uniongas
A Spectra Energy Company

September 26, 2008

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

Attention: Ms. Kirsten Walli, Board Secretary

Re: Application, Evidence and Draft Rate Order Concerning Union's 2009 Rates (EB-2008-0220 – Effective January 1, 2009)

Dear Ms. Walli:

Please find attached an application from Union Gas Limited ("Union") seeking changes to Union's regulated gas distribution, transmission and storage services effective January 1, 2009. The application is supported by written evidence and a draft Rate Order.

Union seeks the Board's issuance of the final Rate Order by December 15, 2008 to ensure the implementation of 2009 rates by January 1, 2009.

Yours truly,

Chris Ripley
Manager, Regulatory Applications

cc: EB-2007-0606 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 January 1, 2009.

APPLICATION

1. Union Gas Limited ("Union") is a business corporation incorporated under the laws of the province of Ontario, with its head office in the Municipality of Chatham-Kent.

2. Union conducts both an integrated natural gas utility business that combines the operations of distributing, transmitting and storing natural gas, and a non-utility storage business.

3. Union was an applicant in a proceeding before the Board for an order of the Board approving or fixing a multi-year incentive rate ("IR") mechanism to determine rates for the regulated distribution, transmission and storage of natural gas. The Board assigned EB-2007-0606 to Union's application.

4. Union filed a Settlement Agreement with the Board on January 3, 2008, and an Addendum to the Settlement Agreement on January 14, 2008 (collectively "Settlement"). The Board accepted the Settlement on January 17, 2008 and issued additional decisions on this application on March 11 and July 31, 2008 dealing with the treatment of customer additions, tax changes and risk management under IR.

5. The approved Settlement set a multi-year incentive ratemaking framework for calendar years 2008 to 2012 inclusive. The framework includes a price cap index (PCI) that is structured as PCI = I – X + Z + Y + AU, where I is the inflation factor, X is the productivity factor, Z represents certain non-routine adjustments, Y represents certain predetermined pass-throughs and AU is an adjustment for changes in average use of gas.

6. The IR mechanism approved for Union contemplates the filing by Union of an application for Z factor adjustments, structural rate design changes or the pricing of new regulated services in a time frame that will enable these issues to be resolved in sufficient time to be reflected prospectively in the next year's rates. This requires the filing of a draft rate order with supporting documentation by October 31 which reflects the impact of the PCI pricing formula (Y factors, Z factors, fixed monthly charge changes, and AU factor) so that a final rate order will be issued by December 15, 2008 for implementation by January 1, 2009.

7. Union hereby applies to the Board, pursuant to section 36 of the Act and pursuant to the annual rate-setting process underlying the IR mechanism in the Settlement, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas effective January 1, 2009. Union's application includes two Z factors: the treatment of tax savings and Union's conversion from Canadian Generally Accepted Accounting Principles to International Financial Reporting Standards.

8. Union further applies to the Board for all necessary orders and directions concerning pre-hearing and hearing procedures for the determination of this application.

9. This application is supported by written evidence that has been pre-filed with the Board and may be amended from time to time as circumstances may require.

10. The persons affected by this application are the customers resident or located in the municipalities, police villages and Indian reserves served by Union, together with those to whom Union sells gas, or on whose behalf Union distributes, transmits or stores gas. It is

impractical to set out in this application the names and addresses of such persons because they are too numerous.

11. 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 September 26, 2008.

UNION GAS LIMITED

By its Solicitors

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

PREFILED EVIDENCE

The purpose of this evidence is to describe proposed changes to Union's regulated transportation, storage and distribution rates effective January 1, 2009 determined in accordance with the approved EB-2007-0606 Settlement Agreement and Addendum (collectively "Settlement").

The approved Settlement sets a multi-year incentive ratemaking ("IR") framework for calendar years 2008 to 2012. The framework defines the price cap formula as PCI = I – X + Z + Y + AU, where PCI is the price cap index, I is the inflation factor, X is the productivity factor, Z represents certain non-routine adjustments, Y represents certain predetermined pass-throughs and AU is a volume adjustment reflecting changes in average gas use in the General Service rate classes. The 2009 rate setting process described below follows the same approach used to set 2008 rates in EB-2007-0606.

This evidence will cover the following topics:

1. 2009 Inflation Factor and Productivity Factor
2. Z factor Adjustments
3. Y Factor Adjustments
4. Average Use Factor
5. Annual Adjustments to General Service Monthly Charges
6. Rate Schedule Changes
7. Customer Bill Impacts
8. Implementation

A description of all supporting schedules referenced below is provided in the Overview of the Working Papers document.

1. 2009 Inflation Factor and Productivity Factor

The 2009 inflation factor is 1.54%. It is calculated as the average of the year over year percentage change in the Gross Domestic Product Implicit Price Index Final Domestic Demand (GDP IPI FDD) for the four quarters ending June 2008. The calculation is provided at Schedule 1, Page 1.

The approved productivity (X) factor for the term of the IR is 1.82%. When the X factor of 1.82% is applied to the inflation factor of 1.54%, the result is a net reduction of 0.28% for 2009. This reduction results in a decrease of $1.923 million to in-franchise rates and a decrease of $0.523 million to regulated ex-franchise rates. The calculation is provided at Schedule 1, Page 2. The allocation to rate classes appears at Schedule 4.

2. Z Factor Adjustments

Treatment of Tax Savings

Consistent with the Settlement, Union's approved 2008 rates included an interim decrease of $8 million to reflect the approximate value of federal and provincial tax changes for 2008, pending the outcome of the Board's decision on the treatment of taxes during the IR term. This $8 million decrease was in addition to the tax savings already reflected in approved 2007 rates. Union also established the 2008 Federal and Provincial Tax Changes Deferral Account (No. 179-119) to capture the variance between the interim adjustment made to 2008 rates and any adjustment resulting from the Board's decision on the treatment of taxes.

On July 31, 2008, the Board issued its EB-2007-0606 Decision on the treatment of tax reductions during the IR term. The Board found that during the IR term (2008 to 2012) 50% of the tax reductions should be treated as a Z factor. The Board also found that 50% of the impact arising from 2007 tax reductions should be subject to Z factor treatment.

On August 28, 2008, Union filed a motion for review and variance of the Board's EB-2007-0606 Decision, dated July 31, 2008. The purpose of the motion was to clarify certain aspects of the Board's decision related to risk management and taxes. The specific clarification sought by Union with respect to taxes was that the Board did not direct Union to share 50% of the tax "savings" associated with new capital additions during the incentive regulation term. Since Union will not be recovering anything in rates related to new capital additions during the IR term it would be unfair and asymmetrical for Union to be required to credit to customers 50% of any tax reductions associated with those new additions. For the purposes of calculating the tax Z factor for 2009, Union has not included tax savings associated with 2008 or 2009 capital additions.

The calculation of the cumulative tax savings to 2009 relative to the tax savings included in 2007 Board approved rates is $7.522 million. The ratepayer portion of the cumulative tax savings is $3.761 million (50% of $7.522 million). As indicated above, approved 2008 rates were reduced by

$8 million to reflect the approximate value of federal and provincial tax changes for 2008 pending the outcome of the Board's decision on the treatment of taxes during the IR term. Accordingly, the net impact on 2009 rates related to taxes is a rate increase of $4.239 million. The calculation of the annual tax rate change impacts and the 2009 rate adjustment can be found at Schedule 15.

Schedule 15 also provides the calculation of the balance in the 2008 Federal and Provincial Tax Changes Deferral Account (No. 179-119). The balance in the deferral account is $4.601 million and will be recovered from ratepayers as part of Union's 2008 deferral account disposition.

International Financial Reporting Standards (Z factor)

Union is proposing a Z factor adjustment effective January 1, 2009 to recover the costs associated with converting from Canadian Generally Accepted Accounting Principles ("Canadian GAAP") to International Financial Reporting Standards ("IFRS").

The conversion to IFRS is the result of the Canadian Accounting Standards Board ("AcSB") requirement that all publicly accountable enterprises adopt IFRS in place of Canadian GAAP for interim and annual reporting purposes for fiscal years beginning on or after January 1, 2011. As an entity that issues debt in the public market, Union is a publicly accountable enterprise and must comply with the accounting changes required by the AcSB. Further, the Board is of the view that utilities must be IFRS compliant. Union is a participant in the Board's "Consultation for the Transition of Regulatory Accounting to International Financial Reporting Standards". This consultation is centered around generic compliance and Board process (OEB reporting requirements). Given that the purpose of the consultation is not to determine specific utility conversion costs, Union has taken the view that the issue of Union specific costs to convert to the new standards is appropriately dealt with in the 2009 rate setting process.

As indicated above, the conversion to IFRS must be completed in time to allow for reporting of financial statements for fiscal years beginning on or after January 1, 2011. Publicly accountable enterprises will also be required to report prior year financial statements (2010) for comparative purposes under IFRS. As a result, Union must complete the required system and reporting changes by early 2010.

Union has completed the diagnostic, planning and design phases for its IFRS conversion project. Union expects that the requirement to implement IFRS will significantly affect accounting policies and internal control processes and will require changes to Union's financial systems. Union estimates the conversion to IFRS will cost $5.177 million pre-tax during the IR term to complete. Table 1 below provides the projected annual pre-tax costs.

Table 1 – IFRS Conversion Costs ($000's)

		IR Period					
		2008	2009	2010	2011	2012	Total
1	Capital Investment	592	1,334	263	0	0	
	Annual carrying cost						
2	Depreciation	74	315	514	547	473	
3	Interest	12	48	66	48	24	
4	Total	86	363	581	595	497	
5	O&M	882	1,148	929	96	0	
6	Annual cost (pre tax) line 4 + line 5	968	1,511	1,510	691	497	5,177

Z Factor

The approved Settlement sets out the criteria for determining whether an event qualifies for Z factor treatment. The criteria are:

1. The event must be causally related to an increase/decrease in cost;
2. The cost must be beyond the control of the utility's management, and not a risk for which a prudent utility would take risk mitigation steps;
3. The cost increase/decrease must not otherwise be reflected in the price cap index;
4. Any cost increase must be prudently incurred; and
5. The cost increase/decrease must meet the materiality threshold of $1.5 million annually per Z factor event (i.e., the sum of all individual items underlying the Z factor event).

The IFRS conversion project meets the criteria established for treatment as a Z factor. The increased costs are a direct result of the requirement to convert to IFRS. Further, the conversion to

IFRS is mandated by the AcSB for all publicly accountable enterprises such as Union. This change in accounting standards is beyond management control and not a risk which a prudent utility could have mitigated.

The costs associated with changes in accounting standards have been cited on numerous occasions as an example of an event that would be considered as a Z factor. In the Board's RP-1999-0017 (Union's Performance Based Regulation proceeding) Decision pg 260, the Board states:

> *"The Board accepted the use of Z-Factors in certain situations, specifically the Board has found Z Factors appropriate in legislative and regulatory requirements,* ***changes in generally accepted accounting principles****, property taxes, capital taxes, income taxes and delivery/redelivery costs."* [Emphasis added]

In EB-2007-0606, Exhibit B, Tab 1 (p.40) Union provided examples Z factor events that would be outside management control. Union stated in the table on page 40 of Exhibit B, Tab 1:

> *"Z Factors should capture the change in costs associated with changes in legislation, regulatory requirements and Generally Accepted Accounting Principles."*

This statement was undisputed during the EB-2007-0606 proceeding.

For a cost to qualify for Z factor treatment it must not otherwise be reflected in the price cap index. For Union the inflation factor is calculated using the GDP IPI FDD. The requirement to convert to IFRS is limited to publicly accountable enterprises and conversion must be complete by early in 2010 to allow for IFRS reporting effective January 1, 2011. Corporations carrying on business internationally likely already comply with the new international standards and will not incur conversion costs. Similarily, new entrants will design policies and internal controls to comply with the new standards from the outset and will also incur no conversion costs. Private enterprises are not currently required to convert. Given the nature of this one time occurrence and its limited applicability, Union has no reason to believe, and is aware of no information to suggest, that the cost of converting to IFRS would be reflected in the Canadian GDP IPI FDD.

As indicated above, Union has completed the diagnostic, planning and design phases of the project and has estimated that the total project costs to be $5.177 million pre-tax during the IR term. Union is taking all reasonable measures to contain the costs of converting to IFRS. Union is working with other groups within Spectra Energy to share resources and information to avoid duplicating effort and costs. Union is also using internal resources as much as possible to limit outside consulting costs. Finally, Union has no incentive under the IR framework to do anything other than make every effort to prudently incur costs since the approval of these costs as a Z factor is not guaranteed in any given year.

The final criteria is the cost increase must meet the materiality threshold of $1.5 million pre-tax annually per Z factor event (EB-2007-0606, Exhibit C3/C16/C33.25). For 2009 the pre-tax cost associated with converting to IFRS is $1.511 million, meeting the criteria for treatment as a Z factor.

Accordingly, the IFRS conversion meets all Z factor criteria and is a Board accepted Z factor.

Proposed Recovery

Table 2 below, provides the annual revenue requirement and proposed Z factor adjustment associated with converting to IFRS from 2008 to 2012. Union is proposing to make the Z factor adjustments provided in Table 2 annually over the IR term, starting in 2009. Union is not seeking recovery of the 2008 revenue requirement ($0.868 million). Union is proposing to recover the annual Z factor adjustments because of the one time nature of the conversion to IFRS.

Table 2 – IFRS Conversion Revenue Requirement ($000's)

		IR Period				
		2008	2009	2010	2011	2012
	Revenue requirement					
1	O&M	882	1,148	929	96	
2	Depreciation	74	315	514	547	473
3	Interest	12	48	66	48	24
4	Return	8	32	43	31	15
5	Taxes (flow through)	(108)	(304)	(113)	196	200
6	Total	868	1,239	1,440	919	712
7	Z factor Adjustment			201	(521)	(207)

The revenue requirement associated with the 2009 pre-tax costs of $1.511 million is $1.239 million. The revenue requirement is less than the pre-tax costs as a result of reflecting the tax benefit related to the software costs in the amount proposed to be recovered from customers in 2009 rates. Union is proposing to allocate the annual Z factor adjustment associated with converting to IFRS to rate classes in proportion to General and Administration Expenses included in 2007 approved rates. The allocation to rate classes is provided at Schedule 13.

3. Y Factor Adjustments

The Settlement also provided for a number of Y factors which are not adjusted as part of the price cap formula and are passed through to customers in rates. The Y factors are:

- Upstream gas costs
- Upstream transportation costs
- Incremental DSM costs (as determined in EB-2006-0021 and in any subsequent DSM proceeding) and volume reductions
- Storage margin sharing changes (as determined in EB-2005-0551)

Upstream Gas Costs

Union's current upstream gas costs are as approved in the Board's decision in EB-2008-0281, dated September 18, 2008. Changes in upstream gas costs will continue to be determined using the Board-approved QRAM methodology.

Upstream Transportation Costs

Union's current upstream transportation costs are as approved in the Board's decision in EB-2008-0281, dated September 18, 2008. Changes in upstream transportation costs will continue to be determined using the Board-approved QRAM methodology. Schedule 12 provides the allocation of upstream transportation costs by rate class.

Incremental DSM Costs and Volume Reductions

Consistent with the Board's August 25, 2006 decision in EB-2006-0021 on DSM program spending and cost recovery in rates, Union has increased 2008 DSM program costs of $18.7 million by 10% ($1.87 million). This increase sets total 2009 DSM program costs at $20.57 million. Union has allocated DSM program costs to rate classes in proportion to how DSM costs were included in Union's 2007 rates. This is the same approach used for allocating DSM costs in 2008 approved rates. The detailed allocation to rate classes can be found at Schedule 4.

In addition, the Board's EB-2006-0021 decision approved rate adjustments for volume changes associated with Union's DSM programs. Schedule 11 provides the LRAM volume adjustments by rate class. Schedule 4 shows the price adjustment to applicable rate classes on a revenue neutral basis.

Storage Margin Sharing Changes

In EB-2005-0551 (the NGEIR Decision), Union was directed to phase out the sharing of margins on Union's long term storage transactions over four years, starting in 2008 as follows: 2008 –

25%, 2009 – 50%, 2010 – 75% and thereafter – 100%. By 2011, 100% of the margin from long term storage transactions will be removed from rates

Accordingly, for 2009 Union has reduced the in-franchise ratepayer share of long term storage margins from 75% to 50%. The resulting increase of $5.351 million to in-franchise rates appears at Schedule 14.

4. Average Use Factor

The average use (AU) factor, for the term of the IR plan, is applicable to General Service rate classes M1, M2, Rate 01 and Rate 10. The AU factor is calculated using the average of the most recent three years' actual weather normalized volume change per General Service rate class.

For Rates M1 and M2 the AU factor is a reduction of 0.3%. For Rate 01 the AU factor is a reduction of 0.7%. For Rate 10, the AU factor is an increase is 1.8%. The derivation of the 2005-2007 AU volume adjustments by General Service rate class appears at Schedule 10. Schedule 4 shows the price adjustment applied to General Service rate classes on a revenue neutral basis.

5. Annual Adjustments to General Service Monthly Charges

Consistent with the Settlement, Union will increase the fixed monthly charge in the M1 and Rate 01 rate classes by $1 per month in each year of the 5 year IR term. In accordance with the

Settlement, the fixed monthly charge in the M1 and Rate 01 rate classes will be $18.00 in 2009. On a revenue neutral basis, the offset to the $1 increase in fixed monthly charges is a decrease in volumetric delivery charges. The calculation of the revenue neutral offset appears at Schedule 4.

6. Rate Schedule Changes

In addition to the rate adjustments noted above, Union is also proposing the following rate schedule changes:

1. The inclusion on in-franchise rate schedules under Delayed Payment of the effective annual interest rate of 19.56% resulting from Union's monthly late payment charge of 1.5%. This change is intended to ensure clarity on in-franchise rate schedules. There is no rate impact as a result of this change.

2. The addition of the Dawn-Tecumseh Sombra Line Extension (Dawn-TSLE) receipt and delivery point to the C1 Rate Schedule to recognize the new interconnect between Union's Dawn Storage facility and Enbridge's Tecumseh Storage operations. There is no impact on any rate class as a result of this change.

7. Customer Bill Impacts

For most residential customers in the Southern Operations area the annual rate increase amounts to $5-6 per year for a customer consuming 2,600 m^3 annually. For most residential customers in the

Northern Operations area the annual rate increase amounts to $8-9 per year for a customer consuming 2,600 m^3 annually. These changes represent an increase of 0.4% to 0.6% of the total annual residential bill. Schedule 8 provides average 2009 unit price changes for all in-franchise rate classes. Schedule 9 provides customer bill impacts for General Service rate classes M1, M2, Rate 01 and Rate 10.

8. Implementation

Union proposes to implement new rates effective January 1, 2009 as described in the Rate Setting Process of the EB-2007-0606 Settlement Agreement at Section 12.1.1. Union therefore requests a final approved rate order by December 15, 2008. This approach allows 2009 rates to be implemented prospectively and aligns with the January 2009 QRAM process.

EB-2008-0220

DRAFT

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

AND IN THE MATTER OF an Application by Union Gas Limited for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission, and storage of gas for the period commencing January 1, 2009;

BEFORE:

XXX
Presiding Member

XXX
Member

XXX
Member

DRAFT 2009 RATE ORDER

Union Gas Limited ("Union") filed an application (the "Application") with the Ontario Energy Board ("the Board") on May 11, 2007 under section 36 of the Ontario Energy Board Act, S.O. 1998 c. 15, Schedule B. The Application was for an order of the Ontario Energy Board approving or fixing a multi-year incentive rate mechanism to determine rates for the regulated distribution, transmission and storage of natural gas. The Board assigned file number EB-2007-0606 to the Application.

Union filed a Settlement Agreement with the Board on January 3, 2008, and an Addendum to the Settlement Agreement on January 14, 2008 (collectively "Settlement"). The Board accepted the Settlement Agreement, including the Settlement/Addendum on January 17, 2008.

The approved Settlement set a multi-year incentive ratemaking ("IR") framework for calendar years 2008 to 2012 inclusive. The framework includes a price cap index (PCI) that is structured as PCI = I – X + Z + Y + AU, where I is the inflation factor, X is the productivity factor, Z represents certain non-routine adjustments, Y represents certain predetermined pass-throughs and AU is an adjustment for changes in average use of gas. The inflation factor shall be calculated annually based on the change in the Gross Domestic Product Implicit Price Index Final Domestic Demand (GDP IPI FDD). For 2009, the inflation factor is 1.54%. The productivity factor is 1.82%. The items that will be treated as Y factors are:

- upstream gas costs
- upstream transportation costs
- incremental DSM costs (as determined in EB-2006-0021 and in any subsequent DSM proceeding) and volume reductions
- storage margin sharing changes (as determined in EB-2005-0551)

The AU volume adjustment applies to only general service rate classes (M1, M2, 01 and 10) and reflects the reduction (or increase) in the volume used to determine rates by the average of the most recent three years' (i.e., 2005 to 2007) actual weather normalized volume loss (using the 55/45 blended weather method, updated annually) per general service customer within each rate class. For 2009, the reduction (increase) in volumes to determine rates are 0.3% for rate classes M1 and M2, 0.7% for Rate 01 and (1.8%) for Rate 10.

In its EB-2007-0606 Decision issued on July 31, 2008, the Board found that Union should pass on to ratepayers through a "Z factor" adjustment 50% of the tax reductions that will be applicable to Union during the IR term.

On September 26, 2008, Union filed a draft Rate Order and supporting documentation with an application to change rates effective January 1, 2009.

Included in Union's evidence was a proposal to recover $1.239 million in 2009 rates related to the conversion from Canadian Generally Accepted Accounting Principles to International Financial Reporting Standards. Union further proposed to change rates for each remaining year of the IR term to recover the costs associated with the IFRS conversion in years 2010, 2011 and 2012.

The Board has directed Union in other proceedings to implement a rate change in 2009 for the following costs which were previously approved by the Board:

Storage premium (net of the sharing of transmission margin)	$5.351 million
Demand Side Management programs	$1.870 million
Total	**$7.221 million**

THE BOARD THEREFORE ORDERS THAT:

1. The rate changes set out in Appendix "A" and the rate schedules set out in Appendix "B" are approved effective January 1, 2009. Union shall implement these rates on the first billing cycle on or after January 1, 2009.

2. The Monthly Charge in Rate M1 and Rate 01 shall increase from $17 to $18 effective January 1, 2009.

3. In accordance with the EB-2007-0606 Decision dated July 31, 2008, Union will pass on to ratepayers through a "Z factor" adjustment 50% of the tax reductions that will be applicable to Union during the IR term.

4. Union will recover $1.239 million in 2009 rates related to the conversion from Canadian Generally Accepted Accounting Principles to International Financial Reporting Standards. In each remaining year during the IR term Union will change rates based on the annual adjustment amounts proposed and approved in this proceeding.

5. The rates pursuant to all contracts for interruptible service under Rates M5A, M7, T1 and R25 shall be adjusted by the amounts set out in Appendix "C". Union shall implement 2009 changes in rates on the first billing cycle after January 1, 2009.

6. The customer notices in Appendix "D" shall be given to all customers with the first bill or invoice reflecting the new rate.

7. Union shall charge the fees as set out in Appendix "E" for non-energy charges.

8. Union shall close the 2008 Federal and Provincial Tax Changes Deferral Account (No. 179-119) following the final disposition of the 2008 deferral balance in 2009.

9. Union shall maintain the following deferral accounts in accordance with Appendix "F":

179-26	Deferred Customer Rebates/Charges
179-70	Short-term Storage and Other Balancing Services
179-72	Long-term Peak Storage Services
179-75	Lost Revenue Adjustment Mechanism
179-100	TCPL Tolls and Fuel – Northern and Eastern Operations Area
179-102	Intra-Period WACOG Changes
179-103	Unbundled Services Unauthorized Storage Overrun
179-105	North Purchase Gas Variance Account
179-106	South Purchase Gas Variance Account
179-107	Spot Gas Variance Account
179-108	Unabsorbed Demand Cost (UDC) Variance Account
179-109	Inventory Revaluation Account
179-111	Demand Side Management Variance Account
179-112	Gas Distribution Access Rule ("GDAR") Costs
179-113	Late Payment Penalty Litigation
179-115	Shared Savings Mechanism
179-117	Carbon Dioxide Offset Credits
179-118	Average Use Per Customer Deferral Account

DATED at Toronto , 2008.

ONTARIO ENERGY BOARD

Kirsten Walli
Board Secretary

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Rate Order for 2009 Rates
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APPENDIX A

APPENDIX "A" TO

BOARD FILE NO. EB-2008-0220
Rate Order for 2009

Summary of Changes to Sales Rates

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

Line No.	Particulars (cents/m^3)	EB-2008-0281 Approved October 1, 2008 Rate (a)	Rate Change (b)	EB-2008-0220 Approved January 1, 2009 Rate (c)
1	Monthly Charge - All Zones	$17.00	$1.00	$18.00
	Monthly Delivery Charge - All Zones			
2	First 100 m^3	8.9020	(0.1507)	8.7513
3	Next 200 m^3	8.3228	(0.1409)	8.1819
4	Next 200 m^3	7.9114	(0.1339)	7.7775
5	Next 500 m^3	7.5337	(0.1275)	7.4062
6	Over 1,000 m^3	7.2218	(0.1222)	7.0996
7	Delivery - Price Adjustment (All Volumes)	(0.4072) (1)	0.4072	
	Gas Transportation Service			
8	Fort Frances	3.8289	0.0018	3.8307
9	Western Zone	4.0506	0.0019	4.0525
10	Northern Zone	4.8757	0.0020	4.8776
11	Eastern Zone	5.5570	0.0020	5.5590
12	Transportation - Price Adjustment (All Zones)	0.2544 (2)	0.5252	0.7796 (3)
	Storage Service			
13	Fort Frances	1.8909	0.0105	1.9014
14	Western Zone	1.8885	0.0105	1.8990
15	Northern Zone	2.2761	0.0091	2.2851
16	Eastern Zone	2.5889	0.0080	2.5969
17	Storage - Price Adjustment (All Zones)	(0.0170) (4)	0.0170	
	Commodity Cost of Gas and Fuel			
18	Fort Frances	32.6004		32.6004
19	Western Zone	32.8652		32.8652
20	Northern Zone	33.2064		33.2064
21	Eastern Zone	33.5079		33.5079
22	Commodity and Fuel - Price Adjustment (All Zones)	3.1554 (5)	0.6303	3.7857 (6)

Notes:
(1) Includes a temporary credit of (0.2079) for Apr 1-Dec 31, 2008 and a temporary credit of (0.1993) cents/m^3 for Jul 1-Dec 31, 2008.
(2) Includes Prosp Rec of 0.0633, 0.0854, 0.4688, 0.1621, a temp credit of (0.0025) for Apr 1-Dec 31, 2008, a temp credit of (0.5227) for Jul 1-Dec 31, 2008.
(3) Includes Prospective Recovery of 0.0633, 0.0854, 0.4688, and 0.1621 cents/m^3.
(4) Includes a temporary credit of (0.0170) cents/m^3 for the period April 1 - December 31, 2008.
(5) Includes Prospective Recovery of 0.3901, 0.3166, 1.8620, 1.2170, and a temporary credit of (0.6303) cents/m^3 for the period Jul 1-Dec 31, 2008.
(6) Includes Prospective Recovery of 0.3901, 0.3166, 1.8620, and 1.2170 cents/m^3.

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

Line No.	Particulars (cents/m^3)	EB-2008-0281 Approved October 1, 2008 Rate	Rate Change	EB-2008-0220 Approved January 1, 2009 Rate
		(a)	(b)	(c)
1	Monthly Charge - All Zones	$70.00		$70.00
	Monthly Delivery Charge - All Zones			
2	First 1,000 m^3	7.4145	0.1002	7.5147
3	Next 9,000 m^3	5.9007	0.0797	5.9804
4	Next 20,000 m^3	5.0375	0.0681	5.1056
5	Next 70,000 m^3	4.4848	0.0606	4.5454
6	Over 100,000 m^3	2.3913	0.0323	2.4236
7	Delivery - Price Adjustment (All Volumes)	(0.1629) (1)	0.1629	
	Gas Transportation Service			
8	Fort Frances	3.5301		3.5301
9	Western Zone	3.7518	0.0003	3.7522
10	Northern Zone	4.5769	0.0003	4.5772
11	Eastern Zone	5.2582	0.0003	5.2585
12	Transportation - Price Adjustment (All Zones)	0.4022 (2)	0.3774	0.7796 (3)
	Storage Service			
13	Fort Frances	1.2108	0.0069	1.2177
14	Western Zone	1.2084	0.0069	1.2153
15	Northern Zone	1.5960	0.0065	1.6025
16	Eastern Zone	1.9088	0.0058	1.9146
17	Storage - Price Adjustment (All Zones)	(0.0108) (4)	0.0108	
	Commodity Cost of Gas and Fuel			
18	Fort Frances	32.6004		32.6004
19	Western Zone	32.8652		32.8652
20	Northern Zone	33.2064		33.2064
21	Eastern Zone	33.5079		33.5079
22	Commodity and Fuel - Price Adjustment (All Zones)	3.1554 (5)	0.6303	3.7857 (6)

Notes:
(1) Includes a temporary credit of (0.0220) for Apr 1-Dec 31, 2008 and a temporary credit of (0.1409) cents/m^3 for Jul 1-Dec 31, 2008.
(2) Includes Prosp Rec of 0.0633, 0.0854, 0.4688, 0.1621, a temp credit of (0.0005) for Apr 1-Dec 31, 2008, a temp credit of (0.3769) for Jul 1-Dec 31, 2008.
(3) Includes Prospective Recovery of 0.0633, 0.0854, 0.4688, and 0.1621 cents/m^3.
(4) Includes a temporary credit of (0.0108) cents/m^3 for the period April 1 - December 31, 2008.
(5) Includes Prospective Recovery of 0.3901, 0.3166, 1.8620, 1.2170 and a temporary credit of (0.6303) cents/m^3 for the period Jul 1-Dec 31, 2008.
(6) Includes Prospective Recovery of 0.3901, 0.3166, 1.8620, and 1.2170 cents/m^3.

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

Line No.	Particulars (cents/m^3)	EB-2008-0281 Approved October 1, 2008 Rate (a)	Rate Change (b)	EB-2008-0220 Approved January 1, 2009 Rate (c)
1	Monthly Charge	$781.72	($2.19)	$779.53
	Delivery Demand Charge			
2	First 70,000 m^3	19.8503	0.4472	20.2975
3	All over 70,000 m^3	11.6730	0.2630	11.9360
	Delivery Commodity Charge			
4	First 852,000 m^3	0.3068	0.0212	0.3280
5	All over 852,000 m^3	0.2272	0.0157	0.2429
	Monthly Gas Supply Demand Charge			
6	Fort Frances	32.8903		32.8903
7	Western Zone	36.4326	0.0347	36.4673
8	Northern Zone	56.7740	0.0385	56.8125
9	Eastern Zone	73.3920	0.0361	73.4281
10	Gas Supply Demand - Price Adjustment (All Zones)	-		-
	Commodity Transportation 1			
11	Fort Frances	2.7417		2.7417
12	Western Zone	2.8294		2.8294
13	Northern Zone	3.3145		3.3145
14	Eastern Zone	3.7121		3.7121
15	Transportation 1 - Price Adjustment (All Zones)	0.7796 (1)		0.7796 (1)
	Commodity Transportation 2			
16	Fort Frances	0.1933		0.1933
17	Western Zone	0.2396		0.2396
18	Northern Zone	0.3594		0.3594
19	Eastern Zone	0.4605		0.4605
	Commodity Cost of Gas and Fuel			
20	Fort Frances	32.8321		32.8321
21	Western Zone	33.0988		33.0988
22	Northern Zone	33.4425		33.4425
23	Eastern Zone	33.7462		33.7462
24	Commodity and Fuel - Price Adjustment (All Zones)	3.1554 (2)	0.6303	3.7857 (3)
	Bundled Storage Service ($/GJ)			
25	Monthly Demand Charge	11.217		11.217
26	Commodity Charge	0.240		0.240
27	Storage Demand - Price Adjustment	-		-

Notes:
(1) Includes Prospective Recovery of 0.0633, 0.0854, 0.4688 and 0.1621 cents/m^3.
(2) Includes Prospective Recovery of 0.3901, 0.3166, 1.8620, 1.2170 and a temporary credit of (0.6303) cents/m^3 for the period Jul 1-Dec 31, 2008.
(3) Includes Prospective Recovery of 0.3901, 0.3166, 1.8620, and 1.2170 cents/m^3.

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

Line No.	Particulars (cents/m^3)	EB-2008-0281 Approved October 1, 2008 Rate (a)	Rate Change (b)	EB-2008-0220 Approved January 1, 2009 Rate (c)
1	Monthly Charge	$781.72	($2.18)	$779.53
	Delivery Demand Charge			
2	All Zones	11.7547	0.1876	11.9423
	Delivery Commodity Charge			
3	All Zones	0.2170	0.0085	0.2255
	Monthly Gas Supply Demand Charge			
4	Fort Frances	53.8074		53.8074
5	Western Zone	57.9404		57.9404
6	Northern Zone	81.6719		81.6719
7	Eastern Zone	101.0594		101.0594
	Commodity Transportation 1			
8	Fort Frances	5.1132		5.1132
9	Western Zone	5.1790		5.1790
10	Northern Zone	5.5428		5.5428
11	Eastern Zone	5.8410		5.8410
	Commodity Transportation 2			
12	Fort Frances	0.1933		0.1933
13	Western Zone	0.2396		0.2396
14	Northern Zone	0.3594		0.3594
15	Eastern Zone	0.4605		0.4605
	Commodity Cost of Gas and Fuel			
16	Fort Frances	32.8321		32.8321
17	Western Zone	33.0988		33.0988
18	Northern Zone	33.4425		33.4425
19	Eastern Zone	33.7462		33.7462
20	Commodity and Fuel - Price Adjustment (All Zones)	3.1554 (1)	0.6303	3.7857 (2)
	Bundled Storage Service ($/GJ)			
21	Monthly Demand Charge	11.217		11.217
22	Commodity Charge	0.240		0.240
23	Storage Demand - Price Adjustment	-		-

Notes:
(1) Includes Prospective Recovery of 0.3901, 0.3166, 1.8620, 1.2170 and a temporary credit of (0.6303) cents/m^3 for the period Jul 1-Dec 31, 2008.
(2) Includes Prospective Recovery of 0.3901, 0.3166, 1.8620, and 1.2170 cents/m^3.

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

Line No.	Particulars (cents/m^3)	EB-2008-0281 Approved October 1, 2008 Rate	Rate Change	EB-2008-0220 Approved January 1, 2009 Rate
		(a)	(b)	(c)
	Rate 25 - Large Volume Interruptible Service			
1	Monthly Charge	$190.42	($0.53)	$189.88
	Delivery Charge - All Zones *			
2	Maximum	4.6131	0.0623	4.6754
	Gas Supply Charges - All Zones			
3	Minimum	14.3135		14.3135
4	Maximum	140.5622		140.5622
	Rate 77 - Wholesale Transportation Service			
5	Monthly Charge	$145.32	($0.41)	$144.91
6	Delivery Demand Charge - All Zones	28.0628	0.3453	28.4081

* see Appendix C

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

Line No.	Particulars (cents/m^3)	EB-2008-0281 Approved October 1, 2008 Rate	Rate Change	EB-2008-0220 Approved January 1, 2009 Rate
		(a)	(b)	(c)
	Utility Sales			
1	Commodity and Fuel	33.5079		33.5079
2	Commodity and Fuel - Price Adjustment	1.6012 (1)	(0.0436)	1.5576 (2)
3	Transportation	4.1984		4.1984
4	Total Gas Supply Commodity Charge	39.3075	(0.0436)	39.2639
	M4 Firm Commercial/Industrial			
5	Minimum annual gas supply commodity charge	5.7707		5.7707
	M5A Interruptible Commercial/Industrial			
6	Minimum annual gas supply commodity charge	5.7707		5.7707
	Storage and Transportation Supplemental Services - Rate T1 & T3	$/GJ		$/GJ
	Monthly demand charges: ($/GJ)			
7	Firm gas supply service	38.750		38.750
8	Firm backstop gas	3.726		3.726
	Commodity charges:			
9	Gas supply	8.946		8.946
10	Backstop gas	10.451	0.004	10.455
11	Reasonable Efforts Backstop Gas	11.603	(0.067)	11.536
12	Supplemental Inventory	Note (3)		Note (3)
13	Supplemental Gas Sales Service (cents/m^3)	41.8939	0.0117	41.9056
14	Failure to Deliver	2.955	(0.0670)	2.888
15	Discretionary Gas Supply Service (DGSS)	Note (4)		Note (4)

Notes:

(1) Includes Prospective Recovery of (1.1239), 0.1510, 1.2166 and 1.3139 and a temporary charge of 0.0436 cents/m^3 for the period Jul 1-Dec 31, 2008.

(2) Includes Prospective Recovery of (1.1239), 0.1510, 1.2166 and 1.3139 cents/m^3.

(3) The charge for banked gas purchases shall be the higher of the daily spot gas cost at Dawn in the month of or the month following the month in which gas is sold under this rate and shall not be less than Union's approved weighted avg. cost of gas.

(4) Reflects the "back to back" price plus gas supply administration charge.

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

Line No.	Particulars (cents/m^3)	EB-2008-0281 Approved October 1, 2008 Rate (a)	Rate Change (b)	EB-2008-0220 Approved January 1, 2009 Rate (c)
	M1 Small Volume General Service Rate			
1	Monthly Charge	$17.00	$1.00	$18.00
2	First 100 m^3	4.9580	(0.2600)	4.6980
3	Next 150 m^3	4.7030	(0.2466)	4.4564
4	All over 250 m^3	4.0994	(0.2149)	3.8845
5	Delivery - Price Adjustment (All Volumes)	(0.2940) (1)	0.2969	0.0029 (2)
6	Storage Service	0.9876	0.0073	0.9949
7	Storage - Price Adjustment	(0.0149) (3)	0.0149	
	M2 Large Volume General Service Rate			
8	Monthly Charge	$70.00		$70.00
9	First 1 000 m^3	3.6769	0.0826	3.7595
10	Next 6 000 m^3	3.6064	0.0810	3.6874
11	Next 13 000 m^3	3.3964	0.0763	3.4727
12	All over 20 000 m^3	3.1445	0.0706	3.2151
13	Delivery - Price Adjustment (All Volumes)	(0.0403) (4)	0.0432	0.0029 (5)
14	Storage Service	0.7273	0.0044	0.7317
15	Storage - Price Adjustment	(0.0098) (6)	0.0098	
	M4 Firm comm/ind contract rate			
	Monthly demand charge:			
16	First 8 450 m^3	44.8685	0.6596	45.5281
17	Next 19 700 m^3	19.4669	0.2862	19.7531
18	All over 28 150 m^3	16.1662	0.2377	16.4039
	Monthly delivery commodity charge:			
19	First block	0.9277	0.0325	0.9602
20	All remaining use	0.5081	0.0178	0.5259
21	Delivery - Price Adjustment (All Volumes)	0.0029 (7)		0.0029 (7)
22	Minimum annual delivery commodity charge	1.2415	0.0325	1.2740

Notes:
(1) Includes Prosp Rec of (0.0014), (0.0002), 0.0019, 0.0026, a temp credit (0.2758) for Apr 1-Dec 31, 2008, a temp credit of (0.0211) for Jul 1-Dec 31, 2008.
(2) Includes Prospective Recovery of (0.0014), (0.0002), 0.0019, and 0.0026 cents/m^3.
(3) Includes a temporary credit of (0.0149) cents/m^3 for the period April 1 to December 31, 2008.
(4) Includes Prosp Rec of (0.0014), (0.0002), 0.0019, 0.0026, a temp credit (0.0221) for Apr 1-Dec 31, 2008, a temp credit of (0.0211) for Jul 1-Dec 31, 2008.
(5) Includes Prospective Recovery of (0.0014), (0.0002), 0.0019, and 0.0026 cents/m^3.
(6) Includes a temporary credit of (0.0098) cents/m^3 for the period April 1 to December 31, 2008.
(7) Includes Prospective Recovery of (0.0014), (0.0002), 0.0019 and 0.0026 cents/m^3.

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

Line No.	Particulars (cents/m^3)	EB-2008-0281 Approved October 1, 2008 Rate (a)	Rate Change (b)	EB-2008-0220 Approved January 1, 2009 Rate (c)
	M5A interruptible comm/ind contract			
	Firm contracts *			
1	Monthly demand charge	27.1498	0.4184	27.5682
2	Monthly delivery commodity charge	1.8709	0.0119	1.8828
3	Delivery - Price Adjustment (All Volumes)	0.0029 (1)		0.0029 (1)
	Interruptible contracts *			
4	Monthly Charge	$501.10	($1.40)	$499.70
	Daily delivery commodity charge:			
5	4 800 m^3 to 17 000 m^3	1.9398	0.0239	1.9637
6	17 000 m^3 to 30 000 m^3	1.8099	0.0239	1.8338
7	30 000 m^3 to 50 000 m^3	1.7416	0.0239	1.7655
8	50 000 m^3 to 70 000 m^3	1.6937	0.0239	1.7176
9	70 000 m^3 to 100 000 m^3	1.6594	0.0239	1.6833
10	100 000 m^3 to 140 870 m^3	1.6257	0.0239	1.6496
11	Delivery - Price Adjustment (All Volumes)	0.0029 (1)		0.0029 (1)
12	Annual minimum delivery commodity charge	2.2536	0.0239	2.2775
	M7 Special large volume contract			
	Firm			
13	Monthly demand charge	25.0976	0.3121	25.4097
14	Monthly delivery commodity charge	0.3531	0.0281	0.3812
15	Delivery - Price Adjustment	0.0029 (1)		0.0029 (1)
	Interruptible *			
	Monthly delivery commodity charge:			
16	Maximum	2.7106	0.0574	2.7680
17	Delivery - Price Adjustment	0.0029 (1)		0.0029 (1)
	Seasonal *			
	Monthly delivery commodity charge:			
18	Maximum	2.4665	0.0574	2.5239
19	Delivery - Price Adjustment	0.0029 (1)		0.0029 (1)
	M9 Large wholesale service			
20	Monthly demand charge	16.7920	0.1919	16.9839
21	Monthly delivery commodity charge	0.5378	(0.0001)	0.5377
22	Delivery - Price Adjustment	0.0029 (1)		0.0029 (1)
	M10 Small wholesale service			
23	Monthly delivery commodity charge	2.6583	0.0567	2.7150

Notes:
(1) Includes Prospective Recovery of (0.0014), (0.0002), 0.0019 and 0.0026 cents/m^3.

