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August 14, 2008

VIA COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street,
Suite 2700
Toronto, ON
M4P 1E4

Re: Enbridge Gas Distribution Inc. ("Enbridge")
EB-2008-0275 ARC Exemption

Enbridge is filing an application with the Ontario Energy Board (the "Board") for an exemption from sections 2.2.2 and 2.2.4 of the *Affiliate Relationships Code for Gas Utilities*.

Enclosed please find a copy of the application and exhibits filed by Enbridge. These documents have also been submitted through the Board's Regulatory Electronic Submission System ("RESS"). A copy of the on-line confirmation RESS submission reference number has also been included in this package.

Yours truly,

[original signed by]

Norm Ryckman
Director, Regulatory Affairs

Encl.

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an application by Enbridge
Gas Distribution Inc., for an exemption from sections 2.2.2
and 2.2.4 of the *Affiliate Relationships Code for Gas
Utilities*.

APPLICATION

1. Enbridge Gas Distribution Inc. ("Enbridge") hereby applies to the Board under section 1.6 of the *Affiliate Relationships Code for Gas Utilities* (the "Code") for an exemption from the application of section 2.2.2 of the Code with respect to the sharing of certain information services with Gazifère Inc. ("Gazifère"), and section 2.2.4 of the Code with respect to providing certain operational control services to Enbridge Ontario Wind Power LP ("Wind Power").

Provision of Services to Wind Power

2. Wind Power is licensed by the Board to generate electricity from its 181.5 MW wind turbine facility located in Kincardine, Ontario. Wind Power has entered into two 20 year contracts with the Ontario Power Authority pursuant to the Renewable Energy Standard Offer Program (the "OPA Contracts") to deliver the full complement of the renewable wind power it generates into the Ontario grid. Wind Power has committed to commence commercial operations by December 2008, and will accordingly commission its facilities in late August.
3. Wind Power's operating procedures must comply with the Independent Electricity System Operator ("IESO") requirements, including the need to have operational control personnel available 24/7 to respond to IESO communications within 5 minutes. Although Wind Power in-sources, or receives from third party contractors, the bulk of its emergency, operational, and maintenance needs, it is not practical, reliable or economical to in-source its after hours operational control needs (the "Control Services"). The Control Services must be provided by well-trained staff, yet only on an intermittent basis (i.e. no more than 4 hours per day). It would be difficult, if not impossible, to staff this requirement locally, in Kincardine, and to keep staff reasonably engaged.
4. Wind Power has requested Enbridge Gas Distribution gas control personnel to provide it with the Control Services, consisting of SCADA monitoring and data recording, IESO communications, and emergency shut off procedures. Enbridge is well-suited to provide the Control Services in a cost-effective and reliable

manner due to the staff expertise and 24 hour operating schedule of its control centre in Edmonton.

5. Enbridge will charge Wind Power for the Control Services in compliance with the Code, on a fully allocated cost basis. The Wind Power SCADA system and telephone connections are standalone and completely separate from the gas control SCADA and information technology systems, and will not adversely affect gas control operations in any way.
6. Wind Power canvassed other Canadian wind farms to determine how they sourced their control services, and determined that there is no other party that would be both willing and able to provide the services required. Wind Power determined that most Canadian wind farms contract their control services to affiliated companies that already have 24 hour control facilities. In addition, the critical nature of these services and the consequences for non-performance render outsourcing arrangements with non-affiliates unworkable.
7. Enbridge submits that there is no harm to the competitive energy markets that could result from this services arrangement because Wind Power is a “non-dispatchable” participant in the Ontario electricity market, and cannot generate power on demand. Its generating capacity is at the mercy of Mother Nature. Stated another way, Wind Power cannot submit offers for its generating capacity, and so cannot influence the Hourly Ontario Energy Price.
8. Enbridge notes that this application is similar to the application of Orillia Power Distribution Corporation for the sharing of SCADA monitoring services, amongst other things, which the Board granted in RP-2002-0071/EB-2002-0365. Enbridge submits that the principles of the Code would be similarly preserved in the granting of this application because there would be no harm to the competitive market, no cross-subsidization of competitive affiliate activities by the affiliate, and no unauthorized use of utility customer information.
9. Enbridge respectfully requests that the Board grant it an exemption from section 2.2.4 of the Code to allow Enbridge to provide the noted Control Services to Wind Power to support its commercial operations. The Enbridge witness that will speak to these matters, if required, is Enbridge’s Director, Energy Policy & Analysis, Ms. Malini Giridhar.

Information Services Shared with Gazifère

10. Gazifère carries on the business of a gas distribution utility in the Outaouais region of Quebec and serves approximately 32,000 customers in and around the City of Gatineau. Gazifère’s rates are regulated by the Régie de l’énergie.
11. Gazifère’s distribution system is connected to Enbridge’s distribution system via a federally regulated pipeline system owned by Niagara Gas Transmission Limited that crosses the Ottawa River. Niagara Gas is affiliated with Enbridge and

Gazifère. If not for the location of the Quebec border, Gazifère's distribution system would be part of the Enbridge distribution system. Accordingly, Enbridge and Gazifère have shared operational and other services since the inception of Gazifère in the late 1950's. This sharing leads to operational and economic efficiencies for the two companies.

12. Enbridge currently shares certain information services with Gazifère, including its customer information system (the "current CIS"), EnMar and EnVision, pursuant to an intercorporate services agreement, attached hereto as Exhibit I. It was only recently discovered, during an internal audit, that certain Gazifère employees have access to some Enbridge customer information through CIS, EnMar and EnVision as a result of the sharing of these systems. Although Enbridge has no reason to believe any Gazifère employees ever access this information (except for emergency purposes, as noted below), this arrangement is not in compliance with section 2.2.2 of the Code, which requires that where information services are shared with affiliates, all Enbridge utility customer information must be protected from access by the affiliate.
13. Services that rely on the current CIS are contracted for separately by Enbridge and Gazifère with CustomerWorks LP ("CWLP"). Specifically, CWLP provides meter reading systems support, billing, and collection services to Gazifère. The current CIS in turn feeds into the EnMar and EnVision applications.
14. EnMar is an Enbridge-hosted meter application reporting system that is used to collect and process automatic meter reading data. The data from EnMar in turn feeds into the large volume billing within the current CIS. Enbridge uses EnMar to manage Gazifère meter records, and to perform government inspections, and the two companies use the same meter pool to increase efficiencies. A handful of Gazifère employees use EnMar to respond to customer requests related to meter identification and readings, and for billing Gazifère's customers.
15. Because Enbridge also uses EnMar to manage its own large volume customer meter records, Gazifère employees that have access to EnMar can also view this Enbridge customer information. The nature of the data, use, and accessibility is further described in Exhibit II, attached hereto.
16. EnVision is Enbridge's work management and asset system comprised of the following four components that enable Enbridge and Gazifère employees to manage service work and assets for the distribution systems:
 - (i) PMTS (Pipe Maintenance Tracking System) – an asset data repository;
 - (ii) STORMS – a work request data repository;
 - (iii) iScheduler – schedules work requests managed in STORMS for work crews and contractors; and
 - (iv) eField – receives and completes work requests in the field.

17. Several Gazifère employees have access to the EnVision system for this purpose, and would have access to Enbridge's customer information residing in EnVision. Further details about the data, use, and accessibility of EnVision is described in Exhibit III, attached hereto.
18. Access to the current CIS, EnMar and EnVision is critical for Gazifère to be able to operate its distribution system and to provide services to customers. Further, there is some required sharing of Enbridge and Gazifère customer data in these systems for the purposes of shared emergency on-call services by the two companies, in the Ottawa region. Enbridge requests that this limited sharing of customer information for emergency purposes be permitted to continue to enable Enbridge and Gazifère to maintain critical on-call services in the most efficient manner.
19. Enbridge has investigated whether there is any reasonable technology solution to removing Gazifère's access to Enbridge customer information in these systems, but has regrettably concluded that the technical limitations of the current CIS combined with the internal design and configuration of EnMar and EnVision preclude such a solution.
20. As the Board is aware, Enbridge is in the process of replacing the current CIS, and Gazifère will be implementing a new CIS separate from Enbridge, in 2009. The CIS replacement projects will enable separation of customer data, and restricted access rights, to be implemented in EnMar and EnVision, to be completed within two years of implementing the new CIS. Enbridge expects it will be able to report full compliance with the Code at that time, with the noted exception of the limited sharing of confidential information for emergency on-call services only.
21. In the interim, Enbridge submits that there is no harm to either ratepayers or the competitive markets as a result of Gazifère's access to Enbridge's customer information through the current CIS, EnMar and EnVision. Gazifère is a distribution utility that does not offer any competitive energy services in Ontario. Therefore, Gazifère employees can gain no foreseeable business advantage from its access to this Enbridge information.
22. Further, Gazifère's access to Enbridge's customer information is limited to certain employees, who are obligated to keep the information confidential pursuant to the terms of the services agreement. Also, Enbridge achieves some economies of scale from its ability to share these systems with Gazifère, and be fully compensated for it in accordance with the terms of the ISA.
23. Enbridge therefore respectfully requests that the Board grant it a temporary exemption from section 2.2.2 of the Code to permit Gazifère to continue its access to the current CIS, EnMar and EnVision in the manner described above. The Enbridge witnesses that will speak to these matters, if required, are Enbridge's

Regional General Manager for the Ottawa Region, Mr. William Akkermans, and Enbridge's Director, Information Technology Services, Mr. Marc Weil.

