Eastern Operations Area  
Combination of Costs  
Allocated to Rate 100

| Line No. | Particulars                          | Demand Related<br>(a) | Commodity Related<br>(b) | Total<br>(\$000's)<br>(c)= (a+b) |
|----------|--------------------------------------|-----------------------|--------------------------|----------------------------------|
|          | <u>Gas Supply</u>                    |                       |                          |                                  |
| 1        | Total Transportation Costs (\$000's) | 78,162                | 4,701                    | 82,863                           |
| 2        | Change in Transportaion              | -                     | -                        | -                                |
| 3        | Total Transportation                 | 78,162                | 4,701                    | 82,863                           |
| 4        | Total Storage Costs (\$000's)        | 3,760                 | 2,715                    | 6,476                            |
| 5        | Total Gas Supply Costs (\$000's)     | 81,923                | 7,416                    | 89,339                           |

### Allocation of Costs

|   |                          |        |       |        |
|---|--------------------------|--------|-------|--------|
| 6 | Demand Recovery @ 70%    | 57,346 | -     | 57,346 |
| 7 | Commodity Recovery @ 30% | 24,577 | 7,416 | 31,993 |

### R100 Annual Billing Units By Zone

| <u>R100 Annual Billing Units By Zone</u>        |                            | <u>Fort<br/>Frances</u> | <u>Western<br/>Zone</u> | <u>Northern<br/>Zone</u> | <u>Eastern<br/>Zone</u> | <u>Total</u> |
|---|----------------------------|-------------------------|-------------------------|--------------------------|-------------------------|--------------|
|   |                            | (a)                     | (b)                     | (c)                      | (d)                     | (e)          |
| <u>Sales &amp; Bundled- T Volume (10*3 m*3)</u> |                            |                         |                         |                          |                         |              |
| 8   | Commodity Transportation 1 | 35,947                  | 103,235                 | 353,788                  | 189,564                 | 682,534      |
| 9   | Commodity Transportation 2 | 83,875                  | 240,881                 | 825,506                  | 442,316                 | 1,592,578    |
| 10  | Total Volume               | 119,822                 | 344,116                 | 1,179,294                | 631,880                 | 2,275,112    |

## Sales &amp; Bundled- T Volume (10\*3 m\*3)

|    |                            |                |                |                  |                |                  |
|----|----------------------------|----------------|----------------|------------------|----------------|------------------|
| 8  | Commodity Transportation 1 | 35,947         | 103,235        | 353,788          | 189,564        | 682,534          |
| 9  | Commodity Transportation 2 | 83,875         | 240,881        | 825,506          | 442,316        | 1,592,578        |
| 10 | Total Volume               | <u>119,822</u> | <u>344,116</u> | <u>1,179,294</u> | <u>631,880</u> | <u>2,275,112</u> |

Gas Supply Demand Volume (10<sup>3</sup> m<sup>3</sup> per day)

|    |                       |       |        |        |        |        |
|----|-----------------------|-------|--------|--------|--------|--------|
| 11 | Annual Billing Volume | 5,600 | 12,918 | 50,172 | 24,696 | 93,386 |
|----|-----------------------|-------|--------|--------|--------|--------|

UNION GAS LIMITED  
Northern & Eastern Operations  
Separation of Gas Supply Costs  
Allocated to Rate 100

| Line No.                          | Particulars   | Fort Frances<br>(a) | Western Zone<br>(b) | Northern Zone<br>(c) | Eastern Zone<br>(d) | Total (\$000's)<br>(e) |
|-----------------------------------|---|---------------------|---------------------|----------------------|---------------------|------------------------|
| <u>Commodity Transportation 2</u> |   |                     |                     |                      |                     |                        |
| 1                                 | Commodity Related Costs   |                     |                     |                      |                     | 7,416                  |
| 2                                 | Demand Related Costs  |                     |                     |                      |                     | 24,577                 |
| 3                                 | Total Costs (\$000's) (1)                                       |                     |                     |                      |                     | 31,993                 |
| 4                                 | Volume (Second Block)- 10*3 m*3                                 | 83,875              | 240,881             | 825,506              | 442,316             |                        |
| 5                                 | Commodity Transportation- cents per m*3                         | 0.1334              | 0.1310              | 0.2059               | 0.2733              |                        |
| 6                                 | Base Cost (line 4 * line 5 /100)                                | 112                 | 316                 | 1,700                | 1,209               | 3,336                  |
| 7                                 | Remaining Cost Recovered in Commodity Trans 1 (line 3 - line 6) |                     |                     |                      |                     | 28,656                 |
| <u>Commodity Transportation 1</u> |   |                     |                     |                      |                     |                        |
| 8                                 | Total Cost Differential (cents per m*3)                         | -                   | 0.0217              | 1.0211               | 1.8596              |                        |
| 9                                 | Adjustment Factor   | -                   | 30%                 | 30%                  | 30%                 |                        |
| 10                                | Adjusted Differential (line 8 * line 9)                         | -                   | 0.0065              | 0.3063               | 0.5579              |                        |
| 11                                | Volume (First Block) (10 *3 m*3)                                | 35,947              | 103,235             | 353,788              | 189,564             |                        |
| 12                                | Cost Differential (\$000's)                                     | -                   | 7                   | 1,084                | 1,058               | 2,148                  |
| 13                                | Remaining Costs (\$000's) (line 7 - line 12)                    |                     |                     |                      |                     | 26,508                 |
| 14                                | Total Volume (First Block)                                      |                     |                     |                      |                     | 682,534                |
| 15                                | Avg. Fort Frances Zone Rate                                     |                     |                     |                      |                     | 3.8838                 |
| 16                                | Zone Rates - cents per m*3 - (line 10 + line 15)                | 3.8838              | 3.8903              | 4.1901               | 4.4417              |                        |
| <u>Gas Supply Demand Charge</u>   |   |                     |                     |                      |                     |                        |
| 17                                | Total Gas Supply Demand Costs (\$000's) (2)                     |                     |                     |                      |                     | 57,346                 |
| 18                                | Total Demand Differential (cents/m3/day)                        | -                   | 0.7766              | 28.9944              | 52.5812             |                        |
| 19                                | Adjustment Factor   | -                   | 70%                 | 70%                  | 70%                 |                        |
| 20                                | Adjusted Differential (line 18 * line 19)                       | -                   | 0.5436              | 20.2961              | 36.8068             |                        |
| 21                                | Annual Demand Volume (10*3 m*3 / day)                           | 5,600               | 12,918              | 50,172               | 24,696              |                        |
| 22                                | Cost Differential (\$000's)                                     | -                   | 70                  | 10,183               | 9,090               | 19,343                 |
| 23                                | Remaining Costs (\$000's) (line 17 - line 22)                   |                     |                     |                      |                     | 38,003                 |
| 24                                | Total Annual Demand Volume (10*3 m*3 / day)                     |                     |                     |                      |                     | 93,386                 |
| 25                                | Avg. Fort Frances Zone Rate                                     |                     |                     |                      |                     | 40.6945                |
| 26                                | Zone Rates (cents per m*3 ) - (line 20 + line 25)               | 40.6945             | 41.2381             | 60.9906              | 77.5013             |                        |