* 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-2008-0281 Approved October 1, 2008 Rate (a)	Rate Change (b)	EB-2008-0220 Approved January 1, 2009 Rate (c)
	Contract Carriage Service			
	T1 Storage and Transportation			
	Storage ($ / GJ)			
	Monthly demand charges:			
1	Firm space	0.010		0.010
	Firm Injection/Withdrawal Right			
2	Union provides deliverability inventory	1.941	0.015	1.956
3	Customer provides deliverability inventory	1.033	0.005	1.038
4	Firm incremental injection	1.033	0.005	1.038
5	Interruptible withdrawal	1.033	0.005	1.038
	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	0.601%	(0.002)%	0.599%
	Transportation (cents / m^3)			
11	Monthly demand charge first 140,870 m^3	18.6990	0.2598	18.9588
12	Monthly demand charge all over 140,870 m^3	12.7775	0.1775	12.9550
	Commodity charges:			
13	Firm- Union provides compressor fuel first 2,360,653 m^3	0.3619	0.0050	0.3669
14	Union provides compressor fuel all over 2,360,653 m^3	0.2792	0.0023	0.2815
15	Customer provides compressor fuel first 2,360,653 m^3	0.1646	0.0054	0.1700
16	Customer provides compressor fuel all over 2,360,653 m^3	0.0819	0.0027	0.0846
	Interruptible: *			
17	Maximum - Union provides compressor fuel	2.7106	0.0574	2.7680
18	Maximum - customer provides compressor fuel	2.5133	0.0578	2.5711
19	Transportation fuel ratio - customer provides fuel	0.555%	(0.001)%	0.554%
	Authorized overrun services			
	Storage ($ / GJ)			
	Commodity charges			
20	Injection May 1 to Oct 31	0.168		0.168
21	Customer provides compressor fuel	0.071		0.071
22	Withdrawals Nov 1 to Apr 30	0.168		0.168
23	Customer provides compressor fuel	0.071		0.071
24	Transportation commodity charge (cents/m^3)	0.9766	0.0136	0.9902
25	Customer provides compressor fuel	0.7794	0.0139	0.7933
26	Monthly Charge	$1,803.96	($5.05)	$1,798.91

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

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

Line No.	Particulars	EB-2008-0281 Approved October 1, 2008 Rate	Rate Change	EB-2008-0220 Approved January 1, 2009 Rate
		(a)	(b)	(c)
	T3 Storage and Transportation			
	Storage ($ / GJ)			
	Monthly demand charges:			
1	Firm space	0.010		0.010
	Firm Injection/Withdrawal Right			
2	Union provides deliverability inventory	1.941	0.015	1.956
3	Customer provides deliverability inventory	1.033	0.005	1.038
4	Firm incremental injection	1.033	0.005	1.038
5	Interruptible withdrawal	1.033	0.005	1.038
	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	0.601%	(0.002)%	0.599%
	Transportation (cents / m^3)			
11	Monthly demand charge	8.8608	0.1260	8.9868
	Commodity charges			
12	Firm- Union supplies compressor fuel	0.3248	(0.0003)	0.3245
13	Customer provides compressor fuel	0.0667	0.0004	0.0671
14	Transportation fuel ratio- Cust. provides fuel	0.726%	(0.002)%	0.724%
	Authorized overrun services			
	Storage ($ / GJ)			
	Commodity charges:			
15	Injection	0.168		0.168
16	Customer provides compressor fuel	0.071		0.071
17	Withdrawals	0.168		0.168
18	Customer provides compressor fuel	0.071		0.071
19	Transportation commodity charge (cents/m^3)	0.6161	0.0039	0.6200
20	Customer provides compressor fuel (cents/m^3)	0.3580	0.0046	0.3626
	Monthly Charge			
21	City of Kitchener	$17,176.63	$108.67	$17,285.30
22	Natural Resource Gas	$2,636.79	$16.68	$2,653.47
23	Six Nations	$878.93	$5.56	$884.49

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

Line No.	Particulars	EB-2008-0281 Approved October 1, 2008 Rate (a)	Rate Change (b)	EB-2008-0220 Approved January 1, 2009 Rate (c)
	U2 Unbundled Service			
	Storage ($ / GJ)			
	Monthly demand charges:			
	Standard Storage Service (SSS)			
1	Combined Firm Space & Deliverability	0.021	0.001	0.022
	Standard Peaking Service (SPS)			
2	Combined Firm Space & Deliverability	0.104	0.001	0.105
3	Incremental firm injection right	0.938	0.005	0.943
4	Incremental firm withdrawal right	0.938	0.005	0.943
	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	0.601%	(0.002)%	0.599%
	Authorized overrun services			
	Storage ($ / GJ)			
	Commodity charges:			
8	Injection customer provides compressor fuel	0.046		0.046
9	Withdrawal customer provides compressor fuel	0.046		0.046
	U5 Unbundled Service			
	Storage ($ / GJ)			
	Monthly demand charges:			
10	Combined Firm Space & Deliverability	0.021	0.001	0.022
11	Incremental firm injection right	0.938	0.005	0.943
12	Incremental firm withdrawal right	0.938	0.005	0.943
	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	0.601%	(0.002)%	0.599%
	Delivery (cents / m^3)			
	Firm contracts			
16	Monthly demand charge	21.4233	0.4026	21.8259
17	Monthly delivery commodity charge	1.7982	0.0085	1.8067
18	Transportation fuel ratio - Customer provides fuel	0.555%	(0.001)%	0.554%
	Interruptible contracts			
19	Monthly Charge	$501.10	($1.40)	$499.70
	Monthly delivery commodity charge:			
20	4 800 m^3 to 17 000 m^3	1.5266	0.0189	1.5455
21	17 000 m^3 to 30 000 m^3	1.3967	0.0189	1.4156
22	30 000 m^3 to 50 000 m^3	1.3284	0.0189	1.3473
23	50 000 m^3 to 70 000 m^3	1.2805	0.0189	1.2994
24	70 000 m^3 to 100 000 m^3	1.2462	0.0189	1.2651
25	100 000 m^3 to 140 870 m^3	1.2125	0.0189	1.2314
	Authorized overrun services			
	Storage ($ / GJ)			
	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 No.	Particulars	EB-2008-0281 Approved October 1, 2008 Rate (a)	Rate Change (b)	EB-2008-0220 Approved January 1, 2009 Rate (c)
	U7 Unbundled Service			
	Storage ($ / GJ)			
	Monthly demand charges:			
1	Combined Firm Space & Deliverability	0.021	0.001	0.022
2	Incremental firm injection right	0.938	0.005	0.943
3	Incremental firm withdrawal right	0.938	0.005	0.943
	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	0.601%	(0.002)%	0.599%
	Delivery (cents / m^3)			
7	Monthly demand charge first 140,870 m^3	18.6990	0.2598	18.9588
8	Monthly demand charge all over 140,870 m^3	12.7775	0.1775	12.9550
	Commodity charges			
9	Firm Customer provides compressor fuel first 2,360,653 m^3	0.1646	0.0054	0.1700
10	Firm Customer provides compressor fuel all over 2,360,653 m^3	0.0819	0.0027	0.0846
	Interruptible:			
11	Maximum customer provides compressor fuel	2.5133	0.0578	2.5711
12	Transportation fuel ratio - Customer provides fuel	0.555%	(0.001)%	0.554%
	Authorized overrun services			
	Storage ($ / GJ)			
	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^3)	0.7794	0.0139	0.7933
	Other Services & Charges			
16	Monthly Charge	$1,803.96	($5.05)	$1,798.91
	U9 Unbundled Service			
	Storage ($ / GJ)			
	Monthly demand charges:			
17	Firm space	0.021	0.001	0.022
18	Incremental firm injection right	0.938	0.005	0.943
19	Incremental firm withdrawal right	0.938	0.005	0.943
	Commodity charges:			
20	Injection customer provides compressor fuel	0.015		0.015
21	Withdrawal customer provides compressor fuel	0.015		0.015
22	Storage fuel ratio - Customer provides fuel	0.601%	(0.002)%	0.599%
	Delivery (cents / m^3)			
23	Monthly demand charge	8.8608	0.1260	8.9868
	Commodity charges			
24	Firm customer provides compressor fuel	0.0667	0.0004	0.0671
25	Transportation fuel ratio - Customer provides fuel	0.726%	(0.002)%	0.724%
	Authorized overrun services			
	Storage ($ / GJ)			
	Commodity charges:			
26	Injection customer provides compressor fuel	0.046		0.046
27	Withdrawal customer provides compressor fuel	0.046		0.046
28	Transportation commodity charge (cents/m^3)	0.3580	0.0046	0.3626
	Other Services & Charges			
	Monthly Charge			
29	City of Kitchener	$17,176.63	$108.67	$17,285.30
30	NRG	$2,636.79	$16.68	$2,653.47
31	Six Nations	$878.93	$5.56	$884.49

UNION GAS LIMITED
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars ($/GJ)	EB-2007-0606 Approved January 1, 2008 Rate (a)	Rate Change (b)	EB-2008-0220 Approved January 1, 2009 Rate (c)
	M12 Storage & Transportation Service			
	Storage service			
	Monthly demand charges:			
1	Space- Shipper providing deliverability inventory	0.010		0.010
2	Firm deliverability	1.033	0.005	1.038
	Commodity charges:			
3	Injection / Withdrawal - Shipper supplied fuel (includes UFG)	0.007 (2)		0.007 (2)
	Firm transportation			
	Monthly demand charges:			
4	Dawn to Kirkwall	2.004	0.009	2.013
5	Dawn to Oakville/Parkway	2.354	0.010	2.364
	Commodity charges:			
6	Easterly	Note (1)		Note (1)
7	Westerly	Note (1)		Note (1)
	Limited Firm/Interruptible			
	Monthly demand charges:			
8	Maximum	5.649	0.026	5.675
	Commodity charges :			
9	Others	Note (1)		Note (1)
	Authorized Overrun			
	Storage commodity charges:			
10	Injection / Withdrawal - Shipper supplied fuel (includes UFG)	0.040 (2)	0.001	0.041 (2)
	Transportation commodity charges:			
	Easterly:			
11	Dawn to Kirkwall - Union supplied fuel	Note (1)		Note (1)
12	Dawn to Oakville/Parkway - Union supplied fuel	Note (1)		Note (1)
13	Dawn to Kirkwall - Shipper supplied fuel	0.066 (1)		0.066 (1)
14	Dawn to Oakville/Parkway - Shipper supplied fuel	0.077 (1)	0.001	0.078 (1)
15	Westerly - Union supplied fuel	Note (1)		Note (1)
16	Westerly - Shipper supplied fuel	0.077 (1)	0.001	0.078 (1)
	Unauthorized Overrun			
	Overrun of Maximum Storage Balance			
17	August 1 to December 15	60.000		60.000
18	December 16 to July 31	6.000		6.000
	Drafted Storage Balance			
19	February 1 to April 30	60.000		60.000
20	May 1 to January 31	6.000		6.000
	M13 Transportation of Locally Produced Gas			
21	Monthly fixed charge per customer station	$661.13	($0.19)	$660.94
22	Transmission commodity charge to Dawn	0.025		0.025
23	Commodity charge - Union supplies fuel	0.031		0.031
24	Commodity charge - Shipper supplies fuel	Note (2)		Note (2)
25	Authorized Overrun - Union supplies fuel	0.089		0.089
26	Authorized Overrun - Shipper supplies fuel	0.058 (2)		0.058 (2)

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

UNION GAS LIMITED
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars ($/GJ)	EB-2007-0606 Approved January 1, 2008 Rate		Rate Change	EB-2008-0220 Approved January 1, 2009 Rate	
		(a)		(b)	(c)	
	M16 Storage Transportation Service					
1	Monthly fixed charge per customer station	$668.13		$20.89	$689.02	
	Monthly demand charges:					
2	East of Dawn	0.732		0.003	0.735	
3	West of Dawn	0.991		(0.003)	0.988	
4	Transmission commodity charge to Dawn	0.025			0.025	
	Transportation Fuel Charges to Dawn:					
5	East of Dawn - Union supplied fuel	0.031			0.031	
6	West of Dawn - Union supplied fuel	0.031			0.031	
7	East of Dawn - Shipper supplied fuel	Note (2)			Note (2)	
8	West of Dawn - Shipper supplied fuel	Note (2)			Note (2)	
	Transportation Fuel Charges to Pools:					
9	East of Dawn - Union supplied fuel	0.040			0.040	
10	West of Dawn - Union supplied fuel	0.047			0.047	
11	East of Dawn - Shipper supplied fuel	Note (2)			Note (2)	
12	West of Dawn - Shipper supplied fuel	Note (2)			Note (2)	
	Authorized Overrun					
	Transportation Fuel Charges to Dawn:					
13	East of Dawn - Union supplied fuel	0.080			0.080	
14	West of Dawn - Union supplied fuel	0.089			0.089	
15	East of Dawn - Shipper supplied fuel	0.049	(2)		0.049	(2)
16	West of Dawn - Shipper supplied fuel	0.058	(2)		0.058	(2)
	Transportation Fuel Charges to Pools:					
17	East of Dawn - Union supplied fuel	0.064			0.064	
18	West of Dawn - Union supplied fuel	0.080		(0.001)	0.079	
19	East of Dawn - Shipper supplied fuel	0.024	(2)		0.024	(2)
20	West of Dawn - Shipper supplied fuel	0.033	(2)	(0.001)	0.032	(2)
	C1 Storage & Cross Franchise Transportation Service					
	Transportation service					
	Monthly demand charges:					
21	St. Clair / Bluewater & Dawn	0.991		(0.003)	0.988	
22	Ojibway & Dawn	0.991		(0.003)	0.988	
23	Parkway to Dawn	0.545		0.003	0.548	
24	Parkway to Kirkwall	0.545		0.003	0.548	
25	Dawn to Kirkwall	2.004		0.009	2.013	
26	Dawn to Parkway	2.354		0.010	2.364	
27	Dawn to Dawn-Vector	0.042			0.042	
	Short-term:					
28	Maximum	75.000			75.000	
	Commodity charges:					
29	St. Clair / Bluewater & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.041			0.041	
30	St. Clair / Bluewater & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.033			0.033	
31	Ojibway & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.054		(0.001)	0.053	
32	Ojibway & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.047			0.047	
33	Parkway to Kirkwall / Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.031			0.031	
34	Parkway to Kirkwall / Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.034		(0.001)	0.033	
35	Dawn to Kirkwall - Union supplied fuel (Nov. 1 - Mar. 31)	0.108		(0.001)	0.107	
36	Dawn to Kirkwall - Union supplied fuel (Apr. 1 - Oct. 31)	0.049			0.049	
37	Dawn to Parkway - Union supplied fuel (Nov. 1 - Mar. 31)	0.108		(0.001)	0.107	
38	Dawn to Parkway - Union supplied fuel (Apr. 1 - Oct.31)	0.049			0.049	
39	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (2)			Note (2)	
40	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (2)			Note (2)	
41	Ojibway & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (2)			Note (2)	
42	Ojibway & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (2)			Note (2)	
43	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (2)			Note (2)	
44	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (2)			Note (2)	
45	Dawn to Kirkwall - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (2)			Note (2)	
46	Dawn to Kirkwall - Shipper supplied fuel (Apr. 1 - Oct. 31)	Note (2)			Note (2)	
47	Dawn to Parkway - Shipper supplied fuel (Nov. 1 - Mar. 31)	Note (2)			Note (2)	
48	Dawn to Parkway - Shipper supplied fuel (Apr. 1 - Oct.31)	Note (2)			Note (2)	
49	Dawn to Dawn-Vector - Shipper supplied fuel (Nov. 1 - Mar. 31)	n/a			n/a	
50	Dawn to Dawn-Vector - Shipper supplied fuel (Apr. 1 - Oct . 31)	Note (2)			Note (2)	

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

UNION GAS LIMITED
Summary of Changes to Storage and Transportation Rates

Line No.	Particulars ($/GJ)	EB-2007-0606 Approved January 1, 2008 Rate (a)		Rate Change (b)	EB-2002-0363 Approved January 1, 2009 Rate (c)	
	C1 Storage & Cross Franchise Transportation Service					
	Transportation service cont'd					
	Interruptible commodity charges:					
1	Maximum	75.000			75.000	
2	Dawn(Tecumseh), Dawn(Facilities or TCPL), Dawn (Vector) and Dawn (TSLE)	Note (2)			Note (2)	
	Authorized Overrun					
	Firm transportation commodity charges:					
3	St. Clair / Bluewater & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.073			0.073	
4	St. Clair / Bluewater & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.066			0.066	
5	Ojibway & Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.086			0.086	
6	Ojibway & Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.080		(0.001)	0.079	
7	Parkway to Kirkwall / Dawn - Union supplied fuel (Nov. 1 - Mar. 31)	0.049			0.049	
8	Parkway to Kirkwall / Dawn - Union supplied fuel (Apr. 1 - Oct. 31)	0.051			0.051	
9	Dawn to Kirkwall - Union supplied fuel (Nov. 1 - Mar. 31)	0.174			0.174	
10	Dawn to Kirkwall - Union supplied fuel (Apr. 1 - Oct. 31)	0.115			0.115	
11	Dawn to Parkway - Union supplied fuel (Nov. 1 - Mar. 31)	0.185			0.185	
12	Dawn to Parkway - Union supplied fuel (Apr. 1 - Oct.31)	0.126		0.001	0.127	
13	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.033	(2)	(0.001)	0.032	(2)
14	St. Clair / Bluewater & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.033	(2)	(0.001)	0.032	(2)
15	Ojibway & Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.033	(2)	(0.001)	0.032	(2)
16	Ojibway & Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.033	(2)	(0.001)	0.032	(2)
17	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.018	(2)		0.018	(2)
18	Parkway to Kirkwall / Dawn - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.018	(2)		0.018	(2)
19	Dawn to Kirkwall - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.066	(2)		0.066	(2)
20	Dawn to Kirkwall - Shipper supplied fuel (Apr. 1 - Oct. 31)	0.066	(2)		0.066	(2)
21	Dawn to Parkway - Shipper supplied fuel (Nov. 1 - Mar. 31)	0.077	(2)	0.001	0.078	(2)
22	Dawn to Parkway - Shipper supplied fuel (Apr. 1 - Oct.31)	0.077	(2)	0.001	0.078	(2)
23	Dawn to Dawn-Vector - Shipper supplied fuel (Nov. 1 - Mar. 31)	n/a	(2)		n/a	(2)
24	Dawn to Dawn-Vector - Shipper supplied fuel (Apr. 1 - Oct . 31)	0.001	(2)		0.001	(2)
	Short Term Firm transportation commodity charges:					
25	Maximum	75.000			75.000	

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

APPENDIX B

APPENDIX "B" TO

BOARD FILE NO. EB-2008-0220
Rate Order for 2009

Rate Schedules

uniongas

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^3 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	Fort Frances	Western	Northern	Eastern
Rate Schedule No.	201	101	301	601
	APPLICABLE TO ALL SERVICES			
MONTHLY CHARGE	$18.00	$18.00	$18.00	$18.00
DELIVERY CHARGE	¢ per m^3	¢ per m^3	¢ per m^3	¢ per m^3
First 100 m^3 per month @	8.7513	8.7513	8.7513	8.7513
Next 200 m^3 per month @	8.1819	8.1819	8.1819	8.1819
Next 200 m^3 per month @	7.7775	7.7775	7.7775	7.7775
Next 500 m^3 per month @	7.4062	7.4062	7.4062	7.4062
Over 1,000 m^3 per month @	7.0996	7.0996	7.0996	7.0996

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% (annual effective rate of 19.56%).

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.

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^3 per year.

SERVICES AVAILABLE

The following services are available under this rate schedule:

(a) **Sales Service**

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

(b) **Transportation Service**

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

(c) **Bundled Transportation Service**

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

MONTHLY RATES AND CHARGES

Zone Rate Schedule No.	Fort Frances 210	Western 110	Northern 310	Eastern 610
	APPLICABLE TO ALL SERVICES			
MONTHLY CHARGE	$70.00	$70.00	$70.00	$70.00
DELIVERY CHARGE	¢ per m^3	¢ per m^3	¢ per m^3	¢ per m^3
First 1,000 m^3 per month @	7.5147	7.5147	7.5147	7.5147
Next 9,000 m^3 per month @	5.9804	5.9804	5.9804	5.9804
Next 20,000 m^3 per month @	5.1056	5.1056	5.1056	5.1056
Next 70,000 m^3 per month @	4.5454	4.5454	4.5454	4.5454
Over 100,000 m^3 per month @	2.4236	2.4236	2.4236	2.4236

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% (annual effective rate of 19.56%).

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^3 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.

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^3 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)

MONTHLY CHARGE	\$779.53
DELIVERY CHARGES (cents per month per m^3)	
Monthly Demand Charge for first 70,000 m^3 of Contracted Daily Demand	20.2975
Monthly Demand Charge for all units over 70,000 m^3 of Contracted Daily Demand	11.9360
Commodity Charge for first 852,000 m^3 of gas volumes delivered	0.3280
Commodity Charge for all units over 852,000 m^3 of gas volumes delivered	0.2429

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^3) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m^3, 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	Fort Frances	Western	Northern	Eastern
Rate Schedule No.	220	120	320	620
MONTHLY CHARGE	$779.53	$779.53	$779.53	$779.53
DELIVERY CHARGES	cents per m^3	cents per m^3	cents per m^3	cents per m^3
Commodity Charge for each unit of gas volumes delivered	1.6626	1.6626	1.6626	1.6626

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:	$219.87
BUNDLED (T-SERVICE) STORAGE SERVICE CHARGES	
Monthly Demand Charge for each unit of Contracted Daily Storage Withdrawal Entitlement ($ per GJ per Month)	$11.217
Monthly Storage Demand- Price Adjustment for each unit of Contracted Daily Storage Withdrawal Entitlement: ($ per GJ per Month)	-
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)	$0.609

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)	$0.031
Fuel Ratio:	
Applied to all gas injected and withdrawn from storage (%)	0.599%
Commodity Charge:	
Applied to all gas injected and withdrawn from storage ($ 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	Fort Frances	Western	Northern	Eastern
Rate Schedule No.	220	120	320	620
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)	$2.236	$2.236	$2.236	$5.859
Commodity ($/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% (annual effective rate of 19.56%).

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^3 or more or the interruptible portion of a maximum daily requirement for combined firm and interruptible service is 14,000 m^3 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)

MONTHLY CHARGE	$189.88
DELIVERY CHARGES	cents per m^3
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:	4.6754

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
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^3) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m^3, 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.	$219.87

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% (annual effective rate of 19.56%).

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 10^3m^3 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.

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.

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

MONTHLY CHARGE ($ per month)	$144.91
MONTHLY DELIVERY DEMAND CHARGE (cents per m^3)	28.4081

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% (annual effective rate of 19.56%).

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.

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^3 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)

MONTHLY CHARGE	$779.53
DELIVERY CHARGES (cents per Month per m^3 of Daily Contract Demand) Monthly Demand Charge for each unit of Contracted Daily Demand:	11.9423
COMMODITY CHARGE for each unit of gas volumes delivered (cents per m^3)	0.2255

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 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^3) determined in accordance with Union's Terms and Conditions in any month falls above or below 37.89 MJ per m^3, 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 Rate Schedule No.	Fort Frances 2100	Western 1100	Northern 3100	Eastern 6100
MONTHLY CHARGE	$779.53	$779.53	$779.53	$779.53
DELIVERY CHARGES				
Commodity Charge for each unit of gas volumes delivered	cents per m^3 0.7864	cents per m^3 0.7864	cents per m^3 0.7864	cents per m^3 0.7864

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	$219.87
BUNDLED (T-SERVICE) STORAGE SERVICE CHARGES	
Monthly Demand Charge for each unit of Contracted Daily Storage Withdrawal Entitlement ($ per GJ per Month)	$11.217
Monthly Storage Demand- Price Adjustment for each unit of Contracted Daily Storage Withdrawal Entitlement: ($ per GJ per Month)	-
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)	$0.609

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)	$0.031
Fuel Ratio:	
Applied to all gas injected and withdrawn from storage (%)	0.599%
Commodity Charge:	
Applied to all gas injected and withdrawn from storage ($ 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 Rate Schedule No.	Fort Frances 2100	Western 1100	Northern 3100	Eastern 6100
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)	$2.236	$2.236	$2.236	$5.859
Commodity ($/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% (annual effective rate of 19.56%).

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)	$0.031
Fuel Ratio Applied to all gas injected and withdrawn from storage (%)	0.599%
Commodity Charge Applied to all gas injected and withdrawn from storage ($ 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	Fort Frances	Western	Northern	Eastern
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)	$2.236	$2.236	$2.236	$5.859
Commodity ($/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% (annual effective rate of 19.56%).

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.

uniongas

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

Rate 01A (cents / m^3)

	Fort Frances	Western	Northern	Eastern
Storage	1.9014	1.8990	2.2851	2.5969
Storage - Price Adjustment	-	-	-	-
Commodity and Fuel (1)	32.6004	32.8652	33.2064	33.5079
Commodity and Fuel - Price Adjustment	3.7857	3.7857	3.7857	3.7857
Transportation	3.8307	4.0525	4.8776	5.5590
Transportation - Price Adjustment	0.7796	0.7796	0.7796	0.7796
Total Gas Supply Charge	42.8978	43.3819	44.9345	46.2291

Rate 10 (cents / m^3)

	Fort Frances	Western	Northern	Eastern
Storage	1.2177	1.2153	1.6025	1.9146
Storage - Price Adjustment	-	-	-	-
Commodity and Fuel (1)	32.6004	32.8652	33.2064	33.5079
Commodity and Fuel - Price Adjustment	3.7857	3.7857	3.7857	3.7857
Transportation	3.5301	3.7522	4.5772	5.2585
Transportation - Price Adjustment	0.7796	0.7796	0.7796	0.7796
Total Gas Supply Charge	41.9135	42.3980	43.9514	45.2464

Notes:
(1) As laid out in Appendix A. The Commodity and Fuel line includes gas supply administration charge of 0.3138 cents/m^3.

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Union Gas Limited
Northern and Eastern Operations Area
Gas Supply Charges

Utility Sales

Rate 20 (cents / m^3)	Fort Frances	Western	Northern	Eastern
Commodity and Fuel (1)	32.8321	33.0988	33.4425	33.7462
Commodity and Fuel - Price Adjustment	3.7857	3.7857	3.7857	3.7857
Commodity Transportation - Charge 1	2.7417	2.8294	3.3145	3.7121
Transportation 1 - Price Adjustment	0.7796	0.7796	0.7796	0.7796
Commodity Transportation - Charge 2	0.1933	0.2396	0.3594	0.4605
Monthly Gas Supply Demand	32.8903	36.4673	56.8125	73.4281
Gas Supply Demand - Price Adjustment	-	-	-	-
Commissioning and Decommissioning Rate	5.0183	5.3330	7.0828	8.5136

Rate 100 (cents / m^3)	Fort Frances	Western	Northern	Eastern
Commodity and Fuel (1)	32.8321	33.0988	33.4425	33.7462
Commodity and Fuel - Price Adjustment	3.7857	3.7857	3.7857	3.7857
Commodity Transportation - Charge 1	5.1132	5.1790	5.5428	5.8410
Commodity Transportation - Charge 2	0.1933	0.2396	0.3594	0.4605
Monthly Gas Supply Demand	53.8074	57.9404	81.6719	101.0594
Commissioning and Decommissioning Rate	4.8290	5.0778	6.4167	7.5129

Rate 25 (cents / m^3)		Fort Frances	Western	Northern	Eastern
Gas Supply Charge:	Interruptible Service				
	Minimum	14.3135	14.3135	14.3135	14.3135
	Maximum	140.5622	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 0.3138 cents/m^3.

Effective: January 1, 2009
O.E.B. Order # EB-2008-0220

Chatham, Ontario

Supersedes EB-2008-0281 Rate Schedule effective October 1, 2008.

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SMALL VOLUME GENERAL SERVICE RATE

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To general service customers whose total consumption is equal to or less than 50,000 m^3 per year.

(C) Rates

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

a) Monthly Charge $ 18.00

b) Delivery Charge

First	100 m^3	4.6980 ¢ per m^3
Next	150 m^3	4.4564 ¢ per m^3
All Over	250 m^3	3.8845 ¢ per m^3
Delivery – Price Adjustment (All Volumes)		0.0029 ¢ per m^3

c) Storage Charge (if applicable) 0.9949 ¢ per m^3

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

d) Gas Supply Charge (if applicable)

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

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

(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% (annual effective rate of 19.56%).

(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 5.6929 ¢ per m^3 for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m^3, plus 7¢ per m^3.

(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.

Zone	Assumed Atmospheric Pressure kPa
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

LARGE VOLUME GENERAL SERVICE RATE

(A) Availability

Available to customers in Union's Southern Delivery Zone.

(B) Applicability

To general service customers whose total consumption is greater than 50,000 m^3 per year.

(C) Rates

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

a) Monthly Charge $ 70.00

b) Delivery Charge

First	1 000 m^3	3.7595 ¢ per m^3
Next	6 000 m^3	3.6874 ¢ per m^3
Next	13 000 m^3	3.4727 ¢ per m^3
All Over	20 000 m^3	3.2151 ¢ per m^3
Delivery – Price Adjustment (All Volumes)		0.0029 ¢ per m^3

c) Storage Charge (if applicable) 0.7317 ¢ per m^3

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

d) Gas Supply Charge (if applicable)

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

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

(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% (annual effective rate of 19.56%).

(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 4.4912 ¢ per m^3 for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m^3, plus 7¢ per m^3.

(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.

Zone	Assumed Atmospheric Pressure kPa
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 m³ and 140 870 m³.

(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 m³ of daily contracted demand	45.5281 ¢ per m³
Next	19 700 m³ of daily contracted demand	19.7531 ¢ per m³
All Over	28 150 m³ of daily contracted demand	16.4039 ¢ per m³

(ii) A Monthly Delivery Commodity Charge

First 422 250 m³ delivered per month	0.9602 ¢ per m³
Next volume equal to 15 days use of daily contracted demand	0.9602 ¢ per m³
For remainder of volumes delivered in the month	0.5259 ¢ per m³
Delivery- Price Adjustment (All Volumes)	0.0029 ¢ per m³

(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 2.4570 ¢ per m³ and, if applicable, the total gas supply charge for utility sales provided in Schedule " A " per m³ for all volumes purchased.

Unauthorized overrun gas taken in any month shall be paid for at the rate of 5.6929 ¢ per m³ for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m³ 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 1.2740 ¢ per m³ 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% (annual effective rate of 19.56%).

(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.

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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^3 and 140 870 m^3 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

Daily Contracted Demand Level (CD)	Price per m^3
4 800 m^3 $\leq$ CD < 17 000 m^3	1.9637 ¢ per m^3
17 000 m^3 $\leq$ CD < 30 000 m^3	1.8338 ¢ per m^3
30 000 m^3 $\leq$ CD < 50 000 m^3	1.7655 ¢ per m^3
50 000 m^3 $\leq$ CD < 70 000 m^3	1.7176 ¢ per m^3
70 000 m^3 $\leq$ CD < 100 000 m^3	1.6833 ¢ per m^3
100 000 m^3 $\leq$ CD $\leq$ 140 870 m^3	1.6496 ¢ per m^3
Delivery- Price Adjustment (All Volumes)	0.0029 ¢ per m^3

(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^3
For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of	0.00212¢ per m^3

(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 $499.70 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 m³ 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 2.2775 ¢ per m³, 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 5.6929 ¢ per m³ for the delivery and the total gas supply charge for utility sales provided in Schedule "A" per m³ 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 27.5682 ¢ per m³.

   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 27.5682 ¢ per m³ of daily contracted demand and a delivery commodity price adjustment of 0.0029 ¢ per m³.

   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% (effective annual rate of 19.56%).

(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^3, and a qualifying annual volume of at least 28 327 840 m^3; 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 25.4097 ¢ per m^3 for each m^3 of daily contracted firm demand.

(ii) A Monthly Delivery Commodity Charge

(1) A Monthly Firm Delivery Commodity Charge for all firm volumes of 0.3812 ¢ per m^3 for each m^3, and a Delivery- Price Adjustment of 0.0029 ¢ per m^3.

(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 2.7680 ¢ per m^3.

(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 2.5239 ¢ per m^3.

(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 M1 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^3 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 2.4613 ¢ per m^3 and the total gas supply charge for utility sales provided in Schedule "A" per m^3, 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% (annual effective rate of 19.56%).

(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 January 1, 2009
O.E.B. ORDER # EB-2008-0220 Chatham, Ontario

Supersedes EB-2008-0281 Rate Schedule effective October 1, 2008.

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 16.9839 ¢ per m^3 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 0.5377 ¢ per m^3, a Delivery- Price Adjustment of 0.0029 ¢ per m^3 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% (annual effective rate of 19.56%).

(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 1.0961 ¢ per m^3. 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^3.

(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.

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 2.7150 ¢ per m^3 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% (annual effective rate of 19.56%).

(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 5.6929 ¢ per m^3 for the delivery and, if applicable, the total gas supply charge for utility sales provided in Schedule "A" per m^3, plus 7¢ per m^3 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.

Effective January 1, 2009
O.E.B. ORDER # EB-2008-0220 Chatham, Ontario

Supersedes EB-2008-0281 Rate Schedule effective October 1, 2008.

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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

		Demand Charge Rate/GJ/month	Commodity Charges/Credits Rate/GJ
a)	Transportation by Union 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 Applied to the contracted Firm Backstop Gas Supply Service	$3.726	
	Backstop Gas Commodity Charge On all quantities supplied by Union to the Ontario Point(s) of Receipt		$10.455
c)	Reasonable Efforts Backstop Gas Paid on all quantities of gas supplied by Union to the customer's Point(s) of Consumption		$11.536
d)	Banked Gas Purchase		
	T-service		Note (1)
e)	Failure to Deliver Applied to all quantities not delivered to Union in the event the customer's supply fails		$2.888
f)	Short Term Storage / Balancing Service (2)		
	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^3 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:

			For Customers Providing Their Own Compressor Fuel	
	Demand Charge Rate/GJ/mo	Commodity Charge Rate/GJ	Fuel Ratio	Commodity Charge Rate/GJ
a) Annual Firm Storage Space Applied to contracted Maximum Annual Storage Space	$0.010			
b) Annual Firm Injection/Withdrawal Right: Applied to the contracted Maximum Annual Firm Injection/Withdrawal Right				
Union provides deliverability Inventory	$1.956			
Customer provides deliverability Inventory (4)	$1.038			
c) Incremental Firm Injection Right: Applied to the contracted Maximum Incremental Firm Injection Right	$1.038			
d) Annual Interruptible Withdrawal Right: Applied to the contracted Maximum Annual Interruptible Withdrawal Right	$1.038			

	Demand Charge Rate/GJ/mo	Commodity Charge Rate/GJ	For Customers Providing Their Own Compressor Fuel: Fuel Ratio	Commodity Charge Rate/GJ
e) Withdrawal Commodity Paid on all quantities withdrawn from storage up to the Maximum Daily Storage Withdrawal Quantity		$0.064	0.599%	$0.007
f) Injection Commodity Paid on all quantities injected into storage up to the Maximum Daily Storage Injection Quantity		$0.064	0.599%	$0.007
g) Short Term Storage / Balancing Service 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. Annual Firm Storage Space

The maximum storage space available to a customer at the rates specified herein is determined by one of the following storage allocation methodologies:

3.1 Aggregate Excess
Aggregate excess is the difference between a customer's gas consumption in the 151-day winter period and consumption during the balance of the year. This calculation will be done using two years of historical data (with 25% weighting for each year) and one year of forecast data (with 50% weighting). If a customer is new, or an existing customer is undergoing a significant change in operations, the allocation will be based on forecast consumption only, as negotiated between Union and the customer. Once sufficient historical information is available for the customer, the standard calculation will be done. At each contract renewal, the aggregate excess calculation will be performed to set the new space allocation.

3.2 Obligated daily contract quantity multiple of 15
Obligated daily contract quantity is the firm daily quantity of gas which the customer must deliver to Union. The 15 x obligated daily contract quantity calculation will be done using the daily contract quantity for the upcoming contract year. At each contract renewal, the 15 x obligated daily contract quantity calculation will be performed to set the new space allocation.

3.3 For new, large (daily firm transportation demand requirements in excess of 1,200,000 m^3/day) gas fired power generation customers, storage space is determined by peak hourly consumption x 24 x 4 days. Should the customer elect firm deliverability less than their maximum entitlement (see Note 4.2), the maximum storage space available at the rates specified herein is 10 x firm storage deliverability contracted, not to exceed peak hourly consumption x 24 x 4 days.

Customers may contract for less than their maximum entitlement of firm storage space.

4. Annual Injection/Withdrawal Right

   The maximum level of deliverability available to a customer at the rates specified herein is determined by one of the following methodologies:

   4.1 The greater of obligated daily contract quantity or firm daily contract demand less obligated daily contract quantity.

   4.2 For new, large (daily firm transportation demand requirements in excess of 1,200,000 m^3/day) gas fired power generation customers, the maximum entitlement of firm storage deliverability is 24 times the customer's peak hourly consumption, with 1.2% firm deliverability available at the rates specified herein.

   Customers may contract for less than their maximum entitlement of deliverability. A customer may contract up to this maximum entitlement with a combination of firm and interruptible deliverability as specified in Section (C) Storage Service.

5. Additional storage space or deliverability, in excess of the allocated entitlements per Notes 3 and 4, may be available at market prices.

6. Storage Space and Withdrawal Rights are not assignable to any other party without the prior written consent of Union.

7. Deliverability Inventory being defined as 20% of annual storage space.

8. 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 Charge Rate/m³/mo	Commodity Charge Rate/m³	For Customers Providing Their Own Compressor Fuel: Fuel Ratio (5) (6)	For Customers Providing Their Own Compressor Fuel: Commodity Charge Rate/m³
a) Annual Firm Transportation Demand Applied to the Firm Daily Contract Demand				
First 140,870 m^3 per month	18.9588 ¢			
All over 140,870 m^3 per month	12.9550 ¢			
b) Firm Transportation Commodity Paid on all firm quantities redelivered to the customer's Point(s) of Consumption				
First 2,360,653 m^3 per month		0.3669 ¢	0.554%	0.1700 ¢
All over 2,360,653 m^3 per month		0.2815 ¢	0.554%	0.0846 ¢
c) Interruptible Transportation Commodity Paid on all interruptible quantities redelivered to the customer's Point(s) of Consumption				
Maximum		2.7680 ¢	0.554%	2.5711 ¢

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^3/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^3/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^3/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 is 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 Providing Fuel	For Customers Providing Their Own Compressor Fuel Firm or Interruptible Service	
	Firm or Interruptible Service	Fuel Ratio	Commodity Charge
Storage Injections	\$0.168/GJ	1.03%	\$0.071/GJ
Storage Withdrawals	\$0.168/GJ	1.03%	\$0.071/GJ
Transportation	0.9902 ¢/m^3	0.554%	0.7933 ¢/m^3

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 5.6929 ¢ per m^3 or \$1.513 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 Service Rate/GJ
Space	\$6.000
Injection / Withdrawal 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	$1 798.91

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^3/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.

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^3/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. 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% (annual effective rate of 19.56%).

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^3 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

			For Customers Providing Their Own Compressor Fuel	
	Demand Charge Rate/GJ/mo	Commodity Charge Rate/GJ	Fuel Ratio	Commodity Charge Rate/GJ
a) Annual Firm Storage Space Applied to contracted Maximum Annual Storage Space	$0.010			
b) Annual Firm Injection/Withdrawal Right Applied to the contracted Maximum Annual Firm Injection/Withdrawal Right				
Union provides deliverability Inventory	$1.956			
Customer provides deliverability Inventory (4)	$1.038			
c) Incremental Firm Injection Right Applied to the contracted Maximum Incremental Firm Injection Right	$1.038			
d) Annual Interruptible Withdrawal Right Applied to the contracted Maximum Annual Interruptible Withdrawal Right	$1.038			

	Demand Charge Rate/GJ/mo	Commodity Charge Rate/GJ	For Customers Providing Their Own Compressor Fuel: Fuel Ratio	For Customers Providing Their Own Compressor Fuel: Commodity Charge Rate/GJ
e) Withdrawal Commodity Paid on all quantities withdrawn from storage up to the Maximum Daily Storage Withdrawal Quantity		$0.064	0.599%	$0.007
f) Injection Commodity Paid on all quantities injected into storage up to the Maximum Daily Storage Injection Quantity		$0.064	0.599%	$0.007
g) Short Term Storage / Balancing Service 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. Annual Firm Storage Space

   The maximum storage space available to a customer at the rates specified herein is determined by one of the following storage allocation methodologies:

   3.1 Aggregate Excess
   Aggregate excess is the difference between a customer's gas consumption in the 151-day winter period and consumption during the balance of the year. This calculation will be done using two years of historical data (with 25% weighting for each year) and one year of forecast data (with 50% weighting). If a customer is new, or an existing customer is undergoing a significant change in operations, the allocation will be based on forecast consumption only, as negotiated between Union and the customer. Once sufficient historical information is available for the customer, the standard calculation will be done. At each contract renewal, the aggregate excess calculation will be performed to set the new space allocation.

   3.2 Obligated daily contract quantity multiple of 15
   Obligated daily contract quantity is the firm daily quantity of gas which the customer must deliver to Union. The 15 x obligated daily contract quantity calculation will be done using the daily contract quantity for the upcoming contract year. At each contract renewal, the 15 x obligated daily contract quantity calculation will be performed to set the new space allocation.

   Customers may contract for less than their maximum entitlement of firm storage space.

4. Annual Injection/Withdrawal Right

   The maximum level of deliverability available to a customer at the rates specified herein is determined to be the greater of obligated daily contract quantity or firm daily contract demand less obligated daily contract quantity.

   Customers may contract for less than their maximum entitlement of deliverability. A customer may contract up to this maximum entitlement with a combination of firm and interruptible deliverability as specified in Section (C) Storage Service.

5. Additional storage space or deliverability, in excess of the allocated entitlements per Notes 3 and 4, may be available at market prices.

6. Storage Space and Withdrawal Rights are not assignable to any other party without the prior written consent of Union.

7. Deliverability Inventory being defined as 20% of annual storage space.

8. 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 Charge Rate/m^3/mo	Commodity Charge Rate/m^3	For Customers Providing Their Own Compressor Fuel: Fuel Ratio	For Customers Providing Their Own Compressor Fuel: Commodity Charge Rate/m^3
a) Annual Firm Transportation Demand (1) Applied to the Firm Daily Contract Demand	8.9868 ¢			
b) Firm Transportation Commodity Paid on all firm quantities redelivered to the Customer's Point(s) of Redelivery		0.3245 ¢	0.724 %	0.0671 ¢

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 is 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 Providing Fuel	For Customers Providing Their Own Compressor Fuel Firm or Interruptible Service	
	Firm or Interruptible Service	Fuel Ratio	Commodity Charge
Storage Injections	\$0.168/GJ	1.03%	\$0.071/GJ
Storage Withdrawals	\$0.168/GJ	1.03%	\$0.071/GJ
Transportation	0.6200 ¢/m^3	0.726%	0.3626 ¢/m^3

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^3 or \$9.569 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 Service Rate/GJ
Space	\$6.000
Injection	
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:

	Monthly Charge
City of Kitchener	$ 17,285.30
NRG	$ 2,653.47
Six Nations	$ 884.49

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% (annual effective rate of 19.56%).

uniongas

Effective
2009-01-01
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 M1, M2, M4, M5A, M7, M9, M10 and storage and transportation customers taking supplemental services under rates T1 and T3.

(C) Rates:

	cents / m^3
Utility Sales	
Commodity and Fuel	33.5079 (1)
Commodity and Fuel - Price Adjustment	1.5576
Transportation	4.1984
Total Gas Supply Commodity Charge	39.2639
Minimum Annual Gas Supply Commodity Charge	
Rate M4 Firm and Rate M5A Interruptible Contract	5.7707
Storage and Transportation Supplemental Services - Rate T1 & T3	$/GJ
Monthly demand charges:	
Firm gas supply service	38.750
Firm backstop gas	3.726
Commodity charges:	
Gas supply	8.946
Backstop gas	10.455
Reasonable Efforts Backstop Gas	11.536
Supplemental Inventory	Note (2)
Supplemental Gas Sales Service (cents / m^3)	41.9056
Failure to Deliver: Applied to quantities not delivered to Union in the event the customer's supply fails	2.888
Discretionary Gas Supply Service (DGSS)	Note (3)

Notes:

(1) The Commodity and Fuel line includes gas supply administration charge of 0.3138 cents/ m^3.
(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: January 1, 2009
O.E.B. Order # EB-2008-0220

Chatham, Ontario

Supersedes EB-2008-0281 Rate Schedule effective October 1, 2008.

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 M1 or 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

	Demand Charge Rate/GJ/mo	Fuel Ratio	Commodity Charge Rate/GJ
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	$0.022		
b) Injection Commodity		0.599%	$0.015
c) Withdrawal Commodity		0.599%	$0.015
ii) Standard Peaking Service (SPS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	$0.105		
b) Injection Commodity		0.599%	$0.015
c) Withdrawal Commodity		1.03%	$0.015

	Demand Charge Rate/GJ/mo	Fuel Ratio	Commodity Charge Rate/GJ
iii) Supplemental Service			
a) Incremental Firm Injection Right: (5) Applied to the contracted Maximum Incremental Firm Injection Right	$0.943		
b) Incremental Firm Withdrawal Right: (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	$0.943		
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.

OVERRUN SERVICE

1. Injection and Withdrawal

Authorized

	Fuel Ratio	Commodity Charge Rate/GJ
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% (annual effective rate of 19.56%).

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^3 and 140 870 m^3 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

	Demand Charge Rate/GJ/mo	Fuel Ratio	Commodity Charge Rate/GJ
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	$0.022		
b) Injection Commodity		0.599%	$0.015
c) Withdrawal Commodity		0.599%	$0.015
ii) Supplemental Service			
a) Incremental Firm Injection Right (5) Applied to the contracted Maximum Incremental Firm Injection Right	$0.943		
b) Incremental Firm Withdrawal Right (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	$0.943		
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

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

Daily Contracted Demand Level (CD)	Price per m³ (¢/m³)
4 800 m³ ≤ CD < 17 000 m³	1.5455
17 000 m³ ≤ CD < 30 000 m³	1.4156
30 000 m³ ≤ CD < 50 000 m³	1.3473
50 000 m³ ≤ CD < 70 000 m³	1.2994
70 000 m³ ≤ CD < 100 000 m³	1.2651
100 000 m³ ≤ CD ≤ 140 870 m³	1.2314

   (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	.053¢ per m³ minimum
For each additional days use of contracted demand up to a maximum of 275 days, an additional discount of	.00212¢ per m³ minimum

   (iii) Monthly Charge — $499.70 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^3 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 1.5455 ¢ per m^3.