24. Enbridge requests that all documents in relation to this application be served on Enbridge and its counsel as follows:

(a) Enbridge:

Mr. Norm Ryckman
Director, Regulatory Affairs
Enbridge Gas Distribution Inc.

Address for personal service: 500 Consumers Road
Willowdale, Ontario M2J 1P8

Mailing address: P.O. Box 650
Scarborough, Ontario
M1K 5E3

Telephone: (416) 495-5499 or 1-888-659-0685

Fax: (416) 495-6072

Electronic access: egdregulatoryproceedings@enbridge.com

(b) Enbridge's counsel:

Ms. Tania H. Persad
Senior Legal Counsel
Enbridge Gas Distribution Inc.

Address for personal service
and mailing (see above)

Telephone: (416) 495-5891

Fax: (416) 495-5994

Electronic access: tania.persad@enbridge.com

DATED August 14, 2008

Enbridge Gas Distribution Inc.

Per: 

Norm Ryckman
Director, Regulatory Affairs

INTERCORPORATE SERVICES AGREEMENT

THIS AGREEMENT made as of the 1st day of January 2008.

B E T W E E N:

ENBRIDGE GAS DISTRIBUTION INC., a corporation continued under the laws of Ontario

(the "Services Provider")

- and -

GAZIFÈRE INC., a corporation incorporated under the laws of Québec

(the "Services Recipient")

WHEREAS the above-named parties wish to reduce to writing the agreement pursuant to which the Services Provider will provide services to the Services Recipient (this "Agreement");

AND WHEREAS the above named parties entered into a prior intercorporate services agreement dated as of the 1st day of January 2005 (the "Prior Agreement");

AND WHEREAS the parties wish to amend and restate the Prior Agreement by entering into this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and mutual covenants hereinafter contained, the parties agree that:

Services

1. Services to be provided to the Services Recipient by the Services Provider shall be identified and defined in one or more schedules (the "Services Schedules") which upon execution by the Services Recipient and the Services Provider shall be incorporated into and form part of this Agreement.
2. The parties acknowledge that this Agreement shall be subject to any rule applicable to the Services Provider made by the Ontario Energy Board pursuant to the *Ontario Energy Board Act*, S.O. 1998, c. 15, Sched. B., s. 44, including without limitation, the *Affiliate Relationships Code for Gas Utilities* (the "Code"),

as amended from time to time. The Services Recipient agrees to do such things as are necessary to assist the Services Provider to comply with the Code. Specifically, without limiting the generality of the foregoing, the Services Recipient agrees to comply promptly with all requests either made or authorized by the Ontario Energy Board for information with respect to the services provided pursuant to this Agreement. This Agreement shall also be subject to any valid, applicable federal, provincial or other governmental regulatory body or authority having jurisdiction over a party or the subject matter of this Agreement.

3. The services shall be performed in a manner that is satisfactory to the Services Recipient. The employees of the Services Provider who are performing the services shall possess such skills and qualifications as are necessary or desirable for the performance of the services in accordance with the applicable professional standards and qualifications governing such employees. If the Services Recipient disputes the quality or level of services provided by the Services Provider hereunder, the parties will endeavour to resolve the dispute forthwith in accordance with the procedures set out in the applicable Services Schedule(s) or if no such procedures are set out in accordance with Section 12 below.

Pricing

4. The fees for services provided by the Services Provider shall be negotiated by the parties and set forth in the applicable Services Schedule. The Services Provider shall be entitled to adjust the fees as of January 1 in each year in accordance with the terms set out in the applicable Services Schedule.
5. The Services Recipient will be required to reimburse the Services Provider for reasonable out of pocket expenses incurred by the Services Provider that are directly related to the provision of services under any Services Schedule, including (but not limited to) the following:
 - travel charges such as mileage, parking, airfare, out-of-town accommodation and meal expenses;
 - overnight courier charges; and
 - court or government filing and administration fees.

The Services Provider shall maintain appropriate records to substantiate the provision of services to the Services Recipient and such records shall be made available for review by the Services Recipient upon request.

Payment Notices and Procedures

6. The following sets forth the procedure applicable to invoicing and payments related to services delivered hereunder:

- a) The Services Provider will prepare and send Payment Notices, by means of entries into the electronic inter-company financial systems, or a written invoice, as may be agreed upon by the parties (in each case a "Payment Notice"), in accordance with the applicable Services Schedule. Payments shall be due within thirty (30) days of receipt of a Payment Notice or within such other time period as may be agreed upon by the parties from time to time.
- b) Immediately upon request, the Services Provider shall provide the Services Recipient with any supporting information for a Payment Notice reasonably requested within thirty (30) days from the date of a Payment Notice. If the Services Recipient disputes the amount of a Payment Notice within thirty (30) days of receipt of a Payment Notice, the parties shall endeavour to resolve the dispute forthwith, failing which the procedures set out in Section 12 shall be invoked. If no issue is raised relating to a Payment Notice within thirty (30) days from the date of receipt of such Payment Notice, the Payment Notice shall be deemed accepted.
- c) Any amount to be remitted by the Services Recipient to the Services Provider and not remitted on or before the date on which it is due shall thereafter bear interest at an annual rate equal to the prime rate of interest of the Toronto Dominion Bank (or its successor) (Toronto, Main Branch) on the due date plus one percent (1%) per annum, compounded monthly.
- d) Payment Notices delivered pursuant to this section may include amounts related to the expenditures incurred by the Services Provider to obtain goods or services from third parties for the benefit of the Services Recipient.
- e) In the event that the Canada Revenue Agency or any other competent authority at any time proposes to issue or does issue any assessment or assessments that impose or would impose any liability for tax of any nature or kind whatsoever on the Services Provider or the Services Recipient on the basis that the fair market value of the services is different than the amount charged by the Services Provider for the corresponding services (the "Services Charge"), and in the event that the parties hereto agree that the fair market value of the services is different than the Services Charge, then upon such agreement the Services Charge that the Services Recipient is obligated to pay for the said services shall be varied by increasing or decreasing the amount of the Services Charge as the Services Recipient and the Services Provider may agree.
- f) All amounts payable under this Agreement are expressed, and shall be paid, in Canadian dollars unless otherwise stated in a Services Schedule.

Amendments

7. This Agreement and any related Schedule (including Services Schedules) may be amended from time to time upon the approval in writing of both parties. Version control and archival storage of all amendments shall be the responsibility of the Services Provider.
8. All amendments to this Agreement will be effected in accordance with the service adjustment procedures described in Section 10 below.

Term, Termination and Renewal

9. The following provisions apply to term, termination, and renewal under this Agreement:
 - a) This Agreement shall be effective January 1, 2008 and for each service shall continue until the expiry date set forth in the applicable Services Schedule, provided that in no event shall this Agreement extend beyond December 31, 2012.
 - b) The Services Provider must advise the Services Recipient signatory on the Services Schedule (or his or her successor) in writing of the expiry date of any Services Schedule not less than sixty (60) and not more than ninety (90) days prior to such expiry date.
 - c) The Services Recipient shall notify the Services Provider in writing of its intention to renew or not to renew a service thirty (30) days prior to the end of the term of any Services Schedule. In the absence of such notice, the Services Schedule will automatically be renewed for an additional twelve (12) month period under the existing terms and conditions set forth in such Services Schedule, subject to any service fees adjustments set forth in such Services Schedule.
 - d) Either party shall have the right to terminate this Agreement immediately in the event that either party ceases to be a direct or indirect wholly owned subsidiary of Enbridge Inc., and in any event, upon giving one hundred twenty (120) days written notice to the other party.
 - e) The provisions of Sections 12, 13, 14, 15, and 17 shall survive the termination of this Agreement.

Service Adjustments

10. The following provisions apply to service adjustments and amendments under this Agreement:
 - a) During the term of this Agreement, the parties may identify the need to modify elements of individual Services Schedules, add new services or discontinue existing services. Either the Services Provider or Services Recipient may initiate

a request for change. All requested changes must be identified in writing with an appropriate notice period within which the party receiving such notice may respond, such period not to be less than thirty (30) days unless otherwise agreed to by both parties.