Notes:

- (1) EB-2005-0520, Rate Order, Working Papers, Schedule 11, Page 6 of 8, Column (c), Line 7  
(2) EB-2005-0520, Rate Order, Working Papers, Schedule 11, Page 6 of 8, Column (c), Line 6

Northern & Eastern Operations Area  
Derivation of Zonal Differentials  
Effective July 1, 2007

| Line<br>No.                                      | Particulars                                 | Fort<br>Frances<br>District<br>(a) | Western<br>Zone<br>(b) | Northern<br>Zone<br>(c) | Eastern<br>Zone<br>(d) | Zonal Differential Transport         |                                       |                                      | Zonal Differential Storage           |                                       |                                      |
|--|---|------------------------------------|------------------------|-------------------------|------------------------|--------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|--------------------------------------|
|  |   |                                    |                        |                         |                        | Fort<br>Frances<br>to<br>West<br>(e) | Fort<br>Frances<br>to<br>North<br>(f) | Fort<br>Frances<br>to<br>East<br>(g) | Fort<br>Frances<br>to<br>West<br>(h) | Fort<br>Frances<br>to<br>North<br>(i) | Fort<br>Frances<br>to<br>East<br>(j) |
|  |   |                                    |                        |                         |                        |                                      |                                       |                                      |                                      |                                       |                                      |
| <u>Commodity Charges</u>                         |   |                                    |                        |                         |                        |                                      |                                       |                                      |                                      |                                       |                                      |
| <u>Firm Service (cents/m<sup>3</sup>)</u>        |   |                                    |                        |                         |                        |                                      |                                       |                                      |                                      |                                       |                                      |
| 1  | Commodity Transportation                    | 0.0786                             | 0.1310                 | 0.2059                  | 0.2733                 |                                      |                                       |                                      |                                      |                                       |                                      |
| 2  | Centra Transmission Commodity               | 0.0548                             | 0.0000                 | 0.0000                  | 0.0000                 |                                      |                                       |                                      |                                      |                                       |                                      |
| 3  | Commodity Transportation                    | 0.1334                             | 0.1310                 | 0.2059                  | 0.2733                 | (0.0014)                             | 0.0429                                | 0.0829                               | (0.0024)                             | 0.0252                                | 0.0483                               |
| <u>Contract Daily Demand at 100% Load Factor</u> |   |                                    |                        |                         |                        |                                      |                                       |                                      |                                      |                                       |                                      |
| 4  |   | 1.7640                             | 1.8070                 | 2.7650                  | 3.5850                 | 0.0255                               | 0.5930                                | 1.0787                               | 0.0000                               | 0.3599                                | 0.6498                               |
| 5  | Total Commodity Charges at 100% Load Factor | 1.8974                             | 1.9380                 | 2.9709                  | 3.8583                 | 0.0241                               | 0.6359                                | 1.1616                               | (0.0024)                             | 0.3852                                | 0.6980                               |
| <u>Demand Charges</u>                            |   |                                    |                        |                         |                        |                                      |                                       |                                      |                                      |                                       |                                      |
| <u>CD Transportation Demand</u>                  |   |                                    |                        |                         |                        |                                      |                                       |                                      |                                      |                                       |                                      |
| 6  | Rate - cents/m <sup>3</sup> per day         | 34.4635                            | 54.9694                | 84.1090                 | 109.0552               |                                      |                                       |                                      |                                      |                                       |                                      |
| 7  | Centra Transmission Demand                  | 12.5652                            | 0.0000                 | 0.0000                  | 0.0000                 |                                      |                                       |                                      |                                      |                                       |                                      |
| 8  | Centra Minnesota Pipelines Demand           | 6.6309                             | 0.0000                 | 0.0000                  | 0.0000                 |                                      |                                       |                                      |                                      |                                       |                                      |
| 9  | Total Demand Charges                        | 53.6596                            | 54.9694                | 84.1090                 | 109.0552               | 0.7759                               | 18.0375                               | 32.8151                              | 0.0007                               | 10.9569                               | 19.7661                              |