   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 21.8259 ¢ per m^3.

   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 21.8259 ¢ per m^3 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

	Fuel Ratio	Commodity Charge Rate/GJ
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

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 5.6929 ¢ per m³.

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% (annual effective rate of 19.56%).

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^3 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

	Demand Charge Rate/GJ/mo	Fuel Ratio	Commodity Charge Rate/GJ
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	$0.022		
b) Injection Commodity		0.599%	$0.015
c) Withdrawal Commodity		0.599%	$0.015
ii) Supplemental Service			
a) Incremental Firm Injection Right (5) Applied to the contracted Maximum Incremental Firm Injection Right	$0.943		
b) Incremental Firm Withdrawal Right (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	$0.943		
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. Annual Firm Storage Space

The maximum storage space available to a customer at the rates specified herein is determined by one of the following storage allocation methodologies:

3.1 Aggregate Excess
Aggregate excess is the difference between a customer's gas consumption in the 151-day winter period and consumption during the balance of the year. This calculation will be done using two years of historical data (with 25% weighting for each year) and one year of forecast data (with 50% weighting). If a customer is new, or an existing customer is undergoing a significant change in operations, the allocation will be based on forecast consumption only, as negotiated between Union and the customer. Once sufficient historical information is available for the customer, the standard calculation will be done. At each contract renewal, the aggregate excess calculation will be performed to set the new space allocation.

3.2 Obligated daily contract quantity multiple of 15
Obligated daily contract quantity is the firm daily quantity of gas which the customer must deliver to Union. The 15 x obligated daily contract quantity calculation will be done using the daily contract quantity for the upcoming contract year. At each contract renewal, the 15 x obligated daily contract quantity calculation will be performed to set the new space allocation.

3.3 For new, large (daily firm transportation demand requirements in excess of 1,200,000 m^3/day) gas fired power generation customers, storage space is determined by peak hourly consumption x 24 x 4 days. Should the customer elect firm deliverability less than their maximum entitlement (see Note 4.2), the maximum storage space available at the rates specified herein is 10 x firm storage deliverability contracted, not to exceed peak hourly consumption x 24 x 4 days.

Customers may contract for less than their maximum entitlement of firm storage space.

4. Annual Injection/Withdrawal Right

The maximum level of deliverability available to a customer at the rates specified herein is determined by one of the following methodologies:

4.1 The greater of obligated daily contract quantity or firm daily contract demand less obligated daily contract quantity.

4.2 For new, large (daily firm transportation demand requirements in excess of 1,200,000 m^3/day) gas fired power generation customers, the maximum entitlement of firm storage deliverability is 24 times the customer's peak hourly consumption, with 1.2% firm deliverability available at the rates specified herein.

Customers may contract for less than their maximum entitlement of deliverability. A customer may contract up to this maximum entitlement with a combination of firm and interruptible deliverability as specified in Section (C) Storage Service.

5. Additional storage space or deliverability, in excess of the allocated entitlements per Notes 3 and 4, may be available at market prices.

6. 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.

7. 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.

8. Union's ability to offer incremental injection and withdrawal rights is subject to annual asset availability.

DELIVERY SERVICE

	Demand Charge Rate/m^3/mo	Fuel Ratio (5) (6)	Commodity Charge Rate/ m^3
a) Annual Firm Delivery Demand			
Applied to the Firm Daily Contracted Demand			
First 140,870 m^3 per month	18.9588 ¢		
All over 140,870 m^3 per month	12.9550 ¢		
b) Firm Delivery Commodity			
Paid on all firm volumes redelivered to the customer's Point(s) of Consumption			
First 2,360,653 m^3 per month		0.554%	0.1700 ¢
All over 2,360,653 m^3 per month		0.554%	0.0846 ¢
c) Interruptible Delivery Commodity			
Paid on all interruptible volumes redelivered to the customer's Point of Consumption – Maximum		0.554%	2.5711 ¢

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^3/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^3/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^3/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

	Fuel Ratio	Commodity Charge Rate/GJ
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.

	Fuel Ratio	Commodity Charge Rate/ m^3
Delivery	0.554%	0.7933 ¢

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 5.6929 ¢ per m^3.

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	\$1 798.91 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^3/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.

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^3/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. 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% (annual effective rate of 19.56%).

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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^3 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

	Demand Charge Rate/GJ/mo	Fuel Ratio	Commodity Charge Rate/GJ
i) Standard Storage Service (SSS)			
a) Combined Storage Space & Deliverability Applied to contracted Maximum Storage Space	$0.022		
b) Injection Commodity		0.599%	$0.015
c) Withdrawal Commodity		0.599%	$0.015
ii) Supplemental Service			
a) Incremental Firm Injection Right (5) Applied to the contracted Maximum Incremental Firm Injection Right	$0.943		
b) Incremental Firm Withdrawal Right (5) Applied to the contracted Maximum Incremental Firm Withdrawal Right	$0.943		
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. Annual Firm Storage Space

   The maximum storage space available to a customer at the rates specified herein is determined by one of the following storage allocation methodologies:

   3.1 Aggregate Excess
   Aggregate excess is the difference between a customer's gas consumption in the 151-day winter period and consumption during the balance of the year. This calculation will be done using two years of historical data (with 25% weighting for each year) and one year of forecast data (with 50% weighting). If a customer is new, or an existing customer is undergoing a significant change in operations, the allocation will be based on forecast consumption only, as negotiated between Union and the customer. Once sufficient historical information is available for the customer, the standard calculation will be done. At each contract renewal, the aggregate excess calculation will be performed to set the new space allocation.

   3.2 Obligated daily contract quantity multiple of 15
   Obligated daily contract quantity is the firm daily quantity of gas which the customer must deliver to Union. The 15 x obligated daily contract quantity calculation will be done using the daily contract quantity for the upcoming contract year. At each contract renewal, the 15 x obligated daily contract quantity calculation will be performed to set the new space allocation.

   Customers may contract for less than their maximum entitlement of firm storage space.

4. Annual Injection/Withdrawal Right

   The maximum level of deliverability available to a customer at the rates specified herein is determined to be the greater of obligated daily contract quantity or firm daily contract demand less obligated daily contract quantity.

   Customers may contract for less than their maximum entitlement of deliverability. A customer may contract up to this maximum entitlement with a combination of firm and interruptible deliverability as specified in Section (C) Storage Service.

5. Additional storage space or deliverability, in excess of the allocated entitlements per Notes 3 and 4, may be available at market prices.

6. 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.

7. 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.

8. Union's ability to offer incremental injection and withdrawal rights is subject to annual asset availability.

DELIVERY SERVICE

	Demand Charge Rate/ m^3/mo	Fuel Ratio	Commodity Charge Rate/ m^3
a) Annual Firm Delivery Demand (1) Applied to the Firm Daily Contracted Demand	8.9868 ¢		
b) Firm Delivery Commodity Paid on all firm volumes redelivered to the customer's Point(s) of Consumption		0.724%	0.0671 ¢

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

	Fuel Ratio	Commodity Charge Rate/GJ
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.

	Fuel Ratio	Commodity Charge Rate/ m^3
Delivery	0.724%	0.3626 ¢

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^3 or $9.569 per 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:

	Monthly Charge
City of Kitchener	$17 285.30
NRG	$ 2 653.47
Six Nations	$ 884.49

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% (annual effective rate of 19.56%).

STORAGE AND TRANSPORTATION RATES

(A) Applicability

The charges under this schedule shall be applicable to a Shipper who enters into a Storage or Transportation Service Contract with Union.

(B) Services

Storage service under this rate schedule shall be for Enbridge Gas Distribution Inc only, contracts LST046 expiring March 31, 2009 and LST047 expiring March 31, 2010.

Transportation Service under this rate schedule shall be for transportation on Union's Dawn – Oakville facilities.

(C) Rates

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.

	Monthly Demand Charge (applied to daily contract demand) Rate/GJ	Commodity and Fuel Changes		
		Fuel Ratio %	AND	Commodity Charge Rate/GJ
Storage (1)				
Space – Shipper Providing Deliverability (2)	$0.010			
Deliverability - Firm	$1.038			
Injection		0.599%		$0.007
Withdrawal		0.599%		$0.007
Firm Transportation (3)				
Dawn to Oakville/Parkway	$2.364	Monthly fuel rates and ratios shall be in accordance with schedule "C".		
Dawn to Kirkwall	$2.013			
Parkway to Dawn	n/a			
Limited Firm/Interruptible Transportation (3)				
Dawn to Parkway – Maximum	$5.675	Monthly fuel rates and ratios shall be in accordance with schedule "C".		
Dawn to Kirkwall - Maximum	$5.675			
Parkway (TCPL) to Parkway (Cons) (4)		0.329%		

(C) **Rates (Cont'd)**

Authorized Overrun (5)

Authorized overrun rates will be payable on all quantities in excess of Union's obligation on any day. The overrun charges payable will be calculated at the following rates. Overrun will be authorized at Union's sole discretion.

	If Union supplies fuel	Commodity and Fuel Changes		
	Commodity Charge Rate/GJ	Fuel Ratio %	AND	Commodity Charge Rate/GJ
Storage Commodity:				
Injection	n/a	1.03%		$0.041
Withdrawal	n/a	1.03%		$0.041
Transportation Overrun				
Dawn to Parkway	Monthly fuel rates and ratios shall be in accordance with schedule "C".			$0.078
Dawn to Kirkwall				$0.066
Parkway to Dawn				$0.078
Parkway (TCPL) Overrun (6)	n/a	0.54%		n/a

Unauthorized Overrun (7)

Authorized Overrun rates will be payable on all quantities up to 2% in excess of Union's contractual obligation.

The Unauthorized Overrun shall be the higher of the reported daily spot price of gas at either Dawn, Parkway, Niagara or Iroquois in the month of or the month following the month in which the overrun occurred plus 25% for all usage on any day in excess of 102% of Union's contractual obligation.

Overrun of Maximum Storage Balance

The rate payable shall be $60/GJ on the Excess Storage Balance during the period of August 1 through to and including December 15. The rate payable shall be $6/GJ on the Excess Storage Balance during the period of December 16 through to and including July 31.

For any Extension Period, the rate payable shall be $0.63/GJ times the quantity in the Excess Storage Balance as of the date of such extension.

Union, during any Extension Period, may upon forty-eight (48) hours verbal notice to Shipper (to be followed in writing) take possession of Shipper's gas in storage (which shall be immediately forfeited to Union without further recourse).

These rates will be charged in addition to the normal injection and withdrawal changes.

Drafted Storage Balance

The rate payable shall be $60/GJ on the Drafted Storage Balance during the period of February 1 through to and including April 30.

The rate payable shall be $6/GJ on the Drafted Storage Balance during the period of May 1 through to and including January 31.

(C) Rates (Cont'd)

For any Extension Period, the rate payable shall be $0.63/GJ times the quantity in the Drafted Storage Balance as of the date of such extension.

Union, during any Extension Period, may upon forty-eight (48) hours verbal notice to Shipper (to be followed in writing), replace the outstanding gas at Shipper's expense (which will include all costs related to replacing such gas, plus a charge equal to 25% of the incremental cost of the gas purchased for each unit so replaced).

These rates will be charged in addition to the normal injection and withdrawal charges.

Overrun of Firm Injections

The rate payable shall be $60/GJ on the injections in excess of the Injection Demand during the period of August 1 through to and including December 15. The rate payable shall be $6/GJ on the injections in excess of the Injection Demand during the period of December 16 through to and including July 31.

Overrun on Firm Withdrawals

The rate payable shall be $60/GJ on the withdrawals in excess of the Withdrawal Demand during the period of February 1 through to and including April 30. The rate payable shall be $6/GJ on the withdrawals in excess of the Withdrawal Demand during the period of May 1 through to and including January 31.

Nomination Variances

Where Union and the shipper have entered into a Limited Balancing Agreement ("LBA"), the rate for unauthorized parking or drafting which results from nomination variances shall equal the "Balancing Fee" rate as described under Article XXII of TransCanada PipeLines Transportation Tariff.

Notes for Section (C) Rates:

(1) Storage service under this rate schedule shall be for Enbridge Gas Distribution Inc only, contracts LST046 expiring March 31, 2009 and LST047 expiring March 31, 2010.

(2) Deliverability inventory being defined as 25% of storage space.

(3) The annual transportation commodity charge is calculated by application of the YCRR Formula, as per Section (D). The annual transportation fuel required is calculated by application of the YCR Formula, as per Section (D).

(4) This rate is for westerly transportation within the Parkway yard, from Parkway (TCPL) to Parkway (Cons) or Lisgar.

(5) For purposes of applying the YCRR Formula or YCR Formula (Section (D)) to transportation overrun quantities, the transportation commodity revenue will be deemed to be equal to the commodity charge of the applicable service as detailed in Section (B).

(6) This ratio will be applied to all gas quantities for which Union is obligated to deliver to Parkway (Cons) or Lisgar and has agreed to deliver to Parkway (TCPL) on an interruptible basis. This will be in addition to any rate or ratio paid for transportation easterly to Parkway (Cons) or Lisgar.

(7) A demand charge of $0.692/GJ/day/month will be applicable for customers contracting for firm all day transportation service in addition to the demand charges appearing on this schedule for firm transportation service to either Kirkwall or Parkway.

(D) **Transportation Commodity**

The annual fuel charge in kind or in dollars for transportation service in any contract year shall be equal to the sum of the application of the following equation applied monthly for the 12 months April through March (The "YCRR" or "YCR" Formula). An appropriate adjustment in the fuel charges will be made in May for the previous 12 months ending March 31st to obtain the annual fuel charges as calculated using the applicable "YCRR" or "YCR" Formula. At Union's sole discretion Union may make more frequent adjustments than once per year. The YCRR and YCR adjustments must be paid/remitted to/from Shippers at Dawn within one billing cycle after invoicing.

$$YCR = \sum_{1}^{4} [(0.003296 \text{ X } (QT1 + QT3)) + (DSFx(QT1 + QT3)) + F_{ST}] \text{ For June 1 to Sept. 30}$$

plus

$$\sum_{5}^{12} [(0.003296 \text{ x } (QT1 + Q3)) + (DWFxQT1) + F_{WT}] \text{ For Oct. 1 to May 31}$$

$$YCRR = \sum_{1}^{4} [(0.003296 \text{ x } (QT1 + QT3)) + (DSFx(QT1 + QT3)) + F_{ST}]xR \text{ For June 1 to Sept. 30}$$

plus

$$\sum_{5}^{12} [(0.003296 \text{ x } (QT1 + Q3)) + (DWFxQT1)+ F_{WT}]xR \text{ For Oct. 1 to May 31}$$

where: DSF = 0.00000 for Dawn summer fuel requirements
DWF = 0.0020 for Dawn winter fuel requirements

in which:

YCR Yearly Commodity Required

The sum of 12 separate monthly calculations of Commodity Quantities required for the period from April through March.

YCRR Yearly Commodity Revenue Required

The sum of 12 separate monthly calculations of Commodity Revenue required for the period April through March.

QT1 Monthly quantities in GJ transported easterly hereunder received at Dawn at not less than 4 850 kPa but less than 5 860 kPa (compression required at Dawn).

QT3 Monthly quantities in GJ transported westerly hereunder received at the Parkway (Oakville) Delivery Point.

(D) Transportation Commodity (cont'd)

F_{WT} The individual Shipper's monthly share of compressor fuel used in GJ which was required at Union's Lobo, Bright, Trafalgar and Parkway Compressor Stations ("Lobo", "Bright", "Trafalgar" and "Parkway") to transport the same Shipper's QT1 monthly quantities easterly.

Lobo, Bright, Trafalgar and Parkway compressor fuel required by each Shipper will be calculated each month.

The monthly Lobo and Bright compressor fuel will be allocated to each Shipper in the same proportion as the Shipper's monthly quantities transported is to the monthly transported quantity for all users including Union.

The monthly Parkway and Trafalgar compressor fuel used will be allocated to each Shipper in the same proportion as the monthly quantity transported to Parkway (TCPL) for each user is to the total monthly quantity transported for all users including Union.

F_{ST} The individual Shipper's monthly share of compressor fuel used in GJ which was required at Union's Lobo, Bright, Trafalgar and Parkway compressor stations to transport the same Shipper's quantity on the Trafalgar system.

Lobo, Bright, Trafalgar and Parkway compressor fuel required by each Shipper will be calculated each month.

R Union's weighted average cost of gas in $/GJ.

Notes

(i) In the case of Easterly flow, direct deliveries by TCPL at Parkway to Union or on behalf of Union to Union's Storage and Transportation Shippers will be allocated to supply Union's markets on the Dawn-Oakville/Parkway facilities starting at Parkway and proceeding westerly to successive laterals until exhausted.

(E) Provision for Compressor Fuel

For a Shipper that has elected to provide its own compressor fuel.

Transportation Fuel

On a daily basis, the Shipper will provide Union at the delivery point and delivery pressure as specified in the contract, a quantity (the "Transportation Fuel Quantity") representing the Shipper's share of compressor fuel and unaccounted for gas for transportation service on Union's system.

The Transportation Fuel Quantity will be determined on a daily basis, as follows:

Transportation Fuel Quantity = Transportation Quantity x Transportation Fuel Ratio.

In the event that the actual quantity of fuel supplied by the Shipper was different from the actual fuel quantity as calculated using the YCR formula, an adjustment will be made in May for the previous 12 months ending March 31st.

(E) Provision for Compressor Fuel (cont'd)

Nominations

The Shipper will be required to nominate its Transportation Fuel Quantity in addition to its normal nominations for transportation services.

(F) Terms of Service

The General Terms & Conditions applicable to this rate schedule shall be in accordance with the attached Schedule "A".

(G) Nominations

Nominations under this rate schedule shall be in accordance with the attached Schedule "B"

(H) Monthly Fuel Rates and Ratios

Monthly fuel rates and ratios under this rate schedule shall be in accordance with Schedule "C".

SCHEDULE "A"

RATE M12
GENERAL TERMS & CONDITIONS

I. DEFINITIONS

Except where the context expressly requires or states another meaning, the following terms, when used in these General Terms & Conditions and in any contract into which these General Terms & Conditions are incorporated, shall be construed to have the following meanings:

1. "Contract" shall refer to the contract to which these General Terms & Conditions shall apply, and into which they are incorporated;

2. "cubic metre" shall mean the volume of gas which occupies one cubic metre when such gas is at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;

3. "day" shall mean a period of twenty-four (24) consecutive hours beginning at 9:00 a.m. Central Standard time. The reference date for any day shall be the calendar date upon which the twenty-four (24) hour period shall commence;

4. "delivery" shall mean any gas that is delivered by Union into Shipper's possession, or to the possession of Shipper's agent;

5. "firm" shall mean service not subject to curtailment or interruption except under Articles XI and XII of this Schedule "A";

6. "gas" shall mean gas as defined in the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Sch. B, as amended, supplemented or re-enacted from time to time;

7. "gross heating value" shall mean the total heat expressed in megajoules per cubic metre (MJ/m^3) produced by the complete combustion at constant pressure of one (1) cubic metre of gas with air, with the gas free of water vapour and the temperature of the gas, air and products of combustion at standard temperature and all water formed by the combustion reaction condensed to the liquid state;

8. "interruptible service" shall mean service subject to curtailment or interruption, after notice, at any time;

9. "Interconnecting Pipeline" shall mean a pipeline that directly connects to the Union pipeline system;

10. "joule" (J) shall mean the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force. The term "megajoule" (MJ) shall mean 1,000,000 joules. The term "gigajoule" (GJ) shall mean 1,000,000,000 joules;

11. "limited interruptible service" shall mean gas service subject to interruption or curtailment on a limited number of days as specified in the Contract;

12. "m^3" shall mean cubic metre of gas and "10^3m^3" shall mean 1,000 cubic metres of gas;

13. "month" shall mean the period beginning at 9:00 a.m. Central Standard time on the first day of a calendar month and ending at 9:00 a.m. Central Standard time on the first day of the following calendar month;

14. "OEB" means the Ontario Energy Board;

15. "pascal" (Pa) shall mean the pressure produced when a force of one (1) newton is applied to an area of one (1) square metre. The term "kilopascal" (kPa) shall mean 1,000 pascals;

16. "receipt" shall mean any gas that is delivered into Union's possession, or the possession of Union's agent;

17. "Shipper", shall have the meaning as defined in the Contract and shall also include Shipper's agent(s);

18. "TCPL" means TransCanada PipeLines Limited;

II. GAS QUALITY

1. Natural Gas: The minimum gross heating value of the gas delivered to/by Union hereunder, shall be thirty-six (36) megajoules per cubic metre. The maximum gross heating value of the gas delivered to/by Union hereunder shall be forty point two (40.2) megajoules per cubic metre. The gas to be delivered hereunder to Union may be a commingled supply from Shipper's natural gas sources of supply. The gas to be delivered by Union may be a commingled supply from Union's sources of gas supply; provided, however, that helium, natural gasoline, butane, propane and other hydrocarbons except methane may be removed prior to delivery to Shipper. Further, Union may subject, or permit the subjection of, the gas to compression, dehydration, cooling, cleaning and other processes.

2. Freedom from objectionable matter: The gas to be delivered to/by Union hereunder,

   a. shall be commercially free from sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to or interference with the proper operation of the lines, regulators, meters or other appliances through which it flows,

   b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas nor more than four hundred and sixty (460) milligrams of total sulphur per cubic metre of gas as determined by standard methods of testing,

   c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas,

   d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas,

   e. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas,

   f. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas,

   g. shall not contain more than four point zero (4.0) molar percent by volume of hydrogen in the gas,

   h. shall not contain more than sixty-five (65) milligrams of water vapour per cubic metre of the gas,

   i. shall not have a hydrocarbon dewpoint exceeding minus ten (-10) degrees Celsius at five thousand-five hundred (5500) kPa pressure,

   j. shall not contain less than one point zero (1.0) molar percent by volume of ethane in the gas,

   k. shall at all times be interchangeable with other pipeline gas such that the yellow tipping, flashback and lifting factors shall be within the range permitted for gas according to AGA Research Bulletin No. 36.

3. In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in Section 2.

III. MEASUREMENTS

1. Storage, Transportation, and/or Sales Unit: ("The Unit") The Unit of the gas delivered to Union shall be a megajoule or a gigajoule. The unit of gas transported or stored by Union shall be a megajoule or a gigajoule. The unit of gas delivered by Union shall be a megajoule, a gigajoule, a cubic metre (m^3) or one thousand cubic metres (10^3m^3) at Union's discretion.

2. Determination of Volume and Energy:

a. The volume and energy amounts determined under the Contract shall be determined in accordance with the Electricity and Gas Inspection Act (Canada), assented to 31 March, 1982 and the Electricity and Gas Inspection Regulations, P.C. 1986-116, 16 January, 1986, and any documents issued under the authority of the Act and Regulations and any amendments thereto.

b. The supercompressibility factor shall be determined in accordance with either the "Manual for Determination of Supercompressibility Factors for Natural Gas" (PAR Project NX-19) published in 1962 or with American Gas Association Transmission Measurement Committee Report No. 8, Nov. 1992, at Union's discretion, all as amended from time to time.

c. The volume and/or energy of the gas delivered to/by Union hereunder shall be determined by the measurement equipment designated in Article VII - Measuring Equipment, of this schedule.

IV. RECEIPT POINT AND DELIVERY POINT

1. Unless otherwise specified in the Contract, the point or points of receipt for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection specified in the Contract, where Union takes possession of the gas.

2. Unless otherwise specified in the Contract, the point or points of delivery for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection as specified in the Contract where Shipper takes possession of the gas.

V. POSSESSION OF AND RESPONSIBILITY FOR GAS

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VI. FACILITIES ON SHIPPER'S PROPERTY

Except under those conditions where Union is delivering to TCPL for TCPL or Shipper at Union's Parkway Point of Delivery, or to an Interconnecting Pipeline, or where otherwise specified in the Contract, the following will apply:

1. Construction and Maintenance: Union, at its own expense may construct, maintain and operate on Shipper's property at the delivery point a measuring station properly equipped with a meter or meters and any other necessary measuring equipment for properly measuring the gas redelivered under the Contract. Shipper will grant to Union a lease and/or rights-of-way over property of Shipper as required by Union to install such facilities and to connect same to Union's pipeline.

2. Entry: Union, its servants, agents and each of them may at any reasonable time on notice (except in cases of emergency) to Shipper or his duly authorized representative enter Shipper's property for the purpose of constructing, maintaining, removing, operating and/or repairing station equipment.

3. Property: The said station and equipment will be and remain the property of Union notwithstanding it is constructed on and attached to the realty of Shipper, and Union may at its own expense remove it upon termination of the Contract and will do so if so requested by Shipper.

VII. MEASURING EQUIPMENT

1. Metering by Union: Union will install and operate meters and related equipment as required and in accordance with the Act and Regulations referenced in Article III subparagraph 2.a.

2. Metering by Others: In the event that all or any gas delivered to/by Union hereunder is measured by a meter that is owned and operated by an Interconnecting Pipeline, then Union and Shipper agree to accept that metering for the

purpose of determining the volume and energy of gas delivered to/by Union on behalf of the Shipper. The standard of measurement and tests for the gas delivered to/by Union hereunder shall be in accordance with the general terms and conditions as incorporated in that Interconnecting Pipeline company's gas tariff as approved by their regulatory body.

3. Check Measuring Equipment: Shipper may install, maintain and operate, at the redelivery point, at its own expense, such check measuring equipment as desired, provided that such equipment shall be so installed as not to interfere with the operation of Union's measuring equipment at or near the delivery point, and shall be installed, maintained and operated in conformity with the same standards and specifications applicable to Union's metering facilities.

4. Rights of Parties: The measuring equipment installed by either party, together with any building erected by it for such equipment, shall be and remain its property. However, Union and Shipper shall have the right to have representatives present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring or checking the measurement of deliveries of gas to/by Union under the Contract. Either party will give the other party reasonable notice of its intention to carry out the acts herein specified. The records from such measuring equipment shall remain the property of their owner, but upon request each will submit to the other its records and charts, together with calculations therefrom, for inspection and verification, subject to return within ten days after receipt thereof.

5. Calibration and Test of Measuring Equipment: The accuracy of Union's measuring equipment shall be verified by Union at reasonable intervals, and if requested, in the presence of representatives of Shipper, but Union shall not be required to verify the accuracy of such equipment more frequently than once in any thirty (30) day period. In the event either party shall notify the other that it desires a special test of any measuring equipment, the parties shall co-operate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test, if called for by Shipper, shall be borne by Shipper if the measuring equipment tested is found to be in error by not more than two per cent (2%). If, upon test, any measuring equipment is found to be in error by not more than two per cent (2%), previous recordings of such equipment shall be considered accurate in computing redeliveries of gas, but such equipment shall be adjusted at once to record as near to absolute accuracy as possible. If the test conducted shows a percentage of inaccuracy greater than two percent (2%), the financial adjustment, if any, shall be calculated in accordance with the Electricity and Gas Inspection Act (1982) and regulations thereunder, as may be amended from time to time and in accordance with any successor statutes and regulations.

6. Preservation of Metering Records: Union and Shipper shall each preserve for a period of at least six (6) years all test data, and other relevant records.

VIII. BILLING

1. Monthly Billing Date: Union shall render bills on or before the 10th day of each month for all services furnished during the preceding month. Such charges may be based on estimated quantities, if actual quantities are unavailable in time to prepare the billing. Union shall provide, in a succeeding month's billing, an adjustment based on any difference between actual quantities and estimated quantities, without any interest charge. If presentation of a bill to Shipper is delayed after the 10th day of the month, then the time of payment shall be extended accordingly, unless Shipper is responsible for such delay.

2. Right of Examination: Both Union and Shipper shall have the right to examine at any reasonable time the books, records and charts of the other to the extent necessary to verify the accuracy of any statement, chart or computation made under or pursuant to the provisions of the Contract.

IX. PAYMENTS

1. Monthly payments: Shipper shall, unless otherwise directed by Union, pay directly into Union's account at the Canadian Imperial Bank of Commerce, Chatham, Ontario by electronic funds transfer to transit 010 00282, account 00-3301 if paying in Canadian funds; and, account 02-6717 if paying in US funds, so that Union shall receive payment from Shipper, on or before the twentieth (20th) day of each month, payment on the bill provided by Union. If the payment date is not a business day, then payment must be received in Union's account on the first business day preceding the twentieth (20th) day of the month.

2. Remedies for non-payment: Should Shipper fail to pay all of the amount of any bill as herein provided when such amount is due,

a. Shipper shall pay to Union interest on the unpaid portion of the bill accruing at a rate per annum equal to the minimum commercial lending rate of Union's principal banker in effect from time to time from the due date until the date of payment.

b. If such failure to pay continues for thirty (30) days after payment is due, Union, in addition to any other remedy it may have under the Contract, may suspend service(s) until such amount is paid. Notwithstanding such suspension, all demand charges shall continue to accrue hereunder as if such suspension were not in place.

If Shipper in good faith disputes the amount of any such bill or part thereof Shipper shall pay to Union such amounts as it concedes to be correct. At any time thereafter, within twenty (20) days of a demand made by Union, Shipper shall furnish financial assurances satisfactory to Union, guaranteeing payment to Union of the amount ultimately found due upon such bill after a final determination. Such a final determination may be reached either by agreement, arbitration decision or judgement of the courts, as may be the case. Union shall not be entitled to suspend service(s) because of such non-payment unless and until default occurs in the conditions of such financial assurances or default occurs in payment of any other amount due to Union hereunder.

Notwithstanding the foregoing paragraph(s), Shipper is not relieved from the obligation to continue its deliveries of gas to Union under the terms of any agreement, where Shipper has contracted to deliver specified quantities of gas to Union.

3. Billing Adjustments: If it shall be found that at any time or times Shipper has been overcharged or undercharged in any form whatsoever under the provisions of the Contract and Shipper shall have actually paid the bills containing such overcharge or undercharge, Union shall refund the amount of any such overcharge and interest shall accrue from and including the first day of such overcharge as paid to the date of refund and shall be calculated but not compounded at a rate per annum determined each day during the calculation period to be equal to the minimum commercial lending rate of Union's principal banker, and the Shipper shall pay the amount of any such undercharge, but without interest. In the event Union renders a bill to Shipper based upon measurement estimates, the required adjustment to reflect actual measurement shall be made on the bill next following the determination of such actual measurement, without any charge of interest. In the event an error is discovered in the amount billed in any statement rendered by Union, such error shall be adjusted by Union. Such overcharge, undercharge or error shall be adjusted by Union on the bill next following its determination (where the term "bill" next following shall mean a bill rendered at least fourteen (14) days after the day of its determination), provided that claim therefore shall have been made within six (6) years from the date of the incorrect billing. In the event any refund is issued with Shipper's gas bill, the aforesaid date of refund shall be deemed to be the date of the issue of bill.

X. ARBITRATION

If and when any dispute, difference or question shall arise between the parties hereto touching the Contract or anything herein contained, or the construction hereof, or the rights, duties or liabilities of the parties in relation to any matter hereunder, the matter in dispute shall be submitted and referred to arbitration within ten (10) days after written request of either party. Upon such request each party shall appoint an arbitrator, and the two so appointed shall appoint a third. A majority decision of the arbitrators shall be final and binding upon both parties. In all other respects the provisions of the Arbitration Act of the Province of Ontario, or any Act passed in amendment thereof or substitution therefore, shall apply to each such submission. Operations under the Contract shall continue, without prejudice, during any such arbitration and the costs attributable to such arbitration shall be shared equally by the parties hereto.

XI. FORCE MAJEURE

1. The term "force majeure" as used herein shall mean acts of God, strikes, lockouts or any other industrial disturbance, acts of the public enemy, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, lightening,

earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, freezing of wells or lines of pipe, inability to obtain materials, supplies, permits or labour, any laws, orders, rules, regulations, acts or restraints of any governmental body or authority (civil or military), any act or omission that is excused by any event or occurrence of the character herein defined as constituting force majeure, any act or omission by parties not controlled by the party having the difficulty and any other similar cases not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome.

2. In the event that either the Shipper or Union is rendered unable, in whole or in part, by force majeure, to perform or comply with any obligation or condition of the Contract, such party shall give notice and full particulars of such force majeure in writing delivered by hand, fax or other direct written electronic means to the other party as soon as possible after the occurrence of the cause relied on and subject to the provision of this Article.

3. Neither party shall be entitled to the benefit of the provisions of force majeure hereunder if any or all of the following circumstances prevail: the failure resulting in a condition of force majeure was caused by the negligence of the party claiming suspension; the failure was caused by the party claiming suspension where such party failed to remedy the condition by making all reasonable efforts (short of litigation, if such remedy would require litigation); the party claiming suspension failed to resume the performance of such condition obligations with reasonable dispatch; the failure was caused by lack of funds; the party claiming suspension did not as soon as possible after determining or within a period within which it should acting reasonably have determined that the occurrence was in the nature of force majeure and would affect its ability to observe or perform any of its conditions or obligations under the Contract give to the other party the notice required hereunder.

4. The party claiming suspension shall likewise give notice as soon as possible after the force majeure condition is remedied, to the extent that the same has been remedied, and that such party has resumed or is then in a position to resume the performance of the obligations and conditions of the Contract.

XII. DEFAULT AND TERMINATION

In case of the breach or non-observance or non-performance on the part of either party hereto of any covenant, proviso, condition, restriction or stipulation contained in the Contract (but not including herein failure to take or make delivery in whole or in part of the gas delivered to/by Union hereunder occasioned by any of the reasons provided for in Article XI hereof) which has not been waived by the other party, then and in every such case and as often as the same may happen, the Non-defaulting party may give written notice to the Defaulting party requiring it to remedy such default and in the event of the Defaulting party failing to remedy the same within a period of thirty (30) days from receipt of such notice, the Non-defaulting party may at its sole option declare the Contract to be terminated and thereupon the Contract shall be terminated and be null and void for all purposes other than and except as to any liability of the parties under the same incurred before and subsisting as of termination. The right hereby conferred upon each party shall be in addition to, and not in derogation of or in substitution for, any other right or remedy which the parties respectively at law or in equity shall or may possess.

XIII. MODIFICATION

Subject to Union's M12 Rate Schedule, Schedule A, Article XV and the ability of Union to amend the M12 Rate Schedule with the approval of the OEB, no amendment or modification of the Contract shall be effective unless the same shall be in writing and signed by each of the Shipper and Union.

XIV. NON-WAIVER AND FUTURE DEFAULT

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XV. LAWS, REGULATIONS AND ORDERS

The Contract and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules and regulations of any competent legislative body, or duly constituted authority now or hereafter having jurisdiction and the Contract shall be varied and amended to comply with or conform to any valid order or direction of any board, tribunal or administrative agency which affects any of the provisions of the Contract.

SCHEDULE "B"

RATE M12
NOMINATIONS

a) For Services provided either under this rate schedule or referenced to this rate schedule:

i) For Services required on any day Shipper shall provide Union with a nomination (the "Shipper's Nomination") of the quantity it desires to be handled at the applicable Receipt Point and/or Delivery Point. Such Shipper's Nomination is to be provided in writing so as to be received by Union's Gas Management Services on or before 1230 hours in the Eastern time zone, unless agreed to otherwise in writing by the parties, on the business day immediately preceding the day for which service is requested.

ii) If, in Union's sole opinion, operating conditions permit, a change in Shipper's Nomination may be accepted after 1230 hours in the Eastern time zone.

iii) For customers electing firm all day transportation service, nominations shall be provided to Union's Gas Management Services as outlined in the contract.

b) Union shall determine whether or not all or any portion of Shipper's Nomination will be accepted. In the event Union determines that it will not accept such nomination, Union shall advise Shipper, on or before 1730 hours in the Eastern time zone on the business day immediately preceding the day for which service is requested, of the reduced quantity (the "Quantity Available") for Services at the applicable points. Forthwith after receiving such advice from Union but no later than 1800 hours in the Eastern time zone on the same day, Shipper shall provide a "Revised Nomination" to Union which shall be no greater than the Quantity Available. If such Revised Nomination is not provided within the time allowed as required above or such Revised Nomination is greater than the Quantity Available, then the Revised Nomination shall be deemed to be the Quantity Available. If the Revised Nomination (delivered within the time allowed as required above) is less than the Quantity Available, then such lesser amount shall be the Revised Nomination.

c) That portion of a Shipper's Nomination or Revised Nomination, as set out in (a) and (b), above, which Union shall accept for Services hereunder, shall be known as Shipper's "Authorized Quantity".

d) If on any day the actual quantities handled by Union, for each of the Services authorized, exceed Shipper's Authorized Quantity, and such excess was caused by either Shipper's incorrect nomination or by its delivering or receiving too much gas, then the amount by which the actual quantities handled for each of the Services exceed Shipper's Authorized Quantity, such excess shall be deemed "Unauthorized Overrun".

e) The daily quantity of gas nominated by Shipper will be delivered by Shipper at rates of flow that are as nearly constant as possible, however, Union shall use reasonable efforts to take receipt of gas on any day at an hourly rate of flow up to one twentieth (1/20) of the quantity received for that day. Union shall have the right to limit Services when on any day the cumulative hourly imbalance between receipts and deliveries exceeds one twentieth (1/20) of the quantity handled for that day, for each applicable Service.

f) A nomination for a daily quantity of gas on any day shall remain in effect and apply to subsequent days unless and until Union receives a new nomination from Shipper or unless Union gives Shipper written notice that it is not acceptable in accordance with either (a) or (b) of this schedule.

g) Except for periods of gas or quantity balancing as provided in the Contract, nominations by Shipper for deliveries to Union and redeliveries by Union shall be the same delivery of gas by Union either to Shipper or a Shipper's Account with Union.

UNION GAS LIMITED
M12 Monthly Transportation Fuel Ratios and Rates
Firm or Interruptible Transportation Commodity
Effective January 1, 2009

Month	VT1 Easterly to Parkway (TCPL) With Dawn Compression		VT1 Easterly to Kirkwall, Lisgar, Parkway (Consumers) With Dawn Compression		VT3 Westerly to Kirkwall, Dawn	
	Fuel Ratio (%)	Fuel Rate ($/GJ)	Fuel Ratio (%)	Fuel Rate ($/GJ)	Fuel Ratio (%)	Fuel Rate ($/GJ)
April	0.765	0.072	0.765	0.072	0.329	0.031
May	0.625	0.059	0.625	0.059	0.329	0.031
June	0.417	0.039	0.329	0.031	0.417	0.039
July	0.358	0.034	0.329	0.031	0.358	0.034
August	0.350	0.033	0.329	0.031	0.350	0.033
September	0.368	0.035	0.348	0.033	0.368	0.035
October	0.747	0.070	0.698	0.066	0.329	0.031
November	0.950	0.090	0.767	0.072	0.329	0.031
December	1.176	0.111	0.952	0.090	0.329	0.031
January	1.309	0.123	1.078	0.102	0.329	0.031
February	1.209	0.114	0.993	0.094	0.329	0.031
March	1.048	0.099	0.855	0.081	0.329	0.031

UNION GAS LIMITED
M12 Monthly Transportation Authorized Overrun Fuel Ratios and Rates
Firm or Interruptible Transportation Commodity
Effective January 1, 2009

Month	VT1 Easterly to Parkway (TCPL) With Dawn Compression		VT1 Easterly to Kirkwall, Lisgar, Parkway (Consumers) With Dawn Compression		VT3 Westerly to Kirkwall, Dawn	
	Fuel Ratio (%)	Fuel Rate ($/GJ)	Fuel Ratio (%)	Fuel Rate ($/GJ)	Fuel Ratio (%)	Fuel Rate ($/GJ)
April	1.371	0.207	1.371	0.196	0.935	0.166
May	1.231	0.194	1.231	0.182	0.935	0.166
June	1.023	0.174	0.935	0.154	1.023	0.174
July	0.964	0.169	0.935	0.154	0.964	0.169
August	0.957	0.168	0.935	0.154	0.957	0.168
September	0.974	0.170	0.954	0.156	0.974	0.170
October	1.353	0.205	1.304	0.189	0.935	0.166
November	1.556	0.225	1.373	0.196	0.935	0.166
December	1.782	0.246	1.558	0.213	0.935	0.166
January	1.915	0.258	1.685	0.225	0.935	0.166
February	1.815	0.249	1.599	0.217	0.935	0.166
March	1.654	0.234	1.461	0.204	0.935	0.166

unliongas

Effective
2009-01-01
Rate M13

TRANSPORTATION OF
LOCALLY PRODUCED GAS

(A) Applicability

The charges under this rate schedule shall be applicable to a customer who enters into a contract with Union for gas received at a local production point to be transported to Dawn.

(B) 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.

Demand Commodity

	Demand Charge Rate/Month	Commodity Charge Union Provides Fuel Rate/GJ	Customer Provides Own Fuel Fuel Ratio
1. Monthly fixed charge per Customer Station	$660.94		
2. Transmission Commodity Charge		$0.025	
3. Delivery Commodity Charge		$ 0.031	0.329%

These charges are in addition to the transportation, storage and/or balancing charges which shall be paid for under Rate M12 or Rate C1, or other services that may be negotiated.

4. Overrun Services

Authorized Overrun

Authorized overrun will be payable on all quantities transported in excess of Union's obligation on any day. The overrun charges payable will be calculated at $0.089/GJ. Overrun will be authorized at Union's sole discretion.

	Commodity Charge Union Provides Fuel Rate/GJ	Customers Provides Own Fuel Commodity Charge Rate/GJ	Customers Provides Own Fuel Fuel Ratio
Authorized Overrun Charge	$0.089	$0.058	0.329%

Unauthorized Overrun

Authorized Overrun rates payable on all volumes up to 2% in excess of Union's contractual obligation.

The Unauthorized Overrun rate during the November 1 to April 15 period will be $50 per GJ for all usage on any day in excess of 102% of Union's contractual obligation. The Unauthorized Overrun rate during the April 16 to October 31 period will be $9.373 per GJ for all usage on any day in excess of 102% of Union's contractual obligation.

(C) Terms of Service

General Terms & Conditions applicable to this rate shall be in accordance with the attached Schedule "A".

Effective January 1, 2009
O.E.B. ORDER # EB-2008-0220 Chatham, Ontario

Supersedes EB-2007-0606 Rate Schedule effective January 1, 2008.

SCHEDULE "A"

GENERAL TERMS & CONDITIONS
M13 TRANSPORTATION AGREEMENT

I. DEFINITIONS

Except where the context expressly requires or states another meaning, the following terms, when used in these General Terms & Conditions and in any contract into which these General Terms & Conditions are incorporated, shall be construed to have the following meanings:

1. "Banking Day" shall mean a day on which the general offices of the Canadian Imperial Bank of Commerce, 99 King St. W., Chatham, Ontario are open for business.

2. "business day" shall mean a day on which the general offices of Union in Chatham, Ontario are open for business;

3. "Contract" shall refer to the Contract to which these General Terms & Conditions shall apply, and into which they are incorporated;

4. "contract year" shall mean a period of three hundred and sixty-five (365) consecutive days, beginning on the day agreed upon by Union and Shipper as set forth in the Contract, or on any anniversary of such date; provided, however, that any such period which contains a date of February 29 shall consist of three hundred and sixty-six (366) consecutive days;

5. "day" shall mean a period of twenty-four (24) consecutive hours beginning at 9:00 a.m. Central Standard time. The reference date for any day shall be the calendar date upon which the twenty-four (24) hour period shall commence;

6. "month" shall mean the period beginning at 9:00 a.m. Central Standard time on the first day of a calendar month and ending at 9:00 a.m. Central Standard time on the first day of the following calendar month;

7. "firm" shall mean service not subject to curtailment or interruption except under Articles XI and XII of this Schedule "B".