- b) Either party may propose changes to an existing Services Schedule at any time during the term of such Schedule. No amendment shall be effective unless both parties agree to the requested modifications and the effective date for implementation. The procedures set forth in subsection 12.b) below shall be followed if agreement regarding a change to the Services Schedule or fees cannot be reached by the parties within a reasonable time.
- c) If either party expresses a desire to discontinue a service described in an executed Services Schedule, the parties shall endeavour in good faith to determine an appropriate wind-down period and a reasonable allocation of the costs of decommissioning, if any.

Performance Reviews

- 11. Upon thirty (30) days prior written request, either party may initiate a performance review, the terms and conditions of which shall be negotiated between the parties. Such a review may not be initiated more than once per calendar year by each party. All services will be reviewed with reference to the performance standards set out in the Agreement and applicable Services Schedules.

Dispute Resolution

- 12. In the event that an issue related to the performance of a service described in a Services Schedule, the fees payable under a Services Schedule, or the interpretation of the Agreement cannot be resolved by the Services Provider and Services Recipient, the Services Provider or Services Recipient may refer the matter (the "Dispute") for resolution using the procedures described in this Section 12:
 - a) The Services Recipient's designated representative and the Services Provider's designated representative must meet within seven (7) business days after either the Services Provider or Services Recipient notifies the other in writing of an unresolved issue. The purpose of the meeting will be to develop an action plan that can be presented to the Services Provider and Services Recipient within seventeen (17) business days after the delivery of the notice described in the preceding sentence. A copy of the action plan for resolution shall be sent to the President of the Services Provider and the President of Services Recipient. If the action plan fails to bring a resolution to the conflict within twenty-one (21) business days after the delivery of the original notice described above, the issue shall be escalated further.

- b) On the twenty-second (22nd) business day after the delivery of the original notice described above, the issue shall be escalated to the Presidents of the Services Provider and Services Recipient if no resolution has been reached by such time.
- c) If the problem cannot be resolved by the Presidents of the Services Provider and Services Recipient within seven (7) business days after the time it was referred to them, then it shall be escalated further as described below.
- d) In the event none of the processes described above result in a resolution of the Dispute, it is the joint responsibility of the Presidents of each party to escalate the issue and its corresponding documentation to senior management of Enbridge Inc. for final deliberation and resolution, subject to the arbitration provisions below.
- e) Any costs associated with the resolution by Enbridge Inc. will be shared equally by the Services Provider and Services Recipient.
- f) In the event that the processes described in (e) above do not result in a resolution of the Dispute acceptable to all parties to the Dispute within ninety (90) days after the date on which the Dispute first became known to the parties, the Dispute may be submitted by either party to arbitration pursuant to Exhibit A. Subject to this Section 12.f) and Exhibit A, the Dispute will not be made the subject matter of any action in any court by any party. After completion of the arbitration, an action may be initiated by the parties only for the purpose of enforcing the decision of the arbitrator and recovery of the costs incidental to the action. The decision of the arbitrator will be conclusively deemed to determine the interpretation of this Agreement and the rights and liabilities of the parties in respect of the matter arbitrated.
- g) Pending the resolution of any Dispute, all Payment Notices for services specifically related to the Dispute will be held by the Services Provider. If the resolution is in the favour of the Services Provider, then the Services Provider may apply any late charges associated with the payment of services that were postponed due to the invocation of the dispute resolution process.

Indemnification

- 13. Each of the parties hereto (the "Indemnifier") shall indemnify and hold the other party (the "Indemnified Party") harmless from and against any loss, damage, claim, liability, debt, obligation or expense (including reasonable legal fees and disbursements) incurred or suffered by the Indemnified Party caused by the Indemnifier and relating in any way to this Agreement or the provision of the services, including any loss, damage, claim, liability, debt, obligation or expense resulting from or arising from or in connection with a negligent act or negligent omission of the Indemnifier.

Confidential Information and Personal Information

14. Each of the parties hereto agrees to keep all information provided by the other party (the "disclosing party") to it (the "receiving party") that the disclosing party designates as confidential or which ought to be considered as confidential from its nature or from the circumstances surrounding its disclosure ("Confidential Information") confidential, and a receiving party shall not, without the prior consent of an authorized senior officer of the disclosing party, disclose any part of such Confidential Information which is not available in the public domain from public or published information or sources except:
- a) to those of its employees who require access to the Confidential Information in connection with performance of services hereunder;
 - b) as in the receiving party's judgement may be appropriate to be disclosed in connection with the provision by the receiving party of services hereunder;
 - c) as the receiving party may be required to disclose in connection with the preparation by the receiving party or any of its direct or indirect holding companies, affiliates or subsidiaries of reporting documents including, but not limited to, annual financial statements, annual reports and any filings or disclosure required by statute, regulation or order of a regulatory authority; and
 - d) to such legal and accounting advisors, valuers and other experts as in the receiving party's judgement may be appropriate or necessary in order to permit the receiving party to rely on the services of such persons in carrying out the receiving party's duties under this Agreement.

The covenants and agreements of the parties relating to Confidential Information shall not apply to any information:

- i) which is lawfully in the receiving party's possession or the possession of its professional advisors or its personnel, as the case may be, at the time of disclosure and which was not acquired directly or indirectly from the disclosing party;
- ii) which is at the time of disclosure in, or after disclosure falls into, the public domain through no fault of the receiving party or its personnel;
- iii) which, subsequent to disclosure by the disclosing party, is received by the receiving party from a third party who, insofar as is known to the receiving party, is lawfully in possession of such information and not in breach of any contractual, legal or fiduciary obligation to the disclosing party and who has not required the receiving party to refrain from disclosing such information to others; or

- iv) disclosure of which the receiving party reasonably deems necessary to comply with any legal or regulatory obligation which the receiving party believes in good faith it has.
15. If in the course of performing services, the receiving party obtains or accesses personal information about an individual, including without limitation, a customer, potential customer or employee or contractor of the disclosing party ("Personal Information") the receiving party agrees to treat such Personal Information in compliance with all applicable federal or provincial privacy or protection of personal information laws and to use such Personal Information only for purposes of providing the services. Furthermore, the receiving party acknowledges and agrees that it will:
- a) not otherwise copy, retain, use, modify, manipulate, disclose or make available any Personal Information, except as permitted by applicable law;
 - b) establish or maintain in place appropriate policies and procedures to protect Personal Information from unauthorized collection, use or disclosure; and
 - c) implement such policies and procedures thoroughly and effectively.
16. The Services Recipient shall be entitled periodically to conduct reviews of the procedures implemented by the Services Provider in relation to the obligations described in Sections 14 and 15. The conduct of any such reviews relating to Confidential Information shall be guided by the recommendations expressed in the Canadian Institute of Chartered Accountants' Handbook.
17. Upon the termination of the provision of the services pursuant to any Services Schedules each party shall immediately return to the other party all Confidential Information and Personal Information provided by the disclosing party to the receiving party, and all copies thereof in its possession or control (other than such Confidential Information or Personal Information which continues to be used or relevant to the provision of services pursuant to any other Services Schedule), or destroy such information and copies and certify to the disclosing party that such destruction has been carried out.

Force Majeure

18. If either party is rendered unable by force majeure to carry out its obligations under the Agreement, other than a party's obligation to make payments to the other party, that party shall give the other party prompt written notice of the event giving rise to force majeure with reasonably full particulars concerning it. Thereupon, the obligations of the party giving the notice, so far as they are affected by the force majeure, shall be suspended during, but no longer than the continuance of, the force majeure. The affected party shall use all reasonable

diligence to remove or remedy the force majeure situation as quickly as practicable.

General

19. The Services Recipient shall be responsible for and shall pay all applicable federal, provincial, municipal goods and services taxes arising from the provision of services hereunder, including provincial sales tax if applicable.
20. A party shall, from time to time, and at all times, do such further acts and execute and deliver all such further deeds and documents as shall be reasonably requested by the other party in order to fully perform and carry out the terms of this Agreement.
21. Any notice, request, demand, direction or other communication required or permitted to be given or made under this Agreement to a party shall be in writing and shall be given by facsimile or other means of electronic transmission or by hand or courier delivery to the party to whom it is addressed at its address noted below or at such other address of which notice may have been given by such party in accordance with the provisions of this Section.

Services Provider: Enbridge Gas Distribution Inc.

Address: 500 Consumers Road, North York, ON M2J 1P8
Attention: Vice President, Law & Deputy General Counsel

Facsimile: (416) 495-5994

Services Recipient: Gazifère Inc.