8. "interruptible service" shall mean service subject to curtailment or interruption, after notice, at any time;

9. "gas" shall mean gas as defined in the Ontario Energy Board Act, R.S.O. 1980, c. 332, as amended, supplemented or reenacted from time to time;

10. "cubic metre" shall mean the volume of gas which occupies one cubic metre when such gas is at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;

11. "m^3" shall mean cubic metre of gas and "10^3m^3" shall mean 1,000 cubic metres of gas;

12. "pascal" (Pa) shall mean the pressure produced when a force of one (1) newton is applied to an area of one (1) square metre. The term "kilopascal" (kPa) shall mean 1,000 pascals;

13. "joule" (J) shall mean the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force. The term "megajoule" (MJ) shall mean 1,000,000 joules. The term "gigajoule" (GJ) shall mean 1,000,000,000 joules;

14. "gross heating value" shall mean the total heat expressed in megajoules per cubic metre (MJ/m^3) produced by the complete combustion at constant pressure of one (1) cubic metre of gas with air, with the gas free of water vapour and the temperature of the gas, air and products of combustion at standard temperature and all water formed by the combustion reaction condensed to the liquid state;

15. "Shipper" shall have the meaning as defined in the Contract and shall also include Shipper's Agent(s);

16. "subsidiary" shall mean a company in which more than fifty (50) per cent of the issued share capital (having full voting rights under all circumstances) is owned or controlled directly or indirectly by another company, by one or more subsidiaries of such other company, or by such other company and one or more of its subsidiaries;

17. "TCPL" means TransCanada PipeLines Limited;

18. "NOVA" means NOVA Gas Transmission Ltd;

19. "Panhandle" means CMS Panhandle Eastern Pipeline Company;

20. "MichCon" means Michigan Consolidated Gas Company;

21. "SCPL" means St. Clair Pipelines (1996) Ltd.;

22. "OEB" means the Ontario Energy Board;

23. "NEB" means the National Energy Board (Canada);

i. "GLGT" means Great Lakes Gas Transmission Company.

ii. "CMS" means CMS Gas Transmission and Storage Company; and,

iii. "Consumers" means The Consumers' Gas Company, Limited.

II. QUALITY

1. Natural Gas: The minimum gross heating value of the gas delivered to/by Union hereunder, shall be thirty-six (36) megajoules per cubic metre. The maximum gross heating value of the gas delivered to/by Union hereunder shall be forty point two (40.2) megajoules per cubic metre. The gas to be delivered hereunder to Union may be a commingled supply from Shipper's natural gas sources of supply. The gas to be delivered by Union may be a commingled supply from Union's sources of gas supply; provided, however, that helium, natural gasoline, butane, propane and other hydrocarbons except methane may be removed prior to delivery to Shipper. Further, Union may subject, or permit the subjection of, the gas to compression, dehydration, cooling, cleaning and other processes.

2. Freedom from objectionable matter: The gas to be delivered to Union at the Delivery Locations hereunder,

    a. shall be merchantable and commercially free from sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to or interference with the proper operation of the lines, regulators, meters or other appliances through which it flows;

    b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas nor more than one hundred (100) milligrams of total sulphur (S) per cubic metre of gas as determined by standard methods of testing;

    c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas;

    d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas;

e. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas;

i. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas.

g. shall not contain more than four point zero (4.0) by volume molar percent of hydrogen in the gas;

h. shall not contain more than eighty (80) milligrams of water per cubic metre of the gas;

i. shall not have a hydrocarbon dewpoint exceeding minus ten (-10) degrees Celsius at five thousand five hundred (5500) kPa pressure;

j. shall not contain less than one point zero (1.0) molar percent by volume of ethane in the gas.

k. shall at all time be interchangeable with other pipeline gas such that the yellow tipping, flashback and lifting factors shall be within the range permitted for gas according to AGA Research Bulletin No. 36;

l. shall not exceed forty-three degrees Celsius (43°C);

m. shall not be odourized by Shipper.

3. Shipper shall subject any gas delivered hereunder to compression, cooling, cleaning or other processes to such an extent as may be required to obtain the necessary quality and for transmission to the Delivery Locations, provided the quality of the gas continues to comply with the specifications set out in this Contract.

4. Shipper may extract hydrocarbon and non-hydrocarbon constituents, other than methane except as required in the processing or compression of the gas, prior to delivery at the Delivery Locations hereunder, and shall have the right to remove such methane as is removed by necessity from the gas in removing other constituents, provided that Shipper in such processing shall not reduce the Gross Heating Value below that which is stated in Section II, Clause 1 herein and provided that such extraction will not cause a breach of the quality specifications set forth in this Section II.

5. In the event that the quality of the gas does not conform or if Union, acting reasonably, suspects the quality of the gas may not conform to the specifications herein, then Shipper shall, if so directed by Union acting reasonably, forthwith carry out, at Shipper's cost, whatever field testing of the gas quality as may be required to ensure that the quality requirements set out herein are met, and to provide Union with a certified copy of such tests. If Shipper does not carry out such tests forthwith, Union may conduct such test and Shipper shall reimburse Union for all costs incurred by Union for such testing.

6. If the Shipper's gas fails at any time to conform to the requirements of this Section II, Union, in addition to its other remedies, may refuse to accept delivery of gas at the Delivery Locations hereunder until such deficiency has been remedied by Shipper. Each Party agrees to notify the other verbally, followed by written notification, of any such deficiency of quality.

7. Freedom from objectionable matter: The gas to be delivered to Union at Dawn (TCPL) or the gas to be delivered by Union to Shipper at Dawn (TCPL) hereunder,

   a. shall be commercially free from sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to or interference with the proper operation of the lines, regulators, meters or other appliances through which it flows;

   b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas nor more than four hundred and sixty (460) milligrams of total sulphur per cubic metre of gas as determined by standard methods of testing;

c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas;

d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas;

e. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas;

f. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas;

g. shall not contain more than four point zero (4.0) molar percent by volume of hydrogen in the gas;

h. shall not contain more than eighty (80) milligrams of water vapour per cubic metre of the gas;

i. shall not have a hydrocarbon dewpoint exceeding minus ten (-10) degrees Celsius at five thousand-five hundred (5500) kPa pressure;

j. shall not contain less than one point zero (1.0) molar percent by volume of ethane in the gas;

k. shall at all times be interchangeable with other pipeline gas such that the yellow tipping, flashback and lifting factors shall be within the range permitted for gas according to AGA Research Bulletin No. 36.

III. MEASUREMENTS

1. **The Service Unit:** ("The Unit") The Unit of the gas delivered to Union shall be a quantity of 10^3m^3. The unit of gas delivered by Union shall be a megajoule, a gigajoule, a cubic metre (m^3) or one thousand cubic metres (10^3m^3) at Union's discretion.

2. Determination of Volume and Energy:

   a. The volume and energy amounts determined under this contract shall be determined in accordance with the Electricity and Gas Inspection Act, assented to 3l March, 1982 and the Electricity and Gas Inspection Regulations, P.C. 1986-16, 16 January, 1986, and any documents issued under the authority of the Act and Regulations and any amendments thereto.

   b. The gross heating value of the gas per cubic metre at each delivery point or redelivery point shall be measured by a FMCCA approved device for the measurement of energy content installed at the receipt or delivery point, or an alternative method of gross heating value determined which is mutually agreed upon by all parties to the Contract.

   c. The volume and/or energy of the gas delivered to/by Union hereunder shall be determined by the measurement equipment designated in Article VII - Measuring Equipment, of this schedule.

   d. The uncorrected quantity determined from the metering equipment shall be corrected according to Charles Law, Boyle's Law and deviation from Boyle's Law. The factor for correction for deviation from Boyle's Law shall be determined and applied in accordance either with the method laid down in the American Gas Association's "Manual for Determination of Supercompressibility

   Factors for Natural Gas" (PAR Project NX-19) published 1962 or with methods laid down in the American Gas Association's "Transmission Measurement Committee Report No.8" at the discretion of Union. Union shall notify Shipper of the specific method to be used. When gas is measured by means other than an orifice meter, the factor for correction for deviation from Boyle's Law shall be the square of the factor determined by following one of the methods above.

   e. The average absolute atmospheric (barometric) pressure, for the purpose of measurement shall be assumed to be a constant pressure of 99.285 kPa.

IV. POINT OF RECEIPT AND POINT OF DELIVERY

1. Unless otherwise specified in the Contract, the point or points of receipt for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection specified in the Contract, where Union takes possession of the gas. Whenever the phrase "receipt point" appears herein, it shall mean Point of Receipt as defined in this Article IV.

2. Unless otherwise specified in the Contract, the point or points of delivery for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection as specified in the Contract, where Shipper takes possession of the gas. Whenever the phrase "delivery point" shall appear herein, it shall mean Point of Delivery as defined in this Article IV.

V. FACILITIES ON CUSTOMER'S PROPERTY

N/A.

VI. MEASURING EQUIPMENT

1. Custody Transfer Measuring Equipment: In the event that all or any gas received or delivered hereunder is measured by a meter (where the term "meter" shall include but not be limited to positive displacement meters, orifice meters, turbine meters, and associated gauges and instrumentation), such meter shall be installed and operated in accordance with the Electricity and Gas inspection Act. (assented to March 31, 1982), (and amendments thereto), and the Electricity and Gas inspection Regulations, P.C. 1986 - 116, January 16, 1986 (and amendments thereto).

   In the event that all or any gas received or delivered hereunder is measured by a meter that is owned and operated by an upstream or downstream transporter (the "Transporter") whose facilities may or may not interconnect with Union's, then Union and Shipper agree to accept that metering for the purpose of determining the quantity of gas received or delivered on behalf of the Shipper. The standard of measurement and tests for the gas delivered to/by Union hereunder shall be in accordance with the General Terms and Conditions as incorporated in that Transporter's gas tariff as approved by their regulatory body.

2. Calibration and Test of Measuring Equipment: The accuracy of Union's measuring equipment shall be verified by Union at reasonable intervals, and if requested, in the presence of representatives of Shipper, but Union shall not be required to verify the accuracy of such equipment more frequently than once in any thirty (30) day period. In the event either party shall notify the other that it desires a special test of any measuring equipment or any other Delivery Location equipment, the parties shall co-operate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test, if called for by Shipper, shall be borne by Shipper if the measuring equipment tested is found to be in error not more than two per cent (2%). If, upon test, any measuring equipment is found to be in error by not more than two per cent (2%), previous recordings of such equipment shall be considered accurate in computing receipts or deliveries of gas, but such equipment shall be adjusted at once to record as near to absolute accuracy as possible. If the test conducted shows a percentage of inaccuracy greater than two percent (2%), the financial adjustment, if any, shall be calculated in accordance with the Electricity and Gas Inspection Act (1982) and regulations thereunder, as may be amended from time to time and in accordance with any successor statutes and regulations.

3. Preservation of Metering Records: Union and Shipper shall each preserve for a period of at least six (6) years all test data and other relevant records.

VII. BILLING

1. Monthly Billing Date: Union shall render bills on or before the 10th day of each month for all services furnished during the preceding month. Such charges may be based on estimated quantities, if actual quantities are unavailable in time to prepare the billing. Union shall provide, in a succeeding month's billing, an adjustment based on any difference between actual quantities and estimated quantities. If presentation of a bill to Shipper is delayed after the 10th day of

the month, then the time of payment shall be extended accordingly, unless Shipper is responsible for such delay.

2. Right of Examination: Both Union and Shipper shall have the right to examine at any reasonable time the books, records and charts of the other to the extent necessary to verify the accuracy of any statement, chart or computation made under or pursuant to the provisions of the Contract.

VIII. PAYMENTS

1. Monthly payments: Shipper shall pay directly into Union's account at the Canadian Imperial Bank of Commerce, 99 King Street W., Chatham, Ontario by electronic funds transfer to transit 010 00282, account 00-3301 if paying in Canadian funds; and, account 02-6717 if paying in US funds, so that Union shall receive payment from Shipper, on or before the twentieth (20th) day of each month, payment on the invoice provided by Union. If the payment date is not a Banking Day, then payment must be received in Union's account on the first Banking Day preceding the twentieth (20th) day of the month.

2. Remedies for nonpayment: Should Shipper fail to pay all of the amount of any bill as herein provided when such amount is due, Shipper shall pay to Union interest on the unpaid portion of the bill accruing at a rate per annum equal to the minimum commercial lending rate of Union's principal banker in effect from time to time from the due date until the date of payment. If such failure to pay continues for thirty (30) days after payment is due, Union, in addition to any other remedy it may have under the Contract may suspend service(s) until such amount is paid, provided however, that if Shipper, in good faith shall dispute the amount of any such bill or part thereof and shall pay to Union such amounts as it concedes to be correct and at any time thereafter within twenty (20) days of a demand made by Union shall furnish good and sufficient surety bond satisfactory to Union, guaranteeing payment to Union of the amount ultimately found due upon such bill after a final determination which may be reached either by agreement, arbitration decision or judgement of the courts, as may be the case, then Union shall not be entitled to suspend service(s) because of such nonpayment unless and until default be made in the conditions of such bond or in payment for any further service(s) to Shipper hereunder.

3. Billing Adjustments: If it shall be found that at any time or times Shipper has been overcharged or undercharged in any form whatsoever under the provisions of the Contract and Shipper shall have actually paid the bills containing such overcharge or undercharge, Union shall refund the amount of any such overcharge and interest shall accrue from and including the first day of such overcharge as paid to the date of refund and shall be calculated but not compounded at a rate per annum determined each day during the calculation period to be equal to the minimum commercial lending rate of Union's principal banker, and the Shipper shall pay the amount of any such undercharge, but without interest. In the event Union renders a bill to Shipper based upon measurement estimates, the required adjustment to reflect actual measurement shall be made on the bill next following the determination of such actual measurement, without any charge of interest. In the event an error is discovered in the amount billed in any statement rendered by Union, such error shall be adjusted by Union. Such overcharge, undercharge or error shall be adjusted by Union on the bill next following its determination (where the term "bill" next following shall mean a bill rendered at least fourteen (14) days after the day of its determination), provided that claim therefore shall have been made within six (6) years from the date of the incorrect billing. In the event any refund is issued with Shipper's bill, the aforesaid date of refund shall be deemed to be the date of the issue of invoice.

IX. ARBITRATION

If and when any dispute, difference or question shall arise between the parties heretotouching the Contract or anything herein contained, or the construction hereof, or the rights, duties or liabilities of the parties in relation to any matter hereunder, the matter in dispute shall be submitted and referred to arbitration within ten (10) days after written request of either party. Upon such request each party shall appoint an arbitrator, and the two so appointed shall appoint a third. A majority decision of the arbitrators shall be final and binding upon both parties. In all other respects the provisions of the Arbitration Act of the Province of Ontario, or any Act passed in amendment thereof or substitution therefor, shall apply to each such submission. Operations under this Contract shall continue, without prejudice, during any such arbitration and the costs attributable to such arbitration shall be shared equally by the parties hereto.

X. FORCE MAJEURE

N/A

XI. DEFAULT AND TERMINATION

N/A

XII. MODIFICATION

N/A

XIII. NONWAIVER AND FUTURE DEFAULT

N/A

XIV. LAWS, REGULATIONS AND ORDERS

The Contract and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules and regulations of any competent legislative body, or duly constituted authority now or hereafter having jurisdiction and the Contract shall be varied and amended to comply with or conform to any valid order or direction of any board, tribunal or administrative agency which affects any of the provisions of the Contract.

STORAGE AND TRANSPORTATION SERVICES
TRANSPORTATION CHARGES

(A) Availability

The charges under this rate schedule shall be applicable for transportation service rendered by Union for all quantities transported to and from embedded storage pools located within Union's franchise area and served using Union's distribution and transmission assets.

(B) 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) Charges Applicable to both Firm and/or Interruptible Transportation Services:

Monthly Fixed Charge per customer station ($ per month) (1)	$689.02
Transmission Commodity Charge to Dawn ($ per GJ)	$0.025

Transportation Fuel	Customers located East of Dawn	Customers located West of Dawn
Fuel Charges to Dawn:		
Commodity Rate - Union provides fuel ($ per GJ)	$0.031	$0.031
Fuel Ratio - customer provides fuel (%)	0.329%	0.329%
Fuel Charge to the Pool		
Commodity Rate - Union provides fuel ($ per GJ)	$0.040	$0.047
Fuel Ratio - customer provides fuel (%)	0.424%	0.497%

b) Firm Transportation Demand Charges: (2)

	Customers located East of Dawn	Customers located West of Dawn
Monthly Demand Charge applied to contract demand ($ per GJ)	$0.735	$0.988

Authorized Overrun:

The authorized overrun rate payable on all quantities transported in excess of Union's obligation any day shall be:

Firm Transportation:	Customers located East of Dawn	Customers located West of Dawn
Charges to Dawn		
Commodity Rate - Union provides fuel ($ per GJ)	$0.080	$0.089
Commodity Rate - customer provides fuel ($ per GJ)	$0.049	$0.058
Fuel Ratio - customer provides fuel (%)	0.329%	0.329%
Charges to the Pool		
Commodity Rate - Union provides fuel ($ per GJ)	$0.064	$0.079
Commodity Rate - customer provides fuel ($ per GJ)	$0.024	$0.032
Fuel Ratio - customer provides fuel (%)	0.424%	0.497%

Overrun will be authorized at Union's sole discretion.

Unauthorized Overrun

Authorized Overrun rates payable on all transported quantities up to 2% in excess of Union's contractual obligation.

The Unauthorized Overrun rate during the November 1 to April 15 period will be $50 per GJ for all usage on any day in excess of 102% of Union's contractual obligation. The Unauthorized Overrun rate during the April 16 to October 31 period will be $9.373 per GJ for all usage on any day in excess of 102% of Union's contractual obligation.

Charges aforesaid in respect of any given month in accordance with General Terms & Conditions shall be payable no later than the twenty-fifth day of the succeeding month.

Notes for Section (B) Rates:
(1) The monthly fixed charge will be applied once per month per customer station regardless of service being firm, interruptible or a combination thereof.
(2) Demand charges will be applicable to customers firm daily contracted demand or the firm portion of a combined firm and interruptible service.

(C) Terms of Service

General Terms & Conditions applicable to this rate schedule shall be in accordance with attached Schedule "A".

SCHEDULE "A"

GENERAL TERMS & CONDITIONS
M16 TRANSPORTATION AGREEMENT

I. DEFINITIONS

Except where the context expressly requires or states another meaning, the following terms, when used in these General Terms & Conditions and in any contract into which these General Terms & Conditions are incorporated, shall be construed to have the following meanings:

1. "Banking Day" shall mean a day on which the general offices of the Canadian Imperial Bank of Commerce, 99 King St. W., Chatham, Ontario are open for business.

2. "business day" shall mean a day on which the general offices of Union in Chatham, Ontario are open for business;

3. "Contract" shall refer to the Contract to which these General Terms & Conditions shall apply, and into which they are incorporated;

4. "contract year" shall mean a period of three hundred and sixty-five (365) consecutive days, beginning on the day agreed upon by Union and Shipper as set forth in the Contract, or on any anniversary of such date; provided, however, that any such period which contains a date of February 29 shall consist of three hundred and sixty-six (366) consecutive days;

5. "day" shall mean a period of twenty-four (24) consecutive hours beginning at 9:00 a.m. Central Standard time. The reference date for any day shall be the calendar date upon which the twenty-four (24) hour period shall commence;

6. "month" shall mean the period beginning at 9:00 a.m. Central Standard time on the first day of a calendar month and ending at 9:00 a.m. Central Standard time on the first day of the following calendar month;

7. "firm" shall mean service not subject to curtailment or interruption except under Articles XI and XII of this Schedule "B".

8. "interruptible service" shall mean service subject to curtailment or interruption, after notice, at any time;

9. "gas" shall mean gas as defined in the Ontario Energy Board Act, R.S.O. 1980, c. 332, as amended, supplemented or reenacted from time to time;

10. "cubic metre" shall mean the volume of gas which occupies one cubic metre when such gas is at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;

11. "m^3" shall mean cubic metre of gas and "10^3m^3" shall mean 1,000 cubic metres of gas;

12. "pascal" (Pa) shall mean the pressure produced when a force of one (1) newton is applied to an area of one (1) square metre. The term "kilopascal" (kPa) shall mean 1,000 pascals;

13. "joule" (J) shall mean the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force. The term "megajoule" (MJ) shall mean 1,000,000 joules. The term "gigajoule" (GJ) shall mean 1,000,000,000 joules;

14. "gross heating value" shall mean the total heat expressed in megajoules per cubic metre (MJ/m^3) produced by the complete combustion at constant pressure of one (1) cubic metre of gas with air, with the gas free of water vapour and the temperature of the gas, air and products of combustion at standard temperature and all water formed by the combustion reaction condensed to the liquid state;

15. "Shipper" shall have the meaning as defined in the Contract, and shall also include Shipper's Agent(s);

16. "subsidiary" means a company in which more than fifty (50) per cent of the issued share capital (having full voting rights under all circumstances) is owned or controlled directly or indirectly by another company, by one or more subsidiaries of such other company, or by such other company and one or more of its subsidiaries;

17. "TCPL" means TransCanada PipeLines Limited;

18. "NOVA" means Gas Transmission Ltd.;

19. "Panhandle" means CMS Panhandle Eastern Pipeline Company;

20. "MichCon" means Michigan Consolidated Gas Company;

21. "SCPL" means St. Clair Pipelines (1996) Ltd.;

22. "OEB" means the Ontario Energy Board;

23. "NEB" means the National Energy Board (Canada);

24. "GLGT" means Great Lakes Gas Transmission Company;

25. "CMS" means CMS Gas Transmission and Storage Company; and,

26. "Consumers" means The Consumers' Gas Company, Limited.

II. QUALITY

1. Natural Gas: The minimum gross heating value of the gas delivered to/by Union hereunder, shall be thirty-six (36) megajoules per cubic metre. The maximum gross heating value of the gas delivered to/by Union hereunder shall be forty point two (40.2) megajoules per cubic metre. The gas to be delivered hereunder to Union may be a commingled supply from Shipper's natural gas sources of supply. The gas to be delivered by Union may be a commingled supply from Union's sources of gas supply; provided, however, that helium, natural gasoline, butane, propane and other hydrocarbons except methane may be removed prior to delivery to Shipper. Further, Union may subject, or permit the subjection of, the gas to compression, dehydration, cooling, cleaning and other processes.

2. Freedom from objectionable matter: The gas to be delivered to Union at the Delivery Locations hereunder,

   a. shall be merchantable and commercially free from sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to or interference with the proper operation of the lines, regulators, meters or other appliances through which it flows;

   b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas nor more than one hundred (100) milligrams of total sulphur (S) per cubic metre of gas as determined by standard methods of testing;

   c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas;

   d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas;

e. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas;

f. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas.

g. shall not contain more than four point zero (4.0) by volume molar percent of hydrogen in the gas;

h. shall not contain more than eighty (80) milligrams of water per cubic metre of the gas;

i. shall not have a hydrocarbon dewpoint exceeding minus ten (-10) degrees Celsius at five thousand five hundred (5500) kPa pressure;

j. shall not contain less than one point zero (1.0) molar percent by volume of ethane in the gas.

k. shall at all time be interchangeable with other pipeline gas such that the yellow tipping, flashback and lifting factors shall be within the range permitted for gas according to AGA Research Bulletin No. 36;

l. shall not exceed forty-three degrees Celsius (43°C);

m. shall not be odourized by Shipper.

3. Shipper shall subject any gas delivered hereunder to compression, cooling, cleaning or other processes to such an extent as may be required to obtain the necessary quality and for transmission to the Delivery Locations, provided the quality of the gas continues to comply with the specifications set out in this Contract.

4. Shipper may extract hydrocarbon and non-hydrocarbon constituents, other than methane except as required in the processing or compression of the gas, prior to delivery at the Delivery Locations hereunder, and shall have the right to remove such methane as is removed by necessity from the gas in removing other constituents, provided that Shipper in such processing shall not reduce the Gross Heating Value below that which is stated in Section II, Clause 1 herein and provided that such extraction will not cause a breach of the quality specifications set forth in this Section II.

5. In the event that the quality of the gas does not conform or if Union, acting reasonably, suspects the quality of the gas may not conform to the specifications herein, then Shipper shall, if so directed by Union acting reasonably, forthwith carry out, at Shipper's cost, whatever field testing of the gas quality as may be required to ensure that the quality requirements set out herein are met, and to provide Union with a certified copy of such tests. If Shipper does not carry out such tests forthwith, Union may conduct such test and Shipper shall reimburse Union for all costs incurred by Union for such testing.

6. If the Shipper's gas fails at any time to conform to the requirements of this Section II, Union, in addition to its other remedies, may refuse to accept delivery of gas at the Delivery Locations hereunder until such deficiency has been remedied by Shipper. Each Party agrees to notify the other verbally, followed by written notification, of any such deficiency of quality.

7. Freedom from objectionable matter: The gas to be delivered to Union at Dawn (TCPL) or the gas to be delivered by Union to Shipper at Dawn (TCPL) hereunder,

a. shall be commercially free from sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to or interference with the proper operation of the lines, regulators, meters or other appliances through which it flows;

b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas nor more than four hundred and sixty (460) milligrams of total sulphur per cubic metre of gas as determined by standard methods of testing;

c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas;

d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas;

e. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas;

f. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas;

g. shall not contain more than four point zero (4.0) molar percent by volume of hydrogen in the gas;

h. shall not contain more than eighty (80) milligrams of water vapour per cubic metre of the gas;

i. shall not have a hydrocarbon dewpoint exceeding minus ten (-10) degrees Celsius at five thousand-five hundred (5500) kPa pressure;

j. shall not contain less than one point zero (1.0) molar percent by volume of ethane in the gas;

k. shall at all times be interchangeable with other pipeline gas such that the yellow tipping, flashback and lifting factors shall be within the range permitted for gas according to AGA Research Bulletin No. 36.

III. MEASUREMENTS

1. Storage, Transportation, and/or Sales Unit: ("The Unit") The Unit of the gas delivered to Union shall be a megajoule or a gigajoule. The unit of gas transported or stored by Union shall be a megajoule or a gigajoule. The unit of gas delivered by Union shall be a megajoule, a gigajoule, a cubic meter (m^3) or one thousand cubic metres (10^3m^3) at Union's discretion.

2. Determination of Volume and Energy:

   a. The volume and energy amounts determined under this contract shall be determined in accordance with the Electricity and Gas Inspection Act, assented to 31 March, 1982 and the Electricity and Gas Inspection Regulations, P.C. 1986-116, 16 January, 1986, and any documents issued under the authority of the Act and Regulations and any amendments thereto.

   b. The supercompressibility factor shall be determined in accordance with either the "Manual for Determination of Supercompressibility Factors for Natural Gas" (PAR Project NX-19) published in 1962 or with American Gas Association Transmission Measurement Committee Report No. 8, Nov. 1992, at Union's discretion.

   c. The volume and/or energy of the gas delivered to/by Union hereunder shall be determined by the measurement equipment designated in Article VII - Measuring Equipment, of this schedule.

IV. POINT OF RECEIPT AND POINT OF DELIVERY

1. Unless otherwise specified in the Contract, the point or points of receipt for all gas to be covered thereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection specified in the Contract, where Union takes possession of the gas. Whenever the phrase "receipt point" appears herein, it shall mean Point of Receipt as defined in this Article IV.

2. Unless otherwise specified in the Contract, the point or points of delivery for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection as specified in the Contract, where Shipper takes possession of the gas. Whenever the phrase "delivery point" shall appear hereon, it shall mean Point of Delivery as defined in this Article IV.

V. POSSESSION OF AND RESPONSIBILITY FOR GAS

N/A.

VI. FACILITIES ON SHIPPER'S PROPERTY

N/A.

VII. MEASURING EQUIPMENT

1. Metering by Union: Union will install and operate meters and related equipment as required and in accordance with the Act and Regulations in III 2.a.

2. Metering by Others: In the event that all or any gas delivered to/by Union hereunder is measured by a meter that is owned and operated by a pipeline company whose facilities interconnect with Union's, then Union and Shipper agree to accept that metering for the purpose of determining the volume and energy of gas delivered to/by Union on behalf of the Shipper. The standard of measurement and tests for the gas delivered to/by Union hereunder shall be in accordance with the General Terms & Conditions as incorporated in that pipeline company's gas tariff as approved by their Regulatory Body.

3. Check Measuring Equipment: Shipper may install, maintain and operate, at the redelivery point, at its own expense, such check measuring equipment as desired, provided that such equipment shall be so installed as not to interfere with the operation of Union's measuring equipment at or near the delivery point, and shall be installed, maintained and operated in conformity with the same standards and specifications applicable to Union's metering facilities.

4. Rights of Parties: The measuring equipment installed by either party, together with any building erected by it for such equipment, shall be and remain its property. However, Union and Shipper shall have the right to have representatives present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring or checking the measurement of deliveries of gas to/by Union under this Contract. Either party will give the other party reasonable notice of its intention to carry out the acts herein specified. The records from such measuring equipment shall remain the property of their owner, but upon request each will submit to the other its records and charts, together with calculations therefrom, for inspection and verification, subject to return within ten days after receipt thereof.

5. Calibration and Test of Measuring Equipment: The accuracy of Union's measuring equipment shall be verified by Union at reasonable intervals, and if requested, in the presence of representatives of Shipper, but Union shall not be required to verify the accuracy of such equipment more frequently than once in any thirty (30) day period. In the event either party shall notify the other that it desires a special test of any measuring equipment, the parties shall co-operate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test, if called for by Shipper, shall be borne by Shipper if the measuring equipment tested is found to be in error not more than two per cent (2%). If, upon test, any measuring equipment is found to be in error by not more than two per cent (2%), previous recordings of such equipment shall be considered accurate in computing redeliveries of gas, but such equipment shall be adjusted at once to record as near to absolute accuracy as possible. If the test conducted shows a percentage of inaccuracy greater than two percent (2%), the financial adjustment, if any, shall be calculated in accordance with the Electricity and Gas Inspection Act (1982) and regulations thereunder, as may be amended from time to time and in accordance with any successor statutes and regulations.

6. Preservation of Metering Records: Union and Shipper shall each preserve for a period of at least six (6) years all test data, and other relevant records.

VIII. BILLING

1. Monthly Billing Date: Union shall render bills on or before the 10th day of each month for all services furnished during the preceding month. Such charges may be based on estimated quantities, if actual quantities are unavailable in time to prepare the billing. Union shall provide, in a succeeding month's billing, an adjustment based on any difference between actual quantities and estimated quantities. If presentation of a bill to Shipper is delayed after the 10th day of the month, then the time of payment shall be extended accordingly, unless Shipper is responsible for such delay.

2. Right of Examination: Both Union and Shipper shall have the right to examine at any reasonable time the books, records and charts of the other to the extent necessary to verify the accuracy of any statement, chart or computation made under or pursuant to the provisions of the Contract.

IX. PAYMENTS

1. Monthly payments: Shipper shall pay directly into Union's account at the Canadian Imperial Bank of Commerce, 99 King Street W., Chatham, Ontario by electronic funds transfer to transit 010 00282, account 00-3301 if paying in Canadian funds; and, account 02-6717 if paying in US funds, so that Union shall receive payment from Shipper, on or before the twentieth (20th) day of each month, payment on the invoice provided by Union, and pursuant to Article VII above. If the payment date is not a Banking Day, then payment must be received in Union's account on the first Banking Day preceding the twentieth (20th) day of the month.

2. Remedies for nonpayment: Should Shipper fail to pay all of the amount of any bill as herein provided when such amount is due, Shipper shall pay to Union interest on the unpaid portion of the bill accruing at a rate per annum equal to the minimum commercial lending rate of Union's principal banker in effect from time to time from the due date until the date of payment. If such failure to pay continues for thirty (30) days after payment is due, Union, in addition to any other remedy it may have under the Contract may suspend service(s) until such amount is paid, provided however, that if Shipper, in good faith shall dispute the amount of any such bill or part thereof and shall pay to Union such amounts as it concedes to be correct and at any time thereafter within twenty (20) days of a demand made by Union shall furnish good and sufficient surety bond satisfactory to Union, guaranteeing payment to Union of the amount ultimately found due upon such bill after a final determination which may be reached either by agreement, arbitration decision or judgement of the courts, as may be the case, then Union shall not be entitled to suspend service(s) because of such nonpayment unless and until default be made in the conditions of such bond or in payment for any further service(s) to Shipper hereunder.

   Notwithstanding the foregoing paragraph, this does not relieve Shipper from the obligation to continue its deliveries of gas under the terms of any agreement, where Shipper has contracted to deliver specified quantities of gas to Union.

3. Billing Adjustments: If it shall be found that at any time or times Shipper has been overcharged or undercharged in any form whatsoever under the provisions of the Contract and Shipper shall have actually paid the bills containing such overcharge or undercharge, Union shall refund the amount of any such overcharge and interest shall accrue from and including the first day of such overcharge as paid to the date of refund and shall be calculated but not compounded at a rate per annum determined each day during the calculation period to be equal to the minimum commercial lending rate of Union's principal banker, and the Shipper shall pay the amount of any such undercharge, but without interest. In the event Union renders a bill to Shipper based upon measurement estimates, the required adjustment to reflect actual measurement shall be made on the bill next following the determination of such actual measurement, without any charge of interest. In the event an error is discovered in the amount billed in any statement rendered by Union, such error shall be adjusted by Union. Such overcharge, undercharge or error shall be adjusted by Union on the bill next following its determination (where the term "bill" next following shall mean a bill rendered at least fourteen (14) days after the day of its determination), provided that claim therefore shall have been made within six (6) years from the date of the incorrect billing. In the event any refund is issued with Shipper's bill, the aforesaid date of refund shall be deemed to be the date of the issue of invoice.

X. ARBITRATION

If and when any dispute, difference or question shall arise between the parties heretotouching the Contract or anything herein contained, or the construction hereof, or the rights, duties or liabilities of the parties in relation to any matter hereunder, the matter in dispute shall be submitted and referred to arbitration within ten (10) days after written request of either party. Upon such request each party shall appoint an arbitrator, and the two so appointed shall appoint a third. A majority decision of the arbitrators shall be final and binding upon both parties. In all other respects the provisions of the Arbitration Act of the Province of Ontario, or any Act passed in amendment thereof or substitution therefor, shall apply to each such submission. Operations under this Contract shall continue, without prejudice, during any such arbitration and the costs attributable to such arbitration shall be shared equally by the parties hereto.

XI. FORCE MAJEURE

N/A

XII. DEFAULT AND TERMINATION

N/A

XIII. MODIFICATION

N/A

XIV. NONWAIVER AND FUTURE DEFAULT

N/A

XV. LAWS, REGULATIONS AND ORDERS

The Contract and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules and regulations of any competent legislative body, or duly constituted authority now or hereafter having jurisdiction and the Contract shall be varied and amended to comply with or conform to any valid order or direction of any board, tribunal or administrative agency which affects any of the provisions of the Contract.

CROSS FRANCHISE TRANSPORTATION RATES

(A) Applicability

To a Shipper who enters into a Contract with Union for delivery by Shipper of gas to Union at one of Union's points listed below for redelivery by Union to Shipper at one of Union's points.

Applicable Points	(1)	(2)
	Ojibway	WDA
	St. Clair	NDA
	Dawn*	SSMDA
	Parkway	SWDA
	Kirkwall	CDA
	Bluewater	EDA

*includes Dawn (TCPL), Dawn Facilities, Dawn (Tecumseh), Dawn (Vector) and Dawn (TSLE)

(B) Services

Transportation Service under this rate schedule is transportation on Union's pipeline facilities between any two Points as specified in Section (A), column 1.

(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.

Transportation Service:

	Monthly Demand Charge (applied to daily contract demand)	Commodity Charges			
		If Union supplies fuel Commodity Charge		If Shipper supplies fuel Fuel Ratio	
		Apr.1-Oct.31	Nov.1-Mar.31	Apr.1-Oct.31	Nov.1-Mar.31
	Rate/GJ	Rate/GJ	Rate/GJ	%	%
a) Firm Transportation					
Between:					
St.Clair & Dawn	$0.988	$0.033	$0.041	0.353%	0.432%
Ojibway & Dawn	$0.988	$0.047	$0.053	0.497%	0.567%
Bluewater & Dawn	$0.988	$0.033	$0.041	0.353%	0.432%
From:					
Parkway to Kirkwall	$0.548	$0.033	$0.031	0.354%	0.329%
Parkway to Dawn	$0.548	$0.033	$0.031	0.354%	0.329%
Dawn to Kirkwall	$2.013	$0.049	$0.107	0.519%	1.138%
Dawn to Parkway	$2.364	$0.049	$0.107	0.519%	1.138%
b) Interruptible and Short Term (1 year or less) Firm Transportation:					
Maximum		$75.00	$75.00		
c) Firm Transportation between two points within Dawn					
Dawn to Dawn-Vector	$0.042	n/a	n/a	0.205%	n/a
d) Interruptible Transportation between two points within Dawn*					
*includes Dawn (TCPL), Dawn Facilities, Dawn (Tecumseh), Dawn (Vector) and Dawn (TSLE)				0.329%	0.329%

(C) Rates (Cont'd)

Authorized Overrun:

The following Overrun rates are applied to any quantities transported in excess of the Contract parameters. Overrun will be authorized at Union's sole discretion.

	If Union supplies fuel Commodity Charge		Commodity Charges If Shipper supplies fuel Fuel Ratio		
a) Firm Transportation	Apr.1-Oct.31 Rate/GJ	Nov.1-Mar.31 Rate/GJ	Apr.1-Oct.31 %	Nov.1-Mar.31 %	Commodity Charge Rate/GJ
Between:					
St.Clair & Dawn	$0.066	$0.073	0.353%	0.432%	$0.032
Ojibway & Dawn	$0.079	$0.086	0.497%	0.567%	$0.032
Bluewater & Dawn	$0.066	$0.073	0.353%	0.432%	$0.032
From:					
Parkway to Kirkwall	$0.051	$0.049	0.955%	0.930%	$0.018
Parkway to Dawn	$0.051	$0.049	0.955%	0.930%	$0.018
Dawn to Kirkwall	$0.115	$0.174	1.120%	1.739%	$0.066
Dawn to Parkway	$0.127	$0.185	1.120%	1.739%	$0.078
b) Firm Transportation within Dawn					
Dawn to Dawn-Vector	n/a	n/a	0.442%	n/a	$0.001

Authorized overrun for short-term firm transportation is available at negotiated rates.

Unauthorized Overrun:

The Unauthorized Overrun rate shall be the higher of the reported daily spot price of gas at either, Dawn, Parkway, Niagara, Iroquois or Chicago in the month of or the month following the month in which the overrun occurred plus 25% for all usage on any day in excess of 102% of Union's contractual obligation.

(D) Terms of Service

General Terms and Conditions applicable to this rate schedule shall be in accordance with the attached Schedule "A".

(E) Nominations

Nominations under this rate schedule shall be in accordance with the attached Schedule "B".

SCHEDULE "A"

RATE C1
GENERAL TERMS & CONDITIONS

I. DEFINITIONS

Except where the context expressly requires or states another meaning, the following terms, when used in these General Terms & Conditions and in any contract into which these General Terms & Conditions are incorporated, shall be construed to have the following meanings:

1. "Contract" shall refer to the contract to which these General Terms & Conditions shall apply, and into which they are incorporated;

2. "cubic metre" shall mean the volume of gas which occupies one cubic metre when such gas is at a temperature of 15 degrees Celsius, and at a pressure of 101.325 kilopascals absolute;

3. "day" shall mean a period of twenty-four (24) consecutive hours beginning at 9:00 a.m. Central Standard time. The reference date for any day shall be the calendar date upon which the twenty-four (24) hour period shall commence;

4. "delivery" shall mean any gas that is delivered by Union into Shipper's possession, or to the possession of Shipper's agent;

5. "firm" shall mean service not subject to curtailment or interruption except under Articles XI and XII of this Schedule "A";

6. "gas" shall mean gas as defined in the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Sch. B, as amended, supplemented or re-enacted from time to time;

7. "gross heating value" shall mean the total heat expressed in megajoules per cubic metre (MJ/m^3) produced by the complete combustion at constant pressure of one (1) cubic metre of gas with air, with the gas free of water vapour and the temperature of the gas, air and products of combustion at standard temperature and all water formed by the combustion reaction condensed to the liquid state;

8. "interruptible service" shall mean service subject to curtailment or interruption, after notice, at any time;

9. "Interconnecting Pipeline" shall mean a pipeline that directly connects to the Union pipeline system;

10. "joule" (J) shall mean the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) metre in the direction of the force. The term "megajoule" (MJ) shall mean 1,000,000 joules. The term "gigajoule" (GJ) shall mean 1,000,000,000 joules;

11. "limited interruptible service" shall mean gas service subject to interruption or curtailment on a limited number of days as specified in the Contract;

12. "m^3" shall mean cubic metre of gas and "10^3m^3" shall mean 1,000 cubic metres of gas;

13. "month" shall mean the period beginning at 9:00 a.m. Central Standard time on the first day of a calendar month and ending at 9:00 a.m. Central Standard time on the first day of the following calendar month;

14. "OEB" means the Ontario Energy Board;

15. "pascal" (Pa) shall mean the pressure produced when a force of one (1) newton is applied to an area of one (1) square metre. The term "kilopascal" (kPa) shall mean 1,000 pascals;

16. "receipt" shall mean any gas that is delivered into Union's possession, or the possession of Union's agent;

17. "Shipper", shall have the meaning as defined in the Contract and shall also include Shipper's agent(s);

18. "TCPL" means TransCanada PipeLines Limited;

II. GAS QUALITY

1. Natural Gas: The minimum gross heating value of the gas delivered to/by Union hereunder, shall be thirty-six (36) megajoules per cubic metre. The maximum gross heating value of the gas delivered to/by Union hereunder shall be forty point two (40.2) megajoules per cubic metre. The gas to be delivered hereunder to Union may be a commingled supply from Shipper's natural gas sources of supply. The gas to be delivered by Union may be a commingled supply from Union's sources of gas supply; provided, however, that helium, natural gasoline, butane, propane and other hydrocarbons except methane may be removed prior to delivery to Shipper. Further, Union may subject, or permit the subjection of, the gas to compression, dehydration, cooling, cleaning and other processes.

2. Freedom from objectionable matter: The gas to be delivered to/by Union hereunder,

   a. shall be commercially free from sand, dust, gums, crude oils, lubricating oils, liquids, chemicals or compounds used in the production, treatment, compression or dehydration of the gas or any other objectionable substance in sufficient quantity so as to render the gas toxic, unmerchantable or cause injury to or interference with the proper operation of the lines, regulators, meters or other appliances through which it flows,

   b. shall not contain more than seven (7) milligrams of hydrogen sulphide per cubic metre of gas nor more than four hundred and sixty (460) milligrams of total sulphur per cubic metre of gas as determined by standard methods of testing,

   c. shall not contain more than five (5) milligrams of mercaptan sulphur per cubic metre of gas,

   d. shall not contain more than two point zero (2.0) molar percent by volume of carbon dioxide in the gas,

   e. shall not contain more than zero point five (0.5) molar percent by volume of carbon monoxide in the gas,

   f. shall not contain more than zero point four (0.4) molar percent by volume of oxygen in the gas,

   g. shall not contain more than four point zero (4.0) molar percent by volume of hydrogen in the gas,

   h. shall not contain more than sixty-five (65) milligrams of water vapour per cubic metre of the gas,

   i. shall not have a hydrocarbon dewpoint exceeding minus ten (-10) degrees Celsius at five thousand-five hundred (5500) kPa pressure,

   j. shall not contain less than one point zero (1.0) molar percent by volume of ethane in the gas,

   k. shall at all times be interchangeable with other pipeline gas such that the yellow tipping, flashback and lifting factors shall be within the range permitted for gas according to AGA Research Bulletin No. 36.

3. In addition to any other right or remedy of a party, each party shall be entitled to refuse to accept delivery of any gas which does not conform to any of the specifications set out in Section 2.

III. MEASUREMENTS

1. Storage, Transportation, and/or Sales Unit: ("The Unit") The Unit of the gas delivered to Union shall be a megajoule or a gigajoule. The unit of gas transported or stored by Union shall be a megajoule or a gigajoule. The unit of gas delivered by Union shall be a megajoule, a gigajoule, a cubic metre (m^3) or one thousand cubic metres (10^3m^3) at Union's discretion.

2. Determination of Volume and Energy:

a. The volume and energy amounts determined under the Contract shall be determined in accordance with the Electricity and Gas Inspection Act (Canada), assented to 31 March, 1982 and the Electricity and Gas Inspection Regulations, P.C. 1986-116, 16 January, 1986, and any documents issued under the authority of the Act and Regulations and any amendments thereto.

b. The supercompressibility factor shall be determined in accordance with either the "Manual for Determination of Supercompressibility Factors for Natural Gas" (PAR Project NX-19) published in 1962 or with American Gas Association Transmission Measurement Committee Report No. 8, Nov. 1992, at Union's discretion, all as amended from time to time.

c. The volume and/or energy of the gas delivered to/by Union hereunder shall be determined by the measurement equipment designated in Article VII - Measuring Equipment, of this schedule.

IV. RECEIPT POINT AND DELIVERY POINT

1. Unless otherwise specified in the Contract, the point or points of receipt for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection specified in the Contract, where Union takes possession of the gas.

2. Unless otherwise specified in the Contract, the point or points of delivery for all gas to be covered hereunder shall be on the outlet side of the measuring stations located at or near the point or points of connection as specified in the Contract where Shipper takes possession of the gas.

V. POSSESSION OF AND RESPONSIBILITY FOR GAS

Intentionally blank

VI. FACILITIES ON SHIPPER'S PROPERTY

Except under those conditions where Union is delivering to TCPL for TCPL or Shipper at Union's Parkway Point of Delivery, or to an Interconnecting Pipeline, or where otherwise specified in the Contract, the following will apply:

1. Construction and Maintenance: Union, at its own expense may construct, maintain and operate on Shipper's property at the delivery point a measuring station properly equipped with a meter or meters and any other necessary measuring equipment for properly measuring the gas redelivered under the Contract. Shipper will grant to Union a lease and/or rights-of-way over property of Shipper as required by Union to install such facilities and to connect same to Union's pipeline.

2. Entry: Union, its servants, agents and each of them may at any reasonable time on notice (except in cases of emergency) to Shipper or his duly authorized representative enter Shipper's property for the purpose of constructing, maintaining, removing, operating and/or repairing station equipment.

3. Property: The said station and equipment will be and remain the property of Union notwithstanding it is constructed on and attached to the realty of Shipper, and Union may at its own expense remove it upon termination of the Contract and will do so if so requested by Shipper.

VII. MEASURING EQUIPMENT

1. Metering by Union: Union will install and operate meters and related equipment as required and in accordance with the Act and Regulations referenced in Article III subparagraph 2.a.

2. Metering by Others: In the event that all or any gas delivered to/by Union hereunder is measured by a meter that is owned and operated by an Interconnecting Pipeline, then Union and Shipper agree to accept that metering for the

purpose of determining the volume and energy of gas delivered to/by Union on behalf of the Shipper. The standard of measurement and tests for the gas delivered to/by Union hereunder shall be in accordance with the general terms and conditions as incorporated in that Interconnecting Pipeline company's gas tariff as approved by their regulatory body.

3. Check Measuring Equipment: Shipper may install, maintain and operate, at the redelivery point, at its own expense, such check measuring equipment as desired, provided that such equipment shall be so installed as not to interfere with the operation of Union's measuring equipment at or near the delivery point, and shall be installed, maintained and operated in conformity with the same standards and specifications applicable to Union's metering facilities.

4. Rights of Parties: The measuring equipment installed by either party, together with any building erected by it for such equipment, shall be and remain its property. However, Union and Shipper shall have the right to have representatives present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring or checking the measurement of deliveries of gas to/by Union under the Contract. Either party will give the other party reasonable notice of its intention to carry out the acts herein specified. The records from such measuring equipment shall remain the property of their owner, but upon request each will submit to the other its records and charts, together with calculations therefrom, for inspection and verification, subject to return within ten days after receipt thereof.

5. Calibration and Test of Measuring Equipment: The accuracy of Union's measuring equipment shall be verified by Union at reasonable intervals, and if requested, in the presence of representatives of Shipper, but Union shall not be required to verify the accuracy of such equipment more frequently than once in any thirty (30) day period. In the event either party shall notify the other that it desires a special test of any measuring equipment, the parties shall co-operate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test, if called for by Shipper, shall be borne by Shipper if the measuring equipment tested is found to be in error by not more than two per cent (2%). If, upon test, any measuring equipment is found to be in error by not more than two per cent (2%), previous recordings of such equipment shall be considered accurate in computing redeliveries of gas, but such equipment shall be adjusted at once to record as near to absolute accuracy as possible. If the test conducted shows a percentage of inaccuracy greater than two percent (2%), the financial adjustment, if any, shall be calculated in accordance with the Electricity and Gas Inspection Act (1982) and regulations thereunder, as may be amended from time to time and in accordance with any successor statutes and regulations.

6. Preservation of Metering Records: Union and Shipper shall each preserve for a period of at least six (6) years all test data, and other relevant records.

VIII. BILLING

1. Monthly Billing Date: Union shall render bills on or before the 10th day of each month for all services furnished during the preceding month. Such charges may be based on estimated quantities, if actual quantities are unavailable in time to prepare the billing. Union shall provide, in a succeeding month's billing, an adjustment based on any difference between actual quantities and estimated quantities, without any interest charge. If presentation of a bill to Shipper is delayed after the 10th day of the month, then the time of payment shall be extended accordingly, unless Shipper is responsible for such delay.

2. Right of Examination: Both Union and Shipper shall have the right to examine at any reasonable time the books, records and charts of the other to the extent necessary to verify the accuracy of any statement, chart or computation made under or pursuant to the provisions of the Contract.

IX. PAYMENTS

1. Monthly payments: Shipper shall, unless otherwise directed by Union, pay directly into Union's account at the Canadian Imperial Bank of Commerce, Chatham, Ontario by electronic funds transfer to transit 010 00282, account 00-3301 if paying in Canadian funds; and, account 02-6717 if paying in US funds, so that Union shall receive payment from Shipper, on or before the twentieth (20th) day of each month, payment on the bill provided by Union. If the payment date is not a business day, then payment must be received in Union's account on the first business day preceding the twentieth (20th) day of the month.

2. <u>Remedies for non-payment:</u> Should Shipper fail to pay all of the amount of any bill as herein provided when such amount is due,

   a. Shipper shall pay to Union interest on the unpaid portion of the bill accruing at a rate per annum equal to the minimum commercial lending rate of Union's principal banker in effect from time to time from the due date until the date of payment.

   b. If such failure to pay continues for thirty (30) days after payment is due, Union, in addition to any other remedy it may have under the Contract, may suspend service(s) until such amount is paid. Notwithstanding such suspension, all demand charges shall continue to accrue hereunder as if such suspension were not in place.

   If Shipper in good faith disputes the amount of any such bill or part thereof Shipper shall pay to Union such amounts as it concedes to be correct. At any time thereafter, within twenty (20) days of a demand made by Union, Shipper shall furnish financial assurances satisfactory to Union, guaranteeing payment to Union of the amount ultimately found due upon such bill after a final determination. Such a final determination may be reached either by agreement, arbitration decision or judgement of the courts, as may be the case. Union shall not be entitled to suspend service(s) because of such non-payment unless and until default occurs in the conditions of such financial assurances or default occurs in payment of any other amount due to Union hereunder.

   Notwithstanding the foregoing paragraph(s), Shipper is not relieved from the obligation to continue its deliveries of gas to Union under the terms of any agreement, where Shipper has contracted to deliver specified quantities of gas to Union.

3. <u>Billing Adjustments:</u> If it shall be found that at any time or times Shipper has been overcharged or undercharged in any form whatsoever under the provisions of the Contract and Shipper shall have actually paid the bills containing such overcharge or undercharge, Union shall refund the amount of any such overcharge and interest shall accrue from and including the first day of such overcharge as paid to the date of refund and shall be calculated but not compounded at a rate per annum determined each day during the calculation period to be equal to the minimum commercial lending rate of Union's principal banker, and the Shipper shall pay the amount of any such undercharge, but without interest. In the event Union renders a bill to Shipper based upon measurement estimates, the required adjustment to reflect actual measurement shall be made on the bill next following the determination of such actual measurement, without any charge of interest. In the event an error is discovered in the amount billed in any statement rendered by Union, such error shall be adjusted by Union. Such overcharge, undercharge or error shall be adjusted by Union on the bill next following its determination (where the term "bill" next following shall mean a bill rendered at least fourteen (14) days after the day of its determination), provided that claim therefore shall have been made within six (6) years from the date of the incorrect billing. In the event any refund is issued with Shipper's gas bill, the aforesaid date of refund shall be deemed to be the date of the issue of bill.

X. ARBITRATION

If and when any dispute, difference or question shall arise between the parties hereto touching the Contract or anything herein contained, or the construction hereof, or the rights, duties or liabilities of the parties in relation to any matter hereunder, the matter in dispute shall be submitted and referred to arbitration within ten (10) days after written request of either party. Upon such request each party shall appoint an arbitrator, and the two so appointed shall appoint a third. A majority decision of the arbitrators shall be final and binding upon both parties. In all other respects the provisions of the Arbitration Act of the Province of Ontario, or any Act passed in amendment thereof or substitution therefore, shall apply to each such submission. Operations under the Contract shall continue, without prejudice, during any such arbitration and the costs attributable to such arbitration shall be shared equally by the parties hereto.

XI. FORCE MAJEURE

1. The term "force majeure" as used herein shall mean acts of God, strikes, lockouts or any other industrial disturbance, acts of the public enemy, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, lightening,

earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, freezing of wells or lines of pipe, inability to obtain materials, supplies, permits or labour, any laws, orders, rules, regulations, acts or restraints of any governmental body or authority (civil or military), any act or omission that is excused by any event or occurrence of the character herein defined as constituting force majeure, any act or omission by parties not controlled by the party having the difficulty and any other similar cases not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome.

2. In the event that either the Shipper or Union is rendered unable, in whole or in part, by force majeure, to perform or comply with any obligation or condition of the Contract, such party shall give notice and full particulars of such force majeure in writing delivered by hand, fax or other direct written electronic means to the other party as soon as possible after the occurrence of the cause relied on and subject to the provision of this Article.

3. Neither party shall be entitled to the benefit of the provisions of force majeure hereunder if any or all of the following circumstances prevail: the failure resulting in a condition of force majeure was caused by the negligence of the party claiming suspension; the failure was caused by the party claiming suspension where such party failed to remedy the condition by making all reasonable efforts (short of litigation, if such remedy would require litigation); the party claiming suspension failed to resume the performance of such condition obligations with reasonable dispatch; the failure was caused by lack of funds; the party claiming suspension did not as soon as possible after determining or within a period within which it should acting reasonably have determined that the occurrence was in the nature of force majeure and would affect its ability to observe or perform any of its conditions or obligations under the Contract give to the other party the notice required hereunder.

4. The party claiming suspension shall likewise give notice as soon as possible after the force majeure condition is remedied, to the extent that the same has been remedied, and that such party has resumed or is then in a position to resume the performance of the obligations and conditions of the Contract.

XII. DEFAULT AND TERMINATION

In case of the breach or non-observance or non-performance on the part of either party hereto of any covenant, proviso, condition, restriction or stipulation contained in the Contract (but not including herein failure to take or make delivery in whole or in part of the gas delivered to/by Union hereunder occasioned by any of the reasons provided for in Article XI hereof) which has not been waived by the other party, then and in every such case and as often as the same may happen, the Non-defaulting party may give written notice to the Defaulting party requiring it to remedy such default and in the event of the Defaulting party failing to remedy the same within a period of thirty (30) days from receipt of such notice, the Non-defaulting party may at its sole option declare the Contract to be terminated and thereupon the Contract shall be terminated and be null and void for all purposes other than and except as to any liability of the parties under the same incurred before and subsisting as of termination. The right hereby conferred upon each party shall be in addition to, and not in derogation of or in substitution for, any other right or remedy which the parties respectively at law or in equity shall or may possess.

XIII. MODIFICATION

Subject to Union's C1 Rate Schedule, Schedule A, Article XV and the ability of Union to amend the C1 Rate Schedule with the approval of the OEB, no amendment or modification of the Contract shall be effective unless the same shall be in writing and signed by each of the Shipper and Union.

XIV. NON-WAIVER AND FUTURE DEFAULT

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XV. LAWS, REGULATIONS AND ORDERS

The Contract and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules and regulations of any competent legislative body, or duly constituted authority now or hereafter having jurisdiction and the Contract shall be varied and amended to comply with or conform to any valid order or direction of any board, tribunal or administrative agency which affects any of the provisions of the Contract.

SCHEDULE "B"

RATE C1
NOMINATIONS

a) For Services provided either under this rate schedule or referenced to this rate schedule:

i) For Services required on any day Shipper shall provide Union with a nomination (the "Shipper's Nomination") of the quantity it desires to be handled at the applicable Receipt Point, and/or Delivery Point. Such Shipper's Nomination is to be provided in writing so as to be received by Union's Gas Management Services on or before 1230 hours in the Eastern time zone, unless agreed to otherwise in writing by the parties, on the business days immediately preceding the day for which service is requested.

ii) If, in Union's sole opinion, operating conditions permit, a change in Shipper's Nomination may be accepted after 1230 hours in the Eastern time zone.

iii) For customers electing firm all day transportation, nominations shall be provided to Union's Gas Management Services as outlined in the Contract.

b) Union shall determine whether or not all or any portion of Shipper's Nomination will be accepted. In the event Union determines that it will not accept such nomination, Union shall advise Shipper, on or before 1730 hours in the Eastern time zone on the business day immediately preceding the day for which service is requested, of the reduced quantity (the "Quantity Available") for Services at the applicable points. Forthwith after receiving such advice from Union but no later than 1800 hours in the Eastern time zone on the same day, Shipper shall provide a "Revised Nomination" to Union which shall be no greater than the Quantity Available. If such Revised Nomination is not provided within the time allowed as required above or such Revised Nomination is greater than the Quantity Available, then the Revised Nomination shall be deemed to be the Quantity Available. If the Revised Nomination (delivered within the time allowed as required above) is less than the Quantity Available, then such lesser amount shall be the Revised Nomination.

c) That portion of a Shipper's Nomination or Revised Nomination, as set out in (a) and (b), above, which Union shall accept for Services hereunder, shall be known as Shipper's "Authorized Quantity".

d) If on any day the actual quantities handled by Union, for each of the Services authorized, exceed Shipper's Authorized Quantity, and such excess was caused by either Shipper's incorrect nomination or by its delivering or receiving too much gas, then the amount by which the actual quantities handled for each of the Services exceed Shipper's Authorized Quantity, such excess shall be deemed "Unauthorized Overrun".

e) The daily quantity of gas nominated by Shipper will be delivered by Shipper at rates of flow that are as nearly constant as possible, however, Union shall use reasonable efforts to take receipt of gas on any day at an hourly rate of flow up to one twentieth (1/20) of the quantity received for that day. Union shall have the right to limit Services when on any day the cumulative hourly imbalance between receipts and deliveries exceeds one twentieth (1/20) of the quantity handled for that day, for each applicable Service.

f) A nomination for a daily quantity of gas on any day shall remain in effect and apply to subsequent days unless and until Union receives a new nomination from the Shipper or unless Union gives Shipper written notice that it is not acceptable in accordance with either (a) or (b) of this schedule.

g) Except for periods of gas or quantity balancing as provided in the Contract, nominations by Shipper for deliveries to Union and redeliveries by Union shall be the same delivery of gas by Union either to Shipper or a Shipper's Account with Union.

GISB

APPENDIX C

APPENDIX "C" TO

BOARD FILE NO. EB-2008-0220
Rate Order for 2009

Summary of Average Rate Changes for Rates 25, M5A, M7
and T1 Interruptible Contract Services

UNION GAS LIMITED
Infranchise Customers
Summary of Average Rate and Price Adjustment Changes for Rates 25, M5A, M7 and T1
Effective January 1, 2009

Line No.	Particulars (cents / m^3)	Monthly Charge Increase / (Decrease)	Monthly Demand Charge Increase / (Decrease)	Delivery Commodity Charge Increase / (Decrease)	Delivery - Price Adjustment Increase / (Decrease)
		(a)	(b)	(c)	(d)
	Rate 25				
1	All Zones	($0.53)		0.0481	
	M5A				
2	Interruptible	($1.40)		0.0239	
	M7				
3	Interruptible			0.0527	
4	Seasonal			0.0527	
	T1-Interruptible				
5	Transportation - Union supplies fuel	($5.05)		0.0177	
6	Transportation - Customer supplies fuel	($5.05)		0.0127	

APPENDIX D

APPENDIX "D" TO

BOARD FILE NO. EB-2008-0220
Rate Order for 2009

Customer Notices

APPENDIX E

APPENDIX “E” TO

BOARD FILE NO. EB-2008-0220
Rate Order for 2009

Miscellaneous Non-Energy Charges

UNION GAS LIMITED
Miscellaneous Non-Energy Charges

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

Notes:

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

APPENDIX F

APPENDIX “F” TO

BOARD FILE NO. EB-2008-0220
Rate Order for 2009

Accounting Orders

UNION GAS LIMITED

Accounting Entries for
Deferred Customer Rebates/Charges
Deferral Account No. 179-26

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No. 259 Other Current and Accrued Liabilities
Credit	-	Account No. 179-26 Other Deferred Charges - Deferred Customer Rebates/Charges

To record, as a credit (debit) in Deferral Account No. 179-26, the amounts of any rebates (charges) less than $10 for final customer accounts, and to record as credit (debit) in Account No. 179-26 the amounts of any rebates (charges) arising from approved Rate Orders which cannot be rebated (charged) to specific customers, as the customers cannot be located.

Debit	-	Account No. 179-26 Other Deferred Charges - Deferred Customer Rebates/Charges
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-26, interest on the balance in Deferral Account No. 179-26. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
Short-term Storage and Other Balancing Services
Deferral Account No. 179-70

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No. 570 Storage and Transportation Revenue
Credit	-	Account No. 179-70 Other Deferred Charges - Short-term Storage and Other Balancing Services

To record, as a debit (credit) in Deferral Account No. 179-70 the difference between actual net revenues for Short-term Storage and Other Balancing Services including; C1 Off-Peak Storage, Gas Loans, Consumers' LBA, Supplemental Balancing Services, C1 Firm Peak Storage, C1 Firm Short-term deliverability and M12 Interruptible deliverability and the net revenue forecast for these services as approved by the Board for ratemaking purposes.

Debit	-	Account No.179-70 Other Deferred Charges - Short-term Storage and Other Balancing Services
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-70, interest on the balance in Deferral Account No. 179-70. Simple interest will be computed monthly upon finalization of the year end balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
Long-Term Peak Storage Services
Deferral Account No. 179-72

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No. 570 Storage and Transportation Revenue
Credit	-	Account No. 179-72 Other Deferred Charges - Long-Term Peak Storage Services

To record, as a credit (debit) in Deferral Account No. 179-72, the difference between actual net revenues for Long-Term Peak Storage Services including C1 Firm Peak Storage and the net revenues forecast for these services as approved by the Board for rate making purposes.

Debit	-	Account No. 179-72 Other Deferred Charges - Long-Term Peak Storage Services
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-72 interest on the balance in Deferral Account No. 179-72. Simple interest will be computed monthly upon finalization of the year end balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
Lost Revenue Adjustment Mechanism
Deferral Account No. 179-75

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No.179-75 Other Deferred Charges - Lost Revenue Adjustment Mechanism
Credit	-	Account No. 529 Other Sales

To record, as a debit (credit) in Deferral Account No. 179-75, the difference between actual margin reductions related to Union's DSM plans and the margin reduction included in gas delivery rates as approved by the Board.

Debit	-	Income Account No. 179-75 Other Deferred Charges - Lost Revenue Adjustment Mechanism
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-75, interest expense on the balance in Deferral Account No. 179-75. Simple interest will be computed monthly upon finalization of the year end balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
TCPL Tolls and Fuel – Northern and Eastern Operations Area
Deferral Account No. 179-100

This account is applicable to the Northern and Eastern Operations of Union Gas Limited. Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No.179-100 Other Deferred Charges - TCPL Tolls and Fuel – Northern and Eastern Operations Area
Credit	-	Account No. 623 Cost of Gas

To record, as a debit (credit) in Deferral Account No. 179-100, the difference in the costs between the actual per unit TCPL tolls and associated fuel and the forecast per unit TCPL tolls and associated fuel costs included in the rates as approved by the Board.

Debit	-	Account No. 623 Cost of Gas
Credit	-	Account No.179-100 Other Deferred Charges - TCPL Tolls and Fuel – Northern and Eastern Operations Area

To record, as a credit (debit) in Deferral Account No. 179-100, the benefit from the temporary assignment of unutilized capacity under Union's TCPL transportation contracts to the Northern and Eastern Operations Area. The benefit will be equal to the recovery of pipeline demand charges and other charges resulting from the temporary assignment of unutilized capacity that have been included in gas sales rates.

Debit	-	Account No. 179-100 Other Deferred Charges - TCPL Tolls and Fuel – Northern and Eastern Operations Area
Credit	-	Account No. 623 Cost of Gas

To record, as a debit (credit) in Deferral Account No. 179-100 charges that result from the Limited Balancing Agreement with TCPL.

Debit	-	Account No. 500 Sales Revenue
Credit	-	Account No. 179-100 Other Deferred Charges - TCPL Tolls and Fuel – Northern and Eastern Operations Area

To record, as a credit (debit) in Deferral Account No. 179-100 revenue from T-Service customers for load balancing service resulting from the Limited Balancing Agreement with TCPL.

Debit	-	Account No. 179-100 Other Deferred Charges - TCPL Tolls and Fuel – Northern and Eastern Operations Area
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-100 interest expense on the balance in Deferral Account No. 179-100. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
Intra-Period WACOG Changes
Deferral Account No. 179-102

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A, prescribed under the Ontario Energy Board Act.

Debit	-	Account No.179-102 Other Deferred Charges – Intra-Period WACOG Changes
Credit	-	Account No. 529 Other Sales

To record as a debit (credit) in Deferral Account No. 179-102 the delivery rate impact of the difference between the actual WACOG as approved by the Board during the year and the WACOG approved for recovery in rates related to inventory carrying costs, compressor fuel and unaccounted for gas.

Debit	-	Account No. 179-102 Other Deferred Charges – Intra-Period WACOG Changes
Credit	-	Account No. 323 Other Interest Expense

To record as a debit (credit) in Deferral Account No. 179-102, interest on the balance in Deferral Account No. 179-102. Simple interest will be computed on the monthly opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
Unbundled Services Unauthorized Storage Overrun
Deferral Account No. 179-103

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A, prescribed under the Ontario Energy Board Act.

Debit	-	Account No.571 Storage Revenue
Credit	-	Account No. 179-103 Other Deferred Charges – Unbundled Services Unauthorized Storage Overrun

To record as a credit (debit) in Deferral Account No. 179-103 any unauthorized storage overrun charges incurred by customers electing unbundled service.

Debit	-	Account No. 179-103 Other Deferred Charges – Unbundled Services Unauthorized Storage Overrun
Credit	-	Account No. 323 Other Interest Expense

To record as a debit (credit) in Deferral Account No. 179-103, interest on the balance in Deferral Account No. 179-103. Simple interest will be computed on the monthly opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
North Purchase Gas Variance Account
Deferral Account No. 179-105

This account is applicable to the Northern and Eastern Operations area of Union Gas Limited. Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No. 179-105 Other Deferred Charges – North Purchase Gas Variance Account
Credit	-	Account No. 623 Cost of Gas

To record, as a debit (credit) in Deferral Account No. 179-105, the difference between the unit cost of gas purchased each month for the Northern and Eastern Operations area and the unit cost of gas included in the gas sales rates as approved by the Board, including the difference between the actual heat content of the gas purchased and the forecast heat content included in gas sales rates.

Debit	-	Account No. 179-105 Other Deferred Charges - North Purchase Gas Variance Account
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-105, interest expense on the balance in Deferral Account No. 179-105. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
South Purchase Gas Variance Account
Deferral Account No. 179-106

This account is applicable to the Southern Operations area of Union Gas Limited. Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No. 179-106 Other Deferred Charges – South Purchase Gas Variance Account
Credit	-	Account No. 623 Cost of Gas

To record, as a debit (credit) in Deferral Account No. 179-106, the difference between the unit cost of gas purchased each month for the Southern Operations and the unit cost of gas included in the gas sales rates as approved by the Board, including the difference between the actual heat content of the gas purchased and the forecast heat content included in gas sales rates.

Debit	-	Account No. 179-106 Other Deferred Charges - South Purchase Gas Variance Account
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-106, interest expense on the balance in Deferral Account No. 179-106. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
Spot Gas Variance Account
Deferral Account No. 179-107

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No. 179-107 Other Deferred Charges –Spot Gas Variance Account
Credit	-	Account No. 623 Cost of Gas

To record, as a debit (credit) in Deferral Account No. 179-107, the difference between the unit cost of spot gas purchased each month and the unit cost of gas included in the gas sales rates as approved by the Board on the spot volumes purchased in excess of planned purchases.

Debit	-	Account No. 623 Cost of Gas
Credit	-	Account No. 179-107 Other Deferred Charges –Spot Gas Variance Account

To record, as a credit (debit) in Deferral Account No. 179-107, the approved gas supply charges recovered through the delivery component of rates.

Debit	-	Account No. 179-107 Other Deferred Charges – Spot Gas Variance Account
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-107, interest expense on the balance in Deferral Account No. 179-107. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

<u>**UNION GAS LIMITED**</u>

Accounting Entries for
Unabsorbed Demand Cost (UDC) Variance Account
<u>**Deferral Account No. 179-108**</u>

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No. 179-108 Other Deferred Charges – Unabsorbed Demand Cost Variance Account
Credit	-	Account No. 623 Cost of Gas

To record, as a debit (credit) in Deferral Account No. 179-108, the difference between the actual unabsorbed demand costs incurred by Union and the amount of unabsorbed demand charges included in rates as approved by the Board.

Debit	-	Account No. 179-108 Other Deferred Charges – Unabsorbed Demand Cost Variance Account
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-108, interest expense on the balance in Deferral Account No. 179-108. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
Inventory Revaluation Account
Deferral Account No. 179-109

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A, prescribed under the Ontario Energy Board Act.

Debit	-	Account No. 179-109 Other Deferred Charges – Inventory Revaluation
Credit	-	Account No. 152 Gas Stored Underground - Available for Sales
Credit	-	Account No. 153 Transmission Line Pack Gas

To record, as a debit (credit) in Deferral Account No. 179-109, the decrease (increase) in the value of gas inventory available for sale to sales service customers due to changes in Union's weighted average cost of gas approved by the Board for rate making purposes.

Debit	-	Account No. 179-109 Other Deferred Charges – Inventory Revaluation Account
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-109, interest expense on the balance in Deferral Account No. 179-109. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
Demand Side Management Variance Account
Deferral Account No. 179-111

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No.179-111 Demand Side Management Variance Account
Credit	-	Account No. 251 Accounts Payable

To record as a debit (credit) in Deferral Account No. 179-111, the difference between actual and the approved direct DSM expenditure budget currently approved for recovery in rates, provided that any excess over the approved direct DSM expenditure budget does not exceed 15% of the direct DSM expenditure budget. Any excess over the approved direct DSM expenditure budget for the year must be for incremental DSM volume savings that are cost effective as determined by the Total Resource Cost Test.

Debit	-	Account No.179-111 Other Deferred Charges – Demand Side Management Variance Account
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-111, interest expense on the balance in Deferral Account No. 179-111. Simple interest will be computed monthly upon finalization of the year end balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
Gas Distribution Access Rule (GDAR) Costs
Deferral Account No. 179-112

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No. 179-112 Other Deferred Charges - Deferred Gas Distribution Access Rule (GDAR) Costs
Credit	-	Account No. 251 Accounts Payable

To record, as a debit (credit) in Deferral Account No. 179-112 the difference between the actual costs required to implement the appropriate process and system changes to achieve compliance with GDAR and the costs included in rates as approved by the Board.

Debit	-	Account No.179-112 Other Deferred Charges - Deferred Gas Distribution Access Rule (GDAR) Costs
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-112, interest on the balance in Deferral Account No. 179-112. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

<u>UNION GAS LIMITED</u>

Accounting Entries for
Late Payment Penalty Litigation
<u>Deferral Account No. 179-113</u>

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No. 179-113 Late Payment Penalty Litigation Costs
Credit	-	Account No. 251 Accounts Payable

To record, as a debit (credit) in Deferral Account No. 179-113, the costs Union incurs in defending itself in late payment penalty litigation, specifically, the company's legal costs, costs of actuarial advice and costs of analyzing historic billing records. These costs shall exclude any judgment against the Company.

Debit	-	Account No. 179-113 Late Payment Penalty Litigation Costs
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-113, interest expense on the balance in Deferral Account No. 179-113. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
Shared Savings Mechanism
Deferral Account No. 179-115

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No.179 -115 Shared Savings Mechanism
Credit	-	Account No. 579 Miscellaneous Operating Revenue

To record, as a debit in Deferral Account No. 179-115, the shareholder incentive earned by the Company in relation to its Demand Side Management (DSM) Programs.

Debit	-	Account No.179- 115 Other Deferred Charges – Shared Savings Mechanism
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit in Deferral Account No. 179 -115, interest expense on the balance in Deferral Account No. 179-115. Simple interest will be computed monthly upon finalization of the year end balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
Carbon Dioxide Offset Credits
Deferral Account No. 179-117

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No.179 -117 Carbon Dioxide Offset Credits
Credit	-	Account No. 579 Miscellaneous Operating Revenue

To record, as a debit in Deferral Account No. 179-117, the amounts representing proceeds from the sale of or other dealings in carbon dioxide offset credits earned as a result of Union's DSM activity.

Debit	-	Account No.179 -117 Other Deferred Charges – Carbon Dioxide Offset Credits
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit in Deferral Account No. 179 -117, interest expense on the balance in Deferral Account No. 179-117. Simple interest will be computed monthly upon finalization of the year end balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

UNION GAS LIMITED

Accounting Entries for
Average Use Per Customer
Deferral Account No. 179-118

Account numbers are from the Uniform System of Accounts for Gas Utilities, Class A prescribed under the Ontario Energy Board Act.

Debit	-	Account No. 500 Sales Revenue
Credit	-	Account No. 179-118 Other Deferred Charges - Declining Average Use

To record as a debit (credit) in Deferral Account No. 179-118 the margin variance resulting from the difference between the actual rate of decline in use-per-customer and forecast rate of decline in use-per-customer included in gas delivery rates as approved by the Board in each year of the incentive regulation plan, 2008 through 2012. Actual and forecast rate of declines in use-per-customer will be calculated on a percentage and rate class specific basis for rate classes M1, M2, 01 and 10, be normalized for weather and exclude the impacts attributed to DSM which are captured in the Lost Revenue Adjustment Mechanism Deferral Account No. 179-75. The rate of decline (increase) in use-per-customer included in 2009 rates was as follows:

M1/M2 - 0.3%
R01 - 0.7%
R10 - (1.8%)

Debit	-	Account No. 179-118 Other Deferred Charges - Declining Average Use
Credit	-	Account No. 323 Other Interest Expense

To record, as a debit (credit) in Deferral Account No. 179-118, interest on the balance in Deferral Account No. 179-118. Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

OVERVIEW
of Working Papers

2009 Rates
Overview of Working Papers

Schedule 1	**Calculation of Price Cap Index** – This schedule provides the calculation of the average annual percentage change in the GDP IPI FDD over the four quarters ending June 2008. On page 2, the PCI is applied to 2008 approved revenue adjusted for one-time adjustments, DSM costs, upstream transportation costs and the changes in forecast margin sharing to arrive at the overall price cap adjustment.
Schedule 2	**Calculation of Storage Premium Adjustment Factor** – This schedule calculates the storage premium adjustment factor that will be used to adjust delivery revenue to recognize the change in forecast margin sharing resulting from the NGEIR decision (EB-2005-0551).
Schedule 3	**Summary of 2009 Proposed Rates** – This schedule summarizes the proposed changes to rates for 2009 by rate class.
Schedule 4	**Detailed In-franchise and Ex-franchise Rates** – This schedule provides detailed support for the proposed rate changes summarized in Schedule 3.
Schedule 5	**Rate Impact Continuity** – This schedule provides the rate class-specific impacts of each of the adjustments to the 2008 revenue to arrive at the final 2009 revenue.
Schedule 6	**Unbundled Delivery Rate Detail - Southern Operations Area** – This schedule provides the derivation of the Rate U2 and U5 delivery rates.
Schedule 7	**Calculation of Supplemental Service Charges** – This schedule provides the calculation of Union's charges for supplemental services.
Schedule 8	**Percentage Change in Average Unit Price – In-franchise Rate Classes** – This schedule identifies average unit price changes for in-franchise services.
Schedule 9	**General Service Customer Bill Impacts for Rates M1, M2, Rate 01, Rate 10** – This schedule provides illustrative customer bill impacts for general service customers (Rate M1, M2, 01, and 10).
Schedule 10	**Calculation of 2009 Average Use Volume Adjustment -** This schedule provides the average use volume adjustment calculation for general service customers (Rate M1, M2, Rate 01, and Rate 10).

Schedule 11 **Adjustment in 2007 Lost Revenue Adjustment Mechanism (LRAM) Volumes for 2009 Rate Calculations** – This schedule provides the adjustments in LRAM volumes by rate class for 2009 rate calculations.

Schedule 12 **Total Delivery and Storage Revenue** – This schedule provides the upstream transportation costs by rate class. Adjustments to upstream transportation costs are managed through the QRAM and will not be adjusted as part of the price cap formula.

Schedule 13 **Allocation of One-Time Adjustments -** This schedule provides the one-time adjustments to the 2008 revenue by rate class.

Schedule 14 **Summary of S&T Transactional Margin Included in 2009 Rates** – This schedule shows the approved reference amounts included in 2009 rates.

Schedule 15 **Calculation of Tax Rate Change Impacts** – This schedule provides the calculation of the ratepayer portion of the tax rate changes for each of 2008 and 2009. The impact shown in each year is cumulative from 2007 Board-approved rates. This schedule also calculates the rate adjustment required in 2009.

Working Papers

EB-2008-0220
2009 Rates
Index of Working Papers

September 2008

UNION GAS LIMITED
Calculation of Price Cap Index
For the Year Ended December 31, 2009

Line No.	Particulars			
	Annual % Change in GDP IPI FDD (1)			
1	July - September 2007		1.85%	
2	October - December 2007		1.75%	
3	January - March 2008		1.19%	
4	April - June 2008		1.36%	
5	Average % Change		1.54%	
		Average % Change (a)	X Factor (2) (b)	PCI (c) = (a-b)
6	2009 Price Cap Index	1.54%	1.82%	-0.28%

Notes:
(1) Statistics Canada, National Income and Expenditure Accounts, Table 30 - Cansim Table No 3800003 Second Quarter 2008
(2) EB-2007-0606, Settlement Agreement, Page 12

UNION GAS LIMITED
Calculation of Price Cap Adjustment
For the Year Ended December 31, 2009

Line No.	Particulars ($000's)	General Service	In-franchise Contract	Total In-franchise	Cost Based Ex-franchise	Total Company
		(a)	(b)	(c) = (a+b)	(d)	(e) = (c+d)
	Calculation of Price Cap Base Revenue					
1	2008 Approved Revenue (1)	650,643	126,771	777,414	185,991	963,405
	Current year's pre-cap adjustments:					
2	2008 Tax Related Adjustments	2,966	616	3,582	888 (3)	4,470 (2)
3	DSM	(11,757)	(6,943)	(18,700)		(18,700) (4)
4	Upstream Transportation	(71,030)	(9,740)	(80,770)		(80,770) (5)
5	Storage Premium Adjustment	4,618	733	5,351		5,351 (6)
6	Price Cap Base Revenue	575,440	111,436	686,876	186,879	873,755
7	2009 Price Cap Adjustment (Line 6 * PCI %)	(1,611)	(312)	(1,923)	(523)	(2,447)
8	2009 PCI %	-0.28% (7)				

Notes:

(1) EB-2007-0606, Rate Order, Working Papers, Schedule 3, Column (q), adjusted for TCPL toll update (EB-2008-0033, Schedule 3, Page 2, Working Papers, and EB-2008-0109, Schedule 3, Page 2, Working Papers), and Enbridge contracts LST045 and LST046 moving to market prices (EB-2005-0551)
(2) EB-2008-0220, Rate Order, Working Papers, Schedule 13
(3) Excludes $131,000 allocated to C1 storage
(4) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (p)
(5) EB-2008-0220, Rate Order, Working Papers, Schedule 12
(6) EB-2008-0220, Rate Order, Working Papers, Schedule 2, Line 9
(7) EB-2008-0220, Rate Order, Working Papers, Schedule 1, Page 1, Line 6, Column (c)

UNION GAS LIMITED
Calculation of Storage Premium Adjustment Factor
For the Year Ended December 31, 2009

Line No.	Particulars ($000's)		
	Calculation of Base Revenue Adjustment		
1	2008 Approved In-franchise Revenue	777,414	(1)
2	2008 Tax Related Adjustments	3,582	(2)
3	2008 Approved In-franchise Revenue after 2008 Tax Related Adjustments	780,996	
	Adjustments to 2008 Base Revenue		
4	2008 DSM	(18,700)	(3)
5	Upstream Transportation	(80,770)	(4)
6	Compressor Fuel and UFG	(36,851)	(5)
7	In-Franchise Storage	(60,006)	(6)
8	Adjusted Base Revenue - In-franchise	584,669	
	Calculation of Storage Premium Adjustment Factor for In-franchise Rate Classes		
9	2009 Long Term Storage Premium Adjustment	5,351	(7)
10	Storage Premium Adjustment Factor (line 9/line 8)	0.92%	

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 3, Column (q), adjusted for approved TCPL tolls as per EB-2008-0033, Schedule 3, Page 2, Working Papers, and EB-2008-0109, Schedule 3, Page 2, Working Papers
(2) EB-2008-0220, Rate Order, Working Papers, Schedule 13, Line 18
(3) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (p)
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 12
(5) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (g), adjusted by the 2008 PCI
(6) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (h), adjusted by the 2008 PCI and 2008 Tax Related Adjustments
(7) EB-2008-0220, Rate Order, Working Papers, Schedule 14, Line 10, Column (g)

UNION GAS LIMITED
Summary of 2009 Proposed Rates
Effective January 1, 2009

Line No.	Particulars	Current Approved Revenue (1) ($000's)	Current Approved Rates (2) (cents / m^3)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments (3) ($000's)	2008 DSM ($000's)	Upstream Transportation ($000's)	Compressor Fuel & UFG ($000's)	In-Franchise Storage ($000's)	Adjusted Revenue ($000's)	Storage Premium Adjustment ($000's)	Storage Premium Adjustment (%)	Add Back Compressor Fuel, UFG & Storage ($000's)	Adjusted Revenue ($000's)	Price Cap Index ($000's)	Price Cap Index (%)
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)=(a+c+d+e+f+g)	(i)	(j)	(k)	(l)=(h+i+k)	(m)	(n)
	Delivery North														
1	R01	131,963	14.9360	652	(1,788)	(1,216)	(564)	-	129,047	1,181	0.92%	564	130,791	(366)	-0.28%
2	R10	21,839	5.7846	107	(1,542)	(362)	(112)	-	19,929	182	0.92%	112	20,224	(57)	-0.28%
3	R20	7,420	1.4025	70	(1,110)	(48)	(21)	-	6,310	58	0.92%	21	6,389	(18)	-0.28%
4	R25	2,346	2.2417	33	-	-	-	-	2,379	21	0.92%	-	2,400	(7)	-0.28%
5	R77	28	29.9501	0	-	-	-	-	28	0	0.92%	-	28	(0)	-0.28%
6	R100	16,159	0.7084	90	(1,785)	(165)	(286)	-	14,014	128	0.92%	286	14,427	(40)	-0.28%
7	Total North Delivery	179,754		951	(6,225)	(1,792)	(983)	-	171,706	1,571		983	174,260	(488)	
	In-franchise South Delivery & Storage														
8	M1	356,092	12.6462	1,788	(5,958)	-	(8,890)	(24,900)	318,132	2,912	0.92%	33,789	354,833	(994)	-0.28%
9	M2	51,005	4.6754	272	(2,469)	-	(5,479)	(6,684)	36,646	335	0.92%	12,163	49,144	(138)	-0.28%
10	M4	13,789	2.9082	72	(2,024)	-	(1,652)	(1,732)	8,454	77	0.92%	3,383	11,915	(33)	-0.28%
11	M5	7,948	2.0436	44	-	-	(1,380)	(848)	5,764	53	0.92%	2,228	8,045	(23)	-0.28%
12	M7	6,639	2.3477	45	(769)	-	(975)	(1,247)	3,693	34	0.92%	2,222	5,948	(17)	-0.28%
13	M9	584	2.3841	4	-	-	(94)	(200)	294	3	0.92%	294	591	(2)	-0.28%
14	M10	5	2.6583	0	-	-	(1)	(2)	3	0	0.92%	3	6	(0)	-0.28%
15	T1	54,652	1.1192	220	(1,256)	-	(11,060)	(6,680)	35,877	328	0.92%	17,740	53,945	(151)	-0.28%
16	T3	5,526	1.7190	27	-	-	(1,190)	(1,203)	3,160	29	0.92%	2,393	5,581	(16)	-0.28%
17	Total South Delivery	496,239		2,473	(12,475)	-	(30,720)	(43,494)	412,023	3,771		74,214	490,008	(1,372)	
18	Total In-franchise Delivery	675,993		3,424	(18,700)	(1,792)	(31,703)	(43,494)	583,729	5,342		75,197	664,268	(1,860)	

Notes:
(1) EB-2008-0220, Rate Order, Working Papers, Schedule 4, Column (b)
(2) EB-2008-0220, Rate Order, Working Papers, Schedule 4, Column (c)
(3) EB-2008-0220, Rate Order, Working Papers, Schedule 13, which reflects the difference between the 2008 interim adjustment of $8 million and 50% of the 2008 cumulative tax savings adjustment of $3,399 million as shown in Schedule 15

UNION GAS LIMITED
Summary of 2009 Proposed Rates
Effective January 1, 2009

Line No.	Particulars	2009 Z-Factor Adjustments ($000's) (o)	2009 DSM ($000's) (p)	Add Back Upstream Transportation ($000's) (q)	Approved Revenue ($000's) (r)=(l+m+o+p+q)	Approved Rates including Average Use and LRAM (cents / m^3) (s)	Rate Change (%) (t)
	Delivery North						
1	R01	136	1,967	1,216	133,744	15.2576	2.2%
2	R10	10	1,696	362	22,235	5.8493	1.1%
3	R20	9	1,221	48	7,649	1.4369	2.5%
4	R25	2	-	-	2,395	2.2891	2.1%
5	R77	0	-	-	28	30.2901	1.1%
6	R100	13	1,963	165	16,529	0.7246	2.3%
7	Total North Delivery	169	6,847	1,792	182,580		-
	In-franchise South Delivery & Storage						
8	M1	512	6,554	-	360,905	12.8614	1.7%
9	M2	40	2,716	-	51,762	4.7581	1.8%
10	M4	22	2,226	-	14,129	2.9483	1.4%
11	M5	9	-	-	8,032	2.0685	1.2%
12	M7	9	846	-	6,786	2.4073	2.5%
13	M9	0	-	-	589	2.4051	0.9%
14	M10	0	-	-	5	2.7150	2.1%
15	T1	49	1,381	-	55,224	1.1335	1.3%
16	T3	4	-	-	5,570	1.7327	0.8%
17	Total South Delivery	645	13,723	-	503,003		-
18	Total In-franchise Delivery	814	20,570	1,792	685,584		-

UNION GAS LIMITED
Summary of 2009 Proposed Rates
Effective January 1, 2009

Line No.	Particulars	Current Approved Revenue (1) ($000's) (a)	Current Approved Rates (2) (cents / m^3) (b)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments (3) ($000's) (c)	2008 DSM ($000's) (d)	Upstream Transportation ($000's) (e)	Compressor Fuel & UFG ($000's) (f)	In-Franchise Storage ($000's) (g)	Adjusted Revenue ($000's) (h)=(a+c+d+e+f+g)	Storage Premium Adjustment ($000's) (i)	Storage Premium Adjustment (%) (j)	Add Back Compressor Fuel, UFG & Storage ($000's) (k)	Adjusted Revenue ($000's) (l)=(h+i+k)	Price Cap Index ($000's) (m)	Price Cap Index (%) (n)
	Northern Transportation and Storage														
1	R01	65,535	7.2390	113	-	(49,704)	(2,998)	(12,138)	807	7	0.92%	15,137	15,951	(45)	-0.28%
2	R10	24,209	6.3853	35	-	(19,748)	(596)	(3,882)	17	0	0.92%	4,478	4,496	(13)	-0.28%
3	R20	8,507	4.9591	3	-	(7,791)	(112)	(491)	116	1	0.92%	603	720	(2)	-0.28%
4	R25	1,415	3.4469	0	-	(1,414)	-	-	1	0	0.92%	-	1	(0)	-0.28%
5	R100	1,757	-	7	-	(321)	(1,442)	0	(0)	0	0.92%	1,442	1,442	(4)	-0.28%
6	Total North Transport and Storage	101,421		158	-	(78,978)	(5,148)	(16,511)	939	9		21,660	22,609	(63)	
7	Total In-franchise	777,414		3,582	(18,700)	(80,770)	(36,851)	(60,006)	584,670	5,351		96,857	686,876	(1,923)	
	Ex-franchise - Cost Based														
8	M12	181,562		877					182,439				182,439	(510)	-0.28%
9	M13	864		1					864				864	(2)	-0.28%
10	M16	551		1					552				552	(2)	-0.28%
11	C1	3,014		140					3,154				3,154	(9)	-0.28%
12	Total Ex-franchise	185,991		1,019	-	-	-	-	187,009	-		-	187,009	(523)	
13	Total Union Gas	963,405		4,601 (4)	(18,700)	(80,770)	(36,851)	(60,006)	771,680	5,351		96,857	873,886	(2,446)	