Address: 71 Rue Jean Proulx
Hull, Quebec J8Z 1W2

Facsimile: (819) 771-6079

Notice delivered or transmitted as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a business day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if a notice is delivered or transmitted after 5:00 p.m. local time or such day is not a business day, then such notice shall be deemed to have been given and received on the next business day.

22. This Agreement may be executed in counterparts, no one of which needs to be executed by both of the parties. Each counterpart, including a facsimile

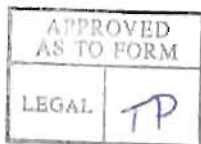
transmission of this Agreement, shall be deemed to be an original and shall have the same force and effect as an original. All counterparts together shall constitute one and the same instrument.


23. This Agreement will enure to the benefit of and be binding upon the parties thereto and their respective successors. This Agreement may not be assigned by either of the parties thereto without the prior written consent of the other. For the purposes of this agreement "assignment" shall mean and include any transaction, event or circumstance which results in either the Services Provider or the Services Recipient ceasing to be a direct or indirect wholly owned subsidiary of Enbridge Inc.
24. The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder", and similar expressions refer to this Agreement and not to any particular Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.
25. Words importing the singular number shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa, and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa.
26. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario, and the laws of Canada where applicable. In the event that one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality or enforceability of the remaining provisions hereof shall not be affected or impaired thereby. Each of the provisions of this Agreement is hereby declared to be separate and distinct.
27. This Agreement may not be modified or amended except by an instrument in writing signed by both of the parties to an Agreement or by their respective successors.
28. This Agreement constitutes the whole and entire agreement between the parties respecting the subject matter of the Agreement and supersedes any prior agreement, undertaking, declarations, commitments, representations, verbal or oral, in respect thereof. Without limiting the generality of the foregoing, the Prior Agreement between the parties is hereby terminated and no longer of any force or effect.

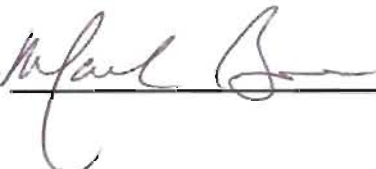
29. In the event that any provision contained in this Agreement conflicts with a provision contained in a schedule hereto, this Agreement shall prevail to the extent of any such inconsistency.

IN WITNESS WHEREOF, and intending to be legally bound, the parties have executed this Agreement by the undersigned duly authorized representatives as of the date first stated above.


ENBRIDGE GAS DISTRIBUTION INC.




Per:  William G. Roy
Vice President, Financial
Information Technology

Per:  Mark R. Boyce
Vice President, Gas Distribution Law
& Deputy General Counsel

GAZIFERE INC.


Daniel Laprade

Per:  WILLIAM
AKKERMANS
GENERAL MANAGER

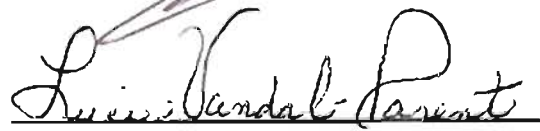
Per:  LUCIE VANDAL-PARENT
ASSISTANT GENERAL MANAGER

EXHIBIT A**ARBITRATION PROCEDURES**

1. The place of the arbitration will be Toronto, Ontario, or such other location as the parties may agree.
2. The parties will agree on the appointment of an arbitrator.
3. If the parties are unable to agree upon an arbitrator, any of the parties may apply to the Ontario Superior Court for the appointment of an arbitrator.
4. The agreed or appointed arbitrator (in either case, the "Arbitrator") will, in its absolute discretion, establish reasonable rules to govern all aspects of the arbitration and to ensure that the arbitration is conducted expeditiously.
5. The parties, if in agreement, may request that the Arbitrator decide between final and complete proposals submitted by each of the parties.
6. The decision or award of the Arbitrator with respect to the dispute must be rendered in writing, and must contain a brief recital of the facts and principles upon which the decision was made and the reasons therefor.
7. The decision or award of the Arbitrator made pursuant to this Exhibit A is final and binding upon each of the parties and there is no appeal therefrom. Thereafter, any action may only be for the purpose of enforcing the decision or award and the recovery of costs incidental to the action.
8. The decision or award of the Arbitrator will be conclusively deemed to determine the interpretation of this Agreement and the rights and liabilities as between the parties in respect of the matter in dispute.
9. Except as may be otherwise agreed by the parties, or as may be ordered by the Arbitrator, the Arbitrator will be entitled to its or their usual charges for services rendered to be paid equally by the parties.
10. Subject to this paragraph 10, no dispute that is or may be the subject of a submission to arbitration in accordance with this Exhibit A will give rise to a cause of action between or will be made the subject matter of an action in any court of law or equity by either of the parties unless and until the dispute has been submitted to arbitration and finally determined in the accordance with this Exhibit A and any action commenced thereafter with respect to the dispute may only be for judgment in accordance with the decision of the Arbitrator and the costs incidental to the action.

In any action of this sort, the decision of the Arbitrator will be conclusively deemed to determine the rights and liabilities between the parties in respect of the dispute.

11. Notwithstanding the foregoing, if the actions or inactions of a party are, in the view of the other party, acting reasonably, producing or likely to produce irreparable harm that cannot be adequately compensated for by damages or that will result in damages that are difficult to estimate, the aggrieved party may apply to a court for injunctive or mandatory injunctive relief to remedy the situation pending the conduct of arbitration. The court before which the proceeding is brought may, if it determines the arbitration would not, in the circumstances, be beneficial to a continuing relationship between the parties, grant the aggrieved party the right to proceed with an action notwithstanding the otherwise general application of arbitration as the chosen mode of dispute resolution.
12. The parties desire that any dispute that is to be determined in accordance with the dispute resolution provisions should be conducted in strict confidence and that there will be no disclosure to any person of the fact of the dispute or any aspect of the dispute except as necessary for the resolution of the dispute. Any hearing will be attended only by those persons whose presence, in the opinion of the Arbitrator, is reasonably necessary for the determination of the dispute. All matters relating to, all evidence presented to, all submissions made in the course of, and all documents produced in accordance with the dispute resolution procedure or an order of the Arbitrator or created in the course of or for the purposes of the arbitration, including any award or interim award by the Arbitrator, will be kept confidential and will not be disclosed to any person without the prior written consent of all parties to the arbitration except as required to enforce the award or as required by law or as permitted by an order of the Arbitrator made pursuant to a motion or application on notice to all parties to the arbitration.

SERVICES SCHEDULE TO THE INTERCORPORATE SERVICES AGREEMENT BETWEEN ENBRIDGE GAS DISTRIBUTION INC. AND GAZIFERE INC. DATED JANUARY 1, 2008 (the "Agreement")

1.0 PREFACE

This Schedule is intended to identify **IT Infrastructure Services** to be provided to Gazifere Inc. (the "Services Recipient") by Enbridge Gas Distribution Inc. (the "Services Provider").

The Services defined in this Schedule are to be provided to the Services Recipient for a period of three (03) years commencing January 1, 2008 and terminating December 31, 2010. The term of this Schedule may be renewed in accordance with Section 10 of the Agreement. Notwithstanding the provisions of Section 24 of the Agreement, the Services Provider may assign its rights and obligations under this Schedule to an affiliate of the Services Provider upon the delivery of written notice thereof to the Services Recipient.

2.0 DEFINITION OF SERVICES

Infrastructure Services encompass a variety of Services. Any services not defined below are out of scope for this Schedule.

The Services Provider will provide Infrastructure Services to the Services Recipient. The scope of these services is as follows:

- 1. Helpdesk**
- 2. Desktop Support**
- 3. Managed Desktop**
- 4. Equipment Acquisition**
- 5. Internet Access**
- 6. Server Management**
- 7. Installs / Moves / Adds / Changes**
- 8. Network Support**
- 9. E-mail Service & Support**

2.1 Helpdesk

Services Provider responsibilities:

- Engage an appropriate phone answering team, on a 7X24X365 basis, to act as a single point of contact for Information Systems problems and routing to Tier 2 teams.
- Assume responsibility for the operation and management of help desk services for Services Recipient
- Call logging and routing of all calls placed with the Helpdesk
- Categorize and prioritize all incidents to ensure they are routed to the appropriate support teams and receive the correct level of attention
- Provision of self service applications where the Services Recipient user will be able to report an Incident from their desktop instead of placing a call
- Provide a recorded status message to inform callers of any outage effecting a large number of users that is in progress
- Engagement of 2nd level support teams to provide in-depth support on approved hardware and software
- Proactively identify and resolve problems and known errors thus minimizing incident occurrences
- Minimize the adverse effect on the Service Recipient by identifying, analyzing and trending reoccurring desktop related problems submitted to the Help Desk
- Provide relevant status information to users who contact the Helpdesk and follow up on all calls to ensure the incident has been resolved to client satisfaction

2.2 Desktop Support

Services Provider responsibilities:

- 2nd Level deskside support/assistance for various hardware and software related problems between 8:00 a.m. and 5:00 p.m. EST, Monday to Friday excluding Services Provider observed holidays

- Warranty repair and replacement for computer equipment and the facilitation of warranty repair for computer equipment covered by another warranty provider
- Services Provider will use commercially reasonable efforts to maintain non-Core Products
- Desktop Security compliance and administration
- Installation of new hardware

2.3 Managed Desktop Service

Services Provider responsibilities:

- Configuring, packaging and deploying all Services Recipient approved desktop software
- Coordinating project-related software deployment to desktops
- Maintaining Services Recipient client code
- Configuring and maintaining desktop and laptop builds
- Maintaining software distribution staging infrastructure

2.4 Equipment Acquisition Service

Services Provider responsibilities:

- Budget process support by providing pricing/availability on current future products and services in order to prepare future year budgets
- Respond to Services Recipient queries regarding product pricing, availability, specifications, order status
- Placing approved orders for all computer technology related equipment or software
- Provide non-biased assistance in gathering and interpreting quotations and deliveries from all vendors
- Shipping and receiving of computer equipment
- Asset tagging of computer equipment
- Forward vendor invoices to Services Recipient for authorization and payment

2.5 Internet Service

Services Provider responsibilities:

- Provide unlimited access to the Internet at supported desktops and laptops
- Routing of Internet electronic mail to and from Lotus Notes

2.6 Server Management Service

Services Provider responsibilities:

- Engagement of a Tier 2 support team to provide server support 7X24X365
- Warranty repair and replacement for computer equipment and the facilitation of warranty repair for computer equipment covered by another warranty provider
- Provision and maintenance of anti-virus software on Intel servers
- Intel server capacity planning
- Daily operation and administration of the backup and recovery of software and data stored on the servers
- Maintenance and support of the software products and hardware which perform the backups
- Offsite tape vaulting and storage of the backed up information
- Problem and change management for Intel hardware and operating systems
- Security compliance and administration
- Technical support for Enbridge Gas Distribution standard hardware and standard operating systems
- Performance of system maintenance functions during the maintenance windows or with approval of Service Recipient

2.7 Installs/Moves/Add/Changes

Services Provider responsibilities:

- Process IMAC requests that have been submitted via the IT Request and contain all required data
- Co-ordination and execution will be scheduled based on the agreed service levels
- Schedule IMACs to minimize the impact to the Services Recipient's business operations
- Computer moves to a maximum of one for every two desktop or laptop units per year
- Printer moves and installations
- Co-ordinate IMAC Projects. This activity involves more than five (5) related End User Workstations. Project will be scoped out as a Professional Services Engagement.
- IMAC calculations will be based on a per technology unit measurement, i.e. one phone = one unit, one p.c. = one unit etc. An IMAC activity, which involves de-installation of a unit (Technology unit i.e. phone or

p.c.) at one designated location and the reinstallation of the same unit at another designated location, will be considered to be two IMACs or two units

- Physical disconnection, move and reconnection of the telephone sets
- Software configuration and/or wiring changes at the PBX

2.8 Network Support Service

Services Provider responsibilities:

- Provide a single point of contact and accountability for managing vendor, contractor, and Services Provider Carrier relationships and contracts. Services Provider Carrier's IT will assume responsibility for:
 - dispatch
 - coordination
 - service escalation
 - issue resolution
 - work order processing
 - contract compliance monitoring
 - vendor billing coordination
- Provide PBX monitoring. Includes proactive monitoring, problem management and change tracking as provided by Services Provider Carrier services.
- Provide Cell Phone support for devices supplied by EGD
- Provide Voice Mail Application Support
- Provide 7 x 24 support for Services Provider Carrier services for required "work-arounds" of existing technologies in specified conditions (i.e. Switch Redirects, etc)
- Provide LAN /WAN monitoring – trends and historical data for re-engineering
- Provision of maintenance and support for VPN network and Firewall
- Provide WAN monitoring. Includes proactive monitoring, problem management and change tracking.
- Provide LAN monitoring. Includes passive monitoring problem management and change tracking
- Provide 2nd level support for related problems and incidents on a rotational 7 x 24 basis
- Perform tracking functions for all problems that require escalation to 3rd parties on a rotational 7 x 24 basis

2.9 E-mail Service & Support

Services Provider will provide:

- Access to EGD email at supported desktops and laptops
- Support for Blackberry device supplied by EGD
- The provision of support for EGD E-Mail and Calendaring

3.0 ROLES AND RESPONSIBILITIES

STAKEHOLDERS

The stakeholders relating to this Schedule are:

Role	Name	Title	Contact Numbers
Services Recipient	Daniel Laprade	Manager, Financial Accounting	Office (819) 771-8321 x 2420 daniel.laprade@gazifere.com
Services Provider	Peter Rapini	Manager, IT Technical Services	Office (416) 495-5515 peter.rapini@enbridge.com

The Services Provider will:

1. Assume responsibility for the operation and management of designated Infrastructure services for Services Recipient as outlined in section 2.0.
2. Provide service delivery management accountable through the Service Delivery Manager for all aspects of Service delivery.
3. Engage staff with proper training regarding the Services Recipient technical environment and support processes.

4. Meet or exceed all performance measures as defined in section 5.0.
5. Identify any issues to Services Recipient and work with Services Recipient to resolve such issues
6. Include Services Recipient in the escalation process, and if requested, to escalate service issues directly to Services Recipient staff.
7. Provide best effort support of non Enbridge Gas Distribution standard hardware/software.

The Services Recipient will:

1. Provide introductions and orientation to Services Recipient staff as appropriate.
2. Verify asset count every 3 months.
3. Make available to Services Provider, personnel to assist to the extent reasonably necessary for Services Provider to provide the services described in this Schedule.
4. Provision all software licenses required in the delivery of these services
5. Provide payment of invoices for servers and/or software licenses procured on Services Recipient on behalf of Services Provider.
6. Provision of access to Services Recipient's location as required by the Services Provider's personnel to accomplish the services under this Schedule.
7. Ensure that all employees under their jurisdiction will comply with the Statement on Business Conduct.
8. Ensure that all facilities are ready for IMAC team, ie. LAN or Voice cable has been installed, electrical power available at location prior to IMAC team coming onsite.
9. Packing materials and shipping charges for computer equipment are Services Recipient's responsibility.

4.0 PERFORMANCE

MEASURES

Services Provider will deliver to the Services Recipient, upon request or at some mutually agreed to time reporting on the performance of these services to the agreed to service levels tabulated below.

SERVICE LEVEL MEASURE	ATTAINMENT	COMMENTS
HELPDESK		
Telephone Service Factor (TSF)	>=85%	Percentage of phone calls answered by the Tier 1 team in 60 seconds versus total number of incoming calls
First Call Problem Resolution Rate	>=90%	Percentage of call pertaining to 'Common Off The Shelf Software' (COTTS) handled at the Helpdesk, which are resolved during the client's first call to the Help Desk
End User Satisfaction	>=80%	Percentage of users who respond to the 'Helpdesk Satisfaction Survey' and were satisfied with the service they received
DESKTOP SUPPORT		
IT Requests	>=90%	Acknowledge Request within 1 business day Schedule a date for installation within 3 business days
Resolution of Low Priority Incidents	>=90%	Resolve within 3 Service Days
Resolution of Medium Priority Incidents	>=90%	Resolve within 8 hours
MANAGED DESKTOP SERVICES		

Installation of packaged software.	>=90%	Installation of packaged software via the software distribution system within 1 Business Day)
Packaging of new software	>=90%	Packaging of new software will be completed within 5 business days from the completion of the required forms
EQUIPMENT ACQUISITION		
Response time for inquiries	>=90%	Response to inquiries for pricing, availability and product information answered within 2 Service Days (No Report)
Standard Hardware and Software	>=90%	All hardware and software will be ordered within 3 business days from the completion and approval of IT Request. (Delivery date is subject to Vendors SLAs)
INTERNET ACCESS, SERVER MANAGEMENT and NETWORK SUPPORT		
Resolution of Medium Priority Incidents	>=90%	Resolve within 8 hours
Resolution of High Priority Incidents	>=90%	Resolve within 4 hours
Resolution of Urgent Priority Incidents	>=90%	Resolve within 2 hours
Availability	>=99%	The Internet, Production Network and Production Servers will be available 99% of the time (calculated over 1 year) * Scheduled outages are not included in this calculation
INSTALLATION/MOVES/ADDS/CHANGES		
Install, Moves, Adds, Changes (IMACs) of less than 5 Telephone Sets	>=90%	Acknowledge Request within 1 business day Schedule a date for installation within 3 business days Complete installation within 5 business days
Install, Moves, Adds, Changes (IMACs) of greater than 5 Telephone Sets	N/A	The Service Level for requests of a group of 5 or more IMACS will be agreed between Services Provider and Services Recipient at the time of planning the IMACs

5.0 PROBLEM RESOLUTION PROCEDURES

In the event of a failure to resolve any problem within 60 days of the original communication from the Services Recipient, the Problem / Conflict Resolution procedures set forth in the Agreement will be followed.