Notes:
(1) EB-2008-0220, Rate Order, Working Papers, Schedule 4, Column (b)
(2) EB-2008-0220, Rate Order, Working Papers, Schedule 4, Column (c)
(3) EB-2008-0220, Rate Order, Working Papers, Schedule 13, which reflects the difference between the 2008 interim adjustment of $8 million and 50% of the 2008 cumulative tax savings adjustment of $3,399 million as shown in Schedule 15
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 15, Line 19, Column (a)

UNION GAS LIMITED
Summary of 2009 Proposed Rates
Effective January 1, 2009

Line No.	Particulars	2009 Z-Factor Adjustments ($000's) (o)	2009 DSM ($000's) (p)	Add Back Upstream Transportation ($000's) (q)	Approved Revenue ($000's) (r)=(l+m+o+p+q)	Approved Rates including Average Use and LRAM (cents / m^3) (s)	Rate Change (%) (t)
	Northern Transportation and Storage						
1	R01	24	-	49,704	65,634	7.2499	0.2%
2	R10	3	-	19,748	24,234	6.3919	0.1%
3	R20	0	-	7,791	8,511	4.9613	0.0%
4	R25	0	-	1,414	1,415	3.4469	0.0%
5	R100	1	-	321	1,760	-	
6	Total North Transport and Storage	28	-	78,978	101,551		-
7	Total In-franchise	842	20,570	80,770	787,135		-
	Ex-franchise - Cost Based						
8	M12	21			181,950		0.2%
9	M13	(0)			862		-0.2%
10	M16	0			551		-0.1%
11	C1	14			3,156		-0.1%
12	Total Ex-franchise	35	-	-	186,518		-
13	Total Union Gas	877 (1)	20,570	80,770	973,653		-

Notes:
(1) EB-2008-0220, Rate Order, Working Papers, Schedule 13, Line 24, Column (f)

UNION GAS LIMITED
Northern & Eastern Operations Area
In-Franchise Customers
Effective January 1, 2009

Line No.	Particulars	Billing Units	Current Approved Forecast (1) Usage	Current Approved Revenue (2) ($000's)	Current Approved Rates (3) (cents / m^3)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments (4) ($000's)	2008 DSM (5) ($000's)	Upstream Transportation (6) ($000's)	Compressor Fuel & UFG (7) ($000's)	In-Franchise Storage (8) ($000's)	Adjusted Revenue ($000's)	Storage Premium Adjustment ($000's)	Storage Premium Adjustment (%)	Add Back Compressor Fuel, UFG & Storage ($000's)	Adjusted Revenue ($000's)	Price Cap Index ($000's)	Price Cap Index (%)
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)=(b+d+e+f+g+h)	(j)	(k)	(l) = (-g)+(-h)	(m) = (i+j+l)	(n)	(o)
	Rate 01 General Service																
1	Monthly Charge	bills	3,548,064	60,317	$17.00		-	-	-	-	60,317			-	60,317	(169)	
	Monthly Delivery Charge - All Zones																
2	First 100 m^3	10^3m^3	202,014	17,983	8.9020	164	(449)	(305)	(142)	-	17,251	296		142	17,689	(50)	
3	Next 200 m^3	10^3m^3	282,491	23,511	8.3228	214	(587)	(399)	(185)	-	22,554	388		185	23,127	(65)	
4	Next 200 m^3	10^3m^3	135,281	10,703	7.9114	97	(267)	(182)	(84)	-	10,267	176		84	10,528	(29)	
5	Next 500 m^3	10^3m^3	128,900	9,711	7.5337	88	(242)	(165)	(76)	-	9,316	160		76	9,552	(27)	
6	Over 1,000 m^3	10^3m^3	134,838	9,738	7.2218	89	(243)	(165)	(77)	-	9,341	161		77	9,579	(27)	
7	Delivery Commodity charge - 01		883,524	71,646	8.1091	652	(1,788)	(1,216)	(564)	-	68,730	1,181		564	70,474	(197)	
8	Total Delivery - 01		883,524	131,963	14.9360	652	(1,788)	(1,216)	(564)	-	129,047	1,181	0.92%	564	130,791	(366)	-0.28%
	Gas Transportation																
9	Fort Frances	10^3m^3	13,366	512	3.8289	0	-	(503)	-	-	9	0		-	9	(0)	
10	Western	10^3m^3	178,403	7,226	4.0506	2	-	(7,097)	-	-	131	1		-	132	(0)	
11	Northern	10^3m^3	397,216	19,367	4.8757	5	-	(19,021)	-	-	350	3		-	354	(1)	
12	Eastern	10^3m^3	316,326	17,578	5.5570	4	-	(17,264)	-	-	317	3		-	320	(1)	
13	Transportation - 01		905,311	44,683	4.9357	11	-	(43,886)	-	-	808	7	0.92%	-	815	(2)	-0.28%
	Storage																
14	Fort Frances	10^3m^3	13,366	253	1.8909	2	-	(71)	(36)	(147)	-	-		184	184	(0)	
15	Western	10^3m^3	178,403	3,369	1.8885	20	-	(940)	(484)	(1,965)	-	-		2,449	2,449	(6)	
16	Northern	10^3m^3	397,216	9,041	2.2761	45	-	(2,522)	(1,300)	(5,263)	-	-		6,563	6,563	(18)	
17	Eastern	10^3m^3	316,326	8,189	2.5889	36	-	(2,285)	(1,177)	(4,763)	-	-		5,940	5,940	(18)	
18	Storage - 01		905,311	20,852	2.3033	102	-	(5,818)	(2,998)	(12,138)	-	-	-	15,137	15,137	(42)	-0.28%
19	Total Rate 01		883,524	197,498	-	765	(1,788)	(50,920)	(3,562)	(12,138)	129,855	1,188	-	15,700	146,744	(411)	-

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (x).
(2) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (y).
(3) EB-2008-0109, Appendix A, effective July 1, 2008 (Excludes Price Adjustments).
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(5) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (p).
(6) EB-2008-0220, Rate Order, Working Papers, Schedule 12.
(7) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (g): Updated for 2008 PCI
(8) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (h): Updated for 2008 PCI and 2008 Tax Related Adjustments

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Line No.	Particulars	Billing Units	2009 Z-Factor Adjustments (1) ($000's) (p)	2009 DSM (2) ($000's) (q)	Add Back Upstream Transportation ($000's) (r) = (-f)	Prior to MCC Change (3) Proposed Revenue ($000's) (s) = (m+n+p+q+r)	Prior to MCC Change (3) Proposed Rates (cents / m³) (t) = (s / a)	MCC Change (3) Proposed Revenue ($000's) (u)	MCC Change (3) Proposed Rates (cents / m³) (v) = (u / a)	Volume Adjustments Average Use Volume Adjustment (w)	Volume Adjustments LRAM Volume Adjustment (4) (x)	Approved Usage including AU & LRAM (y) = (a + w + x)	Approved Revenue ($000's) (z)	Approved Rates (cents / m³) (aa) = (z / y)	Rate Change (%) (ab)
	Rate 01 General Service														
1	Monthly Charge	bills		-	-	60,148	$16.95	63,865	$18.00	-	-	3,548,064	63,865	$18.00	
	Monthly Delivery Charge - All Zones														
2	First 100 m³	10³m³	34	494	305	18,473	9.1444	17,540	8.6825	(1,414)	(174)	200,426	17,540	8.7513	
3	Next 200 m³	10³m³	45	645	399	24,151	8.5494	22,932	8.1176	(1,977)	(243)	280,270	22,932	8.1819	
4	Next 200 m³	10³m³	20	294	182	10,994	8.1268	10,439	7.7163	(947)	(116)	134,217	10,439	7.7775	
5	Next 500 m³	10³m³	18	267	165	9,975	7.7388	9,472	7.3480	(902)	(111)	127,886	9,472	7.4062	
6	Over 1,000 m³	10³m³	18	267	165	10,003	7.4184	9,498	7.0438	(944)	(116)	133,778	9,498	7.0996	
7	Delivery Commodity charge - 01		136	1,967	1,216	73,596	8.3299	69,879	7.9092	(6,185)	(761)	876,579	69,879	7.9718	
8	Total Delivery - 01		136	1,967	1,216	133,744	15.1376	133,744	15.1376	(6,185)	(761)	876,579	133,744	15.2576	2.2%
	Gas Transportation														
9	Fort Frances	10³m³	0	-	503	512	3.8307			-	-	13,366	512	3.8307	
10	Western	10³m³	0	-	7,097	7,230	4.0525			-	-	178,403	7,230	4.0525	
11	Northern	10³m³	1	-	19,021	19,375	4.8776			-	-	397,216	19,375	4.8776	
12	Eastern	10³m³	1	-	17,264	17,585	5.5590			-	-	316,326	17,585	5.5590	
13	Transportation - 01		2	-	43,886	44,701	4.9376			-	-	905,311	44,701	4.9376	0.0%
	Storage														
14	Fort Frances	10³m³	0	-	71	254	1.9014			-	-	13,366	254	1.9014	
15	Western	10³m³	4	-	940	3,388	1.8990			-	-	178,403	3,388	1.8990	
16	Northern	10³m³	9	-	2,522	9,077	2.2851			-	-	397,216	9,077	2.2851	
17	Eastern	10³m³	7	-	2,285	8,215	2.5969			-	-	316,326	8,215	2.5969	
18	Storage - 01		21	-	5,818	20,933	2.3123			-	-	905,311	20,933	2.3123	0.4%
19	Total Rate 01		159	1,967	50,920	199,379	-			(6,185)	(761)	876,579	199,379	-	

Notes:
(1) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(2) EB-2006-0021, Decision with Reasons, Page 23
(3) MCC - Monthly Customer Charge
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 11.

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Line No.	Particulars	Billing Units	Current Approved Forecast (1) Usage	Current Approved Revenue (2) ($000's)	Current Approved Rates (3) (cents / m^3)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments (4) ($000's)	2008 DSM (5) ($000's)	Upstream Transportation (6) ($000's)	Compressor Fuel & UFG (7) ($000's)	In-Franchise Storage (8) ($000's)	Adjusted Revenue ($000's)	Storage Premium Adjustment ($000's)	Storage Premium Adjustment (%)	Add Back Compressor Fuel, UFG & Storage ($000's)	Adjusted Revenue ($000's)	Price Cap Index ($000's)	Price Cap Index (%)
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)=(b+d+e+f+g+h)	(j)	(k)	(l) = (-g)+(-h)	(m) = (i+j+l)	(n)	(o)
	Rate 10 General Service																
1	Monthly Charge	bills	35,539	2,488	$70.00	-	-	-	-	-	2,488	-		-	2,488	-	
	Monthly Delivery Charge - All Zones																
2	First 1 000 m^3	10^3m^3	23,172	1,718	7.4145	9	(137)	(32)	(10)	-	1,549	16		10	1,575	(5)	
3	Next 9 000 m^3	10^3m^3	143,455	8,465	5.9007	47	(675)	(158)	(49)	-	7,630	80		49	7,758	(25)	
4	Next 20 000 m^3	10^3m^3	100,995	5,088	5.0375	28	(405)	(95)	(29)	-	4,586	48		29	4,663	(15)	
5	Next 70 000 m^3	10^3m^3	69,358	3,111	4.4848	17	(248)	(58)	(18)	-	2,804	29		18	2,851	(9)	
6	Over 100 000 m^3	10^3m^3	40,552	970	2.3913	5	(77)	(18)	(6)	-	874	9		6	889	(3)	
7	Delivery Commodity charge - 10		377,532	19,351	5.1256	107	(1,542)	(362)	(112)	-	17,441	182		112	17,736	(57)	
8	Total Delivery - 10		377,532	21,839	5.7846	107	(1,542)	(362)	(112)	-	19,929	182	0.92%	112	20,224	(57)	-0.28%
	Gas Transportation																
9	Fort Frances	10^3m^3	2,629	93	3.5301	0	-	(93)	-	-	0	0		-	0	(0)	
10	Western	10^3m^3	65,506	2,458	3.7518	0	-	(2,455)	-	-	3	0		-	3	(0)	
11	Northern	10^3m^3	146,303	6,696	4.5769	0	-	(6,690)	-	-	7	0		-	7	(0)	
12	Eastern	10^3m^3	164,703	8,660	5.2582	0	-	(8,652)	-	-	9	0		-	9	(0)	
13	Transportation - 10		379,141	17,907	4.7230	1	-	(17,890)	-	-	18	0	0.92%	-	18	(0)	-0.28%
	Storage																
14	Fort Frances	10^3m^3	2,629	32	1.2108	0	-	(9)	(3)	(20)	-	-		23	23	(0)	
15	Western	10^3m^3	65,506	792	1.2084	6	-	(233)	(75)	(489)	-	-		564	564	(2)	
16	Northern	10^3m^3	146,303	2,335	1.5960	13	-	(688)	(221)	(1,439)	-	-		1,660	1,660	(5)	
17	Eastern	10^3m^3	164,703	3,144	1.9088	15	-	(927)	(297)	(1,934)	-	-		2,232	2,232	(7)	
18	Storage - 10		379,141	6,302	1.6623	34	-	(1,858)	(596)	(3,882)	-	-	-	4,478	4,478	(13)	-0.28%
19	Total Rate 10		377,532	46,048	-	141	(1,542)	(20,110)	(708)	(3,882)	19,947	183	-	4,590	24,720	(70)	-

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (x).
(2) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (y).
(3) EB-2008-0109, Appendix A, effective July 1, 2008 (Excludes Price Adjustments).
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(5) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (p).
(6) EB-2008-0220, Rate Order, Working Papers, Schedule 12.
(7) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (g): Updated for 2008 PCI
(8) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (h): Updated for 2008 PCI and 2008 Tax Related Adjustments

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Line No.	Particulars	Billing Units	2009 Z-Factor Adjustments (1) ($000's)	2009 DSM (2) ($000's)	Add Back Upstream Transportation ($000's)	Prior to MCC Change (3) Proposed Revenue ($000's)	Prior to MCC Change (3) Proposed Rates (cents / m³)	MCC Change (3) Proposed Revenue ($000's)	MCC Change (3) Proposed Rates (cents / m³)	Volume Adjustments Average Use Volume Adjustment	Volume Adjustments LRAM Volume Adjustment (4)	Approved Usage including AU & LRAM	Approved Revenue ($000's)	Approved Rates (cents / m³)	Rate Change (%)
			(p)	(q)	(r) = (-f)	(s) = (m+n+p+q+r)	(t) = (s / a)	(u)	(v) = (u / a)	(w)	(x)	(y) = (a + w + x)	(z)	(aa) = (z / y)	(ab)
	Rate 10 General Service														
1	Monthly Charge	bills		-	-	2,488	$70.00			-	-	35,539	2,488	$70.00	
	Monthly Delivery Charge - All Zones														
2	First 1 000 m³	10³m³	1	151	32	1,753	7.5664			417	(258)	23,332	1,753	7.5147	
3	Next 9 000 m³	10³m³	4	742	158	8,638	6.0215			2,582	(1,596)	144,441	8,638	5.9804	
4	Next 20 000 m³	10³m³	3	446	95	5,192	5.1407			1,818	(1,124)	101,689	5,192	5.1056	
5	Next 70 000 m³	10³m³	2	273	58	3,174	4.5767			1,248	(772)	69,835	3,174	4.5454	
6	Over 100 000 m³	10³m³	0	85	18	990	2.4403			730	(451)	40,830	990	2.4236	
7	Delivery Commodity charge - 10		10	1,696	362	19,747	5.2306			6,796	(4,201)	380,127	19,747	5.1949	
8	Total Delivery - 10		10	1,696	362	22,235	5.8895			6,796	(4,201)	380,127	22,235	5.8493	1.1%
	Gas Transportation														
9	Fort Frances	10³m³	0	-	93	93	3.5301			-	-	2,629	93	3.5301	
10	Western	10³m³	0	-	2,455	2,458	3.7522			-	-	65,506	2,458	3.7522	
11	Northern	10³m³	0	-	6,690	6,697	4.5772			-	-	146,303	6,697	4.5772	
12	Eastern	10³m³	0	-	8,652	8,661	5.2585			-	-	164,703	8,661	5.2585	
13	Transportation - 10		0	-	17,890	17,908	4.7234			-	-	379,141	17,908	4.7234	0.0%
	Storage														
14	Fort Frances	10³m³	0	-	9	32	1.2177			-	-	2,629	32	1.2177	
15	Western	10³m³	1	-	233	796	1.2153			-	-	65,506	796	1.2153	
16	Northern	10³m³	1	-	688	2,344	1.6025			-	-	146,303	2,344	1.6025	
17	Eastern	10³m³	1	-	927	3,153	1.9146			-	-	164,703	3,153	1.9146	
18	Storage - 10		3	-	1,858	6,326	1.6685			-	-	379,141	6,326	1.6685	0.4%
19	Total Rate 10		13	1,696	20,110	46,469	-			6,796	(4,201)	380,127	46,469	-	-

Notes:
(1) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(2) EB-2006-0021, Decision with Reasons, Page 23
(3) MCC - Monthly Customer Charge
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 11.

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Line No.	Particulars	Billing Units	Current Approved Forecast (1) Usage (a)	Current Approved Revenue (2) ($000's) (b)	Current Approved Rates (3) (cents / m³) (c)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments (4) ($000's) (d)	2008 DSM (5) ($000's) (e)	Upstream Transportation (6) ($000's) (f)	Compressor Fuel & UFG (7) ($000's) (g)	In-Franchise Storage (8) ($000's) (h)	Adjusted Revenue ($000's) (i)=(b+d+e+f+g+h)	Storage Premium Adjustment ($000's) (j)	Storage Premium Adjustment (%) (k)	Add Back Compressor Fuel, UFG & Storage ($000's) (l) = (-g)+(-h)	Adjusted Revenue ($000's) (m) = (i+j+l)	Price Cap Index ($000's) (n)	Price Cap Index (%) (o)
	Rate 20 Medium Volume Firm Service																
1	Monthly Charge	bills	768	600	$781.72		-	-	-	-	600	-		-	600	(2)	
	Monthly Demand Charge																
2	First 70,000 m³	10³m³/d	22,606	4,487	19.8503	60	-	-	-	-	4,547	47		-	4,594	(13)	
3	All over 70,000 m³	10³m³/d	6,468	755	11.6730	10	-	-	-	-	765	8		-	773	(2)	
	Monthly Commodity Charge																
4	First 852,000 m³	10³m³	358,191	1,099	0.3068		(820)	(36)	(16)	-	227	2		16	245	(1)	
5	All over 852,000 m³	10³m³	170,842	388	0.2272		(290)	(13)	(6)	-	80	1		6	87	(0)	
6	Delivery (Commodity/Demand)		529,033	6,729	1.2720	70	(1,110)	(48)	(21)	-	5,620	58		21	5,699	(16)	
7	Transportation Account Charge	10³m³	408	90	$220.48		-	-	-	-	90	-		-	90	(0)	
8	Total Delivery - 20		529,033	7,420	1.4025	70	(1,110)	(48)	(21)	-	6,310	58	0.92%	21	6,389	(18)	-0.28%
	Gas Supply Demand Charge																
9	Fort Frances		-	-	32.8903	-	-	-	-	-	-	-		-	-	-	
10	Western	10³m³	2,664	971	36.4326	1	-	(842)	(22)	(85)	23	0		106	130	(0)	
11	Northern	10³m³	942	535	56.7740	0	-	(464)	(12)	(47)	13	0		59	71	(0)	
12	Eastern	10³m³	4,757	3,491	73.3920	2	-	(3,028)	(78)	(304)	83	1		382	466	(1)	
	Commodity Transportation 1																
13	Fort Frances	10³m³	-	-	2.7417	-	-	-	-	-	-	-		-	-	-	
14	Western	10³m³	25,318	716	2.8294	-	-	(716)	-	-	-	-		-	-	-	
15	Northern	10³m³	10,073	334	3.3145	-	-	(334)	-	-	-	-		-	-	-	
16	Eastern	10³m³	55,824	2,072	3.7121	-	-	(2,072)	-	-	-	-		-	-	-	
	Commodity Transportation 2																
17	Fort Frances		-	-	0.1933	-	-	-	-	-	-	-		-	-	-	
18	Western	10³m³	11,140	27	0.2396	-	-	(27)	-	-	-	-		-	-	-	
19	Northern	10³m³	10,162	37	0.3594	-	-	(37)	-	-	-	-		-	-	-	
20	Eastern	10³m³	59,036	272	0.4605	-	-	(272)	-	-	-	-		-	-	-	
	Storage (GJ's)																
21	Demand	GJ/d	4,632	52	11.217	0	-	-	-	(52)	-	-		52	52	(0)	
22	Commodity	GJ	16,085	4	0.240	0	-	-	-	(4)	-	-		4	4	(0)	
23	Gas Supply Transportation - 20		171,554	8,507	4.9591	3	-	(7,791)	(112)	(491)	119	1	0.92%	603	723	(2)	-0.28%
24	Total Rate 20		529,033	15,927	-	73	(1,110)	(7,840)	(133)	(491)	6,429	59	-	624	7,112	(20)	-

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (x).
(2) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (y).
(3) EB-2008-0109, Appendix A, effective July 1, 2008 (Excludes Price Adjustments).
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(5) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (p).
(6) EB-2008-0220, Rate Order, Working Papers, Schedule 12.
(7) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (g); Updated for 2008 PCI
(8) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (h); Updated for 2008 PCI and 2008 Tax Related Adjustments

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						Prior to MCC Change (3)		MCC Change (3)		Volume Adjustments		Approved			
Line No.	Particulars	Billing Units	2009 Z-Factor Adjustments (1) ($000's)	2009 DSM (2) ($000's)	Add Back Upstream Transportation ($000's)	Proposed Revenue ($000's)	Proposed Rates (cents / m³)	Proposed Revenue ($000's)	Proposed Rates (cents / m³)	Average Use Volume Adjustment	LRAM Volume Adjustment (4)	Usage including AU & LRAM	Revenue ($000's)	Rates (cents / m³)	Rate Change (%)
			(p)	(q)	(r) = (-f)	(s) = (m+n+p+q+r)	(t) = (s / a)	(u)	(v) = (u / a)	(w)	(x)	(y) = (a + w + x)	(z)	(aa) = (z / y)	(ab)
	Rate 20 Medium Volume Firm Service														
1	Monthly Charge	bills		-	-	599	$779.53			-	-	768	599	$779.53	
	Monthly Demand Charge														
2	First 70,000 m³	10³m³/d	7	-	-	4,588	20.2975			-	-	22,606	4,588	20.2975	
3	All over 70,000 m³	10³m³/d	1	-	-	772	11.9360			-	-	6,468	772	11.9360	
	Monthly Commodity Charge														
4	First 852,000 m³	10³m³		902	36	1,182	0.3301			-	2,215	360,406	1,182	0.3280	
5	All over 852,000 m³	10³m³		319	13	418	0.2444			-	1,056	171,898	418	0.2429	
6	Delivery (Commodity/Demand)		9	1,221	48	6,960	1.3157			-	3,272	532,305	6,960	1.3076	2.8%
7	Transportation Account Charge	10³m³		-	-	90	$219.87			-	-	408	90	$219.87	
8	Total Delivery - 20		9	1,221	48	7,649	1.4458			-	3,272	532,305	7,649	1.4369	2.5%
	Gas Supply Demand Charge														
9	Fort Frances		-	-	-	-	32.8903			-	-	-	-	32.8903	
10	Western	10³m³	0	-	842	971	36.4673			-	-	2,664	971	36.4673	
11	Northern	10³m³	0	-	464	535	56.8125			-	-	942	535	56.8125	
12	Eastern	10³m³	0	-	3,028	3,493	73.4281			-	-	4,757	3,493	73.4281	
	Commodity Transportation 1														
13	Fort Frances	10³m³	-	-	-	-	2.7417			-	-	-	-	2.7417	
14	Western	10³m³	-	-	716	716	2.8294			-	-	25,318	716	2.8294	
15	Northern	10³m³	-	-	334	334	3.3145			-	-	10,073	334	3.3145	
16	Eastern	10³m³	-	-	2,072	2,072	3.7121			-	-	55,824	2,072	3.7121	
	Commodity Transportation 2														
17	Fort Frances		-	-	-	-	0.1933			-	-	-	-	0.1933	
18	Western	10³m³	-	-	27	27	0.2396			-	-	11,140	27	0.2396	
19	Northern	10³m³	-	-	37	37	0.3594			-	-	10,162	37	0.3594	
20	Eastern	10³m³	-	-	272	272	0.4605			-	-	59,036	272	0.4605	
	Storage (GJ's)														
21	Demand	GJ/d	0	-	-	52	11.217			-	-	4,632	52	11.217	
22	Commodity	GJ	0	-	-	4	0.240			-	-	16,085	4	0.240	
23	Gas Supply Transportation - 20		0	-	7,791	8,511	4.9613			-	-	171,554	8,511	4.9613	0.0%
24	Total Rate 20		9	1,221	7,840	16,160	-			-	3,272	532,305	16,160	-	-

Notes:
(1) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(2) EB-2006-0021, Decision with Reasons, Page 23
(3) MCC - Monthly Customer Charge
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 11.

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Line No.	Particulars	Billing Units	Current Approved Forecast (1) Usage	Current Approved Revenue (2) ($000's)	Current Approved Rates (3) (cents / m^3)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments (4) ($000's)	2008 DSM (5) ($000's)	Upstream Transportation (6) ($000's)	Compressor Fuel & UFG (7) ($000's)	In-Franchise Storage (8) ($000's)	Adjusted Revenue ($000's)	Storage Premium Adjustment ($000's)	Storage Premium Adjustment (%)	Add Back Compressor Fuel, UFG & Storage ($000's)	Adjusted Revenue ($000's)	Price Cap Index ($000's)	Price Cap Index (%)
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)=(b+d+e+f+g+h)	(j)	(k)	(l) = (-g)+(-h)	(m) = (i+j+l)	(n)	(o)
	Rate 25 Large Volume Interruptible Service																
1	Monthly Charge	bills	950	181	$190.42		-	-	-	-	181	-		-	181	(1)	
2	Monthly Delivery Charge	10^3m^3	104,645	2,120	2.0258	33	-	-	-	-	2,153	21		-	2,174	(6)	
3	Transportation Account Charge	bills	204	45	$220.48		-	-	-	-	45	-		-	45	(0)	
4	Total Delivery - 25		104,645	2,346	2.2417	33	-	-	-	-	2,379	21	0.92%	-	2,400	(7)	-0.28%
5	Gas Supply Transportation	10^3m^3	41,048	1,415	3.4469	-	-	(1,414)	-	-	1	0		-	1	(0)	
6	Total Rate 25		104,645	3,761	-	33	-	(1,414)	-	-	2,380	21	-	-	2,401	(7)	-0.28%
	Rate 77 Wholesale Transportation Service																
7	Customer Charge	bills	12	2	$145.32		-	-	-	-	2	-		-	2	(0)	
8	Monthly Delivery Demand Charge	10^3m^3	92	26	28.0628	0	-	-	-	-	26	0		-	26	(0)	
9	Total Rate 77		92	28	29.9501	0	-	-	-	-	28	0	0.92%	-	28	(0)	-0.28%

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (x).
(2) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (y).
(3) EB-2008-0109, Appendix A, effective July 1, 2008 (Excludes Price Adjustments).
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(5) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (p).
(6) EB-2008-0220, Rate Order, Working Papers, Schedule 12.
(7) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (g): Updated for 2008 PCI
(8) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (h): Updated for 2008 PCI and 2008 Tax Related Adjustments

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Line No.	Particulars	Billing Units	2009 Z-Factor Adjustments (1) ($000's)	2009 DSM (2) ($000's)	Add Back Upstream Transportation ($000's)	Prior to MCC Change (3) Proposed Revenue ($000's)	Prior to MCC Change (3) Proposed Rates (cents / m^3)	MCC Change (3) Proposed Revenue ($000's)	MCC Change (3) Proposed Rates (cents / m^3)	Volume Adjustments Average Use Volume Adjustment	Volume Adjustments LRAM Volume Adjustment (4)	Approved Usage including AU & LRAM	Approved Revenue ($000's)	Approved Rates (cents / m^3)	Rate Change (%)
			(p)	(q)	(r) = (-f)	(s) = (m+n+p+q+r)	(t) = (s / a)	(u)	(v) = (u / a)	(w)	(x)	(y) = (a + w + x)	(z)	(aa) = (z / y)	(ab)
	Rate 25 Large Volume Interruptible Service														
1	Monthly Charge	bills		-	-	180	$189.88			-	-	950	180	$189.88	
2	Monthly Delivery Charge	10^3m^3	2	-	-	2,170	2.0739			-	-	104,645	2,170	2.0739	
3	Transportation Account Charge	bills		-	-	45	$219.87			-	-	204	45	$219.87	
4	Total Delivery - 25		2	-	-	2,395	2.2891			-	-	104,645	2,395	2.2891	2.1%
5	Gas Supply Transportation	10^3m^3	-	-	1,414	1,415	3.4469			-	-	41,048	1,415	3.4469	
6	Total Rate 25		2	-	1,414	3,810	-			-	-	104,645	3,810	-	-
	Rate 77 Wholesale Transportation Service														
7	Customer Charge	bills		-	-	2	$144.91			-	-	12	2	$144.91	
8	Monthly Delivery Demand Charge	10^3m^3	0	-	-	26	28.4081			-	-	92	26	28.4081	
9	Total Rate 77		0	-	-	28	30.2901			-	-	92	28	30.2901	1.1%

Notes:
(1) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(2) EB-2006-0021, Decision with Reasons, Page 23
(3) MCC - Monthly Customer Charge
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 11.

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Line No.	Particulars	Billing Units	Current Approved Forecast (1) Usage	Current Approved Revenue (2) ($000's)	Current Approved Rates (3) (cents / m^3)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments (4) ($000's)	2008 DSM (5) ($000's)	Upstream Transportation (6) ($000's)	Compressor Fuel & UFG (7) ($000's)	In-Franchise Storage (8) ($000's)	Adjusted Revenue ($000's)	Storage Premium Adjustment ($000's)	Storage Premium Adjustment (%)	Add Back Compressor Fuel, UFG & Storage ($000's)	Adjusted Revenue ($000's)	Price Cap Index ($000's)	Price Cap Index (%)
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)=(b+d+e+f+g+h)	(j)	(k)	(l) = (-g)+(-h)	(m) = (i+j+l)	(n)	(o)
	Rate 100 Large Volume Firm Service																
1	Monthly Charge	bills	232	181	$781.72		-	-	-	-	181	-		-	181	(1)	
											-				-		
2	Demand	$10^3m^3/d$	93,386	10,977	11.7547	90	-	-	-	-	11,067	103		-	11,171	(31)	
3	Commodity	10^3m^3	2,281,177	4,949	0.2170	-	(1,785)	(165)	(286)	-	2,714	25		286	3,024	(8)	
4	Delivery (Commodity/Demand)		2,281,177	15,927	0.6982	90	(1,785)	(165)	(286)	-	13,781	128		286	14,195	(40)	
5	Transportation Account Charge	bills	232	51	$220.48		-	-	-	-	51	-		-	51	(0)	
6	Total Delivery - 100		2,281,177	16,159	0.7084	90	(1,785)	(165)	(286)	-	14,014	128	0.92%	286	14,427	(40)	-0.28%
	Gas Supply Demand Charge																
7	Fort Frances	$10^3m^3/d$	-	-	53.8074	-	-	-	-	-	-	-		-	-	-	
8	Western	$10^3m^3/d$	-	-	57.9404	-	-	-	-	-	-	-		-	-	-	
9	Northern	$10^3m^3/d$	-	-	81.6719	-	-	-	-	-	-	-		-	-	-	
10	Eastern	$10^3m^3/d$	-	-	101.0594	-	-	-	-	-	-	-		-	-	-	
	Commodity Transportation 1																
11	Fort Frances	-	-	-	5.1132	-	-	-	-	-	-	-		-	-	-	
12	Western	10^3m^3	-	-	5.1790	-	-	-	-	-	-	-		-	-	-	
13	Northern	10^3m^3	-	-	5.5428	-	-	-	-	-	-	-		-	-	-	
14	Eastern	10^3m^3	-	-	5.8410	-	-	-	-	-	-	-		-	-	-	
	Commodity Transportation 2																
15	Fort Frances	-	-	-	0.1933	-	-	-	-	-	-	-		-	-	-	
16	Western	10^3m^3	-	-	0.2396	-	-	-	-	-	-	-		-	-	-	
17	Northern	10^3m^3	-	-	0.3594	-	-	-	-	-	-	-		-	-	-	
18	Eastern	10^3m^3	-	-	0.4605	-	-	-	-	-	-	-		-	-	-	
	Storage (GJ's)																
19	Demand	GJ/d	138,036	1,548	11.217	7	-	(321)	(1,233)	-	-	-		1,233	1,233	(3)	
20	Commodity	GJ	871,877	210	0.240	0	-	-	(210)	-	-	-		210	210	(1)	
21	Gas Supply - 100		-	1,757	-	7	-	(321)	(1,442)	-	-	0	-	1,442	1,443	(4)	-0.28%
22	Total Rate 100		2,281,177	17,916	-	97	(1,785)	(487)	(1,728)	-	14,014	128	-	1,728	15,870	(44)	-

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (x).
(2) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (y).
(3) EB-2008-0109, Appendix A, effective July 1, 2008 (Excludes Price Adjustments).
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(5) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (p).
(6) EB-2008-0220, Rate Order, Working Papers, Schedule 12.
(7) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (g): Updated for 2008 PCI
(8) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (h): Updated for 2008 PCI and 2008 Tax Related Adjustments

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						Prior to MCC Change (3)		MCC Change (3)		Volume Adjustments		Approved			
Line No.	Particulars	Billing Units	2009 Z-Factor Adjustments (1) ($000's)	2009 DSM (2) ($000's)	Add Back Upstream Transportation ($000's)	Proposed Revenue ($000's)	Proposed Rates (cents / m^3)	Proposed Revenue ($000's)	Proposed Rates (cents / m^3)	Average Use Volume Adjustment	LRAM Volume Adjustment (4)	Usage including AU & LRAM	Revenue ($000's)	Rates (cents / m^3)	Rate Change (%)
			(p)	(q)	(r) = (-f)	(s) = (m+n+p+q+r)	(t) = (s / a)	(u)	(v) = (u / a)	(w)	(x)	(y) = (a + w + x)	(z)	(aa) = (z / y)	(ab)
	Rate 100 Large Volume Firm Service														
1	Monthly Charge	bills		-	-	181	$779.53			-	-	232	181	$779.53	
2	Demand	$10^3m^3/d$	13	-	-	11,152	11.9423			-	-	93,386	11,152	11.9423	
3	Commodity	10^3m^3	-	1,963	165	5,144	0.2255			-	(25)	2,281,152	5,144	0.2255	
4	Delivery (Commodity/Demand)		13	1,963	165	16,297	0.7144			-	(25)	2,281,152	16,297	0.7144	2.3%
5	Transportation Account Charge	bills		-	-	51	$219.87			-	-	232	51	$219.87	
6	Total Delivery - 100		13	1,963	165	16,529	0.7246			-	(25)	2,281,152	16,529	0.7246	2.3%
	Gas Supply Demand Charge														
7	Fort Frances	$10^3m^3/d$	-	-	-	-	53.8074			-	-	-	-	53.8074	
8	Western	$10^3m^3/d$	-	-	-	-	57.9404			-	-	-	-	57.9404	
9	Northern	$10^3m^3/d$	-	-	-	-	81.6719			-	-	-	-	81.6719	
10	Eastern	$10^3m^3/d$	-	-	-	-	101.0594			-	-	-	-	101.0594	
	Commodity Transportation 1														
11	Fort Frances	-	-	-	-	-	5.1132			-	-	-	-	5.1132	
12	Western	10^3m^3	-	-	-	-	5.1790			-	-	-	-	5.1790	
13	Northern	10^3m^3	-	-	-	-	5.5428			-	-	-	-	5.5428	
14	Eastern	10^3m^3	-	-	-	-	5.8410			-	-	-	-	5.8410	
	Commodity Transportation 2														
15	Fort Frances	-	-	-	-	-	0.1933			-	-	-	-	0.1933	
16	Western	10^3m^3	-	-	-	-	0.2396			-	-	-	-	0.2396	
17	Northern	10^3m^3	-	-	-	-	0.3594			-	-	-	-	0.3594	
18	Eastern	10^3m^3	-	-	-	-	0.4605			-	-	-	-	0.4605	
	Storage (GJ's)														
19	Demand	GJ/d	1	-	321	1,552	11.217			-	-	138,036	1,552	11.217	
20	Commodity	GJ	0	-	-	209	0.240			-	-	871,877	209	0.240	
21	Gas Supply - 100		1	-	321	1,761	-			-	-	-	1,761	-	-
22	Total Rate 100		14	1,963	487	18,290	-			-	(25)	2,281,152	18,290	-	-

Notes:
(1) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(2) EB-2006-0021, Decision with Reasons, Page 23
(3) MCC - Monthly Customer Charge
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 11.

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Line No.	Particulars	Billing Units	Current Approved Forecast (1) Usage (a)	Current Approved Revenue (2) ($000's) (b)	Current Approved Rates (3) (cents / m^3) (c)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments (4) ($000's) (d)	2008 DSM (5) ($000's) (e)	Upstream Transportation (6) ($000's) (f)	Compressor Fuel & UFG (7) ($000's) (g)	In-Franchise Storage (8) ($000's) (h)	Adjusted Revenue ($000's) (i)=(b+d+e+f+g+h)	Storage Premium Adjustment ($000's) (j)	Storage Premium Adjustment (%) (k)	Add Back Compressor Fuel, UFG & Storage ($000's) (l) = (-g)+(-h)	Adjusted Revenue ($000's) (m) = (i+j+l)	Price Cap Index ($000's) (n)	Price Cap Index (%) (o)
	M1																
1	Monthly Charge	bills	11,761,016	199,937	$17.00	-	-	-	-	-	199,937	-		-	199,937	(560)	
	Monthly Delivery Commodity Charge																
2	First 100 m^3	10^3m^3	925,696	45,896	4.9580	561	(2,138)	-	(1,901)	-	42,418	1,045		1,901	45,364	(127)	
3	Next 150 m^3	10^3m^3	773,377	36,372	4.7030	445	(1,695)	-	(1,506)	-	33,616	828		1,506	35,950	(101)	
4	All over 250 m^3	10^3m^3	1,112,795	45,618	4.0994	558	(2,125)	-	(1,889)	-	42,161	1,039		1,889	45,089	(126)	
5	Total Delivery - M1		2,811,868	327,824	11.6586	1,563	(5,958)	-	(5,296)	-	318,133	2,912	0.92%	5,296	326,340	(914)	-0.28%
6	Storage (9)	10^3m^3	2,862,265	28,269	0.9876	225	-	-	(3,594)	(24,900)	(0)	(0)	-	28,493	28,493	(80)	-0.28%
7	Total Rate M1		2,811,868	356,092	-	1,788	(5,958)	-	(8,890)	(24,900)	318,133	2,912	-	33,789	354,833	(994)	-
	M2																
8	Monthly Charge	bills	83,737	5,862	$70.00	-	-	-	-	-	5,862				5,862	-	
	Monthly Delivery Commodity Charge																
9	First 1 000 m^3	10^3m^3	76,390	2,809	3.6769	16	(187)	-	(310)	-	2,328	25		310	2,663	(9)	
10	Next 6 000 m^3	10^3m^3	371,307	13,391	3.6064	76	(890)	-	(1,477)	-	11,099	121		1,477	12,697	(41)	
11	Next 13 000 m^3	10^3m^3	305,234	10,367	3.3964	59	(689)	-	(1,144)	-	8,593	94		1,144	9,830	(32)	
12	All over 20 000 m^3	10^3m^3	336,223	10,573	3.1445	60	(703)	-	(1,166)	-	8,763	95		1,166	10,025	(33)	
13	Total Delivery - M2		1,089,154	43,001	3.9481	210	(2,469)	-	(4,097)	-	36,645	335	0.92%	4,097	41,078	(115)	-0.28%
14	Storage (9)	10^3m^3	1,100,503	8,004	0.7273	62	-	-	(1,382)	(6,684)	(0)	(0)	-	8,066	8,066	(23)	-0.28%
15	Total Rate M2		1,089,154	51,005	-	272	(2,469)	-	(5,479)	(6,684)	36,645	335	-	12,163	49,143	(138)	-

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (x).
(2) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (y).
(3) EB-2008-0109, Appendix A, effective July 1, 2008 (Excludes Price Adjustments).
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(5) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (p).
(6) EB-2008-0220, Rate Order, Working Papers, Schedule 12.
(7) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (g); Updated for 2008 PCI
(8) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (h); Updated for 2008 PCI and 2008 Tax Related Adjustments
(9) EB-2008-0220, Rate Order, Working Papers, Schedule 6

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Line No	Particulars	Billing Units	2009 Z-Factor Adjustments (1) ($000's) (p)	2009 DSM (2) ($000's) (q)	Add Back Upstream Transportation ($000's) (r) = (-f)	Prior to MCC Change (3): Proposed Revenue ($000's) (s) = (m+n+p+q+r)	Prior to MCC Change (3): Proposed Rates (cents / m³) (t) = (s / a)	MCC Change (3): Proposed Revenue ($000's) (u)	MCC Change (3): Proposed Rates (cents / m³) (v) = (u / a)	Volume Adjustments: Average Use Volume Adjustment (w)	Volume Adjustments: LRAM Volume Adjustment (4) (x)	Approved: Usage including AU & LRAM (y) = (a + w + x)	Approved: Revenue ($000's) (z)	Approved: Rates (cents / m³) (aa) = (z / y)	Rate Change (%) (ab)
	M1														
1	Monthly Charge	bills	-	-	-	199,377	$16.95	211,698	$18.00	-	-	11,761,016	211,698	$18.00	
	Monthly Delivery Commodity Charge														
2	First 100 m³	10³m³	160	2,352	-	47,749	5.1582	43,328	4.6805	(2,777)	(674)	922,245	43,328	4.6980	
3	Next 150 m³	10³m³	127	1,864	-	37,841	4.8929	34,336	4.4398	(2,320)	(563)	770,494	34,336	4.4564	
4	All over 250 m³	10³m³	160	2,338	-	47,460	4.2649	43,065	3.8700	(3,338)	(810)	1,108,647	43,065	3.8845	
5	Total Delivery - M1		447	6,554	-	332,427	11.8223	332,427	11.8223	(8,436)	(2,046)	2,801,386	332,427	11.8665	1.8%
6	Storage (9)	10³m³	64	-	-	28,478	0.9949			-	-	2,862,265	28,478	0.9949	0.7%
7	Total Rate M1		512	6,554	-	360,905	-			(8,436)	(2,046)	2,801,386	360,905	-	-
	M2														
8	Monthly Charge	bills	-	-	-	5,862	$70.00			-	-	83,737	5,862	$70.00	
	Monthly Delivery Commodity Charge														
9	First 1 000 m³	10³m³	2	205	-	2,862	3.7470			(229)	(23)	76,137	2,862	3.7595	
10	Next 6 000 m³	10³m³	11	979	-	13,646	3.6752			(1,114)	(113)	370,080	13,646	3.6874	
11	Next 13 000 m³	10³m³	9	758	-	10,565	3.4612			(916)	(93)	304,225	10,565	3.4727	
12	All over 20 000 m³	10³m³	9	773	-	10,774	3.2045			(1,009)	(103)	335,112	10,774	3.2151	
13	Total Delivery - M2		31	2,716	-	43,709	4.0131			(3,267)	(333)	1,085,554	43,709	4.0264	2.0%
14	Storage (9)	10³m³	9	-	-	8,052	0.7317			-	-	1,100,503	8,052	0.7317	0.6%
15	Total Rate M2		40	2,716	-	51,761	-			(3,267)	(333)	1,085,554	51,761	-	-

Notes:
(1) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(2) EB-2006-0021, Decision with Reasons, Page 23
(3) MCC - Monthly Customer Charge
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 11.

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Line No.	Particulars	Billing Units	Current Approved Forecast (1) Usage	Current Approved Revenue (2) ($000's)	Current Approved Rates (3) (cents / m³)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments (4) ($000's)	2008 DSM (5) ($000's)	Upstream Transportation (6) ($000's)	Compressor Fuel & UFG (7) ($000's)	In-Franchise Storage (8) ($000's)	Adjusted Revenue ($000's)	Storage Premium Adjustment ($000's)	Storage Premium Adjustment (%)	Add Back Compressor Fuel, UFG & Storage ($000's)	Adjusted Revenue ($000's)	Price Cap Index ($000's)	Price Cap Index (%)
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)=(b+d+e+f+g+h)	(j)	(k)	(l) = (-g)+(-h)	(m) = (i+j+l)	(n)	(o)
	M4 Firm Commercial/Industrial Contract Rate																
	Monthly Demand Charge																
1	First 8 450 m³	10³m³/d	17,211	7,722	44.8685	59	-	-	-	(1,422)	6,360	58		1,422	7,840	(22)	
2	Next 19 700 m³	10³m³/d	7,939	1,546	19.4669	12	-	-	-	(284)	1,273	12		284	1,569	(4)	
3	All over 28 150 m³	10³m³/d	860	139	16.1662	1	-	-	-	(26)	114	1		26	141	(0)	
	Monthly Delivery Commodity Charge																
4	First Block	10³m³	470,172	4,362	0.9277	-	(2,014)	-	(1,644)	-	703	6		1,644	2,354	(7)	
5	All remaining use	10³m³	3,955	20	0.5081	-	(9)	-	(8)	-	3	0		8	11	(0)	
6	Total Delivery - M4		474,128	13,789	2.9082	72	(2,024)	-	(1,652)	(1,732)	8,454	77	0.92%	3,383	11,915	(33)	-0.28%
7	Total Rate M4		474,128	13,789	-	72	(2,024)	-	(1,652)	(1,732)	8,454	77	-	3,383	11,915	(33)	-
	M5A Interruptible Commercial/Industrial Contract Rate																
	Firm contracts																
8	Monthly Demand Charge	10³m³/d	2,686	729	27.1498	6	-	-	-	(70)	665	6		70	741	(2)	
9	Monthly Delivery Commodity Charge	10³m³	64,736	1,211	1.8709	-	-	-	(215)	-	996	9		215	1,220	(3)	
10	Total Delivery - Firm M5A		64,736	1,940	2.9973	6	-	-	(215)	(70)	1,661	15	0.92%	286	1,962	(5)	-0.28%
	Interruptible contracts																
11	Monthly Charge	bills	1,632	818	$501.10		-	-	-	-	818	-		-	818	(2)	
12	Delivery Commodity Charge (Avg Price)	10³m³	324,178	5,190	1.6009	38	-	-	(1,165)	(778)	3,286	38		1,942	5,266	(15)	
13	Total Delivery -Interruptible M5A		324,178	6,008	1.8532	38	-	-	(1,165)	(778)	4,104	38	0.92%	1,942	6,084	(17)	-0.28%
14	Total Rate M5A		388,914	7,948	-	44	-	-	(1,380)	(848)	5,764	53	-	2,228	8,045	(23)	-

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (x).
(2) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (y).
(3) EB-2008-0109, Appendix A, effective July 1, 2008 (Excludes Price Adjustments).
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(5) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (p).
(6) EB-2008-0220, Rate Order, Working Papers, Schedule 12.
(7) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (g): Updated for 2008 PCI
(8) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (h): Updated for 2008 PCI and 2008 Tax Related Adjustments

UNION GAS LIMITED
Southern Operations Area
In-Franchise Customers
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Line No.	Particulars	Billing Units	2009 Z-Factor Adjustments (1) ($000's)	2009 DSM (2) ($000's)	Add Back Upstream Transportation ($000's)	Prior to MCC Change (3): Proposed Revenue ($000's)	Prior to MCC Change (3): Proposed Rates (cents / m³)	MCC Change (3): Proposed Revenue ($000's)	MCC Change (3): Proposed Rates (cents / m³)	Volume Adjustments: Average Use Volume Adjustment	Volume Adjustments: LRAM Volume Adjustment (4)	Approved: Usage including AU & LRAM	Approved: Revenue ($000's)	Approved: Rates (cents / m³)	Rate Change (%)
			(p)	(q)	(r) = (-f)	(s) = (m+n+p+q+r)	(t) = (s / a)	(u)	(v) = (u / a)	(w)	(x)	(y) = (a + w + x)	(z)	(aa) = (z / y)	(ab)
	M4 Firm Commercial/Industrial Contract Rate														
	Monthly Demand Charge														
1	First 8 450 m³	$10^3m^3/d$	18	-	-	7,836	45.5281			-	-	17,211	7,836	45.5281	
2	Next 19 700 m³	$10^3m^3/d$	4	-	-	1,568	19.7531			-	-	7,939	1,568	19.7531	
3	All over 28 150 m³	$10^3m^3/d$	0	-	-	141	16.4039			-	-	860	141	16.4039	
	Monthly Delivery Commodity Charge														
4	First Block	10^3m^3	-	2,216	-	4,563	0.9705			-	5,068	475,240	4,563	0.9602	
5	All remaining use	10^3m^3	-	10	-	21	0.5315			-	43	3,998	21	0.5259	
6	Total Delivery - M4		22	2,226	-	14,129	2.9800			-	5,111	479,238	14,129	2.9483	1.4%
7	Total Rate M4		22	2,226	-	14,129	-			-	5,111	479,238	14,129	-	-
	M5A Interruptible Commercial/Industrial Contract Rate														
	Firm contracts														
8	Monthly Demand Charge	$10^3m^3/d$	1	-	-	740	27.5682			-	-	2,686	740	27.5682	
9	Monthly Delivery Commodity Charge	10^3m^3	-	-	-	1,217	1.8797			-	(106)	64,630	1,217	1.8828	
10	Total Delivery - Firm M5A		1	-	-	1,957	3.0234			-	(106)	64,630	1,957	3.0284	1.0%
	Interruptible contracts														
11	Monthly Charge	bills		-	-	816	$499.70			-	-	1,632	816	$499.70	
12	Delivery Commodity Charge (Avg Price)	10^3m^3	8	-	-	5,259	1.6221			-	(532)	323,646	5,259	1.6248	
13	Total Delivery -Interruptible M5A		8	-	-	6,074	1.8737			-	(532)	323,646	6,074	1.8768	1.3%
14	Total Rate M5A		9	-	-	8,031	-			-	(638)	388,276	8,031	-	-

Notes:
(1) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(2) EB-2006-0021, Decision with Reasons, Page 23
(3) MCC - Monthly Customer Charge
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 11.

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Line No.	Particulars	Billing Units	Current Approved Forecast (1) Usage (a)	Current Approved Revenue (2) ($000's) (b)	Current Approved Rates (3) (cents / m³) (c)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments (4) ($000's) (d)	2008 DSM (5) ($000's) (e)	Upstream Transportation (6) ($000's) (f)	Compressor Fuel & UFG (7) ($000's) (g)	In-Franchise Storage (8) ($000's) (h)	Adjusted Revenue ($000's) (i)=(b+d+e+f+g+h)	Storage Premium Adjustment ($000's) (j)	Storage Premium Adjustment (%) (k)	Add Back Compressor Fuel, UFG & Storage ($000's) (l) = (-g)+(-h)	Adjusted Revenue ($000's) (m) = (i+j+l)	Price Cap Index ($000's) (n)	Price Cap Index (%) (o)
	M7 Special Large Volume Contract Rate																
	Firm Contracts																
1	Monthly Demand Charge	$10^3m^3/d$	22,110	5,549	25.0976	43	-	-	(719)	(1,245)	3,628	33		1,964	5,625	(16)	
2	Monthly Delivery Commodity Charge	10^3m^3	271,296	958	0.3531		(738)	-	(220)	-	-	-		220	220	(1)	
3	Total Delivery - Firm M7		271,296	6,507	2.3985	43	(738)	-	(939)	(1,245)	3,628	33	0.92%	2,184	5,846	(16)	-0.28%
	Interruptible / Seasonal Contracts																
4	Monthly Delivery Commodity Charge	10^3m^3	11,481	132	1.1464	2	(31)	-	(36)	(2)	64	0.59	0.92%	38	103	(0)	-0.28%
5	Total Rate M7		282,777	6,639	-	45	(769)	-	(975)	(1,247)	3,693	34	0.92%	2,222	5,948	(17)	-0.28%
	M9 Large Wholesale Service																
6	Monthly Demand Charge	$10^3m^3/d$	2,694	452	16.7920	4	-	-	-	(200)	256	2		200	459	(1)	
7	Monthly Delivery Commodity Charge	10^3m^3	24,506	132	0.5378		-	-	(94)	-	38	0		94	132	(0)	
8	Total Rate M9		24,506	584	2.3841	4	-	-	(94)	(200)	294	3	0.92%	294	591	(2)	-0.28%
	M10 Small Wholesale Service																
9	Monthly Delivery Commodity Charge	10^3m^3	202	5	2.6583	0	-	-	(1)	(2)	3	0	0.92%	3	6	(0)	-0.28%
10	Total Rate M10		202	5	2.6583	0	-	-	(1)	(2)	3	0	-	3	6	(0)	-

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (x).
(2) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (y).
(3) EB-2008-0109, Appendix A, effective July 1, 2008 (Excludes Price Adjustments).
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(5) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (p).
(6) EB-2008-0220, Rate Order, Working Papers, Schedule 12.
(7) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (g): Updated for 2008 PCI
(8) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (h): Updated for 2008 PCI and 2008 Tax Related Adjustments

UNION GAS LIMITED
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						Prior to MCC Change (3)		MCC Change (3)		Volume Adjustments		Approved			
Line No.	Particulars	Billing Units	2009 Z-Factor Adjustments (1) ($000's)	2009 DSM (2) ($000's)	Add Back Upstream Transportation ($000's)	Proposed Revenue ($000's)	Proposed Rates (cents / m³)	Proposed Revenue ($000's)	Proposed Rates (cents / m³)	Average Use Volume Adjustment	LRAM Volume Adjustment (4)	Usage including AU & LRAM	Revenue ($000's)	Rates (cents / m³)	Rate Change (%)
			(p)	(q)	(r) = (-f)	(s) = (m+n+p+q+r)	(t) = (s / a)	(u)	(v) = (u / a)	(w)	(x)	(y) = (a + w + x)	(z)	(aa) = (z / y)	(ab)
	M7 Special Large Volume Contract Rate														
	Firm Contracts														
1	Monthly Demand Charge	$10^3m^3/d$	8	-	-	5,618	25.4097			-	-	22,110	5,618	25.4097	
2	Monthly Delivery Commodity Charge	10^3m^3		811	-	1,031	0.3801			-	(827)	270,469	1,031	0.3812	
3	Total Delivery - Firm M7		8	811	-	6,649	2.4509			-	(827)	270,469	6,649	2.4584	2.5%
	Interruptible / Seasonal Contracts														
4	Monthly Delivery Commodity Charge	10^3m^3	0	34	-	137	1.1954			-	(35)	11,446	137	1.1991	4.6%
5	Total Rate M7		9	846	-	6,786	-			-	(862)	281,915	6,786	-	-
	M9 Large Wholesale Service														
6	Monthly Demand Charge	$10^3m^3/d$	0	-	-	458	16.9839			-	-	2,694	458	16.9839	
7	Monthly Delivery Commodity Charge	10^3m^3		-	-	132	0.5377			-	-	24,506	132	0.5377	
8	Total Rate M9		0	-	-	589	2.4051			-	-	24,506	589	2.4051	0.9%
	M10 Small Wholesale Service														
9	Monthly Delivery Commodity Charge	10^3m^3	0	-	-	5	2.7150			-	-	202	5	2.7150	2.1%
10	Total Rate M10		0	-	-	5	2.7150			-	-	202	5	2.7150	-

Notes:
(1) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(2) EB-2006-0021, Decision with Reasons, Page 23
(3) MCC - Monthly Customer Charge
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 11.

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Line No.	Particulars	Billing Units	Current Approved Forecast (1) Usage (a)	Current Approved Revenue (2) ($000's) (b)	Current Approved Rates (3) (cents / m³) (c)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments (4) ($000's) (d)	2008 DSM (5) ($000's) (e)	Upstream Transportation (6) ($000's) (f)	Compressor Fuel & UFG (7) ($000's) (g)	In-Franchise Storage (8) ($000's) (h)	Adjusted Revenue ($000's) (i)=(b+d+e+f+g+h)	Storage Premium Adjustment ($000's) (j)	Storage Premium Adjustment (%) (k)	Add Back Compressor Fuel, UFG & Storage ($000's) (l) = (-g)+(-h)	Adjusted Revenue ($000's) (m) = (i+j+l)	Price Cap Index ($000's) (n)	Price Cap Index (%) (o)
	T1 Storage and Transportation																
	Storage ($/GJ's)																
	Demand:																
	Firm injection / withdrawal																
1	Union provides deliverability inventory	GJ/d/mo.	1,643,806	3,193	1.941	26	-	-	-	(3,219)	-	-		3,219	3,219	(9)	
2	Customer provides deliverability inventory	GJ/d/mo.	1,250,570	1,292	1.033	9	-	-	-	(1,302)	-	-		1,302	1,302	(4)	
3	Incremental firm injection right	GJ/d/mo.		-	1.033	-	-	-	-	-	-	-		-	-	-	
4	Interruptible	GJ/d/mo.	443,760	459	1.033	3	-	-	-	(462)	-	-		462	462	(1)	
5	Space	GJ/d/mo.	155,037,691	1,505	0.010	11	-	-	-	(1,516)	-	-		1,516	1,516	(4)	
6	Commodity (Customer Provides)	GJ	25,785,803	181	0.007	0	-	-	-	(181)	-	-		181	181	(1)	
7	Commodity (Union Provides)	GJ	-	-	0.064	-	-	-	-	-	-	-		-	-	-	
8	Customer supplied fuel	GJ	25,785,803	1,463	-		-	-	(1,463)	-	-	-		1,463	1,463	(4)	
	Transportation (cents/ m³)																
	Demand																
9	First 140 870 m³	10³m³/d/mo.	66,541	12,443	18.6990	70	-	-	-	-	12,513	121		-	12,634	(35)	
10	All Over 140 870 m³	10³m³/d/mo.	124,828	15,950	12.7775	90	-	-	-	-	16,040	156		-	16,196	(45)	
	Commodity																
	Firm																
11	First 2 360 653 m³	10³m³	1,183,884	1,949	0.1646		(503)	-	-	-	1,446	13		-	1,459	(4)	
12	All Over 2 360 653 m³	10³m³	3,439,174	2,817	0.0819		(727)	-	-	-	2,090	19		-	2,110	(6)	
13	Interruptible	10³m³	259,988	2,068	0.7955	10	(26)	-	-	-	2,052	19		-	2,071	(6)	
14	Monthly Charges	Meter/mo.	962	1,735	$1,803.96		-	-	-	-	1,735	-		-	1,735	(5)	
15	Customer supplied fuel	10³m³	4,883,047	9,597	-		-	-	(9,597)	-		-		9,597	9,597	(27)	
16	Total Rate T1		4,883,047	54,652	1.1192	220	(1,256)	-	(11,060)	(6,680)	35,877	328	0.92%	17,740	53,945	(151)	-0.28%
	T3																
	Storage ($/GJ's)																
	Demand																
	Firm injection / withdrawal																
17	Union provides deliverability inventory	GJ/d/mo.			1.941	-											
18	Customer provides deliverability inventory	GJ/d/mo.	755,172	780	1.033	5	-	-	-	(786)	-	-		786	786	(2)	
19	Incremental firm injection right	GJ/d/mo.			1.033	-											
20	Interruptible	GJ/d/mo.			1.033	-											
21	Space	GJ/d/mo.	38,098,812	370	0.010	3	-	-	-	(372)	-	-		372	372	(1)	
22	Commodity (Customer Provides)	GJ	6,349,802	45	0.007	0	-	-	-	(45)	-	-		45	45	(0)	
23	Commodity (Union Provides)	GJ			0.064	-											
24	Customer supplied fuel	GJ	6,349,802	360			-	-	(360)	-	-	-		360	360	(1)	
	Transportation (cents/ m³)																
25	Demand	10³m³/d/mo.	30,696	2,720	8.8608	18	-	-	-	-	2,738	25		-	2,763	(8)	
26	Commodity	10³m³	321,455	214	0.0667		-	-	-	-	214	2		-	216	(1)	
27	Monthly Charges	Meter/mo.	12	206	$17,176.63		-	-	-	-	206	2		-	208	(1)	
28	Customer supplied fuel	10³m³	321,455	830			-	-	(830)	-	1	0		830	830	(2)	
29	Total Rate T3		321,455	5,526	1.7190	27	-	-	(1,190)	(1,203)	3,160	29	0.92%	2,393	5,581	(16)	-0.28%

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (x).
(2) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (y).
(3) EB-2008-0109, Appendix A, effective July 1, 2008 (Excludes Price Adjustments).
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 13
(5) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (p).
(6) EB-2008-0220, Rate Order, Working Papers, Schedule 12.
(7) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (g): Updated for 2008 PCI
(8) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (h): Updated for 2008 PCI and 2008 Tax Related Adjustments

UNION GAS LIMITED
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Line No.	Particulars	Billing Units	2009 Z-Factor Adjustments (1) ($000's) (p)	2009 DSM (2) ($000's) (q)	Add Back Upstream Transportation ($000's) (r) = (-f)	Prior to MCC Change (3): Proposed Revenue ($000's) (s) = (m+n+p+q+r)	Prior to MCC Change (3): Proposed Rates (cents / m³) (t) = (s / a)	MCC Change (3): Proposed Revenue ($000's) (u)	MCC Change (3): Proposed Rates (cents / m³) (v) = (u / a)	Volume Adjustments: Average Use Volume Adjustment (w)	Volume Adjustments: LRAM Volume Adjustment (4) (x)	Approved: Usage including AU & LRAM (y) = (a + w + x)	Approved: Revenue ($000's) (z)	Approved: Rates (cents / m³) (aa) = (z / y)	Rate Change (%) (ab)
	T1 Storage and Transportation														
	Storage ($/GJ's)														
	Demand:														
	Firm injection / withdrawal														
1	Union provides deliverability inventory	GJ/d/mo.	6	-	-	3,216	1.956			-	-	1,643,806	3,216	1.956	
2	Customer provides deliverability inventory	GJ/d/mo.	1	-	-	1,299	1.038			-	-	1,250,570	1,299	1.038	
3	Incremental firm injection right	GJ/d/mo.	-	-	-	-	1.038			-	-	-	-	1.038	
4	Interruptible	GJ/d/mo.	0	-	-	461	1.038			-	-	443,760	461	1.038	
5	Space	GJ/d/mo.	2	-	-	1,514	0.010			-	-	155,037,691	1,514	0.010	
6	Commodity (Customer Provides)	GJ	0	-	-	181	0.007			-	-	25,785,803	181	0.007	
7	Commodity (Union Provides)	GJ	-	-	-	-	0.064			-	-	-	-	0.064	
8	Customer supplied fuel	GJ		-	-	1,459				-	-	25,785,803	1,459	-	
	Transportation (cents/ m³)														
	Demand														
9	First 140 870 m³	10³m³/d/mo.	16	-	-	12,615	18.9588			-	-	66,541	12,615	18.9588	
10	All Over 140 870 m³	10³m³/d/mo.	21	-	-	16,171	12.9550			-	-	124,828	16,171	12.9550	
	Commodity														
	Firm														
11	First 2 360 653 m³	10³m³		553	-	2,008	0.1696			-	(2,694)	1,181,191	2,008	0.1700	
12	All Over 2 360 653 m³	10³m³		799	-	2,903	0.0844			-	(7,825)	3,431,349	2,903	0.0846	
13	Interruptible	10³m³	2	29	-	2,096	0.8063			-	(592)	259,397	2,096	0.8082	
14	Monthly Charges	Meter/mo.		-	-	1,731	$1,798.91			-	-	962	1,731	$1,798.91	
15	Customer supplied fuel	10³m³		-	-	9,570				-	-	4,883,047	9,570	-	
16	Total Rate T1		49	1,381	-	55,225	1.1309			-	(11,110)	4,871,937	55,225	1.1335	1.3%
	T3														
	Storage ($/GJ's)														
	Demand														
	Firm injection / withdrawal														
17	Union provides deliverability inventory	GJ/d/mo.	-				1.956			-				1.956	
18	Customer provides deliverability inventory	GJ/d/mo.	1	-	-	784	1.038			-	-	755,172	784	1.038	
19	Incremental firm injection right	GJ/d/mo.	-				1.038							1.038	
20	Interruptible	GJ/d/mo.	-				1.038							1.038	
21	Space	GJ/d/mo.	0	-	-	372	0.010			-	-	38,098,812	372	0.010	
22	Commodity (Customer Provides)	GJ	0	-	-	44	0.007			-	-	6,349,802	44	0.007	
23	Commodity (Union Provides)	GJ	-				0.064							0.064	
24	Customer supplied fuel	GJ		-	-	359				-	-	6,349,802	359		
	Transportation (cents/ m³)														
25	Demand	10³m³/d/mo.	3	-	-	2,759	8.9868			-	-	30,696	2,759	8.9868	
26	Commodity	10³m³		-	-	216	0.0671			-	-	321,455	216	0.0671	
27	Monthly Charges	Meter/mo.		-	-	207	$17,285.30			-	-	12	207	$17,285.30	
28	Customer supplied fuel	10³m³		-	-	828				-	-	321,455	828		
29	Total Rate T3		4	-	-	5,570	1.7327			-	-	321,455	5,570	1.7327	0.8%

Notes:
(1) EB-2008-0220, Rate Order, Working Papers, Schedule 13.
(2) EB-2006-0021, Decision with Reasons, Page 23
(3) MCC - Monthly Customer Charge
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 11.

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Effective January 1, 2009

Line No.	Particulars	Billing Units	Current Approved Forecast (1) Usage	Current Approved Revenue (2) ($000's)	Current Approved Rates (3), (4) ($/$10^3m^3$)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments ($000's)	2008 DSM ($000's)	Upstream Transportation ($000's)	Compressor Fuel & UFG ($000's)	In-Franchise Storage ($000's)	Adjusted Revenue ($000's)	Storage Premium Adjustment ($000's)	Storage Premium Adjustment (%)	Add Back Compressor Fuel, UFG & Storage ($000's)	Adjusted Revenue ($000's)	Price Cap Index ($000's)	Price Cap Index (%)
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (b+d+e+f+g+h)	(j)	(k)	(l)=(-g)+(-h)	(m) = (i+j+l)	(n)	(o)
	M12 Storage & Transportation Service																
	Cost Based Storage Service:																
1	Demand	10^3m^3/d/mo	2,870	1,341	38.941	10					1,351				1,351	(4)	-0.28%
2	Space	10^3m^3/d/mo	179,406	787	0.365	6					793				793	(2)	-0.28%
3	Commodity - Providing Own Fuel	10^3m^3	382,696	92	0.241	1					93				93	(0)	-0.28%
4	Commodity - Providing Own Fuel	10^3m^3	382,696	818							818				818	(2)	-0.28%
	Overrun:																
5	Withdrawal - Providing Own Fuel	10^3m^3			1.525												
6	Commodity - Providing Own Fuel	10^3m^3			1.525												
	Transportation Service:																
	Demand:																
	Dawn to Kirkwall																
7	- 12 months	10^3m^3/d/mo	34,302	31,077	75.497	226					31,303				31,303	(88)	-0.28%
8	- 2 months	10^3m^3/d/mo	3,678	555	75.497	4					560				560	(2)	-0.28%
	Dawn to Oakville/Parkway																
9	- 12 months	10^3m^3/d/mo	79,697	84,813	88.683	617					85,430				85,430	(239)	-0.28%
10	- 2 months	10^3m^3/d/mo	9,237	1,638	88.683	12					1,650				1,650	(5)	-0.28%
	Commodity:																
	Easterly																
11	Union Providing Fuel	10^3m^3	4,988	19	3.803						19				19	(0)	-0.28%
12	Providing Own Fuel	10^3m^3	19,830,801	59,569							59,569				59,569	(167)	-0.28%
13	Westerly - Providing Own Fuel	10^3m^3	629,956	853							853				853	(2)	-0.28%
14	Total M12		20,465,745	181,562		877	-	-	-	-	182,439	-		-	182,439	(510)	
	M13 Transportation of Locally Produced Gas																
15	Monthly Fixed Charge	monthly	31	246	661.13	1					247				247	(1)	-0.28%
16	Transmission Commodity Charge	10^3m^3	290,605	277	0.954						277				277	(1)	-0.28%
17	Commodity	10^3m^3	290,605	340	1.172						340				340	(1)	-0.28%
18	Total M13		290,605	864		1	-	-	-	-	864	-		-	864	(2)	

Notes:
(1) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Page 9-10, column (a), adjusted for Enbridge contracts LST045 and LST046 moving to market prices (EB-2005-0551)
(2) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Page 9-10, column (g), adjusted for Enbridge contracts LST045 and LST046 moving to market prices (EB-2005-0551)
(3) EB-2007-0606, Rate Order, Appendix A, Pages 13-15.
(4) The conversion factor used to convert to \$/GJ as found in the rate schedules is 37.68 GJ per 10^3m^3.

UNION GAS LIMITED
Southern Operations Area
Ex-franchise Customers
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Line No.	Particulars	Billing Units	2009 Z-Factor Adjustments ($000's)	2009 DSM ($000's)	Add Back Upstream Transportation ($000's)	Proposed Revenue ($000's)	Proposed Rates ($/$10^3m^3$)	Rate Change (%)
			(p)	(q)	(r)=(-f)	(s) = (m+n+p+q+r)	(t)=(s/a)	(u)
	M12 Storage & Transportation Service							
	Cost Based Storage Service:							
1	Demand	10^3m^3/d/mo	0			1,347	39.111	
2	Space	10^3m^3/d/mo	0			791	0.368	
3	Commodity - Providing Own Fuel	10^3m^3	0			94	0.246	
4	Commodity - Providing Own Fuel	10^3m^3				815		
	Overrun:							
5	Withdrawal - Providing Own Fuel	10^3m^3					1.531	
6	Commodity - Providing Own Fuel	10^3m^3					1.531	
	Transportation Service:							
	Demand:							
	Dawn to Kirkwall							
7	- 12 months	10^3m^3/d/mo	5			31,219	75.843	
8	- 2 months	10^3m^3/d/mo	0			558	75.843	
	Dawn to Oakville/Parkway							
9	- 12 months	10^3m^3/d/mo	15			85,205	89.093	
10	- 2 months	10^3m^3/d/mo	0			1,646	89.093	
	Commodity:							
	Easterly							
11	Union Providing Fuel	10^3m^3				19	3.792	
12	Providing Own Fuel	10^3m^3				59,402		
13	Westerly - Providing Own Fuel	10^3m^3				850		
14	Total M12		21	-	-	181,950		0.21%
	M13 Transportation of Locally Produced Gas							
15	Monthly Fixed Charge	monthly	0			246	660.94	
16	Transmission Commodity Charge	10^3m^3				277	0.951	
17	Commodity	10^3m^3				340	1.168	
18	Total M13		(0)	-	-	862		-0.21%

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Line No	Particulars	Billing Units	Current Approved Forecast (1) Usage	Current Approved Revenue (2) ($000's)	Current Approved Rates (3), (4) ($/$10^3m^3$)	Adjustments to 2008 Base Rates: 2008 Tax Related Adjustments ($000's)	2008 DSM ($000's)	Upstream Transportation ($000's)	Compressor Fuel & UFG ($000's)	In-Franchise Storage ($000's)	Adjusted Revenue ($000's)	Storage Premium Adjustment ($000's)	Storage Premium Adjustment (%)	Add Back Compressor Fuel, UFG & Storage ($000's)	Adjusted Revenue ($000's)	Price Cap Index ($000's)	Price Cap Index (%)
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (b+d+e+f+g+h)	(j)	(k)	(l)=(-g)+(-h)	(m) = (i+j+l)	(n)	(o)
	M16 Storage Transportation Services																
1	Monthly Fixed Charge	monthly	2	16	668.13	1					17				17	(0)	-0.28%
2	Transmission Commodity Charge	10^3m^3	86,351	82	0.954						82				82	(0)	-0.28%
	Charges West of Dawn:																
3	Firm Demand Charge	10^3m^3/d	279	128	37.323						128				128	(0)	-0.28%
4	Fuel & UFG to Dawn	10^3m^3	46,503	54	1.172						54				54	(0)	-0.28%
5	Fuel & UFG to Pool	10^3m^3	46,731	83	1.772						83				83	(0)	-0.28%
	Charges East of Dawn:																
6	Firm Demand Charge	10^3m^3/d	240	79	27.583	0					80				80	(0)	-0.28%
7	Fuel & UFG to Dawn	10^3m^3	39,848	47	1.172						47				47	(0)	-0.28%
8	Fuel & UFG to Pool	10^3m^3	40,325	61	1.512						61				61	(0)	-0.28%
9	Total M16		173,407	551		1	-	-	-	-	552	-		-	552	(2)	
	C1 Cross Franchise Transportation Service																
	Transportation Service:																
	Demand:																
	St.Clair & Dawn, Ojibway & Dawn																
10	- 12 months	10^3m^3/mo	1,023	458	37.323	3					461				461	(1)	-0.28%
11	Parkway to Dawn/Kirkwall	10^3m^3/mo	3,405	839	20.538	6					845				845	(2)	-0.28%
	Dawn to Parkway																
12	- 12 months	10^3m^3/mo	396	927	88.683						927				927	(3)	-0.28%
13	- 2 months	10^3m^3/mo	92	23	88.683						23				23	(0)	-0.28%
	Dawn to Dawn Vector																
14	- 11 months	10^3m^3/mo	2,464	43	1.592						43				43	(0)	-0.28%
	Firm Commodity																
15	Parkway to Kirkwall	10^3m^3	515,750	631	1.224						631				631	(2)	-0.28%
16	Dawn to Parkway - customer supplied fuel	10^3m^3	149,800	415							415				415	(1)	-0.28%
17	C1 Storage			(322)		131					(191)				(191)		
18	Total C1		1,649,147	3,014		140	-	-	-	-	3,154	-		-	3,154	(9)	

Notes:
(1) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Page 9-10, column (a), adjusted for Enbridge contracts LST045 and LST046 moving to market prices (EB-2005-0551)
(2) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Page 9-10, column (g), adjusted for Enbridge contracts LST045 and LST046 moving to market prices (EB-2005-0551)
(3) EB-2007-0606, Rate Order, Appendix A, Pages 13-15.
(4) The conversion factor used to convert to $/GJ as found in the rate schedules is 37.68 GJ per 10^3m^3.

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Line No.	Particulars	Billing Units	2009 Z-Factor Adjustments ($000's)	2009 DSM ($000's)	Add Back Upstream Transportation ($000's)	Proposed Revenue ($000's)	Proposed Rates ($/$10^3m^3$)	Rate Change (%)
			(p)	(q)	(r)=(-f)	(s) = (m+n+p+q+r)	(t)=(s/a)	(u)
	M16 Storage Transportation Services							
1	Monthly Fixed Charge	monthly	0			17	689.02	
2	Transmission Commodity Charge	10^3m^3				82	0.951	
	Charges West of Dawn:							
3	Firm Demand Charge	$10^3m^3/d$				128	37.220	
4	Fuel & UFG to Dawn	10^3m^3				54	1.168	
5	Fuel & UFG to Pool	10^3m^3				83	1.767	
	Charges East of Dawn:							
6	Firm Demand Charge	$10^3m^3/d$	0			80	27.710	
7	Fuel & UFG to Dawn	10^3m^3				47	1.168	
8	Fuel & UFG to Pool	10^3m^3				61	1.508	
9	Total M16		0	-	-	551		-0.08%
	C1 Cross Franchise Transportation Service							
	Transportation Service:							
	Demand:							
	St.Clair & Dawn, Ojibway & Dawn							
10	- 12 months	$10^3m^3/mo$	0			457	37.220	
11	Parkway to Dawn/Kirkwall	$10^3m^3/mo$	1			843	20.637	
	Dawn to Parkway							
12	- 12 months	$10^3m^3/mo$				924	89.093	
13	- 2 months	$10^3m^3/mo$				23	89.093	
	Dawn to Dawn Vector							
14	- 11 months	$10^3m^3/mo$				43	1.587	
	Firm Commodity							
15	Parkway to Kirkwall	10^3m^3				630	1.221	
16	Dawn to Parkway - customer supplied fuel	10^3m^3				414		
17	C1 Storage		13			(178)		
18	Total C1		14	-	-	3,156		-0.09%

UNION GAS LIMITED
Rate Impact Continuity
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Line No.	Particulars		EB-2007-0606 Current Approved (a)	2008 Tax Related Adjustments (b)	Storage Premium Adjustment (c)	Application of Price Cap Index (d)	2009 Z-Factor Adjustments (e)	DSM Budget Change (f)	Total Excluding Average Use and LRAM (g)=(a+b+c+d+e+f)	Average Use and LRAM (h)	Total Including Average Use and LRAM (i) = (g) + (h)
	Delivery North										
1	R01	Revenue ($000s)	131,963	652	1,181	(366)	136	179	133,744		133,744
2		Volumes (10^3m^3)	883,524	883,524	883,524	883,524	883,524	883,524	883,524	(6,945)	876,579
3		Average rate (cents / m^3)	14.9360	0.0738	0.1337	(0.0414)	0.0154	0.0202	15.1376	0.1199	15.2576
4		Average rate change (1)		0.5%	0.9%	-0.3%	0.1%	0.1%	1.4%	0.8%	2.2%
5	R10	Revenue ($000s)	21,839	107	182	(57)	10	154	22,235		22,235
6		Volumes (10^3m^3)	377,532	377,532	377,532	377,532	377,532	377,532	377,532	2,595	380,127
7		Average rate (cents / m^3)	5.7846	0.0283	0.0483	(0.0150)	0.0025	0.0408	5.8895	(0.0402)	5.8493
8		Average rate change (1)		0.5%	0.8%	-0.3%	0.0%	0.7%	1.8%	-0.7%	1.1%
9	R20	Revenue ($000s)	7,420	70	58	(18)	9	111	7,649		7,649
10		Volumes (10^3m^3)	529,033	529,033	529,033	529,033	529,033	529,033	529,033	3,272	532,305
11		Average rate (cents / m^3)	1.4025	0.0132	0.0109	(0.0034)	0.0016	0.0210	1.4458	(0.0089)	1.4369
12		Average rate change (1)		0.9%	0.8%	-0.2%	0.1%	1.5%	3.1%	-0.6%	2.5%
13	R25	Revenue ($000s)	2,346	33	21	(7)	2	-	2,395		2,395
14		Volumes (10^3m^3)	104,645	104,645	104,645	104,645	104,645	104,645	104,645	-	104,645
15		Average rate (cents / m^3)	2.2417	0.0314	0.0205	(0.0064)	0.0020	-	2.2891	-	2.2891
16		Average rate change (1)		1.4%	0.9%	-0.3%	0.1%	0.0%	2.1%	0.0%	2.1%
17	R77	Revenue ($000s)	28	0	0	(0)	0	-	28		28
18		Volumes (10^3m^3)	92	92	92	92	92	92	92	-	92
19		Average rate (cents / m^3)	29.9501	0.1420	0.2741	(0.0850)	0.0090	-	30.2901	-	30.2901
20		Average rate change (1)		0.5%	0.9%	-0.3%	0.0%	0.0%	1.1%	0.0%	1.1%
21	R100	Revenue ($000s)	16,159	90	128	(40)	13	178	16,529		16,529
22		Volumes (10^3m^3)	2,281,177	2,281,177	2,281,177	2,281,177	2,281,177	2,281,177	2,281,177	(25)	2,281,152
23		Average rate (cents / m^3)	0.7084	0.0039	0.0056	(0.0018)	0.0006	0.0078	0.7246	0.0000	0.7246
24		Average rate change (1)		0.6%	0.8%	-0.2%	0.1%	1.1%	2.3%	0.0%	2.3%

Notes:
(1) Average rate change is compared to column (a)

UNION GAS LIMITED
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Line No.	Particulars		EB-2007-0606 Current Approved (a)	2008 Tax Related Adjustments (b)	Storage Premium Adjustment (c)	Application of Price Cap Index (d)	2009 Z-Factor Adjustments (e)	DSM Budget Change (e)	Total Excluding Average Use and LRAM (f)=(a+b+c+d+e)	Average Use and LRAM (g)	Total Including Average Use and LRAM (h) = (f) + (g)
	In-franchise South Delivery & Storage										
1	M1 - Delivery	Revenue ($000s)	327,823	1,563	2,912	(914)	447	596	332,427		332,427
2		Volumes (10^3m^3)	2,811,868	2,811,868	2,811,868	2,811,868	2,811,868	2,811,868	2,811,868	(10,482)	2,801,386
3		Average rate (cents / m^3)	11.6585	0.0556	0.1035	(0.0325)	0.0159	0.0212	11.8223	0.0442	11.8665
4	M1 - Storage	Revenue ($000s)	28,269	225		(80)	64		28,478		28,478
5		Volumes (10^3m^3)	2,862,265	2,862,265		2,862,265	2,862,265		2,862,265	-	2,862,265
6		Average rate (cents / m^3)	0.9876	0.0079		(0.0028)	0.0022		0.9949	-	0.9949
7	M1	Total Average rate (cents / m^3)	12.6462	0.0635	0.1035	(0.0353)	0.0182	0.0212	12.8172	0.0442	12.8615
8		Average rate change (1)		0.5%	0.8%	-0.3%	0.1%	0.2%	1.4%	0.3%	1.7%
9	M2 - Delivery	Revenue ($000s)	43,001	210	335	(115)	31	247	43,710		43,710
10		Volumes (10^3m^3)	1,089,154	1,089,154	1,089,154	1,089,154	1,089,154	1,089,154	1,089,154	(3,600)	1,085,554
11		Average rate (cents / m^3)	3.9481	0.0193	0.0308	(0.0106)	0.0029	0.0227	4.0132	0.0133	4.0265
12	M2 - Storage	Revenue ($000s)	8,004	62		(23)	9		8,052		8,052
13		Volumes (10^3m^3)	1,100,503	1,100,503		1,100,503	1,100,503		1,100,503	-	1,100,503
14		Average rate (cents / m^3)	0.7273	0.0056		(0.0021)	0.0008		0.7317	-	0.7317
15	M2	Total Average rate (cents / m^3)	4.6754	0.0249	0.0308	(0.0126)	0.0037	0.0227	4.7449	0.0133	4.7582
16		Average rate change (1)		0.5%	0.7%	-0.3%	0.1%	0.5%	1.5%	0.3%	1.8%
17	M4	Revenue ($000s)	13,789	72	77	(33)	22	202	14,129		14,129
18		Volumes (10^3m^3)	474,128	474,128	474,128	474,128	474,128	474,128	474,128	5,111	479,238
19		Average rate (cents / m^3)	2.9082	0.0153	0.0163	(0.0070)	0.0046	0.0427	2.9800	(0.0318)	2.9482
20		Average rate change (1)		0.5%	0.6%	-0.2%	0.2%	1.5%	2.5%	-1.1%	1.4%
21	M5	Revenue ($000s)	7,948	44	53	(23)	9	-	8,032		8,032
22		Volumes (10^3m^3)	388,914	388,914	388,914	388,914	388,914	388,914	388,914	(638)	388,276
23		Average rate (cents / m^3)	2.0436	0.0114	0.0136	(0.0058)	0.0023	-	2.0651	0.0034	2.0685
24		Average rate change (1)		0.6%	0.7%	-0.3%	0.1%	0.0%	1.1%	0.2%	1.2%
25	M7	Revenue ($000s)	6,639	45	34	(17)	9	77	6,786		6,786
26		Volumes (10^3m^3)	282,777	282,777	282,777	282,777	282,777	282,777	282,777	(862)	281,915
27		Average rate (cents / m^3)	2.3477	0.0159	0.0120	(0.0059)	0.0031	0.0272	2.3999	0.0073	2.4073
28		Average rate change (1)		0.7%	0.5%	-0.3%	0.1%	1.2%	2.2%	0.3%	2.5%
29	M9	Revenue ($000s)	584	4	3	(2)	0	-	589		589
30		Volumes (10^3m^3)	24,506	24,506	24,506	24,506	24,506	24,506	24,506	-	24,506
31		Average rate (cents / m^3)	2.3841	0.0154	0.0110	(0.0067)	0.0014	-	2.4051	-	2.4051
32		Average rate change (1)		0.6%	0.5%	-0.3%	0.1%	0.0%	0.9%	0.0%	0.9%
33	M10	Revenue ($000s)	5	0	0	(0)	0	-	5		5
34		Volumes (10^3m^3)	202	202	202	202	202	202	202	-	202
35		Average rate (cents / m^3)	2.6594	0.0256	0.0129	(0.0077)	0.0249	-	2.7150	-	2.7150
36		Average rate change (1)		1.0%	0.5%	-0.3%	0.9%	0.0%	2.1%	0.0%	2.1%

Notes:
(1) Average rate change is compared to column (a)

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Line No.	Particulars		EB-2007-0606 Current Approved (a)	2008 Tax Related Adjustments (b)	Storage Premium Adjustment (c)	Application of Price Cap Index (d)	2009 Z-Factor Adjustments (e)	DSM Budget Change (e)	Total Excluding Average Use and LRAM (f)=(a+b+c+d+e)	Average Use and LRAM (g)	Total Including Average Use and LRAM (h) = (f) + (g)
	In-franchise South Delivery & Storage (cont'd)										
1	T1	Revenue ($000s)	54,652	220	328	(151)	49	126	55,223		55,223
2		Volumes (10^3m^3)	4,883,047	4,883,047	4,883,047	4,883,047	4,883,047	4,883,047	4,883,047	(11,110)	4,871,937
3		Average rate (cents / m^3)	1.1192	0.0045	0.0067	(0.0031)	0.0010	0.0026	1.1309	0.0026	1.1335
4		Average rate change (1)		0.4%	0.6%	-0.3%	0.1%	0.2%	1.0%	0.2%	1.3%
5	T3	Revenue ($000s)	5,526	27	29	(16)	4	-	5,570		5,570
6		Volumes (10^3m^3)	321,455	321,455	321,455	321,455	321,455	321,455	321,455	-	321,455
7		Average rate (cents / m^3)	1.7190	0.0083	0.0090	(0.0049)	0.0013	-	1.7327	-	1.7327
8		Average rate change (1)		0.5%	0.5%	-0.3%	0.1%	0.0%	0.8%	0.0%	0.8%
	Northern Transportation and Storage										
9	R01	Revenue ($000s)	65,535	113	7	(45)	24	-	65,634		65,634
10		Volumes (10^3m^3)	905,311	905,311	905,311	905,311	905,311	905,311	905,311	-	905,311
11		Average rate (cents / m^3)	7.2389	0.0125	0.0008	(0.0049)	0.0026	-	7.2499	-	7.2499
12		Average rate change (1)		0.2%	0.0%	-0.1%	0.0%	0.0%	0.2%	0.0%	0.2%
13	R10	Revenue ($000s)	24,209	35	0	(13)	3	-	24,234		24,234
14		Volumes (10^3m^3)	379,141	379,141	379,141	379,141	379,141	379,141	379,141	-	379,141
15		Average rate (cents / m^3)	6.3851	0.0091	0.0000	(0.0034)	0.0008	-	6.3919	-	6.3919
16		Average rate change (1)		0.1%	0.0%	-0.1%	0.0%	0.0%	0.1%	0.0%	0.1%
17	R20	Revenue ($000s)	8,507	3	1	(2)	0	-	8,511		8,511
18		Volumes (10^3m^3)	171,554	171,554	171,554	171,554	171,554	171,554	171,554	-	171,554
19		Average rate (cents / m^3)	4.9591	0.0026	0.0009	(0.0007)	0.0006	-	4.9613	-	4.9613
20		Average rate change (1)		0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
21	R25	Revenue ($000s)	1,415	-	0	(0)	-	-	1,415		1,415
22		Volumes (10^3m^3)	41,048	41,048	41,048	41,048	41,048	41,048	41,048	-	41,048
23		Average rate (cents / m^3)	3.4462	-	0.0000	(0.0000)	-	-	3.4462	-	3.4462
24		Average rate change (1)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
25	R100	Revenue ($000s)	1,757	7	-	(4)	1	-	1,761		1,761
26		Change (1)		0.4%		-0.2%	0.1%		0.2%		0.2%
	Ex-franchise - Cost Based										
27	M12	Revenue ($000s)	181,562	877		(510)	21		181,950		181,950
28		Change (1)		0.5%		-0.3%	0.0%		0.2%		0.2%
29	M13	Revenue ($000s)	864	1		(2)	(0)		862		862
30		Change (1)		0.1%		-0.3%	0.0%		-0.2%		-0.2%
31	M16	Revenue ($000s)	551	1		(2)	0		551		551
32		Change (1)		0.2%		-0.3%	0.0%		0.0%		0.0%
33	C1	Revenue ($000s)	3,014	140		(9)	14		3,156		3,156
34		Change (1)		4.6%		-0.3%	0.5%		4.7%		4.7%