6.0 PRICING AND CONDITIONS

The estimated annual fee for Desktop Services described in this Schedule shall be \$138,000 in 2008. This is based on a monthly per device cost of \$175.93 for Gazifere devices and \$48.42 for AP devices. In addition, the estimated Network pass-through costs for 2008 shall be \$23,000. These rates will be inflated by 2.3% in 2009 and 2.1% in 2010.

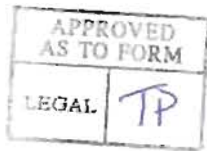
The foregoing is based on an annual calendar year forecast of expected service requirements reasonably determined by the Services Provider. The Services Provider reserves the right to revise this estimate in the event that the services rendered are significantly more or less than the estimated amount.

The costs of goods or services from third parties obtained to address special technical requirements or fulfill a special request of the Services Recipient will be borne separately and agreed upon in advance with the Services Recipient.

Payment for services rendered is due in accordance with the schedule set out in the Agreement.

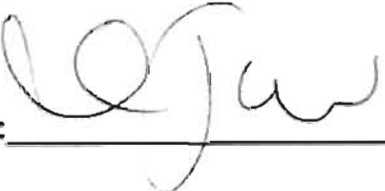
The Services Recipient reserves the right to terminate this agreement subject to sixty days (60) written notification being provided to the Services Provider. Upon termination of the agreement the book value of any assets in the possession of the Services Recipient will become due and payable to the Services Provider.


Dated this 28th day of March, 2008



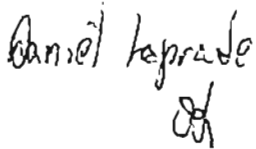

PETER RAPINI

ENBRIDGE GAS DISTRIBUTION INC.


Per: 
William G. Ross
Vice President, Finance & Information Technology

Per: 
Mark R. Boyce
Vice President, Gas Distribution Law & Deputy General Counsel

GAZIFERE INC.


Daniel Leprade

Per: 
WILLIAM ACKERMAN
GENERAL MANAGER

Per: 
LUCIE VANDAL-PARENT
ASSISTANT GENERAL MANAGER

**SERVICES SCHEDULE TO THE INTERCORPORATE SERVICES AGREEMENT
BETWEEN ENBRIDGE GAS DISTRIBUTION INC. AND GAZIFÈRE INC. DATED
JANUARY 1, 2008 (the Agreement")**

1. PREFACE

This Schedule is intended to identify ***Application Hosting and Maintenance Services*** to be provided to Gazifère Inc. (the "Services Recipient") by Enbridge Gas Distribution Inc. (the "Services Provider").

2. TERM

The services defined in this Schedule are to be provided to the Services Recipient for a period of thirty-six [36] months commencing January 1, 2008 and terminating December 31, 2010. The term of this Schedule may be renewed in accordance with Section 9 of the Agreement. Notwithstanding the provisions of Section 23 of the Agreement, the Services Provider may assign its rights and obligations under this Schedule to an affiliate of the Services Provider upon the delivery of written notice thereof to the Services Recipient.

3. APPLICATION HOSTING SERVICES

Services Provider will provide *Application Hosting and Maintenance Services* to Services Recipient. This Schedule describes the stakeholders, objectives, scope, service levels, constraints and client responsibilities for this assignment.

4. STAKEHOLDERS

The stakeholders relating to this Schedule are:

Role	Name	Title	Contact Numbers
Services Recipient	Lucie Vandal-Parent	Assistant General Manager	Office (819) 771-8321 lucie.vandal-parent@gazifere.com
Services Provider	Hugh MacMillan	Manager, Enterprise Services	Office (416) 495-6744 hugh.macmillan@enbridge.com

5. SCOPE

Services Provider will provide Application Hosting and Maintenance Services to Services Recipient. These services consist of:

1. General Service
2. UNIX Server Support
3. Application Support

5.1 General Service

Services Provider will:

- Assume responsibility for the operation and management of services to host the Applications listed in Appendix "A" for Services Recipient
- Provide service delivery management accountable for all aspects of Service Delivery.
- Meet or exceed all service levels as defined in Article 6 Service Levels.

5.2 UNIX Server Support

Services Provider will provide UNIX Server support 7X24 for the UNIX servers listed in Appendix "A" that consists of:

- A facility to host equipment, providing power, air conditioning, raised floor, network connections, and secured access for the UNIX servers listed in Appendix "A".
- Daily operation and administration of the backup and recovery of application and data stored on the Unix servers listed in Appendix "A"
- The maintenance and support of the application and hardware which perform the backups;
- Offsite tape vaulting and storage of the backed up information;
- Tier 2 support pertaining to Unix environment
- Problem and change management for Unix hardware and operating system.
- Security compliance and administration
- Technical support for hardware and operating systems
- Batch Processing, scheduling, monitoring and restarts
- Unix system administration, storage management, hardware configuration, tuning, and capacity planning
- Performance of system maintenance functions during the maintenance windows.

5.3 Application Support

Services Provider will provide Application Support Services that will consist of:

a) Support Analysts that will consist of:

- Providing service between the hours of 8:30 a.m. and 5:00 p.m. Eastern time Monday to Friday excepting Services Provider holidays.
- The engagement of support analysts to support the application listed in Appendix "A" as required by Services Recipient.
- Support activities are limited to monitoring, maintenance, break fix, corrective changes, adaptive changes, administration, and user support.
- For purposes of the third bullet point in this Section 5.4, the term "Monitoring" means the timely examination of the application and its attached data to ensure proper performance to achieve the service levels as defined in Article 6 Service Levels
- For purposes of the third bullet point in this Section 5.4, the term "Maintenance" means any activity that occurs on a regular basis or as result of monitoring that results in modification of the application environment as to maintain or enhance the application's performance.
- For purposes of the third bullet point in this Section 5.4, the term "Break fix" means the modification of an application environment initiated by some problem such that the application environment performs as prior to the problem.
- For purposes of the third bullet point in this Section 5.4, the term "Corrective change" means the modification of the application environment to permanently enhance the performance of the application environment beyond historical performance.
- For purposes of the third bullet point in this Section 5.4, the term "Adaptive change" means the modification of an application environment to permanently alter its functionality.
- For purposes of the third bullet point in this Section 5.4, the term "Administration" means the routine activities that are associated with an application performed through special routines provided by the application for such administrative purposes. This may include activities such as defining new users or security profiles.

- For purposes of the third bullet point in this Section 5.4, the term "User support" means the provision of advice or information to assist the user in their use of the application and any training required to maintain such analysts level of expertise in the support of such application.
- b) After Hours Support that will consist of:
 - On call assignment of a number of support analysts to cover the on call requirements as detailed in Appendix "A"
 - The provision of break fix support between the hours of 5:00 p.m. and 8:30 a.m. Eastern time Monday to Thursday and Services Provider holidays and 5:00 p.m. Fridays and 8:30 a.m. Mondays Eastern time.
- c) Infrastructure Upgrades that will consist of:
 - The installation of new versions of the application, their underlying Application Infrastructure designated in Appendix "A"
- d) Lotus Notes Services that includes:
 - The provision of support for Notes e-mail and calendaring, SPAM filtering and email anti-virus protection.

6. SERVICE LEVELS

Activity	Service Level	Attainment (Measured Monthly)
Response to pager calls	96%	Percentage of calls responded to within 30 minutes of initial page.
Batch Job Execution	99.7%	% if batch jobs that execute as scheduled
Unix Server Availability	99.7%	% of time Unix Servers are available
Database Availability	99.7%	% of time Databases are available
Notes Availability	99%	% of time Notes is available

Note: This Services Levels exclude scheduled outages.

7. CONSTRAINTS

The constraints around this Schedule are listed below:

1. This agreement reflects the shared usage of application with Services Provider. The support and usage of the application will be terminated by the decommissioning date as listed in Appendix A. At such time, pricing will be adjusted accordingly.
2. Direction and priorities of Services Provider staff assignment to tasks are to be provided by Services Provider Service Delivery Manager through out the term of this engagement.
3. Until such time as the parties have developed formal acceptance criteria and procedure for any services or deliverables provided hereunder, any services and deliverables provided hereunder shall be deemed to be accepted by Services Recipient if Services Recipient has not provided notice to Services Provider within 10 business days of receipt of the applicable service or deliverable.