Notes:
(1) Average rate change is compared to column (a)

UNION GAS LIMITED
Southern Operations Area
Unbundled Delivery Rate Detail
Effective January 1, 2009

Line No.	Particulars	Billing Units	Forecast Usage (1)	SSS & SPS ($000's)	Gas Supply Balancing Costs ($000's)	Gas in Storage Inventory Carrying Costs ($000's)	Storage Revenue ($000's)	Storage Rates (cents/m^3)	Delivery Rates (6) (cents/m^3)
		(a)	(b)	(c)	(d)	(e)	(f) = (c+d+e)	(g) = (f / b) *100	(h)
	Rate M1								
	Monthly delivery commodity charge:								
1	First 100 m^3	10^3m^3	942,287	6,532	-	2,843	9,375	0.9949	4.6980
2	Next 150 m^3	10^3m^3	787,238	5,457	-	2,375	7,832	0.9949	4.4564
3	All over 250 m^3	10^3m^3	1,132,740	7,852	-	3,418	11,270	0.9949	3.8845
4	Total		2,862,265	19,841 (2)	-	8,637 (3)	28,477		
	Rate M2								
	Monthly delivery commodity charge:								
5	First 1 000 m^3	10^3m^3	77,186	114	-	451	565	0.7317	3.7595
6	Next 6 000 m^3	10^3m^3	375,176	554	-	2,191	2,745	0.7317	3.6874
7	Next 13 000 m^3	10^3m^3	308,414	455	-	1,801	2,257	0.7317	3.4727
8	All over 20 000 m^3	10^3m^3	339,726	501	-	1,984	2,486	0.7317	3.2151
9	Total		1,100,502	1,624 (4)	-	6,428 (5)	8,052		

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (a)
(2) EB-2008-0220, Rate Order, Working Papers, Schedule 6, Page 3, Line 6, Column (a)
(3) EB-2008-0220, Rate Order, Working Papers, Schedule 6, Page 3, Line 10, Column (a)
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 6, Page 3, Line 6, Column (b)
(5) EB-2008-0220, Rate Order, Working Papers, Schedule 6, Page 3, Line 10, Column (b)
(6) EB-2008-0220, Rate Order, Working Papers, Schedule 4, Page 12, Column (aa)

UNION GAS LIMITED
Southern Operations Area
Unbundled Delivery Rate Detail
Effective January 1, 2009

Line No.	Particulars	Billing Units	Forecast Usage (1)	Bundled Delivery Revenue (2) ($000's)	Unbundling Adjustments: Standard Storage Service (3) ($000's)	Unbundling Adjustments: Gas Supply Balancing Costs ($000's)	Unbundling Adjustments: Gas in Storage Inventory Carrying Costs (4) ($000's)	Unbundled Delivery Revenue ($000's)	Unbundled Delivery Rates (Cents/m^3)
		(a)	(b)	(c)	(d)	(e)	(f)	(g)=(c)+(d+e+f)	(h)=(g / b)
	Rate U5								
	Firm contracts								
1	Monthly demand charge	$10^3m^3/d$	2,686	740	(114)	-	(40)	586	21.8259
2	Monthly delivery commodity charge	10^3m^3	67,353	1,217				1,217	1.8067
3	Total Firm		67,353	1,957	(114)	-	(40)	1,803	2.6770
	Interruptible contracts								
4	Daily delivery commodity charge (Avg Price) (5)	10^3m^3	337,281	5,259	(662)	-	(528)	4,070	1.2066
5	Total Rate U5		404,634	7,216	(776)	-	(567)	5,873	1.4514

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Page 13, Column (a)
(2) EB-2008-0220, Rate Order, Working Papers, Schedule 4, Page 14, Column (z)
(3) EB-2008-0220, Rate Order, Working Papers, Schedule 6, Page 3, Line 6
(4) EB-2008-0220, Rate Order, Working Papers, Schedule 6, Page 3, Line 10
(5) Average price change will be applied to each block of the U5 interruptible delivery rate

Column (h), Line 4	1.2066
EB-2008-0220, Rate Order, Working Papers, Sch 4, Pg 14, Col (aa), Line 12	1.6248
Average difference between Bundled and Unbundled	(0.4182)

UNION GAS LIMITED
Southern Operations Area
Unbundled Delivery Cost Detail
Effective January 1, 2009

Line No.	Particulars ($000's)	M1 (a)	M2 (b)	M5 Firm (c)	M5 Interruptible (d)
	SSS/ SPS				
1	Storage Dehydrator (1)	114	37	1	5
2	Storage Ex. Dehydrator (2)	12,146	3,912	99	471
3	Storage Space (3)	16,218	4,103	54	714
4	Storage	28,478	8,052	154	1,190
5	Less: ICC on Gas in Storage (4)	8,637	6,428	40	528
6	Total SSS/SPS	19,841	1,624	114	662
	Gas Supply Balancing				
7	Total Gas Supply Balancing	-	-	-	-
	Gas In Storage Inventory Carrying Costs				
8	Gas in Storage (5)	95,326	70,951	441	5,828
9	ICC %	9.1%	9.1%	9.1%	9.1%
10	Gas in Storage Inventory Carrying Costs	8,637	6,428	40	528

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 6, Page 3, Line 1; Adjusted for 2008 Tax Related Adjustments, 2009 PCI, and 2009 Z-Factor Adjustments
(2) EB-2007-0606, Rate Order, Working Papers, Schedule 6, Page 3, Line 2; Adjusted for 2008 Tax Related Adjustments, 2009 PCI, and 2009 Z-Factor Adjustments
(3) EB-2007-0606, Rate Order, Working Papers, Schedule 6, Page 3, Line 3; Adjusted for 2008 Tax Related Adjustments, 2009 PCI, and 2009 Z-Factor Adjustments
(4) Per Line 10
(5) EB-2007-0606, Rate Order, Working Papers, Schedule 6, Page 3, Line 8; Adjusted by 2009 PCI, and 2009 Z-Factor Adjustments

UNION GAS LIMITED
Calculation of Supplemental Service Charges
Commissioning and Decommissioning Rates
Effective January 1, 2009

Line No.	Particulars	Ft. Frances	Western	Northern	Eastern
		(a)	(b)	(c)	(d)
	Northern and Eastern Operations Area				
	Rate 20 - At 50% Load Factor				
	Delivery (cents / m^3)				
1	Monthly Demand (1)	20.2975	20.2975	20.2975	20.2975
2	x 12 months	243.5700	243.5700	243.5700	243.5700
3	/ 365 days	0.6673	0.6673	0.6673	0.6673
4	@ 50% L.F.	1.3346	1.3346	1.3346	1.3346
5	Commodity Charge (2)	0.3280	0.3280	0.3280	0.3280
6	Total Delivery Commissioning	1.6626	1.6626	1.6626	1.6626
	Gas Supply (cents / m^3)				
7	Monthy Demand (3)	32.8903	36.4673	56.8125	73.4281
8	Gas Supply Demand - Price Adjustment (3)	0.0000	0.0000	0.0000	0.0000
9	(Line 7 + Line 8) x 12 months	394.6836	437.6076	681.7503	881.1377
10	/ 365 days	1.0813	1.1989	1.8678	2.4141
11	@ 50% L.F.	2.1626	2.3978	3.7356	4.8282
12	Transportation 1 (4)	2.7417	2.8294	3.3145	3.7121
13	Transportation 1 - Price Adjustment	0.7796	0.7796	0.7796	0.7796
14	(Line 12 + Line 13) x 4/5	2.8170	2.8872	3.2753	3.5934
15	Transportation 2 (5)	0.1933	0.2396	0.3594	0.4605
16	x 1/5	0.0387	0.0479	0.0719	0.0921
17	Total Commodity Transportation Charge for Commissioning Rate	5.0183	5.3330	7.0828	8.5136
	Rate 100 - At 70% Load Factor				
	Delivery (cents / m^3)				
18	Monthly Demand (6)	11.9423	11.9423	11.9423	11.9423
19	x 12 months	143.3076	143.3076	143.3076	143.3076
20	/ 365 days	0.3926	0.3926	0.3926	0.3926
21	@ 70% L.F.	0.5609	0.5609	0.5609	0.5609
22	Commodity Charge (7)	0.2255	0.2255	0.2255	0.2255
23	Total Delivery Commissioning	0.7864	0.7864	0.7864	0.7864
	Gas Supply (cents / m^3)				
24	Monthy Demand (8)	53.8074	57.9404	81.6719	101.0594
25	x 12 months	645.6888	695.2848	980.0628	1,212.7128
26	/ 365 days	1.7690	1.9049	2.6851	3.3225
27	@ 70% L.F.	2.5272	2.7213	3.8359	4.7464
28	Transportation 1 (9)	5.1132	5.1790	5.5428	5.8410
29	x 3/7	2.1914	2.2196	2.3755	2.5033
30	Transportation 2 (10)	0.1933	0.2396	0.3594	0.4605
31	x 4/7	0.1105	0.1369	0.2054	0.2631
32	Total Commodity Transportation Charge for Commissioning Rate	4.8290	5.0778	6.4167	7.5129

Notes:
(1) Appendix A, Page 3
(2) Appendix A, Page 3
(3) Appendix A, Page 3
(4) Appendix A, Page 3
(5) Appendix A, Page 3
(6) Appendix A, Page 4
(7) Appendix A, Page 4
(8) Appendix A, Page 4
(9) Appendix A, Page 4
(10) Appendix A, Page 4

UNION GAS LIMITED
Southern Operations Area
Calculation of Supplemental Service Charges
Effective January 1, 2009

Line No.	Particulars	cents / m^3 (a)	($ / GJ) (b)
	Minimum annual gas supply commodity charge - Rate M4, M5A		
1	Compressor Fuel	1.2585	
2	Transportation Tolls	4.1984	
3	Administration Charge	0.3138	
4	Minimum annual gas supply commodity charge	5.7707	1.534
	Gas Supply Commodity Charges		
5	Commodity Cost of Gas	31.9356	
6	FT Transportation Commodity	0.4605	
7	FT Fuel	1.2585	
8	Total Gas Supply Commodity Charge	33.6546	8.946
	Firm Gas Supply Service Monthly Demand Charge		
9	FT Demand Charge	145.7764	38.750

UNION GAS LIMITED
Southern Operations Area
Calculation of Supplemental Service Charges
Effective January 1, 2009

Line No.	Particulars				cents / m³ (a)	($ / GJ) (b)
	Firm backstop gas:					
	Demand:					
1	Monthly space charge			0.0365		
2	Units required (1)	Note: Each unit of added delivery requires 43 m³ of additional inventory.		43		
3	Number of months			12	18.8424 (a)	
	Inventory carrying costs:					
4	Sales WACOG			37.7063		
5	Overrun storage withdrawal			0.6335		
6				38.3398		
7	Units required (m³)			43		
8	Pre-tax return (%)			9.060%	149.3644 (b)	
9	Annual demand charge				168.2068 (a) + (b)	
10					12	
11	Monthly demand charge				14.0172	3.726
	Commodity:					
12	Sales WACOG				37.7063	
13	Overrun storage withdrawal				0.6335	
14	Overrun transportation				0.9902	
15	Commodity charge				39.3301	10.455
	Reasonable efforts backstop gas:					
16	M1 Block 1 plus Storage				5.6929	
17	Sales WACOG				37.7063	
18					43.3992	11.536
	Supplemental inventory:					
19	Sales WACOG				37.7063	
20	Injection commodity				0.3916	
21	Space charge		0.0365	x 12	0.4382	
22					38.5361	10.244
	Carrying costs (1/2 year)					
23	38.5361	x	9.060%	/ 2	1.7457	
24					40.2818	10.708
	Supplemental gas sales:					
25	Supplemental inventory				40.2818	
26	Overrun storage withdrawal				0.6335	
27	Overrun transportation				0.9902	
28					41.9056	
	Failure to Deliver:					
29	M1 Block 1 plus Storage				5.6929	1.513
30	Failure to Deilver Adjustment				5.1708	1.374
31	Failure to Deliver Charge				10.8637	2.888

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 January 1, 2009

Line No.			cents / m^3 (a)
	Minimum Charges		
	Rate M4	Minimum annual delivery commodity charge:	
1		Monthly delivery commodity charge (1st Block M4)	0.9602
2		Administration Fee	0.3138
3		Minimum annual delivery commodity charge	1.2740
	Rate M5	Minimum annual delivery commodity charge:	
4		Monthly delivery commodity charge (1st block M5)	1.9637
5		Administration Fee	0.3138
6		Minimum annual delivery commodity charge	2.2775
	Maximum Charges		
	Rate M7 Interruptible	Maximum interruptible delivery commodity charge:	
7		M7 firm commodity charge	0.3812
8		M7 firm demand charge commoditized using 35% LF	2.3868
9		M7 maximum interruptible charge	2.7680
10	Rate T1 Interruptible	Maximum interruptible delivery commodity charge:	2.7680

UNION GAS LIMITED
Southern Operations Area
Calculation of Supplemental Service Charges
Effective January 1, 2009

Line No.			
	M7 - Commissioning and Decommissioning Rate		
	Delivery (cents / m^3)		
1	Monthly Demand (1)		25.4097
2	x 12 months		304.9161
3	/ 365 days		0.8354
4	@ Class Average Firm Load Factor : 271, 296 (2) /(22,110 (3) /12*365) = 39.6%		2.0772
5	Commodity Charge (4)		0.3812
6	Commodity - Price Adjustment (4)		0.0029
7	Total Delivery Commissioning		2.4613
	T1 - At 100% Load Factor	Union Supplies Fuel	Customer Supplies Fuel
	Authorized Storage Overrun ($ / GJ)		
8	Monthly Demand (5)	1.956	1.956
9	x 12 months	23.472	23.472
10	/ 365 days	0.064	0.064
11	@ 100% L.F.	0.064	0.064
12	Commodity Charge (WACOG/ Heat Value * Overrun Fuel Ratio + Injection Commodity) (6)	0.104	0.007
13	Total Storage Overrun	0.168	0.071
	Authorized Transportation Overrun (cents / m^3)		
14	Monthly Demand (7)	18.9588	18.9588
15	x 12 months	227.5056	227.5056
16	/ 365 days	0.6233	0.6233
17	@ 100% L.F.	0.6233	0.6233
18	Commodity Charge (WACOG/10 * Transportation fuel ratio/100 + Firm Commodity Transport) (8)	0.3669	0.1700
19	Total Transportation Overrun	0.9902	0.7933
	T3 - At 100% Load Factor		
	Authorized Transportation Overrun (cents / m^3)		
20	Monthly Demand (9)	8.9868	8.9868
21	x 12 months	107.8416	107.8416
22	/ 365 days	0.2955	0.2955
23	@ 100% L.F.	0.2955	0.2955
24	Commodity Charge (10)	0.3245	0.0671
25	Total Transportation Overrun	0.6200	0.3626
	U5/U7/U9 - At 100% Load Factor		
	Authorized Storage Overrun ($ / GJ)		
26	Monthly Demand (11)		0.943
27	x 12 months		11.311
28	/ 365 days		0.031
29	@ 100% L.F.		0.031
30	Commodity Charge (12)		0.015
31	Total Storage Overrun		0.046

Notes:
(1) Appendix A, Page 8
(2) EB-2008-0220, Rate Order, Working Papers, Schedule 4, Page 15
(3) EB-200-0220, Rate Order, Working Papers, Schedule 4, Page 15
(4) Appendix A, Page 8
(5) Appendix A, Page 9
(6) $355.258/$10^3m^3$ / 37.62 GJ/10^3m^3 * 1.03% + $0.007/GJ
(7) Appendix A, Page 9
(8) $355.473/$10^3m^3$ / 10 * 0.554% + 0.1700 cents/m^3
(9) Appendix A, Page 10
(10) Appendix A, Page 10
(11) Appendix A, Page 11, Line 11
(12) Appendix A, Page 11, Line 14

UNION GAS LIMITED
Northern & Eastern Operations Area
Percentage Change in Average Unit Price
Effective January 1, 2009

Line No.	Particulars (cents/m³)	Rate Classification	Current Approved Rates (1) (cents / m³)	Rate Change	Approved Rates (2) (cents / m³)	Percent Change (3) (%)
			(a)	(b) = (c - a)	(c)	(d) = (b / a)
	Small volume general service	01				
1	Delivery		14.9360	0.3216	15.2576	2.2%
2	Gas Supply Transportation		4.9357	0.0020	4.9376	0.0%
3	Storage		2.3033	0.0090	2.3123	0.4%
4	Total		22.1749	0.3326	22.5075	1.5%
	Large volume general service	10				
5	Delivery		5.7846	0.0648	5.8493	1.1%
6	Gas Supply Transportation		4.7230	0.0003	4.7234	0.0%
7	Storage		1.6623	0.0063	1.6685	0.4%
8	Total		12.1699	0.0714	12.2412	0.6%
	Medium volume firm service	20				
9	Delivery		1.4025	0.0344	1.4369	2.5%
10	Gas Supply Transportation		4.9591	0.0023	4.9613	0.0%
11	Total		6.3615	0.0367	6.3982	0.6%
	Large volume high load factor	100				
12	Delivery		0.7084	0.0162	0.7246	2.3%
	Large volume interruptible	25				
13	Delivery		2.2417	0.0474	2.2891	2.1%
	Wholesale transportation	77				
14	Delivery		29.9501	0.3400	30.2901	1.1%

Notes:
(1) Excludes Price Adjustments
(2) EB-2008-0220, Rate Order, Working Papers, Schedule 4, Column (z)
(3) Excludes Gas Supply Commodity related costs

UNION GAS LIMITED
Southern Operations Area
Percentage Change in Average Unit Price
Effective January 1, 2009

Line No.	Particulars (cents/m^3)	Rate Classification	Current Approved Rates (1) (cents / m^3)	Rate Change	Approved Rates (2) (cents / m^3)	Percent Change (3) (%)
			(a)	(b) = (c - a)	(c)	(d) = (b / a)
	General Service	M1				
1	Delivery		11.6586	0.2080	11.8665	1.8%
2	Storage		0.9876	0.0073	0.9949	0.7%
3	Total		12.6462	0.2152	12.8614	1.7%
	General Service	M2				
4	Delivery		3.9481	0.0784	4.0264	2.0%
5	Storage		0.7273	0.0044	0.7317	0.6%
6	Total		4.6754	0.0828	4.7581	1.8%
	Firm Contract Com/ Ind	M4				
7	Delivery		2.9082	0.0400	2.9483	1.4%
	Firm Contract Com/ Ind	M5F				
8	Delivery		2.9973	0.0311	3.0284	1.0%
	Interruptible Contract Com/ Ind	M5I				
9	Delivery		1.8532	0.0236	1.8768	1.3%
	Special Large Volume Contract	M7F				
10	Delivery		2.3985	0.0599	2.4584	2.5%
	Special Large Volume Contract	M7I				
11	Delivery		1.1464	0.0527	1.1991	4.6%
	Large Wholesale Service	M9				
12	Delivery		2.3841	0.0210	2.4051	0.9%
	Small Wholesale Service	M10				
13	Delivery		2.6583	0.0567	2.7150	2.1%
	Storage and Transportation	T1 F/I				
14	Delivery		1.1192	0.0143	1.1335	1.3%
15	Delivery excluding fuel		0.8927	0.0144	0.9071	1.6%
16	Storage and Transportation Distributor	T3	1.7190	0.0137	1.7327	0.8%

Notes:
(1) Excludes Price Adjustments
(2) EB-2008-0220, Rate Order, Working Papers, Schedule 4, Column (z)
(3) Excludes Gas Supply Commodity related costs

UNION GAS LIMITED
Southern Operations Area
General Service Customer Bill Impacts

		Rate M1 - Residential (Annual Consumption of 2,600 m^3)				Rate M2 - Industrial (Annual Consumption of 73,000 m^3)			
Line No.	Particulars	EB-2007-0606 Approved 01-Jan-08 Total Bill ($) (1)	EB-2008-0220 Approved 01-Jan-09 Total Bill ($) (1)	Impact ($)	Percent Change (%)	EB-2007-0606 Approved 01-Jan-08 Total Bill ($) (1)	EB-2008-0220 Approved 01-Jan-09 Total Bill ($) (1)	Impact ($)	Percent Change (%)
		(a)	(b)	(c) = (b) - (a)	(d) = (c) / (a)	(a)	(b)	(c) = (b) - (a)	(d) = (c) / (a)
	Delivery Charges								
1	Monthly Charge	204.00	216.00	12.00		840.00	840.00	-	
2	Delivery Commodity Charge	120.89	114.55	(6.34)		2,620.51	2,679.37	58.86	
3	Storage Service	25.68	25.87	0.19		530.93	534.14	3.21	
4	Total Delivery Charge	350.56	356.42	5.85	1.7%	3,991.43	4,053.51	62.07	1.6%
	Supply Charges								
5	Transportation to Union	109.16	109.16	-		3,064.83	3,064.83	-	
6	Gas Supply Commodity (2)	871.21	871.21	-		24,460.77	24,460.77	-	
7	Total Gas Supply Charge	980.36	980.36	-		27,525.60	27,525.60	-	
8	Total Bill	1,330.93	1,336.78	5.85	0.4%	31,517.03	31,579.11	62.07	0.2%
9	Impacts for Customer Notices - Sales (line 8)			5.85				62.07	
10	Impacts for Customer Notices - Direct Purchase (line 4)			5.85				62.07	

Notes:
(1) Excludes price adjustments
(2) Gas Supply Commodity and Fuel Rates will be updated as part of the Board approved QRAM process

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

Line No.	Particulars	(Fort Frances) Rate 01 - Residential (Annual Consumption of 2,600 m^3) EB-2007-0606 Approved 01-Jan-08 Total Bill ($) (1)	EB-2008-0220 Approved 01-Jan-09 Total Bill ($) (1)	Impact ($)	Percent Change (%)	(Western) Rate 01 - Residential (Annual Consumption of 2,600 m^3) EB-2007-0606 Approved 01-Jan-08 Total Bill ($) (1)	EB-2008-0220 Approved 01-Jan-09 Total Bill ($) (1)	Impact ($)	Percent Change (%)
		(a)	(b)	(c)=(b)-(a)	(d) = (c) / (a)	(e)	(f)	(g) = (f)-(e)	(h) = (g) / (e)
	Delivery Charges								
1	Monthly Charge	204.00	216.00	12.00		204.00	216.00	12.00	
2	Delivery Commodity Charge	221.16	217.42	(3.74)		221.16	217.42	(3.74)	
3	Total Delivery Charge	425.16	433.42	8.26	1.9%	425.16	433.42	8.26	1.9%
	Supply Charges								
4	Transportation to Union	99.55	99.60	0.05		105.31	105.37	0.06	
5	Storage Service	49.17	49.44	0.27		49.13	49.37	0.24	
6	Subtotal	148.72	149.04	0.32	0.2%	154.44	154.74	0.30	0.2%
7	Commodity & Fuel (2)	847.62	847.62	-		854.52	854.52	-	
8	Total Gas Supply Charge	996.34	996.66	0.32		1,008.96	1,009.26	0.30	
9	Total Bill	1,421.50	1,430.08	8.58	0.6%	1,434.12	1,442.68	8.56	0.6%
10	Impacts for Customer Notices - Sales (line 9)			8.58				8.56	
11	Impacts for Customer Notices - Direct Purchase (line 3 + line 6)			8.58				8.56	

Notes:
(1) Excludes price adjustments
(2) Gas Supply Commodity and Fuel Rates will be updated as part of the Board approved QRAM process

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

Line No.	Particulars	(Northern) Rate 01 - Residential (Annual Consumption of 2,600 m^3) EB-2007-0606 Approved 01-Jan-08 Total Bill ($) (1) (a)	EB-2008-0220 Approved 01-Jan-09 Total Bill ($) (1) (b)	Impact ($) (c)=(b)-(a)	Percent Change (%) (d) = (c) / (a)	(Eastern) Rate 01 - Residential (Annual Consumption of 2,600 m^3) EB-2007-0606 Approved 01-Jan-08 Total Bill ($) (1) (e)	EB-2008-0220 Approved 01-Jan-09 Total Bill ($) (1) (f)	Impact ($) (g) = (f)-(e)	Percent Change (%) (h) = (g) / (e)
	Delivery Charges								
1	Monthly Charge	204.00	216.00	12.00		204.00	216.00	12.00	
2	Delivery Commodity Charge	221.00	217.25	(3.75)		220.64	216.89	(3.75)	
3	Total Delivery Charge	425.00	433.25	8.25	1.9%	424.64	432.89	8.25	1.9%
	Supply Charges								
4	Transportation to Union	126.77	126.82	0.05		144.49	144.53	0.04	
5	Storage Service	59.18	59.42	0.24		67.30	67.52	0.22	
6	Subtotal	185.95	186.24	0.29	0.2%	211.79	212.05	0.26	0.1%
7	Commodity & Fuel (2)	863.39	863.39	-		871.21	871.21	-	
8	Total Gas Supply Charge	1,049.34	1,049.63	0.29		1,083.00	1,083.26	0.26	
9	Total Bill	1,474.34	1,482.88	8.54	0.6%	1,507.64	1,516.15	8.51	0.6%
10	Impacts for Customer Notices - Sales (line 9)			8.54				8.51	
11	Impacts for Customer Notices - Direct Purchase (line 3 + line 6)			8.54				8.51	

Notes:
(1) Excludes price adjustments
(2) Gas Supply Commodity and Fuel Rates will be updated as part of the Board approved QRAM process

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

		(Fort Frances) Rate 10 - Commercial (Annual Consumption of 93,000 m^3)				(Western) Rate 10 - Commercial (Annual Consumption of 93,000 m^3)			
Line No.	Particulars	EB-2007-0606 Approved 01-Jan-08 Total Bill ($) (1)	EB-2008-0220 Approved 01-Jan-09 Total Bill ($) (1)	Impact ($)	Percent Change (%)	EB-2007-0606 Approved 01-Jan-08 Total Bill ($) (1)	EB-2008-0220 Approved 01-Jan-09 Total Bill ($) (1)	Impact ($)	Percent Change (%)
		(a)	(b)	(c)=(b)-(a)	(d) = (c) / (a)	(e)	(f)	(g) = (f)-(e)	(h) = (g) / (e)
	Delivery Charges								
1	Monthly Charge	840.00	840.00	-		840.00	840.00	-	
2	Delivery Commodity Charge	5,567.16	5,642.36	75.20		5,567.16	5,642.36	75.20	
3	Total Delivery Charge	6,407.16	6,482.36	75.20	1.2%	6,407.16	6,482.36	75.20	1.2%
	Supply Charges								
4	Transportation to Union	3,283.02	3,283.02	-		3,489.17	3,489.56	0.39	
5	Storage Service	1,126.04	1,132.47	6.43		1,123.80	1,130.23	6.43	
6	Subtotal	4,409.06	4,415.49	6.43	0.1%	4,612.97	4,619.79	6.82	0.1%
7	Commodity & Fuel (2)	30,318.37	30,318.37	-		30,564.61	30,564.61	-	
8	Total Gas Supply Charge	34,727.43	34,733.86	6.43		35,177.58	35,184.40	6.82	
9	Total Bill	41,134.59	41,216.22	81.63	0.2%	41,584.74	41,666.76	82.02	0.2%
10	Impacts for Customer Notices - Sales (line 9)			81.63				82.02	
11	Impacts for Customer Notices - Direct Purchase (line 3 + line 6)			81.63				82.02	

Notes:
(1) Excludes price adjustments
(2) Gas Supply Commodity and Fuel Rates will be updated as part of the Board approved QRAM process

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

Line No.	Particulars	(Northern) Rate 10 - Commercial (Annual Consumption of 93,000 m^3) EB-2007-0606 Approved 01-Jan-08 Total Bill ($) (1) (a)	EB-2008-0220 Approved 01-Jan-09 Total Bill ($) (1) (b)	Impact ($) (c)=(b)-(a)	Percent Change (%) (d) = (c) / (a)	(Eastern) Rate 10 - Commercial (Annual Consumption of 93,000 m^3) EB-2007-0606 Approved 01-Jan-08 Total Bill ($) (1) (e)	EB-2008-0220 Approved 01-Jan-09 Total Bill ($) (1) (f)	Impact ($) (g) = (f)-(e)	Percent Change (%) (h) = (g) / (e)
	Delivery Charges								
1	Monthly Charge	840.00	840.00	-		840.00	840.00	-	
2	Delivery Commodity Charge	5,561.17	5,636.32	75.15		5,576.55	5,651.89	75.34	
3	Total Delivery Charge	6,401.17	6,476.32	75.15	1.2%	6,416.55	6,491.89	75.34	1.2%
	Supply Charges								
4	Transportation to Union	4,256.51	4,256.78	0.27		4,890.13	4,890.41	0.28	
5	Storage Service	1,484.30	1,490.33	6.03		1,775.16	1,780.57	5.41	
6	Subtotal	5,740.81	5,747.11	6.30	0.1%	6,665.29	6,670.98	5.69	0.1%
7	Commodity & Fuel (2)	30,881.94	30,881.94	-		31,162.35	31,162.35	-	
8	Total Gas Supply Charge	36,622.75	36,629.05	6.30		37,827.64	37,833.33	5.69	
9	Total Bill	43,023.92	43,105.37	81.45	0.2%	44,244.19	44,325.22	81.03	0.2%
10	Impacts for Customer Notices - Sales (line 9)			81.45				81.03	
11	Impacts for Customer Notices - Direct Purchase (line 3 + line 6)			81.45				81.03	

Notes:
(1) Excludes price adjustments
(2) Gas Supply Commodity and Fuel Rates will be updated as part of the Board approved QRAM process

UNION GAS LIMITED
Calculation of 2009 Average Use Volume Adjustment

Line No.	Particulars	2008 Billing Units (1) (10^3m^3)	Average Use Volume Adjustment (10^3m^3)	2009 Billing Units (10^3m^3)	Change in Volume (2) (%)
		(a)	(b)	(c)	(d)
	Rate M1				
1	First 100 m^3	925,696	(2,777)	922,919	
2	Next 150 m^3	773,377	(2,320)	771,057	
3	All Over 250 m^3	1,112,795	(3,338)	1,109,457	
4	Total	2,811,868	(8,436)	2,803,432	-0.3%
	Rate M2				
5	First 1 000 m^3	76,390	(229)	76,161	
6	Next 6 000 m^3	371,307	(1,114)	370,193	
7	Next 13 000 m^3	305,234	(916)	304,318	
8	All over 20 000 m^3	336,223	(1,009)	335,214	
9	Total	1,089,154	(3,267)	1,085,887	-0.3%
	Rate 01				
10	First 100 m^3	202,014	(1,414)	200,600	
11	Next 200 m^3	282,491	(1,977)	280,514	
12	Next 200 m^3	135,281	(947)	134,334	
13	Next 500 m^3	128,900	(902)	127,997	
14	Over 1 000 m^3	134,838	(944)	133,895	
15	Total	883,524	(6,185)	877,339	-0.7%
	Rate 10				
16	First 1 000 m^3	23,172	417	23,590	
17	Next 9 000 m^3	143,455	2,582	146,037	
18	Next 20 000 m^3	100,995	1,818	102,813	
19	Next 70 000 m^3	69,358	1,248	70,606	
20	Over 100 000 m^3	40,552	730	41,282	
21	Total	377,532	6,796	384,327	1.8%

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 4, Column (x)
(2) EB-2007-0606, Settlement Agreement, Page 13

UNION GAS LIMITED

Adjustment in 2007 Lost Revenue Adjustment Mechanism (LRAM) Volumes for 2009 Rate Calculations

(In $10^3 m^3$)

Line No.	Particulars	Forecast 2007 DSM Volumes at 100% (1)	Forecast 2007 DSM Volumes at 50%	Audited 2007 DSM Volumes (2)	Adjustment for 2007 DSM
		(a)	(b) = (a) x 50%	(c)	(d) = (b) - (c)
	South				
1	M1	5,232	2,616	4,662	(2,046)
2	M2	22,117	11,059	11,391	(333)
3	M4	17,681	8,841	3,730	5,111
5	M5	-	-	638	(638)
6	M7	6,840	3,420	4,282	(862)
7	T1	10,944	5,472	16,582	(11,110)
8	Total South	62,814	31,407	41,285	(9,878)
	North				
9	Rate 01	3,245	1,623	2,383	(761)
10	Rate 10	2,303	1,152	5352	(4,201)
11	Rate 20	7,845	3,923	651	3,272
12	Rate 100	12,312	6,156	6,181	(25)
13	Total North	25,705	12,853	14,567	(1,715)
14	Total	88,519	44,260	55,852	(11,593)

Notes:

(1) EB-2005-0520, Exhibit D1, Tab 7, Page 3 of 7, Corrected; updated for M1/M2 split

(2) Demand Side Management 2007 Evaluation Report --- Final Audited Report dated June, 2008, page 47 (submitted by Union to the OEB Secretary on July 3, 2008 in compliance with section 2.1.12 of the Board's Reporting and Record Keeping Requirements); updated for M1/M2 split

UNION GAS LIMITED
Total Delivery and Storage Revenue
Effective January 1, 2009

Line No.	Particulars	EB-2007-0606 Approved Revenue (1) ($000's)	Change in TCPL FT Tolls (2) ($000's)	Current Approved Revenue ($000's)	Upstream Transportation Costs (3) ($000's)	Delivery and Storage Revenue ($000's)
		(a)	(b)	(c) = (a)+(b)	(d)	(e)=(c)+(d)
	Delivery North					
1	R01	131,963		131,963		131,963
2	R10	21,839		21,839		21,839
3	R20	7,420		7,420		7,420
4	R25	2,346		2,346		2,346
5	R77	28		28		28
6	R100	16,159		16,159		16,159
7	Total North Delivery	179,754	-	179,754	-	179,754
	In-franchise South Delivery and Storage					
8	M1	356,092		356,092		356,092
9	M2	51,005		51,005		51,005
10	M4	13,789		13,789		13,789
11	M5	7,948		7,948		7,948
12	M7	6,639		6,639		6,639
13	M9	584		584		584
14	M10	5		5		5
15	T1	54,652		54,652		54,652
16	T3	5,526		5,526		5,526
17	Total South Delivery and Storage	496,239	-	496,239	-	496,239
18	Total In-franchise Delivery and Storage	675,993	-	675,993	-	675,993

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 3, Column (q)
(2) EB-2008-0033, Working Papers, Schedule 3, Page 2 and EB-2008-0109, Working Papers, Schedule 3, Page 2
(3) EB-2007-0606, Rate Order, Working Papers, Schedule 14, Column (d); including diversions; updated for TCPL toll changes

UNION GAS LIMITED
Total Delivery and Storage Revenue
Effective January 1, 2009

Line No.	Particulars	EB-2007-0606 Approved Revenue (1) ($000's)	Change in TCPL FT Tolls (2) ($000's)	Current Approved Revenue ($000's)	Upstream Transportation Costs (3) ($000's)	Delivery and Storage Revenue ($000's)
		(a)	(b)	(c) = (a)+(b)	(d)	(e)=(c)+(d)
	Northern Transportation and Storage					
1	R01	54,033	11,502	65,535	(50,920)	14,615
2	R10	19,514	4,695	24,209	(20,110)	4,099
3	R20	6,513	1,995	8,507	(7,840)	667
4	R25	1,032	383	1,415	(1,414)	0
5	R100	1,757	-	1,757	(487)	1,270
6	Total North Transport and Storage	82,847	18,575	101,422	(80,770)	20,651
7	Total In-franchise	758,840	18,575	777,414	(80,770)	696,644
	Ex-franchise					
8	M12	184,581		184,581		184,581
9	M13	864		864		864
10	M16	551		551		551
11	C1	3,014		3,014		3,014
12	Total Ex-franchise	189,010	-	189,010	-	189,010
13	Total Delivery and Storage	947,851	18,575	966,424	(80,770)	885,655

Notes:
(1) EB-2007-0606, Rate Order, Working Papers, Schedule 3, Column (q)
(2) EB-2008-0033, Working Papers, Schedule 3, Page 2 and EB-2008-0109, Working Papers, Schedule 3, Page 2
(3) EB-2007-0606, Rate Order, Working Papers, Schedule 14, Column (d); including diversions; updated for TCPL toll changes

UNION GAS LIMITED
Allocation of Adjustments to Rate Classes
($000's)

		Adjustments to 2008 Base Rates		2009 Z-factor Adjustments			
		2008 Tax Related Adjustments		Tax Changes	IFRS		
Line No.	Particulars	2007 Approved Allocation (1)	Adjustment (2)	Adjustment (2)	2007 Approved Allocation (3)	Adjustment (4)	Total Adjustment
		(a)	(b)	(c)	(d)	(e)	(f) = (c) + (e)
	North						
1	R01	561,550	765	(60)	20,780	220	159
2	R10	103,786	141	(11)	2,254	24	13
3	R20	53,736	73	(6)	1,390	15	9
4	R25	24,119	33	(3)	438	5	2
5	R77	96	0	(0)	2	0	0
6	R100	71,109	97	(8)	2,066	22	14
7	Total North (lines 1-6)	814,395	1,110	(87)	26,931	285	197
	In-franchise South						
8	M1	1,312,577	1,788	(141)	61,728	652	512
9	M2	199,518	272	(21)	5,834	62	40
10	M4	53,190	72	(6)	2,590	27	22
11	M5	32,615	44	(3)	1,170	12	9
12	M7	32,982	45	(4)	1,169	12	9
13	M9	2,763	4	(0)	61	1	0
14	M10	131	0	(0)	6	0	0
15	T1	161,793	220	(17)	6,288	66	49
16	T3	19,490	27	(2)	593	6	4
17	Total In-franchise South (lines 8-16)	1,815,060	2,473	(195)	79,438	839	645
18	Total In-franchise (line 7 + line 17)	2,629,455	3,582	(282)	106,369	1,124	842
	Ex-franchise						
19	M12	645,745	880	(69)	8,518	90	21
20	M13	493	1	(0)	0	0	(0)
21	M16	692	1	(0)	8	0	0
22	C1	100,811	137	(11)	2,362	25	14
23	Total Ex-franchise (lines 19-22)	747,742	1,019	(80)	10,889	115	35
24	Total Union Gas (line 18 + line 23)	3,377,197	4,601 (5)	(362) (6)	117,258	1,239	877

Notes:
(1) EB-2005-0520, Exhibit G3, Tab 2, Schedule 2, Rate Base, Updated for EB-2005-0520 Board Decision
(2) Allocated using column (a)
(3) EB-2005-0520, Exhibit G3, Tab 2, Schedule 2, Administrative & General O&M Expense, Updated for EB-2005-0520 Board Decision
(4) Allocated using column (d)
(5) EB-2008-0220, Rate Order, Working Papers, Schedule 15, line 19
(6) EB-2008-0220, Rate Order, Working Papers, Schedule 15, line 17, column (b) - column (a)

UNION GAS LIMITED
Summary of S&T Transactional Margin Included In 2009 Rates

Line No.	Particulars ($ 000's)	Total Revenue (1) (a)	Allocated Cost (2) (b)	Total Margin (c) = (a - b)	Included in 2007 In-franchise Rates (d)	Included in 2008 In-franchise Rates (e)	Included in 2009 In-franchise Rates (f)	Change in Sharing of Forecast S&T Margin (g)=(e-f)
	Transportation & Exchange Services Acct. 179-69							
1	Transportation and Exchanges	4,000	1,417	2,583				
2	M12 Transportation Overrun	-	-	-				
3	Total Transportation & Exchanges	4,000	1,417	2,583	222	2,583 (3)	2,583	-
	Short Term Storage & Balancing Services Acct. 179-70							
4	Short Term Peak Storage	13,794	847	12,947				
5	Off Peak Storage, Balancing & Loans	4,092	1,285	2,807				
6	Enbridge LBA	75	-	75				
7	Total Short Term Storage & Balancing Services	17,961	2,132	15,829	14,246	11,254 (4)	11,254	-
8	Total Long Term Peak Storage Services Acct. 179-72	42,058	20,653	21,405	19,265	16,054 (5)	10,703 (5)	5,351
9	Other S&T Services Acct. 179-73	895	42	853	768	853 (6)	853	-
10	Total	64,914	24,244	40,670	34,501	30,744	25,393	5,351

Notes: (1) EB-2005-0520, Rate Order, Working Papers, Schedule 24, Column (a)
(2) EB-2005-0520, Rate Order, Working Papers, Schedule 24, Column (b)
(3) Includes in-franchise impact of the proposed changes to the sharing of forecast S&T transactional margin
(4) EB-2005-0551, Decision with Reasons, Section 9.1.2
(5) EB-2005-0551, Decision with Reasons, Section 7.3
(6) Includes in-franchise impact of the proposed changes to the sharing of forecast S&T transactional margin

UNION GAS LIMITED
Calculation of Tax Rate Change Impacts
Effective January 1, 2009
($000's)

Line No.	Particulars	2008 (a)	2009 (b)
	Tax Amounts Related to CCA Rate Changes		
1	CCA Difference (1)	(1,769)	(1,769)
2	Forecast Income Tax Rate	33.50%	33.00%
3	Tax Savings (Line 1 * Line 2)	(593)	(584)
4	Grossed-up Tax Savings (Line 3/(1-Line 2))	(891)	(871)
	Tax Amounts Related to Income Tax Rate Changes		
5	2007 Board Approved Taxable Income for Income Tax Expense Calculation (2)	103,902	103,902
6	2007 Board Approved Tax Rate	36.12%	36.12%
7	Forecast Income Tax Rate	33.50%	33.00%
8	Tax Rate Variance (Line 7-Line 6)	(2.62%)	(3.12%)
9	Cumulative Annual Income Tax Savings vs. 2007 Board Approved (Line 5 * Line 8)	(2,722)	(3,242)
10	Grossed-up Tax Savings (Line 9/(1-Line 7))	(4,094)	(4,838)
	Tax Amounts Related to Capital Tax Rate Changes		
11	2007 Board Approved Taxable Capital	3,020,911	3,020,911
12	2007 Board Approved Capital Tax Rate (3)	0.285%	0.285%
13	Forecast Capital Tax Rate	0.225%	0.225%
14	Capital Tax Variance (Line 13-Line 12)	(0.060%)	(0.060%)
15	Cumulative Annual Capital Tax Savings vs. 2007 Board Approved (Line 11 * Line 14)	(1,813)	(1,813)
16	Cumulative Total Forecast Tax Related Amount (Lines 4+10+15)	(6,797)	(7,522)
17	Cumulative Total Tax Related Amount Reflected in Rates (50% of Line 16) (4)	(3,399)	(3,761)
18	2008 Interim Adjustment	(8,000)	
19	Total Annual Rate Adjustment	4,601 (5)	4,239 (6)

Notes:
(1) CCA savings associated with 2007 Board approved capital additions
(2) EB-2005-0520, Rate Order Working Papers, Schedule 4, Column (e), Line 10 plus EB-2005-0520, Rate Order Working Papers, Schedule 1, Column (e), Line 7
(3) EB-2005-0520, ADR Agreement, page 20
(4) EB-2007-0606, Decision dated July 31, 2008, page 9
(5) To be addressed in 2008 Deferral Account Disposition
(6) 2009 Rate Adjustment includes true up for 2008 one time tax adjustment (Column (b), Line 17 minus Column (a), Line 18)