8. SERVICES RECIPIENT RESPONSIBILITIES

The following list represents Services Recipient responsibilities associated with this agreement:

1. Introductions and orientation to Services Recipient staff as appropriate:

2. Maintenance of contact information in Services Provider Help Desk support system.

9. OUT OF OR BEYOND SCOPE SERVICES

The following services shall not be considered a part of this Schedule:

- Training fees and classroom rental.
- Training of Services Recipient employees.
- Adaptive and corrective changes where such changes are restricted to a 3rd party supplier provided however that Services Provider will use commercially reasonable efforts to have any such 3rd party supplier(s) make changes deemed necessary by Services Recipient, acting reasonably.

10. PRICING AND CONDITIONS

The services described in this Schedule shall be charged at a per unit basis as detailed in Appendix "A". The 2008 rate will be adjusted by an inflation factor of 2.3% in 2009 and 2.1% in 2010.

The estimated fees for services described in this Schedule shall be \$15,732.00 in 2008. The foregoing is based on an annual calendar year forecast of expected service requirements reasonably determined by the Services Provider. The Services Provider reserves the right to revise this estimate in the event that the services rendered are significantly more or less than the estimated amount. The costs of goods or services from third parties obtained to address special technical requirements or fulfill a special request of the Services Recipient will be borne separately and agreed upon in advance with the Services Recipient.

Payment for services rendered is due in accordance with the schedule set out in the Agreement.

Dated this 25th day of March, 2008.

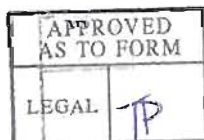
ENBRIDGE GAS DISTRIBUTION INC.

Per: 

Name: **William G. Ross**
Title: **Vice President, Finance & Information Technology**

Per: 

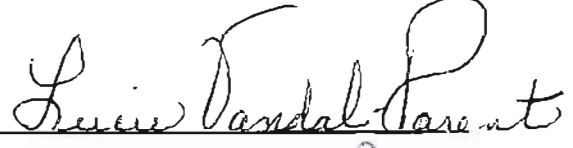
Name: **Mark R. Boyce**
Title: **Vice President, Gas Distribution Law & Deputy General Counsel**



GAZIFÈRE INC.

Per: 

Name: **Will Akkermans**
Title: **General Manager**

Per: 

Name: **LUCIE VANDAL-PARENT**
Title: **Assistant General Manager**



Appendix A

Application Hosting and Maintenance Hosting Monthly Service Charges

Application Name	System Type	Description	Basis of Allocation	Monthly Charge	Annual Charges	Portion of Application Services Cost
Historical Data Access (ORM data)	UNIX	Provides access to historical asset management database.	Number of times Services Recipient users logged onto the ORM system as % of total.	\$122	\$1,464	1.5%
EnMar (Lodestar)	UNIX	Provides meter management capabilities.	Number of meters managed as a % of the total.	\$265	\$3,180	0.15%
Gazifère Contract Management	UNIX / Web	Replacement for GasCon. Contract Management system.	Dedicated Gazifère system.	\$812	\$9,744	100%
Various Others, EQAT, MSDS, ROES etc.	Various	Mainly access databases running on Intel machines	Number of Services Recipient users as % of total.	\$112	\$1,344	3%
Total				\$1,311	\$15,732	

**SERVICES SCHEDULE TO THE INTERCORPORATE SERVICES AGREEMENT DATED JANUARY 1, 2008,
BETWEEN ENBRIDGE GAS DISTRIBUTION INC. AND GAZIFÈRE INC. (the "Agreement")**

1.0 PREFACE

This Schedule is intended to identify **Engineering and Operations Services** to be provided to Gazifere Inc (the "Services Recipient"), by Enbridge Gas Distribution Inc. (the "Services Provider"). This Schedule terminates and replaces any prior schedule for Engineering and Operations Services entered into by the parties.

The services defined in this Schedule are to be provided to the Services Recipient for a period of three (3) years, commencing January 1, 2008. The term of this Schedule may be renewed in accordance with Section 9 of the Agreement. Notwithstanding the provisions of Section 23 of the Agreement, the Services Provider may assign its rights and obligations under this Schedule to an affiliate of the Services Provider upon the delivery of written notice thereof to the Services Recipient.

2.0 DEFINITION OF SERVICES

The Services Provider agrees to provide the Services Recipient with the following Engineering and Operations services on an as requested basis:

1. Policy and Procedure development pertaining to Engineering Design, Planning, Construction, Pressure Regulation, Operations and Maintenance, Service, Quality Acceptance and Safety;
2. Provision of specialized Engineering Services including Incident Investigation and follow up;
3. Laboratory Services;
4. Project Management, System and Facility Design and Drafting Services;
5. Training module development pertaining to Engineering Design, Planning, Construction, Pressure Regulation, Operations and Maintenance, Service, Quality Acceptance and Safety;
6. Service, Construction, Operations and Maintenance Training;
7. General Engineering, Design, Cost Estimating and Operations consulting;
8. New Product Approvals;
9. Inspection Services;
10. Operations Services, including training, leak survey, corrosion survey, welding, measurement and regulation, tapping, stopping and construction and maintenance support.
11. Chart Processing - The processing of charts removed from volume pressure temperature chart recorders and PFM card processing for all Gazifere high pressure accounts. The corrected calculated volumes will be forwarded to ABSU for the purpose of producing the customer bill.
12. AMR Processing - The processing of all electronic volume data transferred a minimum of once per day for each customer connected to the Services Provider electronic data gathering system (Metretek). The volume data will be reviewed for reasonability and then passed on to ABSU for the purpose of producing the customer bill.
13. Meter History - The management of all active meter records as required by federal legislation contained in "The Electricity and Gas Inspection Act". This would include the management of functions such as the sample and government inspection (GI) programs.
14. Meter Repair/Accreditation/Purchasing - Meter supply services, which would include the purchasing and sealing of all meters required by the Service recipient.
15. Right-of-Way services for land acquisition and disposal.
16. Monthly and Ad-hoc data extracts and reports.

3.0 SERVICE LEVELS

The Services Provider will:

- Deliver all services within agreed timeframes and provide the quality and completeness specified by the Service Recipient

The Services Recipient will:

- Be responsible for designating the nature of the services to be performed by the Services Provider and verifying that the results achieved by the Services Provider are satisfactory.
- Provide direction and communicate desired timeframes and budgets.
- Communicate, in a timely manner, changes to scope and timing.

4.0 PERFORMANCE MEASURES

The Service Provider will meet all agreed timeframes and meet deliverable quality set forth by the Services Recipient.

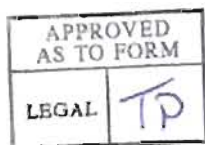
5.0 PROBLEM RESOLUTION PROCEDURES

Any concerns with respect to the performance of all Services should be brought to the attention of the Services Provider's Vice President Engineering if they cannot be resolved with the staff directly involved. Failing resolution, the Problem / Conflict Resolution procedures identified in the Agreement will be followed.

6.0 PRICING AND CONDITIONS

The Services described in this schedule shall be charged as services are rendered at the rates identified in the attached Schedule of Prices. This rate shall be increased by two point one percent (2.1%) in CY 2009 and two percent (2%) in CY 2010 annually on the anniversary date of this Schedule. The Services Provider reserves the right to revise the 2008 estimate set out in the Schedule of Prices in the event that the services rendered are significantly more or less than the estimated amount. Payment for services rendered are due in accordance with the schedule set out in the Agreement.

Dated this day of



Enbridge Gas Distribution Inc.


Per:  **William G. Ross**
Vice President, Finance & Information Technology

Per:  **Mark R. Boyce**
Vice President, Gas Distribution Law & Deputy General Counsel

Gazifère Inc.

Will Akkermans
General Manager

Per: 

Per: 
Lucie Vandal-Parent
Directeur général adjoint

Engineering Department
Proposed Affiliate Transactions
Calendar Year 2008

Affiliate: Gazifere Inc.

<u>ITEM</u>	<u>MECHANISM</u>	<u>RATE</u>
1. Technical Engineering Policies and Procedures	Customer Ratio System	\$33,633 Annually
2. Environmental Assessment Program	Direct Billing from Timesheets	See Below
3. EMS Support Program	Direct Billing from Timesheets	See Below
4. Other Engineering Services	Direct Billing from Timesheets	See Below
5. Laboratory Services	Direct Billing from Timesheets	See Below
6. Engineering	Direct Billing from Timesheets	Rate B (see below)
7. Drafting Services	Direct Billing from Timesheets	Rate E (see below)
8. System & Facility Design	Direct Billing from Timesheets	Rate C (see below)
9. Regional Measurement and Regulation, Corrosion	Direct Billing from Timesheets	Rate D (see below)
10. Leak Survey, Welding, Tapping and Stopping	Direct Billing from Timesheets	Rate F / G(see below)
11. Regional Performance Measures and Training	Direct Billing from Timesheets	Rate D (see below)
12. Chart Processing	Customer Ratio System	\$4.51 Lines/MTH
13. AMR processing	Customer Ratio System	\$17.57 Accts/MTH
14. Meter History	Customer Ratio System	\$ 0.01 Records/MTH
15. Meter Repair/Accreditation/Purchase	Customer Ratio System	\$ 8.87 Meters/ Yr
16. Reporting and Data Extract Services	Direct Billing from Timesheets	Rate H (see below)

RATES

A – Senior Manager/Director (Grade 009+)	\$175.00/hr + Expenses
B – Project/Program Manager (Grade 007-008)	\$150.00/hr + Expenses
C – Project Leader (Grade 006)	\$125.00/hr + Expenses
D – Inspectors (Grade 005)	\$115.00/hr + Materials & Expenses
E – Lab Technologist/Field Technician/Drafting (Grade 004)	\$90.00/hr + Expenses
F – Operations Field Time - Straight Time	\$70.00/hr + Materials & Equipment
G – Operations Field Time – Overtime	\$135.00/hr + Materials & Equipment
H- Senior Analyst	\$100.00/hr + Expenses

Description	Unit	Rate
Stopples Equipment 1"-2" Double	Hour	\$606.37
Stopples Equipment 1"-2" Single	Hour	\$365.15
Stopples Equipment 12" Double	Hour	\$1,016.00
Stopples Equipment 12" Single	Hour	\$785.00
Stopples Equipment 3" Double	Hour	\$755.50
Stopples Equipment 3" Single	Hour	\$503.25
Stopples Equipment 4" Double	Hour	\$668.85
Stopples Equipment 4" Single	Hour	\$525.50
Stopples Equipment 6" Double	Hour	\$868.00
Stopples Equipment 6" Single	Hour	\$562.38
Stopples Equipment 8" Double	Hour	\$920.75
Stopples Equipment 8" Single	Hour	\$698.37
Tapping Equipment 1"-2" Double	Hour	\$77.97
Tapping Equipment 1"-2" Single	Hour	\$62.37
Tapping Equipment 12" Double	Hour	\$432.12
Tapping Equipment 12" Single	Hour	\$348.12
Tapping Equipment 3" Double	Hour	\$246.50
Tapping Equipment 3" Single	Hour	\$198.50
Tapping Equipment 4" Double	Hour	\$249.72
Tapping Equipment 4" Single	Hour	\$201.12
Tapping Equipment 6" Double	Hour	\$265.87
Tapping Equipment 6" Single	Hour	\$214.37
Tapping Equipment 8" Double	Hour	\$285.85
Tapping Equipment 8" Single	Hour	\$230.25
Truck - Utility Fitter	Hour	\$24.46
Truck - Tapping	Hour	\$44.55
Truck - Highway Tractor c/w 18 Ton Crain	Hour	\$64.62
Truck - Hydro Vac	Hour	\$200.40
Truck - Pickup/Misc Vehicle	Hour	\$18.89
Truck - Single Axle Dump	Hour	\$30.55
Truck - Stake 1 Ton c/w Tools	Hour	\$23.65
Truck - Tandam Axle Dump	Hour	\$39.51
Truck - Tri-Axle Dump	Hour	\$44.93
Truck - Utility c/w Compressor	Hour	\$39.32
Truck - Vacuum Sucker	Hour	\$64.29
Truck - Welding Rig	Hour	\$33.87

SCHEDULE OF PRICES

STOPPLE MATERIAL

PART NUMBER	DESCRIPTION	UNIT PRICE
08-0114-0001-00	1" S/S 60 Sealing Cup	\$ 19.00
08-0114-0125-00	1 1/4" S/S 60 Sealing Cup	\$ 36.00
08-0114-0015-00	1 1/2" S/S 60 Sealing Cup	\$ 41.00
08-0114-0002-00	2" S/S 60 Sealing Cup	\$ 33.00
08-0114-0004-00	4" S/S 60 Sealing Cup	\$ 88.00
08-0114-0006-00	6" S/S 60 Sealing Cup	\$ 160.00
08-0114-0008-00	8" S/S 60 Sealing Cup	\$ 225.00
08-0501-0200-00	2" S/S 60 Sealing Cup Thin Wall	\$ 46.00
08-0947-0002-00	2" S/S 275 Sealing Cup	\$ 204.00
08-0947-0004-00	4" S/S 275 Sealing Cup	\$ 286.00
08-0947-0006-00	6" S/S 275 Sealing Cup	\$ 329.00
08-0947-0008-00	8" S/S 275 Sealing Cup	\$ 431.00
08-0947-0012-00	12" S/S 275 Sealing Cup	\$ 650.00
08-0948-0006-00	6" S/S 275 Sealing Cup ThinWall	\$ 329.00
08-0948-0008-00	8" S/S 275 Sealing Cup Thin Wall	\$ 421.00
08-3425-0002-06	2" S/S 500 Sealing Element(spec I.d.)	\$ 234.00
08-0385-0005-xx	3"sealing element stopple (spec i.d.)	\$ 383.00
08-0036-0005-xx	4"sealing element stopple (spec i.d.)	\$ 485.00
08-0040-0005-xx	6"sealing element stopple (spec i.d.)	\$ 495.00
08-0246-0005-xx	8"sealing element stopple (spec i.d.)	\$ 552.00
08-0247-0005-xx	10"sealing element stopple (spec i.d.)	\$ 618.00
08-0248-0005-xx	12"sealing element stopple (spec i.d.)	\$ 872.00

Exhibit II – EnMar Data Processing

EnMar Process

The following outlines the process within the EnMar application:

- automated meter readings are received from Metretek (hardware installed on large volume customer meters)
- the EnMar application formats the customer information and the meter reading data into a record to be sent to LVB for the creation of a customer invoice

EnMar contains no customer information related to credit ratings, rates, invoice charges or payment history. Inquiries from customers would be for consumption information or meter information only.

EnMar Data

The main information sections within EnMar are:

- Customer Information
- Account Information
- Meter Information
- Meter Readings

The following identifies the data available within the above categories.

Customer Information:

- account number
- name
- street address
- city and province
- area code
- account lock / unlock information
- meter location information

Account Information

- account history (start/stop dates)
- billing cycle
- billing type
- gas analysis data
- rebilling periods
- contract information for billing (ie: plan type)
- account relationship (billing account to meter installed account)
- LVB Parameters
 - customer account information
 - billing group
 - billing status
 - billing periods
 - rate code
 - special handling information
 - Billing Group
 - Rebilling Periods

Meter Information

- control information
 - location
 - status
 - meter number and type
 - meter value
- meter lifecycle information (history)
 - inspection information and status
 - test results
 - size, type, model
 - return information
 - location
- Government Inspections test results

Meter Readings

- meter readings by date
- start / stop dates

Note: EnMar uses tables to create the billing consumption record for LVB. These tables are not available to EnMar users for inquiry.

Tables used include:

- Account History - provides information on the nature of the account for meter management; information includes start/stop dates; type of billing; meter reading dates
- Account Directory - this is a reference table to link the account table to the directory table.
- Account Lock - this table show when the account is locked and unlocked
- Account Note - this table contains special notes about this account.
- Account Relationship - ties together the billing account and the meter account
- Bill Determinate - LodeStar internal table
- Channel History - this table contains channel information where reading intervals are received
- Contract Information - billing info for LVB, including status; date of contract changes; plan type
- Label Information - provides direction information to the meter readers on how to get to the account
- LVB Billing Group - interface information for LVB
- LVB Rebilling Periods - interface information for LVB
- Meter History - status information on the meter
- Meter Reading Information - links to the meter readings
- Override History - table contains dates that readings to be split for an month end accounts
- Override Ready - table contains dates that readings to be split for an account
- Rate Code History - LodeStar internal table
- Rider History - LodeStar internal table
- Service Plan - reference table used in Government Inspection process
- User Account Matrix - table to govern the account number range that a person is responsible to enter reads

Exhibit III – EnVision Data Processing

STORMS interfaces with the following applications:

- CIS (Customer Information System)
- UCIR (Unified Customer Information Repository)
- EFS (Enterprise Financial System)
- ICSS (Integrated Customer Service System)
- PeopleSoft
- Leak Survey

EnVision Data

The information sections within EnVision and the data available is as follows:

Customer Identification

- customer name and number
- address information

Accounting (billing) Information

- labour hours (estimate and actual)
- asset update information
- material used

Work Request Information and approvals

- work details and schedule
- work status
- crew status
- estimated and actual hours
- materials used
- asset information (for billing and PMTS)
- approvals

Meter leak reports

- Leak Survey data

Time sheets (to PeopleSoft)

- work crew hours